

June 28, 2019

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 8th Annual General Meeting, Book Closure and Dividend for the financial year 2018-19

This is to inform you that:

1. The 8th Annual General Meeting (AGM) of the Members of Orient Cement Limited will be held on Thursday, 1st day of August, 2019 at 2:00 P.M at Unit –VIII, Plot No. 7, Bhoinagar, Bhubaneswar-751012, Odisha.
2. 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 2018-19 as sent to the shareholders is attached herewith. It is hereby confirmed that dispatch of the Notice convening the 8th AGM and the Annual Report for the financial year 2018-19 to the shareholders of the Company commenced on 28th June, 2019.
3. Pursuant to Regulation 42 of the Listing Regulations, the Register of Members and Share Transfer Books of the Company will remain closed from Friday, 26th July, 2019 to Thursday, 1st August, 2019, both days inclusive, for AGM and for determining the entitlement of the shareholders to the final dividend for the financial year 2018-19.
4. The dividend on Equity Shares, if declared at the AGM, will be credited/ dispatched by 9th August, 2019 to those members whose names shall appear on the Company's Register of Members as on book closure date.
5. The Company has engaged Karvy Fintech Private Limited to provide the facility of "remote e-voting" to its members. The remote e-voting period commences on 29th July, 2019 (9:00 A.M.) and ends on 31st July, 2019 (5:00 P.M.). During this period, members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date, i.e., 25th July, 2019, may cast their vote by remote e-voting.

Kindly take the same on record.

Yours faithfully,
For **Orient Cement Limited**


Nidhi Bisaria
(Company Secretary)

Encl. As stated

Orient Cement Limited

Corporate Office: Birla Tower, 3rd fl, 25 Barakhamba Road, New Delhi 110001, India. 011 42092100

Registered Office: Unit VIII, Plot No.7, Bhoinagar, Bhubaneswar, Odisha 751012, India. www.orientcement.com

CIN No : L26940OR2011PLC013933



Wings of Collaboration

Orient Cement Limited | Annual Report 2018-19

 **CK BIRLA GROUP**

ORIENT
CEMENT

Forward-looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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Corporate Information

BOARD OF DIRECTORS

Mr. Chandrakant Birla

(Chairman)

Mrs. Amita Birla

Mr. Rajeev Jhawar

Mr. Vinod Kumar Dhall

(resigned w.e.f. March 23, 2019)

Mr. Rabindranath Jhunjhunwala

Mr. Janat Shah

Mr. Swapan Dasgupta

Mr. I.Y.R. Krishna Rao

Mrs. Varsha Vasant Purandare

(appointed w.e.f. February 8, 2019)

Mr. Desh Deepak Khetrpal

(Managing Director & CEO)

KEY MANAGERIAL PERSONS

Mr. Desh Deepak Khetrpal

(Managing Director & CEO)

Mr. Sushil Gupta

(Chief Financial Officer)

Mrs. Nidhi Bisaria

(Company Secretary)

STATUTORY AUDITORS

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

Chartered Accountants,

22, Camac Street, Block C,

3rd Floor, Kolkata - 700016

REGISTERED OFFICE

Unit-VIII, Plot No. 7, Bhoinagar,

Bhubaneswar - 751 012 (Odisha)

CORPORATE IDENTIFICATION NO.

L26940OR2011PLC013933

MANUFACTURING PLANTS

Devapur

P.O. Devapur Cement Works

Dist. Adilabad - 504 218 (Telangana)

Jalgaon

Nashirabad, Dist. Jalgaon (Maharashtra)

Chittapur

Village Itaga, Malkhaid Road,

Taluka Chittapur, Dist. Kalburagi,

Karnataka - 585 292

REGISTRAR & TRANSFER AGENT

Karvy Fintech Private Limited

Unit: Orient Cement Limited

6F-025, 6th Floor, Karvy Selenium, Tower B,

Gachibowli, Financial District, Nanakramguda,

Hyderabad-500032

Toll Free No. 1800-3454-001

Email: einward.ris@karvy.com

BANKERS

State Bank of India

HDFC Bank Limited

Indian Bank

ICICI Bank Limited

EXIM Bank of India

Punjab National Bank

8th ANNUAL GENERAL MEETING

Date : 1st day of August, 2019

Day : Thursday, Time : 2:00 P.M.

Venue : Unit-VIII, Plot No. 7, Bhoinagar,

Bhubaneswar - 751 012 (Odisha)

BOOK CLOSURE FOR AGM

Friday, 26th day of July, 2019 to Thursday,

1st day of August, 2019

(Both days inclusive)

WEBSITE

www.orientcement.com

What do great
teams do?

They **care.**

They **complement.**

They **collaborate.**

They **inspire.**





The result

Great teams are usually the last ones standing in challenging phases. And the first to be off the blocks when conditions improve.

What Orient Cement achieved in 2018-19 was a reflection of what such strong teams usually achieve.

The market price for cement remained low for most of the year even as cost pressures remained unrelenting. Rather than complain about the prevailing environment, Orient Cement, marketed wider and deeper, launched a premium product under a new brand and increased all-round efficiencies. As realisations recovered in the fourth quarter of 2018-19, Orient Cement reported its best quarterly results ever.

Emphasising the one point that we have always believed.

That when individuals collaborate, companies develop wings.



things you need to know about Orient Cement Limited

Legacy



Orient Cement embarked on its journey in 1979 and commenced cement production with the commercialisation of the Devapur plant. The Company was initially a part of Orient Paper and Industries. Following its demerger in 2012, it has emerged as one of the most respected cement companies in India.

Products



Orient Cement has a diversified range of products comprising the Ordinary Portland Cement and Pozzolana Portland Cement varieties. The Company markets its products under the Birla A1 Brand. Riding on the success of its premium brand, Birla A1 Strongcrete, OCL has emerged as one of the leading players in the market.

Capacity



Orient Cement has two cutting-edge integrated cement manufacturing plants in Devapur (Telangana) and Chittapur (Karnataka), as well as a clinker grinding unit in Jalgaon (Maharashtra). The Company had an aggregate cement manufacturing capacity of 8 million tonnes per annum and clinker manufacturing capacity of over 5.5 million tonnes per annum as on 31st March 2019.

Presence



The Company's key markets include Maharashtra, Telangana and Karnataka, which cumulatively account for 80% of its revenues. The other states of presence for OCL are Andhra Pradesh, Madhya Pradesh, Chhattisgarh, Gujarat, Tamil Nadu and Goa. The Company has a robust presence with 3,279 touch points across the country.

People



The Company comprised 1257 employees and 3790 contract workers as on 31 March 2019. Revenue per person grew attractively in the five years ending 2018-19; the number of employees working with the Company for more than a decade was 40%

Certifications



The Company is accredited with ISO 9001:2008, ISO 14001:2004 and OHSAS 18001:2007 for its stringent compliance with qualitative, environmental and workplace safety norms. OCL was awarded the prestigious 'GreenPro' award for the product Birla A1 Premium Cement by CII.

Listing



Orient Cement is listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). The Company's market capitalisation stood at ₹1618.46 crore as on 31st March 2019.

ORIENT CEMENT VISION AND VALUES



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



Humility
to learn



Walk
the talk

**Build
Sustainably**

to

**Be a
valued partner
in progress**



Agility
with speed



Passion
to excel



Respect
for all



Celebrate
diversity



The theme – Wings of Collaboration – is not only relevant for the Company in particular but for humankind in general as well.

We believe that collaboration is more than a functional statement; it represents a 'safety net', which ensures that we are the last person standing during challenging external realities and the first to run when sectoral circumstances improve.

This spirit of collaboration does not operate as an island within our Company. It is marked by various other values that come into play.

It is marked by 'Humility to Learn', where there is no shame in admitting that we do not know something or that someone else possesses a superior knowledge in a specific domain as long we possess an insatiable desire to learn.

This collaborative spirit is also marked by the ability to 'Walk the Talk'. We need to earn our dependability by keeping the promises we make.

Our 'Respect for All' ethic is a 360-degree inclusive definition that

is helping build mutually-beneficial relationships with all stakeholders.

Our commitment to 'Celebrate Diversity' is helping enrich our pool of perspectives drawn from people of different genders, races, faiths, physical abilities and sexual orientation.

Our 'Passion for Excellence' is driving us to work harder than ever, not because we are forced to but because we are inspired to.

Our commitment to 'Agility with Speed' has enhanced our responsiveness to a rapidly changing world through initiatives related to cutting-edge technologies, resulting in quicker and informed decision-making.

I am pleased that the sum of these values was showcased in our ability to report a vigorous turnaround in the last quarter, one of the best in our existence.

I am optimistic that this represents only the beginning of a rewarding journey where we add attractive value in the hands of those associated with our Company.

CK. Birla, Chairman

I am pleased that the sum of our values was showcased in our ability to report a vigorous turnaround in the last quarter, one of the best in our existence.



Agility With Speed



Celebrate Diversity



Collaboration



Humility to Learn



Passion to Excel



Respect for All



Walk the Talk

At Orient Cement, the spirit of collaboration represents a multiplier that we believe will enhance value in a substantial way for our stakeholders across the foreseeable future.



We, at Orient Cement, are inspired by the role cement has played in human development.

Cement has been more integral to the progress of human civilisation than most people appreciate.

We are aware of the super-charged acceleration of human development that commenced only after urbanisation increased.

A large aggregation of people, increased specialisation, focused division of work, systematic surplus generation to fund administration and security among others, were all made possible by the overarching infrastructure needed for large communities to be accommodated.

Until the start of the last century, only 16% of the world's population lived in urban clusters. Exactly 100 years later, the

₹62 crore

Net profit in the last quarter (Q4)

proportion of people living in urban clusters had increased to 47%. Some 118 years later this increased to 55% and is projected to rise to 68% by 2050.

We widely recognise that urbanisation is gaining momentum. What we do not appreciate enough is that urbanisation was made possible by the development of building materials that could be stronger, longer-lasting, easy to transport or work with and more affordable over traditional alternatives.

The game-changing product was the humble cement.

Cement transformed a natural resource (limestone) into a rock to address construction needs.

In doing so, cement delivered a new and dramatic proposition for humankind: stronger building of infrastructure, taller developments and larger spatial spreads.

Cement and urbanisation did something else: they incentivised science and engineering, which catalysed the creation of new products and services. The result is that urban spaces began to account for a larger proportion of all the products and services sold – from 2.69% at the start of the 1900s to an estimated 64% today.

At Orient Cement, we keep highlighting our role in the development of civil society. We stay conscious of our role and responsibility as cement providers to the nation and the world. We help in making this earth a better and convenient place for existence.

While cement made urbanisation possible, urbanisation created the possibilities of collaboration, where a large number of people could network to achieve things considered otherwise impossible for a few individuals. This collaboration virtue makes humankind powerful and successful.

At Orient Cement, we not only celebrate this value of collaboration, but have adopted it with a differentiated mindset. We made this virtually central to our being. We believe that the strength of the wolf is the strength of the pack (and vice versa); we believe we would only be as strong as the weakest link in our chain; we are convinced that when we collaborate, the sum of the constituents will always be a larger multiple of their standalone capabilities.

We group. We communicate. We empower. We delegate. We motivate. We innovate. We recognise. We reward. We celebrate.

While this may appear to be sequentially simple and linear, the reality is more challenging. Even after extensive collaboration, we have been through times when the translation of all the collaboration into our financials has been delayed due to external economic dynamics.

Which brings me to one of the most important corollaries that accompany our spirit of collaboration – we never lose faith. We have continued to collaborate to graduate to a better, faster and simpler way of working. We have continued to believe that there would soon come a time when even a marginally positive change in ground realities would generate a disproportionate upside for us and our stakeholders.

I am pleased to communicate that the 'disproportionate' did indeed transpire. During the first three quarters of the year under review, the Company reported a muted performance on account of prevailing economic and market conditions. The result was that the Company was PAT-negative at the end of the first nine months of the year under review.

However, we continued to collaborate deeper to enhance our cost leadership, strengthen our customer-orientation, graduate manual processes to the automated and the automated legacy to the digital, we strengthened our competitiveness.

As a result, Orient Cement reported a net profit of nearly ₹62 crore for the last quarter, thus wiping out the YTD loss till the end of Q3 and resulting in a 7% growth in net profit for the full financial year over the preceding year. This turnaround validated what we have always believed: if we collaborate effectively, we would be the last person standing in weak markets and the first to be off the blocks when conditions improve.

At Orient Cement, this spirit of collaboration represents a multiplier that we believe will enhance value in a substantial way for our stakeholders across the foreseeable future.

Deepak Khetrpal,
Managing Director & CEO

We continued to collaborate deeper to enhance our cost leadership, strengthen our customer-orientation, graduate manual processes to the automated and the automated legacy to the digital, we strengthened our competitiveness.

Financial highlights

How we have grown over the years

Revenue (₹ crore)

2018-19	2536.1
2017-18	2242.6
2016-17	1887.0
2015-16	1470.0

Definition

Sales growth net of taxes.

Why is this measured?

This measure reflects our ability to understand market trends and service customer requirements with our products through responsive manufacturing and competent supply chain management.

Performance

Aggregate sales increased by ~13% to reach ₹2536.1 crore in 2018-19 due to increased demand and improved realisations in the last quarter

Value impact

Creates a robust sales growth engine on which to build profits

Net profit (₹ crore)

2018-19	47.6
2017-18	44.2
2016-17	(32.1)
2015-16	62.4

Definition

Profit reported during the year after deducting all expenses and provisions.

Why is this measured?

It highlights the strength of the business model in generating ultimate value for its shareholders.

Performance

The Company reported a ~8% increase in its profit after tax in 2018-19 – reflecting the robustness and resilience of the business model in growing shareholder value despite external vagaries

Value impact

Direct correlation to value attributable to shareholders and available to support further investment in growth.

EBITDA (₹ crore)

2018-19	326.0
2017-18	325.4
2016-17	190.4
2015-16	193.1

Definition

Earning before the deduction of fixed expenses (interest, depreciation, extraordinary items and tax).

Why is this measured?

It is an index of the Company's ability to optimise business operating costs despite inflationary pressures, which can be easily compared with the retrospective average and sectoral peers.

Performance

The Company's EBITDA for 2018-19 stood at ₹326 crore

Value impact

This is a measure of the cash produced by the operating business, before interest or depreciation, that is internally available to fund capital expenditure and investments in the business going forward, before requiring external funding.

EBITDA margin (%)

2018-19	12.9
2017-18	14.5
2016-17	10.1
2015-16	13.1

Definition

EBITDA margin is a profitability ratio used to measure a company's pricing strategy and operating efficiency. The higher the operating margin, the better for the Company.

Why is this measured?

The EBITDA margin gives an idea of how much a company earns (before accounting for interest and taxes) on each unit of sale.

Performance

The Company reported a stable EBITDA through higher volumes despite a decreasing EBITDA margins on account of reduced prices.

Value impact

Demonstrates the efficiency of a company's core operations relative to revenues generated.

RoCE (%)

2018-19	8.5
2017-18	9.0
2016-17	3.1
2015-16	7.6

Definition

It is a financial ratio that measures a company's profitability and the efficiency with which its capital is employed in the business.

Why is this measured?

RoCE is a useful metric for comparing profitability across companies based on the amount of capital they use - especially in capital-intensive sectors.

Performance

The Company reported a marginal decline in RoCE due to lower realisations.

Value impact

Enhanced RoCE can potentially drive valuations and perception.

Debt-equity ratio (x)

2018-19	1.2
2017-18	1.2
2016-17	1.3
2015-16	1.2

Definition

This is derived through the ratio of debt to net worth (less revaluation reserves).

Why is this measured?

This is one of the defining measures of a company's financial health, indicating solvency.

Performance

The Company was able to sustain the gearing at a reasonable 1.2 times in 2018-19.

Value impact

Helped control any increase in organisational risk.

Debt cost (%)

2018-19	9.5
2017-18	9.3
2016-17	10.1
2015-16	10.0

Definition

This is derived through the calculation of the average cost of the consolidated debt on the Company's books.

Why we measure

This indicates our ability to convince bankers and other debt providers of the robustness of our business model, translating into a progressively lower debt cost (potentially leading to higher margins).

Performance

The Company's debt cost declined by 50 bps over the last four years.

Value impact

Strengthened ability to service debt; enhanced credit rating for successive declines in debt cost.

Interest Cover (x)

2018-19	2.7
2017-18	2.7
2016-17	1.5
2015-16	1.7

Definition

This is derived through the division of EBITDA by interest outflow.

Why we measure

Interest cover indicates the Company's comfort in servicing interest, the higher the better.

Performance

The Company was able to sustain its interest cover at a robust 2.7 times in 2018-19.

Value impact

The higher number indicates a strengthened ability to service debt, reflecting either improved cash flows or reduced interest costs or both.





Collaboration. The Orient Cement way - the *dahi haandi* way

"I have seen further by standing on the shoulders of giants." – *Sir Isaac Newton*

The power of collaboration helps achieve unthinkable things

When an individual no more than six feet (in most cases) seeks to reach a vertical height of around 30 feet without the support of any man-made accessory, the first reaction is one of impossibility: 'Can't be done!'

This challenge is lived out in the streets of India each year during a festival, when dozens of focused young men embark to demonstrate that impossible is nothing.

They set out to create a human pyramid, climb atop each other and empower the last individual at the apex to reach the *dahi haandi* (their objective).

Strength plays a role. Balance is critical. Role responsibility is defining.

But one feature makes the biggest difference.

Collaboration.

At Orient Cement, we are driven by our objective to build sustainably and be a valued partner in progress.

We believe that this objective can only be achieved if our stakeholders collaborate productively and effectively, strengthening our multi-year growth journey.



Collaboration commences with trust

At first glance, a 30 feet human pyramid indeed appears an impossibility.

Because anyone could lose balance. Because any single individual could slip. Because anyone's grip could weaken.

But if this human pyramid does succeed, it is because of something in the collaborative process that extends beyond strength or stability or stamina.

Trust.

Trust that provides one member with the assurance that he can transmit as much of body weight to another without fear.

Trust that each one accepts completely that his ego needs to be subservient to a greater objective.

Trust that makes it possible for an individual to allow his shoulder to be used for a larger cause.

Trust that when a larger pressure is indeed exerted, the partner will willingly accept without question.

The result is that when the individual touches the peak, it is the triumph not as much of brain or brawn.

But of something more enduring.

Values.

At Orient Cement, our success is driven by how effectively we live our values

Our values comprise team working (collaboration), adaptability to environments (humility to learn), willingness to honour commitments (walk the talk), general agreeability (respect for all), acceptances of the differences of others (celebrate diversity), a keenness to do one's best (passion to excel) and a superior responsiveness to threats and opportunities (agility with speed).



Collaboration commences within – between the self and the ego

It would be easy to describe a 30 feet human pyramid as a physical achievement.

At Orient Cement, we believe it is something more fundamental.

Spiritual.

Because one needs to subdue one's ego. Because one needs to replace the 'I' with the 'we', where the individual's self flows into a larger collective consciousness.

When the 'we' takes over, people go out of their way to assist.

With no self-centred ego at work, people contribute without expectation of return.

The result is evident in the corridors: 'The target doesn't seem impossible! Or 'Because we are in this together, we will transform the impossible into a reality.'

There is a term for this.

Body language.

At Orient Cement, our teams collaborated effectively with external agencies to create a vigorous turnaround

During the year under review, we (plant operations, sales and supply chain management teams) were required to work extensively with each other and other external teams. The '*dahi haandi*' spirit took over. Roles, functions and responsibilities blended. Teams merged. The result was a 21% increase in revenues in the last quarter over the corresponding period of the previous year.



Collaboration is catalysed by the aggregation of right mindsets

When the captain of the 'dahi haandi' team sits down to create a complement of the right individuals, the first question remains the same year after year: 'Will the individual fit into our team?'

The word 'fit' makes all the difference.

It implies an individual with similar values. It implies an individual possessing a compatible physical constitution. It implies an individual open to feedback. It implies an individual willing to course-correct. It implies an individual willing to work in a team. It implies an individual open and flexible to role changes. It implies a team where the youngest (and possibly the most inexperienced) is assigned to perform the most visible part of the exercise.

Which is why when the captain is convinced that the team dynamics are at a sweet collaborative spot, he does what any good leader would do.

He lets the team be. No change. No switch.

And gets back to what he sees as his principal role – catalysing the chemistry between individuals with the objective to enhance team effectiveness.



At Orient Cement, we are an employer of diverse skills **focused on a central objective**

Orient Cement is an effective ferment of capabilities, backgrounds, genders and ages.

The Company's average age declined to 37 years in 2018-19; the proportion of women in our Company increased to 5% over the years. More than the numbers, the operating culture is one of open-plan delegation: where the senior poses a challenge to younger team members (as opposed to issuing a 'do it this way and then report to me' command), where the project is addressed innovatively and when it is time to take the credit, the senior says 'They did it.'



Collaboration is seeing every role – big or small – as critical to the whole

A potential challenge of every '*dahi haandi*' team captain is the selection of that one team player who will rise to the apex of the pyramid.

Each one seeks to be that 'one person'. Each one drops a hint with the captain. Each one occasionally says 'Try me.'

However, once the captain decides who will rise to the top, the mood transforms.

Each one now explains why it is not important about who breaks the pot; it is explaining how each one's role is critical without which the larger objective would never be achieved.

The 'I' becomes 'We'.

At Orient Cement, our effectiveness is derived from collaboration across teams

At Orient Cement, we believe our effectiveness has been enhanced through the productivity of our various teams (finance, manufacturing, marketing, procurement, distribution, logistics, branding and human resource management, among others) and aggressive delegation. For example, the critical Key Account Management business initiative (directed at maximising sales from institutional customers) was headed by a young manager with only three years' experience, supported by back-end flexibility involving a number of functions. The result is that the proportion of revenue derived from the key account management approach within B2B revenue doubled. The effectiveness of this inter-team working translated into a record fourth quarter for the Company in 2018-19 – a doubling of EBITDA and a net profit of almost ₹62 crore for Q4 2018-19, up from ₹13 crore in the same quarter of the previous year.



Collaboration means a willingness to switch roles for the larger good

One of the most important things that the captain of a '*dahi haandi*' endeavour does is enlarge the personality of every team member.

'You are bigger than who you think you are' is something the team captain is often heard repeating.

'You are three team members in one' is another line that the team captain uses to help each member raise his game.

The team captain's argument is founded on a precise understanding of member roles. Most individuals play the role of load provider, balancer and supporter based on their respective position within the overall architecture.

Some individuals stand on top of another and provide balanced load; others stand shoulder-to-shoulder and enhance balance; yet others stand below another team member and strengthen structural stability.

The concurrent interplay of each role by each member enhances overall stability and achievement.

At Orient Cement, we believe that each individual holds infinite possibilities

At Orient Cement, we believe that roles could be fleeting; capabilities are enduring. Over the years, the Company increased recruitments from within by encouraging employees to apply. The Company encouraged role switches to enable employees develop a holistic understanding of the business, leading to informed decision-making. In 2018-19, more than 50% of working positions were filled by internal candidates as a part of our policy to enhance a cross-functional exposure.



Collaboration means a wider view where even unseen stakeholders are considered partners

In the human pyramid, it is easy to feel that the one at the apex is the only active player who makes the objective happen.

The reality is that every single player in the architecture is a partner – the anonymous shoulder at the bottom rung or the person seemingly doing nothing more than shouldering another.

This larger view where every single individual is not a load bearer but a partner is what makes a seemingly impossible objective realisable.

However, ask any team captain engaged in the challenging '*dahi haandi*' objective and he will tell you that the most important players in the architecture are people who are not even in it.

It includes the neighbourhood home-maker who provides the customary '*tilak*' before the players embark on the exercise; it comprises the neighbourhood child who aspires to be a part of the pyramid when grown up; it includes the gentleman who talks with pride on what his neighbourhood has achieved. It comprises the children, domestic assistants and other residents who watch with pride and awe from their windows as the pyramid mounts ...one individual at a time.

Take them out of the picture, as the captain says, and there would be no context or meaning to the achievement.

At Orient Cement, we collaborate with various external stakeholders

We worked closely with multiple vendors to achieve savings that were then shared, graduating them into partners.

We achieved breakthrough initiatives like GPS and RFID on trucks through collaboration with and training for our transportation partners.

We collaborated with neighbourhoods through CSR initiatives related to training and infrastructure development well before this was considered statutory; we spent more than was indicated; we provided community support far beyond what had been mandated.



Collaboration means playing a bigger game for a larger impact with a timeless echo

When a team from a neighbourhood creates a human pyramid to pursue a supposedly unreachable target, it is easy to believe that the pursuit is singularly about the *dahi haandi*.

It is not.

The pursuit is about something deeper.

It is about community pride; it is about the spirit of human achievement; it is about sending a message to the world that 'If we could have done it, so can you'; it is about creating an epicentre that translates into a ripple that touches more than seven billion people.

At Orient Cement, we believe we are engaged in transforming our part of the world

When the Company resolved to transform from a legacy semi-manual reality to digitalisation a few years ago, the doubts were extensive. These doubts increased when all selected members of the Digital Transformation Team were under 30.

'But they don't possess the experience to achieve such a large transformation' is a line that would have been thrown around in most companies.

'But why does a cement company need digitalisation in the first place?' is the other line that would have been used. Not at Orient Cement.

The result of having empowered an enthusiastic team seized with a mission has virtually transformed the DNA of the Company.

The Orient Cement of today is largely paperless. Requests for leaves, bills for clearance and statements are submitted online. Dealer remittances are transmitted online. Dealer accounts are updated in real-time. Credit limits (based on payments received) are revised in real-time. Products dispatched can be tracked on smartphones.

The result is that Orient Cement has evolved from 'product' to 'experience'.



At Orient Cement, the spirit of collaboration represents the foundation of our success.

This pervasive spirit is perceptible across our organisation, across functions, geographies, hierarchies and our diversity.

Our collaborative spirit draws inspiration from the popular sport of *dahi haandi*.

In this challenging engagement, every team member's singular focus is to contribute and collaborate towards the over-arching goal.

The *dahi haandi* represents an inspiring instance of selfless team-based collaboration.



Collaboration that empowers.
Collaboration that elevates.
Collaboration that transforms.
Collaboration that makes seemingly
impossible goals achievable.

Collaboration also enriches lives.

In the following pages, we carry just a few
of the inspiring stories of how this spirit
of collaboration has helped create scores
of confident individuals, powering a new
Orient Cement and preparing it for the
future.





“My wife says it well: ‘Orient Cement has been the family’s game-changer!’”

K. Tirupati

Assistant Manager, Dispatch

I began my Orient Cement journey in 2000 as a humble mazdoor.

Most companies may have balked at the prospect of hiring me. It would have been usual for companies to recruit individuals who had completed their education. The remarkable thing about the Orient Cement opportunity was that I began pursuing a post-graduation degree in Sociology four years *after* I joined the Company. In fact, Orient Cement provided me with space for academic and professional growth: from *mazdoor* I became a Senior Officer (Dispatch) and completed my MA in Sociology, an MA in Human Resource Management and an LLB, all of it while working at the Company!

These academic accomplishments were accompanied by professional achievement. I was appointed as the

first Welfare Officer of the Devapur cement plant. This position enhanced my confidence and empowered me to take better care of our workers.

What makes Orient Cement an outperformer is its humane approach in trusting people. The Company helped me with cash advances to sustain my education. My wife too completed her education with the Company’s support and is now a teacher at the Carmel Giri School.

We often hear of an India where people were able to transform their destinies in one generation. Orient Cement helped my family transform its destiny in the matter of a few years: from a *mazdoor* to a knowledge worker and a wife who is a teacher! She says it well: ‘Orient Cement has been the family’s game-changer!’

“Orient enhanced my financial stability and provided my child with a better future”

M. Srinivas
Senior Manager, Dispatch



When you come from a middle-class family where the father was a teacher at a government school and the mother a housewife, you address your career prospects with apprehension.

The big objective is to find a stable job, specialise in one area and achieve workplace respect.

Orient Cement transformed this apprehension into confidence through an empowering experience: being a young engineer provided me with the flexibility to work on short stints across various spaces: limestone crushing, raw mill, kiln area, cement mill, packaging plant, new projects and now I have the larger responsibility of overseeing the packaging and dispatch operations. *Overseeing!*

The big high at Orient Cement is the experience of empowerment: a regular maintenance person like me can immediately stop production if I notice something amiss. In fact, the best part is that I can stop the machines first and then report the incident to the management. This means that the management trusts my knowledge and discretion to make important decisions.

I got to this position because of Orient Cement's culture of support and encouragement. I am grateful because the Company has given me two things that I needed most when I joined: financial stability and a better future.

“Orient Cement has provided me a number of growth opportunities”

Raj Mogli

Locomotive Maintenance Worker



I joined Orient as a workman

in 1998. The reality is that in most companies a workman does not get enough cross-functional exposure to inculcate in themselves the required skills for personal development.

A completely different reality awaited me at Orient Cement. The Company provided me with growth opportunities. As I worked harder; more opportunities emerged. The result is that I am now a Grade C employee overseeing locomotive maintenance.

What has Orient Cement given me?

One, social respect considering that I have a stable job and my wife teaches at a government-run school.

Two, financial stability, considering that we both earn a good living for the family.

Three, a sense of self-worth. Some years ago, we encountered a massive power shortfall; following torrential rain one of our power transmission towers collapsed in the Godavari River. I was required to keep a constant vigil to ensure that the diesel power back-up generators kept working and production remained uninterrupted – for ten days. That felt good!

Four, peace of mind. *Hum jab bhi koi afsar ke paas samasya le kar jaate hain, woh hamesha hamaari baat sun ke jald-sey-jald suljhaane ki koshish karte hain.*



“When we intended to carve out a presence in Karnataka, we grew sales from zero to a substantial number in just two years!”

Abhay Deshpande
Joint Vice President, Sales

Before joining Orient Cement as

Regional Sales Manager in 1997, I had worked as a Sales Officer at a multinational corporation.

I was sceptical: would the new company be able to provide me with the same freedom?

I was pleasantly surprised. Orient Cement provided me with a wide berth to deliver. The result is that in 22 years with the Company, I have worked extensively across Southern India (Andhra Pradesh, Telangana, Tamil Nadu, Karnataka, Kerala and Chhattisgarh). And, when one would have considered my career to have already achieved full potential, Orient Cement entrusted me with the major sales responsibility for two key Western India markets (Gujarat and Maharashtra).

I now possess a deep perspective into all of the Company’s core markets - the only Orient Cement sales professional to

possess this rich experience.

Whatever I have received from Orient Cement I was able to pass on to my colleagues: especially the opportunity to work with freedom.

The result is that we penetrated deeper into core markets and carved out an attractive market share. When we entered newer markets of Chhattisgarh and Madhya Pradesh, we grew a market from scratch to a significant quantum in a short time. And when we targeted carving out a similar presence in Karnataka, we grew sales from zero to a substantial number in just two years!

The secret? Open-door policy. Responsive decision making (never beyond a couple of hours). The capacity to think big.

The take-away? Think big and think empowerment at Orient Cement. Amazing things can happen thereafter!



“My bharya mariya pillalu* are happy and healthy. What more could I ask for?”

Sidam Achyutarao
Workman



I was once a coolie earning

around a thousand rupees and that too in a ‘good month’. Things would have remained much the same but for a transformational moment in my life – I joined Orient Cement.

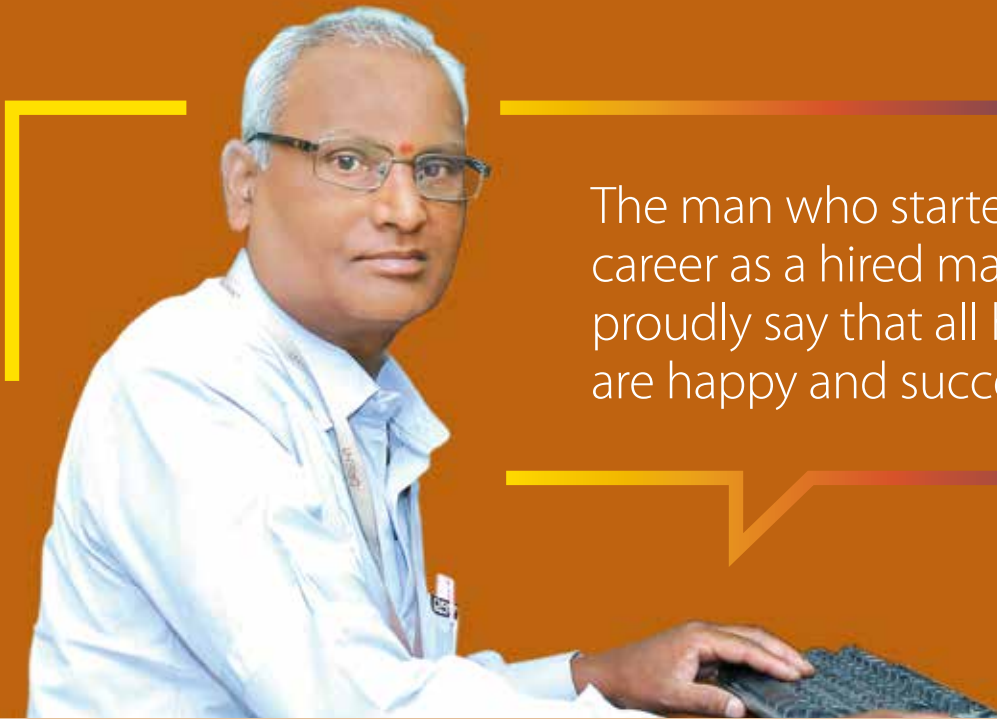
From an unorganised *mazdoor*, I was now an organised workman in a company that respected people and their inherent abilities. The result is I began to earn substantially more in a month, something that speaks volumes about the Company’s fair compensation policies based on merit irrespective of one’s educational qualification.

Thereafter I shifted to the

compressor department where a part of my responsibility included the ongoing examination of equipment sound. I now possess years of experience in structured listening. I can immediately sense when something is amiss and immediately report the issue to my senior. The problem is usually solved in minutes. The fact that an important responsibility has been given to me makes me feel proud and fulfilled.

And yes, thanks to Orient Cement, a former coolie’s children are now studying in Carmel Giri School where the education will one day transform their destinies!

*Telugu for ‘wife and children’



The man who started his career as a hired mazdoor can proudly say that all his children are happy and successful.

P. Gangaram
Fifth Grade Technician

I worked as a carpenter for 1.5 years before I joined Orient Cement. The first question that most people asked me was 'What will a person with your capability do in Orient Cement?' The credit goes to the Company that it not only found place for me as a contractual labourer but enhanced my skills to promote me to a Grade B worker. The story didn't end there. The Company kept giving me additional responsibilities to prove myself.

I worked in the stacker area for years and something remarkable transpired. My extended exposure provided me with an insight to re-design the 'proximity switch', which otherwise would have to be replaced every 2-3 days. I came up with something that obviated the need to replace the switch. The

bonus: stacker performance has improved!

It is no surprise that I have grown into a 5th grade technician at the Devapur plant.

My three children were schooled at Carmel Giri School within the plant premises and did exceptionally well in their respective spheres thereafter.

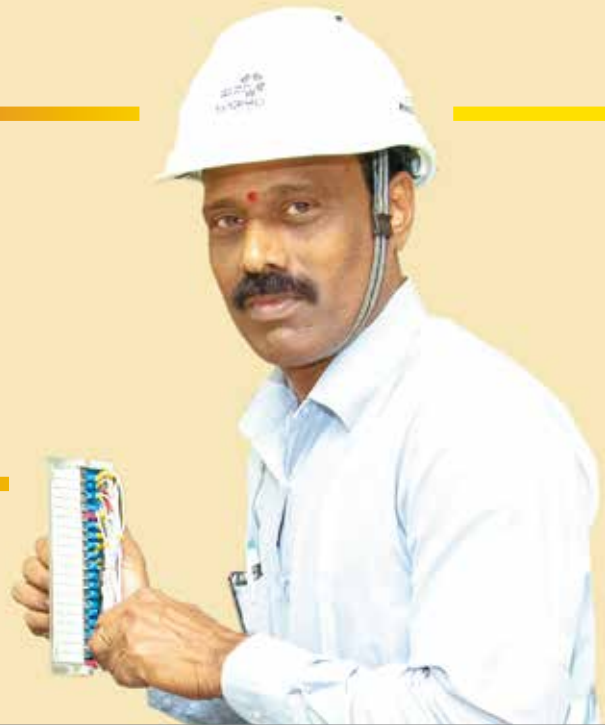
A man who started his career as a hired mazdoor can proudly say that thanks to learning opportunities at Orient Cement, the destiny of my family has transformed. For me, Orient Cement is not a company any longer; it is an extension of my family because it cares and allows its people to become what they truly can.



“After all these years I can only say one thing – *Dhanyavadelu Orient!**”

C.H. Apparao

Senior Technician (Instrumentation)



I joined Orient Cement as a trainee in 1991 and promoted to ‘B’ Grade Technician in 1992.

This could have been just another humdrum job. It wasn’t because of the various challenges the Company presented in the form of projects. Once the first project had been successfully addressed, I realised I had grown in confidence. Thereafter, I looked forward to new projects and each time I finished one, it was clear that I had become a stronger professional. The result is that I now embrace professional challenges. This is true for a range of employees at our Company, and indeed for the Company as a whole.

One specific challenge that comes to my mind is the time I protected ‘solint balls’ in the conveyor belt from getting damaged due to the high temperature in the kilns. Acting on my advice, Orient

Cement developed heat-resistant ‘solint balls’. This protection was the result of an active collaboration with the plant’s Mechanical Department, which led to a result that everyone was proud of.

The best thing at Orient Cement is the opportunity to enhance one’s cross-functional exposure. Though I worked in the mechanical department, I was exposed to a project involving storage of the final product in silos and even better, I was recognised and appreciated for this effort.

Orient Cement has been a ‘life-changer’ in many ways. On the professional front I am now working as Senior Technician (Instrumentation) while on the personal front, my children are well educated and doing well in life. There is no fitting way in which I can thank the Company so let me only say a sincere ‘*Dhanyavadelu Orient!*’*

*Telugu for ‘thank you’



My journey with Orient has transformed me as an individual and contributed immensely to my personal growth.

Lalit Pailani

Assistant General Manager, Sales

I began my journey

with Orient in 2010 as Management Trainee. In most companies, growth from this point would have taken years.

At Orient Cement, one encountered a different culture. My progress was catalysed by a cross-functional exposure. I engaged with a wide range of professionals. I kept learning something new.

My big moment came in 2013-14 when we exceeded our targeted Jalgaon market share owing to my team's

collaborative approach. The result was that I was selected for the CEO Circle programme. I underwent a two-year training course where I was sent to the Management Development Institute (Gurgaon) to attend an Executive Programme – all this within three years of joining the Company! And now I am a Regional Head.

My rapid growth in the last few years has transformed me as an individual. I am more confident now. The folks at home notice the difference too. They call it the 'Orient Cement Effect'!

Our Board of Directors

Mr. Chandrakant Birla *(Chairman)*

Date of Birth: 9th January, 1955

Date of appointment: 23rd 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. Desh Deepak Khetrpal *(Managing Director & CEO)*

Date of Birth: 5th July, 1955

Date of appointment: 2nd 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.

Mrs. Amita Birla *(Non-Executive Director)*

Date of Birth: 7th December, 1956

Date of appointment: 27th March, 2015

DIN: 00837718

Qualification: GCE-A Level

Occupation: Industrialist

Expertise in specific functional areas: Expertise in Management and Operation of diverse nature of business.

Mr. Vinod Kumar Dhall *(Independent Director)*

Date of Birth: 20th February, 1944

Date of appointment: 9th August, 2014

Date of Cessation: 23rd March, 2019

DIN: 02591373

Qualification: Law degree from the University of Delhi and Master's degree in Mathematics from the University of Allahabad

Occupation: IAS (Retired), Proprietor in Dhall Law Chambers, Senior Adviser with Platinum Partners

Expertise in specific functional areas: Competition Law, Corporate Affairs, Industry and Commerce, Economic Regulation and Finance.

Mr. Rabindranath Jhunjhunwala *(Independent Director)*

Date of Birth: 16th March, 1973

Date of appointment: 9th 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. Rajeev Jhawar *(Independent Director)*

Date of Birth: 11th November, 1964

Date of appointment: 9th 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.

Mr. Janat Shah *(Independent Director)*

Date of Birth: 22nd September, 1958

Date of appointment: 30th 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 Birth: 3rd October, 1955

Date of appointment: 4th 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. I.Y.R Krishna Rao *(Independent Director)*

Date of Birth: 22nd January, 1956

Date of appointment: 5th May, 2017

DIN: 00481367

Qualification: M.A. (Economics)

Occupation: Retired IAS- Chief Secretary, Andhra Pradesh

Expertise in specific functional areas: Administration, Economics & Finance.

Mrs. Varsha Vasant Purandare *(Independent Director)*

Date of Birth: 7th December, 1958

Date of appointment: 8th 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.

Orient Cement Limited

CIN:L26940OR2011PLC013933

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

Tel: 0674-2396930 I 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 I www.orientcement.com

Notice

NOTICE is hereby given that the 8th Annual General Meeting (AGM) of the Members of Orient Cement Limited (CIN:L26940OR2011PLC013933) will be held on Thursday, the 1st day of August, 2019 at 2:00 p.m. at Unit –VIII, Plot No. 7, Bhoinagar, Bhubaneswar-751012, (Odisha) to transact the following businesses:-

Ordinary Business

1. To receive, consider and adopt the Financial Statements of the Company for the financial year ended March 31, 2019, including the audited Balance Sheet as at March 31, 2019, 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 ₹0.75/- per equity share of face value of ₹1/- each for the financial year ended March 31, 2019.
3. To appoint a director in place of Mr. Chandrakant Birla (DIN 00118473), who retires by rotation and being eligible, seeks re-appointment.
4. **Re-appointment of M/s S.R. Batliboi & Co. LLP, Chartered Accountants (ICAI Firm Registration Number 301003E/E300005), as Statutory Auditors of the Company.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to provisions of section 139 of Companies Act, 2013 read with the applicable Rules, M/s S.R. Batliboi & Co. LLP, Chartered Accountants, (ICAI Firm Registration Number 301003E/E300005), be and are hereby re-appointed as the Statutory Auditors of the Company for a term of two years, from the conclusion of this Annual General Meeting till the conclusion of the tenth Annual General Meeting 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.”

Special Business

Item No. 5- Appointment of Mrs. Varsha Vasant Purandare (DIN 05288076) as an Independent Director

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary 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, Mrs. Varsha Vasant Purandare (DIN 05288076), who was appointed as an Additional Director of the Company by the Board of Directors with effect from February 8, 2019 and holds the office up to the date of Annual General Meeting in terms of section 161 of the Companies Act, 2013, be and is hereby appointed as an Independent Director of the Company to hold the office upto February 7, 2024, not liable to retire by rotation.”

Item No. 6- Re-appointment of Mr. Janat Shah (DIN 01625535) as an Independent Director

To consider and if thought fit, to pass with or without modification(s), 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. Janat Shah (DIN 01625535), whose term as an Independent Director expired on April 29, 2019, be and is hereby re-appointed as an Independent Director of the Company for another term of five years to hold the office from April 30, 2019 upto April 29, 2024, not liable to retire by rotation.”

Item No. 7- Re-appointment of Mr. Rabindranath Jhunjhunwala (DIN 00050729) as an Independent Director

To consider and if thought fit, to pass with or without modification(s), 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. Rabindranath Jhunjhunwala (DIN 00050729), whose term as an Independent Director would expire on August 8, 2019, be and is hereby re-appointed as an Independent Director of the Company for another term of five years to hold the office from August 9, 2019 upto August 8, 2024, not liable to retire by rotation."

Item No. 8- Re-appointment of Mr. Rajeev Jhavar (DIN 00086164) as an Independent Director

To consider and if thought fit, to pass with or without modification(s), 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. Rajeev Jhavar (DIN 00086164), whose term as an Independent Director would expire on August 8, 2019, be and is hereby re-appointed as an Independent Director of the Company for another term of five years to hold the office from August 9, 2019 upto August 8, 2024, not liable to retire by rotation."

Item No. 9- Fixing the remuneration of Mr. Somnath Mukherjee, Cost Auditor of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of section 148(3) and all other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the Cost Audit fees amounting to ₹85,000/- (Rupees Eighty five thousand only) plus out of pocket expenses to be paid to Mr. Somnath Mukherjee, Cost Accountant in Practice (M.NO.-F5343), appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2019-20, 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), be and is hereby ratified and approved."

Item No. 10- Approval of the terms of remuneration of Mr. Desh Deepak Khetrpal, Managing Director & CEO (DIN 02362633)

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of sections 196, 197 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with Schedule V to the Act and the Rules made thereunder, 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 paying remuneration to Mr. Desh Deepak Khetrpal-Managing Director & CEO (DIN 02362633) for the period from April 1, 2019 to March 31, 2020, including the remuneration to be paid in the event of loss or inadequacy of profits in the financial year, as set out in the Explanatory Statement annexed to the Notice.

RESOLVED FURTHER THAT the Board be and is hereby 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

Place: New Delhi
Date: April 29, 2019

Nidhi Bisaria
Company Secretary
(M.No.FCS-5634)

NOTES:

1. The Explanatory Statement pursuant to section 102 of the Companies Act, 2013, which sets out the details relating to Special Business at the meeting, is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT TO BE A MEMBER OF THE COMPANY.** Pursuant to the provisions of section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than 50 (fifty) members and holding in aggregate not more than ten per cent of the total Share Capital of the Company. Members holding more than ten per cent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report.
3. Corporate Members intending to send their authorised representatives to attend the meeting pursuant to section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorising their representative(s) to attend and vote on their behalf at the Meeting.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours (between 10:00 A.M. and 5:30 P.M.) of the Company, provided that not less than three days of notice in writing is given to the Company.
5. Members/ proxies should bring the duly filled Attendance Slip enclosed herewith to attend the Meeting.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
7. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours upto the date of the meeting.
8. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, July 26, 2019 to Thursday, August 1, 2019, both days inclusive, for annual closing and for determining the entitlement of the shareholders to the final dividend for financial year 2018-19.
9. The dividend on Equity Shares, if declared at the AGM, will be credited / dispatched by the 9th day of August, 2019 to those members whose names will appear on the Company's Register of Members as on the book closure date.
10. Members holding shares in electronic form are requested to intimate any change in their address and / or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members. The Members holding shares in physical form are requested to advise any change of address and / or bank mandate immediately to M/s. Karvy Fintech Private Limited, 6F – 025, 6th Floor, Karvy Selenium (Tower B), Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. SEBI has also mandated that for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the Company for registration of transfer of securities. Members holding shares in physical form can submit their PAN details to M/s. Karvy Fintech Private Limited, 6F – 025, 6th Floor, Karvy Selenium (Tower B), Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032.
12. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change

in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

13. Details under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Directors seeking appointment/ re-appointment at the Annual General Meeting, forms an integral part of the notice. The Directors have furnished the requisite declarations for their appointment/ re-appointment.
14. Members desiring any information relating to the accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.
15. Pursuant to section 101 and section 136 of the Companies Act, 2013 read with relevant Rules issued thereunder, companies can serve Annual Reports and other communications through electronic mode to those shareholders who have registered their email address/es either with the Company or with the Depository Participants. It is a welcome move for the society at large, as this will reduce paper consumption to a great extent and allow shareholders to contribute towards a greener environment. This is a golden opportunity for every shareholder of Orient Cement Limited to contribute to the cause of Green Initiative. Members who have not registered their e-mail address with the Company are requested to register the same by submitting the letter to M/s. Karvy Fintech Private Limited, 6F – 025, 6th Floor, Karvy Selenium (Tower B), Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032. The Members holding shares in electronic form are requested to register their e-mail address with their Depository Participants only. The Members of the Company, who have registered their e-mail address, are entitled to receive communications in physical form, upon request.
16. Copies of the Annual Report 2018-19 are being sent by electronic mode only to the Members whose email addresses are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2018-19 are being sent by the permitted mode.
17. The Notice of the 8th AGM and instructions for e-voting, along with the Attendance Slip and Proxy Form, are being sent by electronic mode to all members whose email addresses are registered with the Company / Depository Participant(s) unless a member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode.
18. Members may also note that the Notice of the 8th AGM and the Annual Report 2018-19 will be available on the Company's website www.orientcement.com.
19. In accordance with the provisions of section 72 of the Companies Act, 2013, members are entitled to make nominations in respect of the Equity Shares held by them, in physical form. Members desirous of making nominations may procure the prescribed form from the Registrar & Share Transfer Agent, M/s. Karvy Fintech Private Limited and have it duly filled and send back to them.
20. Members wishing to claim dividends, which remain unclaimed are requested to correspond with M/s. Karvy Fintech Private Limited, 6F – 025, 6th Floor, Karvy Selenium (Tower B), Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 or with the Company at Birla Tower, 3rd Floor, 25, Barakhamba Road, New Delhi-110 001.
21. The route map to the venue of the meeting is separately attached for the convenience of the members.
22. Voting through electronic means:
 - I. The businesses as set out in the Notice may be transacted through electronic voting system and the Company will provide a facility for voting by electronic means. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Standard 2 of the Secretarial Standards on General Meetings and Reg. 44 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Company is pleased to offer the facility of voting through electronic means, as an alternate, to all its Members to enable them to cast their votes electronically. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (remote e-voting) will be provided by Karvy Fintech Private Limited (Karvy).

- II. The facility for voting shall be made available at the AGM and the Members attending the Meeting who have not cast their vote through remote e-voting shall be able to exercise their right at the meeting through Ballot Paper. Please note that the voting through electronic means is optional for shareholders.
- III. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date of Thursday, July 25, 2019 shall be entitled to avail the facility of remote e-voting or voting at the AGM. Persons who are not members as on the cut-off date should treat this notice for information purposes only.
- IV. The Notice will be displayed on the website of the Company www.orientcement.com and on the website of Karvy.
- V. The members who have cast their vote through remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- VI. The remote e-voting period commences on Monday, July 29, 2019 at 9.00 A.M and ends on Wednesday, July 31, 2019 at 5.00 P.M. During this period members of the Company holding shares either in physical or dematerialised form, as on the cut-off date of Thursday, July 25, 2019 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by Karvy for voting thereafter.
- VII. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Thursday, July 25, 2019, i.e. the cut-off date are entitled to vote on the Resolutions set forth in this Notice. 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 25, 2019 may approach the Company for issuance of the User ID and Password for exercising their right to vote by electronic means.
- VIII. Members who are already registered with Karvy for remote e-voting can use their existing user ID and password for casting their vote. In case they don't remember their password, they can reset their password by using "Forgot User Details/Password" option available on <https://evoting.karvy.com>.
- IX. The Company has appointed Mr. Atul Kumar Labh, Practicing Company Secretary, (Membership No. FCS 4848/CP 3238), to act as the Scrutinizer for conducting the voting and remote e-voting process in a fair and transparent manner.
- X. Members are requested to follow the instructions below to cast their vote through e-voting:
 - A. In case a Member receives an e-mail from Karvy (for Members whose e-mail addresses are registered with the Company/ Depository Participants):**
 - (i) Launch internet browser by typing the URL: <https://evoting.karvy.com>.
 - (ii) Enter the login credentials (i.e. User ID and Password which are mentioned in the email). Your Folio No./ DP ID-Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
 - (iii) After entering these details appropriately, click on "LOGIN".
 - (iv) You will now reach password change Menu wherein you are 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, email ID, 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 that you do not share your password with any other person and that you 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 "EVENT" i.e., Orient Cement Limited.
 - (vii) On the voting page, enter the number of shares (which represents the number of votes) as on the Cut Off

date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "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 folios/demat accounts.
- (ix) You may then cast your vote 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. During the voting period, Members can login any number of times till they have voted on the resolution(s).
- (xi) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/ Authority letter etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to aklabhcs@gmail.com, with a copy marked to evoting@karvy.com.
- (xii) In case of any queries, please visit Help and Frequently Asked Questions (FAQs) section available at Karvy's website www.evoting.karvy.com.

B. In case a Member receives physical copy of the Notice of AGM (for Members whose email addresses are not registered with the Company/Depository Participants or requesting physical copy):

1. User ID and initial password are provided in a separate sheet alongwith the Annual Report in the following format:

User ID	Password
-	-

2. Please follow all steps from Sr. No. (i) to Sr. No. (xi) above in (A), to cast your vote.

- XI. Based on the report received from the scrutiner, the Company will submit within 48 hours of the conclusion of the Meeting to the stock exchanges details of the voting results as required under Reg. 44(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- XII. A Member can opt for only one mode of voting i.e. either through remote e-voting or at the Meeting. If a Member casts votes by both modes, then voting done through e-voting shall prevail.
- XIII. The Scrutinizer will submit his report to the Chairman after completion of the scrutiny. The result of the voting on the Resolutions at the Meeting shall be announced by the Chairman or any other person authorized by him immediately after the results are declared.
- XIV. The results declared alongwith the Scrutinizer's report, will be posted on the website of the Company www.orientcement.com and on the website of Karvy at www.evoting.karvy.com and will be displayed on the Notice Board of the Company at its Registered Office immediately after the declaration of the result by the Chairman or any person authorised by him in writing and will be communicated to the Stock Exchanges.

By order of the Board of Directors

Nidhi Bisaria
Company Secretary
(M.No.FCS-5634)

Place: New Delhi
Date: April 29, 2019

UPDATION OF EMAIL ID

Kindly ensure to update your fresh Email ID with the Company/Depository if you have changed the same.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**Item No. 4**

M/s S.R. Batliboi & Co. LLP, Chartered Accountants (ICAI Firm Registration Number 301003E/ E300005) was appointed as Statutory Auditors of the Company by the shareholders at the Annual General Meeting (AGM) held in the year 2014 to hold office as Statutory Auditors from the conclusion of AGM held in the year 2014 till the conclusion of eighth AGM of the Company to be held in the year 2019, subject to ratification of their appointment at every AGM.

Prior to this, M/s S.R. Batliboi & Co. LLP, Chartered Accountants was appointed as the first Auditors of the Company at the Board Meeting held on July 27, 2011 to hold office upto the first AGM held in the year 2012 and thereafter reappointments were held at every AGM.

In terms of the provisions of section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the term of an auditor prior to the commencement of the Companies Act 2013 shall be taken into account for calculating the period of five consecutive years or ten consecutive years, as the case may be.

Accordingly, the re-appointment of M/s S.R. Batliboi & Co. LLP, as the Statutory Auditors of the Company is proposed for the balance term of two years, i.e., to hold office as Statutory Auditors from the conclusion of this AGM till the conclusion of tenth AGM of the Company to be held in the year 2021.

A letter, confirming that they are eligible for appointment as auditors of the Company under section 139 of the Companies Act, 2013 and meet the criteria for appointment specified in section 141 of the Companies Act, 2013, has been received from them.

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. 4 of the Notice for the approval of the members.

Item No. 5

Mrs. Varsha Vasant Purandare was appointed as an Additional Director of the Company in the category of Independent Director with effect from February 8, 2019, by the Board of Directors based on the recommendation of Nomination & Remuneration cum Compensation Committee of the Board.

Pursuant to the provisions of section 161 of the Companies Act, 2013, Mrs. Varsha Vasant Purandare (DIN 05288076) will hold office up to the date of the ensuing Annual General Meeting of the Company. 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 Mrs. Purandare for the office of an Independent Director, to be appointed as such under the provisions of section 149 of the Companies Act, 2013.

Requisite consent has been received from Mrs. Purandare pursuant to provisions of section 152 of the Companies Act, 2013. In the opinion of the Board, Mrs. Purandare 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 her continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mrs. Varsha Vasant Purandare as an Independent Director.

Mrs. Varsha Vasant Purandare is directly concerned and interested in this resolution as it relates to her 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.

Mrs. Varsha Vasant Purandare along with her relatives does not hold any shares in the Company and has no relationship with any other Director of the Company.

The resolution seeks the approval of members for the appointment of Mrs. Varsha Vasant Purandare as an Independent Director of the Company, not liable to retire by rotation, for the period of 5 years upto February 7, 2024, 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.

The Board recommends the Ordinary resolution set forth at Item no. 5 of the Notice for the approval of the members.

Item No. 6

The shareholders of the Company in the Annual General Meeting held on August 9, 2014, approved the appointment of Mr. Janat Shah (DIN 01625535) as an Independent Director of the Company for a period of five years upto April, 29, 2019. In terms of the provisions of section 149(10), Mr. Janat Shah is eligible for re-appointment as an Independent Director of the Company for another term of five 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. Janat Shah for the office of an 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. Janat Shah pursuant to provisions of section 152 of the Companies Act, 2013. In the opinion of the Board, Mr. Janat Shah who is proposed to be re-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. Janat Shah as an Independent Director.

Mr. Janat Shah 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. Janat Shah along with his relatives does not hold any shares in the Company and has no relationship with any other Director of the Company.

The resolution seeks the approval of members for the appointment of Mr. Janat Shah as an Independent Director of the Company, not liable to retire by rotation, for the period of 5 years upto April 29, 2024, 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.

The Board recommends the Special resolution set forth at Item no. 6 of the Notice for the approval of the members.

Item No. 7 & 8

The shareholders of the Company in the Annual General Meeting held on August 9, 2014, approved the appointment of Mr. Rabindranath Jhunjunwala (DIN 0050729) and Mr. Rajeev Jhawar (DIN 00086164) as Independent Directors of the Company for a period of five years upto August 8, 2019. In terms of the provisions of section 149(10), Mr. Rabindranath Jhunjunwala and Mr. Rajeev Jhawar are eligible for re-appointment as Independent Directors of the Company for another term of five 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. Rabindranath Jhunjunwala and Mr. Rajeev Jhawar for the office of an Independent Director, to be re-appointed as such under the provisions of section 149 of the Companies Act, 2013.

Requisite consents have been received from Mr. Rabindranath Jhunjunwala and Mr. Rajeev Jhawar pursuant to provisions of section 152 of the Companies Act, 2013. In the opinion of the Board, Mr. Rabindranath Jhunjunwala and Mr. Rajeev Jhawar who are proposed to be appointed as Independent Directors of the Company fulfill 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 their continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Rabindranath Jhunjunwala and Mr. Rajeev Jhawar as Independent Directors.

Mr. Rabindranath Jhunjhunwala and Mr. Rajeev Jhavar are directly concerned and interested in their respective resolutions as it relates to their 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 resolutions.

Mr. Rabindranath Jhunjhunwala and Mr. Rajeev Jhavar along with their relatives do not hold any shares in the Company and have no relationship with any other Director of the Company.

The resolutions seek the approval of members for the appointment of Mr. Rabindranath Jhunjhunwala and Mr. Rajeev Jhavar as Independent Directors of the Company, not liable to retire by rotation, for the period of 5 years upto August 8, 2024, 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.

The Board recommends the Special resolutions set forth at Item nos. 7 and 8 of the Notice for the approval of the members.

Item No. 9

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 April 29, 2019, 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, 2019, 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 ₹85,000/- (Rupees eighty five thousand only) plus 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 approve the remuneration of the Cost Auditors for the financial year 2019-20 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. 9 of the Notice for the approval of the members.

Item No. 10

The Members at their Annual General Meeting held on July 25, 2015 re-appointed Mr. Desh Deepak Khetrpal (DIN 02362633) as Managing Director & CEO ("MD & CEO") of the Company for a period of 5 years w.e.f 1st April, 2015, subject to revision in his remuneration every year. Taking into consideration the duties and responsibilities cast on the MD & CEO and considering his knowledge of various aspects relating to the Company's affairs, and on the recommendation of the Nomination & Remuneration cum Compensation Committee of the Company, the Board at their meeting held on April 29, 2019 revised Mr. Khetrpal's remuneration with effect from April 1, 2019, subject to the approval by the members of the Company and such other consents and approvals that may be required.

Pursuant to the Notification no. S.O.2922(E) dated September 12, 2016 issued by the Ministry of Corporate Affairs ("Notification"), the Company with the approval of members by passing special resolution can pay the remuneration to the MD & CEO in case it has no profit or inadequacy of profit, without the approval of Central Government if, the managerial person is:-

- (i) not having any interest in the capital of the Company or its holding company or any of its subsidiaries directly or indirectly or through any other statutory structures and not having any direct or indirect interest; or
- (ii) not related to the directors or promoters of the Company or its holding company or any of its subsidiaries at any time during the last two years before or on or after the date of appointment and possesses graduate level qualification with expertise and specialized knowledge in the field in which the Company operates.

Mr. Khetrpal fulfills the conditions mentioned in the aforesaid Notification.

Mr. Khetrpal is a professional and he holds Honours Degree in Business & Economics and Masters Degree in Business Administration in Marketing & Finance from the Delhi University.

The information as required by second provision of Paragraph B of Section-II of Part-II of Schedule V of the Companies Act, 2013, is given below:-

I. General Information:

(1) Nature of industry

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.

(2) Date or expected date of commencement of commercial production

Devapur – 16th September, 1982

Jalgaon – 28th November, 2000

Chittapur- 26th September, 2015

(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus

Not applicable

(4) Financial performance based on given indicators

	(₹ in crores)		
Particulars	2018-19	2017-18	2016-17
Gross Sales	2522.17	2310.85	2,170.89
Earnings before interest, depreciation, amortisation & taxation	326.01	325.41	190.39
Net Profit before taxation	74.79	70.03	(66.48)
Net profit	47.55	44.22	(32.10)
Dividend on equity shares	15.37	10.24	20.49
EPS	2.32	2.16	(1.57)

(5) Foreign investments or collaborations, if any.

Nil

II. Information about the appointee:

(1) Background details

Mr. Khetrupal, aged 63, holds Honours 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.

Before joining Orient Cement Limited, Mr. Khetrupal was the Group Chief Executive Officer of Jumbo Group of Companies. He has also worked with Raymond Limited as Chief Operating Officer.

(2) Past remuneration (p.a)

	(Amount in ₹)		
Particulars	2018-19	2017-18	2016-17
Salary	3,12,00,000	2,58,24,000	2,08,32,000
Allowance and Perquisites:			
Personal allowance/ Pay	1,62,00,000	1,29,60,000	98,40,000
Special allowance/ Pay	1,63,07,832	1,33,76,520	1,01,56,560
Medical allowance	1,20,000	1,00,000	1,00,000
LTA	26,00,000	21,52,000	17,36,000
Performance variable pay	1,62,00,000	1,50,00,000	1,21,50,000
Company leased accommodation/ House rent allowance	48,00,000	48,00,000	48,00,000
Leave Encashment	9,32,533	8,68,000	7,00,000
Total	8,83,60,365	7,50,80,520	6,03,14,560

In addition to the above, the MD & CEO was:

- (i) Provided Company's car (fully maintained and chauffeur driven) for official use.
- (ii) Entitled to the shares of the Company in accordance with the Employees Stock Option Scheme as adopted by the Company.
- (iii) Entitled for contribution to Provident Fund, Gratuity and Superannuation Fund as per the Rules of the Company.
- (iv) Entitled for encashment of un-availed leave at the end of the tenure or at specified intervals as per the Rules of the Company.

(3) Recognition or awards

Under the dynamic leadership of Mr. Desh Deepak Khetrapal as MD & CEO, the Company was awarded several prestigious awards including the following awards to name a few during the financial year 2018-19:

Devapur Plant:

1. SEEM National Energy Management Gold Award - 2017 received from Society of Energy Engineers & Managers (SEEM) at New Delhi on May 25, 2018.
2. Apex India Excellence Award 2017 in the Category of "Platinum" for Environment, "Gold" for Safety and "Gold" for Energy Efficiency received on May 29, 2018 at New Delhi.
3. Mines Environment & Mineral Conservation Week 2017-18 Awards;

• Reclamation & Rehabilitation	1 st Prize
• Waste Dump Management	2 nd Prize
• Overall performance	2 nd Prize

4. Mines Safety Week 2018 Awards under the aegis of DGMS

• Overall performance	2 nd Prize
• Drilling & Blasting	1 st Prize
• Swatch Bharat	1 st Prize
• Best Practices in Mines	1 st Prize
• Crusher & Belt conveyor	2 nd Prize

5. Telangana Best Employer Brand Award 2018 on November 16, 2018.
6. Organization with Innovative HR Practice 2018 by World HRD Congress received on September 4, 2018.
7. Apex India Excellence Award 2018 received on February 18, 2019 at New Delhi in the Category of "Platinum" for Environment, "Gold" for Safety and "Gold" for Energy Efficiency.
8. Mines Environment & Mineral Conservation Week 2018 Awards:

• Overall performance	1 st Prize
• Mineral Beneficiation	1 st Prize
• Publicity and Propaganda	1 st Prize
• Waste Dump Management	2 nd Prize
• Mineral Conservation	3 rd Prize

Chittapur Plant:

1. Safety awards from the Mines Safety Association Karnataka (MSAK) 2018-19

• Contractual Work and Safety is my responsibility cards	1 st Prize
• Publicity & Propaganda and Innovation	3 rd Prize
• Safety Management System	1 st Prize
• Maintenance of Mining Machinery and Crusher	1 st Prize
• Drilling and Blasting	2 nd Prize
• Mine workings	2 nd Prize
• Loading & Transportation	3 rd Prize
• Overall performance (zonal level)	1 st Prize
• Overall performance (state level)	1 st Prize

2. Mines Environment & Mineral Conservation Week Awards 2018-19 by Indian Bureau of Mines

• Waste Dump Management	1 st Prize
• Reclamation and Rehabilitation	3 rd Prize
• Systematic and scientific development	2 nd Prize
3. State level award from department of factories, boilers, industrial safety & health, Karnataka –Govt. of Karnataka for the year 2018
 - Received 2nd prize under large category of industries.
4. Orient Cement Ltd., has been declared winner of “**GOLD AWARD**” in cement sector for outstanding achievement in “**Environment Management & Energy Efficiency**”.

Jalgaon Plant:

1. Gold Award received from APEX for “Occupation Health and Safety 2018”.
2. “Energy Efficient Unit” in 19th National Award for Excellence in Energy Management 2018, CII, Hyderabad.

(4) Job profile and his suitability

Taking into consideration the size of the Company, the complex nature of its operations, and Mr. Khetrpal’s broad functional and general management skills, his rich experience of over 41 years, the Board re-appointed Mr. Desh Deepak Khetrpal (DIN 02362633) as MD & CEO for a period of 5 years w.e.f April 1, 2015, subject to revision in his remuneration every year.

Mr. Khetrpal, MD & CEO of the Company is the driving force behind the Company. Mr. Khetrpal 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. Mr. Khetrpal is a professional business leader with a track record of leading and transforming large and diversified organisations, across various industries including service, industrial, consumer and retail businesses.

(5) Remuneration proposed

(from 1st April, 2019-31st March, 2020)

Particulars	Monthly (₹)	Annual (₹)
Basic salary/ Basic pay	30,00,000	3,60,00,000
Allowances and perquisites:		
Personal allowance/ pay	16,00,000	1,92,00,000
Special allowance/ pay	15,77,820	1,89,33,840
Medical allowance/ reimbursements	10,000	1,20,000
LTA	2,50,000	30,00,000
Gross Salary	64,37,820	7,72,53,840

In addition to the above:

- (i) provision of suitable Company leased accommodation/ house rent allowance of ₹4,00,000/- (Rupees four lacs only) per month and Company car (fully maintained and chauffeur driven) for official use.
- (ii) entitled to an annual performance variable pay upto ₹2,07,00,000/- (Rupees two crore seven lacs only). The performance linked pay can be paid upto 120% of ₹2,07,00,000/- on achieving certain additional performance criteria as specified by the Nomination & Remuneration cum Compensation Committee of the Company from time to time.
- (iii) Entitlement to the shares of the Company in accordance with the Employees Stock Option Scheme as adopted by the Company.
- (iv) Contribution to Provident Fund, Gratuity and Superannuation Fund will be as per the Rules of the Company.
- (v) Encashment of un-availed leave at the end of the tenure or at specified intervals will be as per the Rules of the Company and does not form part of the abovementioned compensation.

Appointment will be terminable by either party by giving three months notice or salary in lieu thereof.

(6) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)

The proposed remuneration is comparable considering the industry, size of the Company, the managerial position, the credentials and responsibilities of the MD & CEO.

(7) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.

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, he does not hold any shares in the Company.

III. Other information

(1) Reasons of loss or inadequate profits

The country's cement industry is witnessing increasing competition on account of the geographic concentration of cement plants, supply overhang and low levels of capacity utilization. Increased competition can create pressure on margins, market share etc. Increase in the costs of raw material, power and fuel due to inflation or global price trends may impact profitability. Further, the Indian cement industry is labour-intensive; it is exposed to health and injury risks due to accidents or negligence. As a result of which there are likely to be losses or inadequate profits during his tenure of appointment.

(2) Steps taken or proposed to be taken for improvement

(a) The Company is leveraging its expertise and experience, investing continuously in enhancing the equity of its Birla A1 brand by focusing on quality, cost, timely delivery, customer service, advertising and brand promotion. The Company is investing in marketing and promotions to sustain brand equity in its areas of operation, strengthen brand salience in new markets and enhance its competitiveness.

(b) The Company is employing various means to reduce the impact of rising costs through better fuel sourcing processes, dynamic fuel mix capabilities to capitalise on emerging price trends and the use of alternative fuels.

(c) As regards labour problems, the Company has implemented various measures which include the development and implementation of critical safety standards across units and project sites, establishment of processes for safety training across levels, promotion of a safety culture for staff members, and contract workers with appropriate insurance coverage.

(3) Expected increase in productivity and profits in measurable terms

The renewed push by the government in various construction and infrastructure initiatives, augurs well for the sector in the years ahead. It is expected that given the outlook for cement demand, the Company will witness robust growth led by demand recovery. Existing plants in Jalgaon, Devapur and Chittapur are expected to gain from price improvement across the markets. With the expected demand recovery and the Company being one of the low cost cement producers, it is expected that the profitability in the coming year is likely to improve.

All documents relevant for remuneration are open for inspection at the Registered Office of the Company on all working days (Monday to Friday) during normal business hours (between 10:00 A.M. and 5:30 P.M.) upto date of the Annual General Meeting.

Mr. Khetrapal is a non-executive Director of HIL Limited and Orient Electric Limited; and Non-Executive Independent Director of Oriental Bank of Commerce. Mr. Khetrapal along with his relatives does not hold any shares in the Company nor has any relationship with any of the Directors of the Company. Mr. Khetrapal has been granted 8,31,900 stock options convertible into equivalent number of equity shares of the Company in terms of the Employees Stock Option Scheme 2015.

Mr. Khetrapal is directly concerned and interested in this resolution, as it relates to his remuneration. 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 Special Resolution set forth in Item no. 10 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. Desh Deepak Khetrapal	Mrs. Varsha Vasant Purandare	Mr. Janat Shah	Mr. Rabindranath Jhurjhurwala	Mr. Rajeev Jawhar
DIN	00118473	02362633	05288076	01625535	00050729	00086164
Age	64 years	63 years	60 years	60 years	46 years	54 years
Qualifications	Bachelor of Arts	Honours Degree in Business & Economics and Masters Degree in Business Administration in Marketing & Finance from the Delhi University	Bachelor of Science (Chemistry)	Fellow of IIMA (equivalent to PhD) in Operations Management; B. Tech (Mechanical) from IIT Mumbai	B.A., LL.B (Hons) from National Law School of India University, Bangalore	Commerce Graduate and Management Development Course from London Business School
Experience	42 years	41 years	36 years	35 years	20 years	34 years
Terms and conditions of appointment/re-appointment	Re-appointment upon retirement by rotation.	-	Appointment as an Independent Director	Re-appointment as an Independent Director	Re-appointment as an Independent Director	Re-appointment as an Independent Director
Date of first appointment on the Board	July 23, 2011	April 2, 2012	February 8, 2019	April 30, 2014	August 9, 2014	August 9, 2014
Occupation	Industrialist	Managing Director & CEO	Retired Banker	Service	Partner in Khaitan & Co.	Industrialist
Expertise in specific functional areas	Industrialist having rich business experience in managing diversified industrial enterprises.	Marketing, Finance and Business Administration	Credit, forex, treasury, capital markets, investment banking, and private equity businesses	Operations Strategy and Supply Chain Management	Corporate Laws-domestic and cross border mergers & acquisitions, private equity investment, foreign investments advisor (both inbound and outbound)	Industrialist having rich business experience in managing diversified industrial enterprises
Directorships held in other listed entities in India	<ol style="list-style-type: none"> Orient Paper & Industries Limited HIL Limited Orient Electric Limited Birlasoft Limited 	<ol style="list-style-type: none"> HIL Limited Oriental Bank of Commerce Orient Electric Limited 	--	<ol style="list-style-type: none"> Future Supply Chain Solutions Limited 	<ol style="list-style-type: none"> TCPL Packaging Limited 	<ol style="list-style-type: none"> Usha Martin Limited Usha Martin Education & Solutions Limited
Memberships/ Chairmanships of Committees of Board in listed entities in India	<ol style="list-style-type: none"> Orient Electric Limited <ul style="list-style-type: none"> Nomination & Remuneration Committee –Member Orient Cement Limited <ul style="list-style-type: none"> Nomination & Remuneration cum Compensation Committee- Member 	<ol style="list-style-type: none"> HIL Limited <ul style="list-style-type: none"> Audit Committee- Member Nomination & Remuneration Committee - Member Corporate Social Responsibility Committee –Chairman Oriental Bank of Commerce <ul style="list-style-type: none"> IT Strategy Committee of Board- Chairman HR Committee of Board-Member Special Committee of Board for monitoring of Large Value Frauds - Member 	<ul style="list-style-type: none"> Orient Cement Limited <ul style="list-style-type: none"> Nomination & Remuneration cum Compensation Committee - Chairman 	<ol style="list-style-type: none"> Future Supply Chain Solutions Limited <ul style="list-style-type: none"> Audit Committee – Member Orient Cement Limited <ul style="list-style-type: none"> Audit Committee- Member Nomination & Remuneration Committee –Chairman Corporate Social Responsibility Committee –Member Risk Management Committee – Member 	<ol style="list-style-type: none"> TCPL Packaging Limited <ul style="list-style-type: none"> Stakeholders Relationship Committee – Member Orient Cement Limited <ul style="list-style-type: none"> Audit Committee- Member Nomination & Remuneration Committee –Chairman Corporate Social Responsibility Committee –Member Risk Management Committee – Member 	<ol style="list-style-type: none"> Usha Martin Education & Solutions Limited <ul style="list-style-type: none"> Stakeholders Relationship Committee – Chairman Usha Martin Limited <ul style="list-style-type: none"> Investment & Strategy Committee- Member Risk Management Committee – Member

Particulars	Mr. Chandrakant Birla	Mr. Desh Deepak Khetrapal	Mrs. Varsha Yasant Purandare	Mr. Janat Shah	Mr. Rabindranath Jhurjhuwala	Mr. Rajeev Jhawar
		<ul style="list-style-type: none"> Supervisory Committee of Directors on Risk Management - Member Appellate & Reviewing Authority Committee of Board - Member Review Committee of Board on Non-Cooperative Borrowers & Wilful Defaulters - Member Audit Committee of Board-Member Committee for overseeing of progress under Monitorable Action Plan & PSB Reforms Agenda - Member Sub Committee of Board for Monitoring of NPAs - Member 				<ul style="list-style-type: none"> Orient Cement Limited - Audit Committee-Member Stakeholders' Relationship Committee -Member Nomination and Remuneration cum Compensation Committee -Member Risk Management Committee - Member
		<ul style="list-style-type: none"> 3. Orient Electric Limited Audit Committee-Member Nomination & Remuneration Committee -Member Corporate Social Responsibility Committee -Member Risk Management Committee - Member 				
		<ul style="list-style-type: none"> 4. Orient Cement Limited Audit Committee-Member Stakeholders' Relationship Committee -Member Corporate Social Responsibility Committee -Member Risk Management Committee - Member 				
Shareholding in the Company	31,53,570 No. of Shares (as on March 31, 2019)	Nil	Nil	Nil	Nil	Nil
Number of Board Meetings attended during the year 2018-19	All the 5 meetings	All the 5 meetings	All the 2 meetings held during her tenure as Director	3 meetings out of 5 meetings	3 meetings out of 5 meetings	2 meetings out of 5 meetings

Directors' Report

Dear members

Your directors are pleased to present the 8th Annual Report on the business and operations of the Company along with the audited financial statements for the financial year ended March 31, 2019.

SUMMARY OF FINANCIAL PERFORMANCE

The financial performance of the Company for the financial year ended March 31, 2019 is summarised below:

Particulars	₹ in Lacs)	
	2018-19	2017-18
Gross Sales	2,52,216.93	2,31,084.51
Earnings before interest, depreciation, amortisation & taxation	32,600.94	32,540.70
Interest / finance costs	11,849.93	12,920.96
Profit before depreciation and taxation	20,751.01	19,619.74
Depreciation and amortization expenses	13,271.92	12,616.62
Profit before taxation	7,479.09	7,003.12
Taxation	2,723.92	2,580.98
Net profit	4,755.17	4,422.14
Profit brought forward from last year	27,934.35	24,794.09
Profit available for appropriations	32,689.52	29,216.23
Appropriations		
Other Comprehensive Income	(69.36)	(49.01)
Dividend on equity shares	1,536.52	1,024.34
Corporate dividend tax	315.84	208.53
Balance carried to balance sheet	30,767.80	27,934.35
EPS	2.32	2.16

BUSINESS AND FINANCIAL PERFORMANCE

Financial Year 2018 -19 was a difficult year for the cement industry in India and for your Company. The year saw prices in our main markets of Maharashtra, Telangana and Karnataka at very depressed levels for most of the year. While energy prices softened somewhat in the third quarter, they have risen again since, and have resulted in relatively elevated costs of fuel and freight across the year. Your Company's resilience in the face of above headwinds, its efforts towards premiumisation and a relentless focus on efficiencies and costs have helped your Company deliver a creditable performance despite this challenging market environment.

In this backdrop, the key business and financial highlights of your Company are as under:

- Total sales volume for the year stood at 64 lac tonnes against 57 lac tonnes in 2017-18, a growth of around 12%.
- We continue to focus on PPC cement production in line with your Company's commitment to environmental sustainability. Total PPC sale was 62% for the year.

- Net Sales realization for the year was ₹3,925 per ton as against ₹3,858 during last year.
- The overall capacity utilization stood at 81% for the year.
- EBITDA for the year was ₹32,601 lacs as against ₹32,541 lacs during last year.
- Net profit for the year ₹4,755 lacs as compared to Net profit ₹4,422 lacs during last year.

We are happy to inform that the Railway siding at Chittapur Plant has been commissioned during the year. The township at Chittapur has also been completed during the year.

DIVIDEND

Your Directors are pleased to recommend a final dividend amounting to ₹0.75/- (75%) per equity share of face value of ₹1/- each for the year ended March 31, 2019, 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 26, 2019 to Thursday, August 1, 2019, both days inclusive, for determining the entitlement of the shareholders to the final dividend for financial year 2018-19.

CHANGE IN THE REGISTRAR AND TRANSFER AGENT

The Company has appointed M/s. Karvy Fintech Private Limited, having its office at 6F – 025, 6th Floor, Karvy Selenium (Tower B), Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032, as the Registrar and Share Transfer Agent (RTA) of the Company for handling the shares related matters both in physical as well as dematerialized mode in place of the existing RTA, M/s MCS Share Transfer Agent Limited with effect from April 25, 2019.

BOARD OF DIRECTORS, ITS COMMITTEES AND MEETINGS THEREOF

The Company has a professional Board with an optimum combination of executive, non-executive and independent directors (including two woman directors) who bring to the table the right mix of knowledge, skills and expertise. The Board provides strategic guidance and direction to the Company in achieving its business objectives and protecting the interest of the stakeholders. The Board is also supported by five Committees of Directors viz. the Audit Committee, the Nomination & Remuneration cum Compensation Committee, the Corporate Social Responsibility Committee,

the Stakeholders' Relationship Committee and the 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, 2019, the Board of Directors met 5 (five) times viz. on May 3, 2018, August 1, 2018, November 5, 2018, February 8, 2019 and March 22, 2019. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A detailed update on the Board and its Committees' composition, number of meetings held during the financial year 2018-19 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 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 re-appointment of Mr. Chandrakant Birla for the approval of the members of the Company at the ensuing Annual General Meeting.

Mr. Desh Deepak Khetrapal (DIN 02362633) was re-appointed as Managing Director & CEO of the Company w.e.f April 1, 2015 for a period of 5 (five) years. However, his remuneration was subject to revision every year. On the recommendation of the Nomination & Remuneration cum Compensation Committee, the Board of Directors in their meeting held on April 29, 2019, recommended revision in Mr. Khetrapal's remuneration for shareholders' approval. The resolution seeking consideration of Mr. Khetrapal's remuneration has been included in the Notice of the Annual General Meeting. The Board of Directors recommends the resolution for your approval.

During the financial year, Mrs. Varsha Purandare (DIN 05288076) was appointed as an Additional Director w.e.f. February 8, 2019 in the category of Independent Woman

Director, subject to approval of shareholders in the forthcoming Annual General Meeting. The appointment of Mrs. Varsha Purandare as an Independent Woman Director not liable to retire by rotation has been included in the Notice of the Annual General Meeting. The Board of Directors recommends the resolution for your approval.

During the financial year Mr. Vinod Kumar Dhall, Independent Director of the Company resigned from the Directorship of the Company with effect from March 23, 2019 due to his personal reasons including professional preoccupation. Mr. Dhall has confirmed that there are no other material reasons for tendering the said resignation.

Mr. Janat Shah was appointed as Independent Director of the Company with effect from April 30, 2014 and Mr. Rajeev Jhawar and Mr. Rabindranath Jhunjhunwala were appointed as Independent Directors with effect from August 9, 2014 and in terms of the provisions of section 149(10) of the Companies Act, 2013, their first term of five consecutive years is expiring on April 29, 2019 and August 8, 2019, respectively. In terms of the provisions of section 149(10), Mr. Janat Shah, Mr. Rajeev Jhawar and Mr. Rabindranath Jhunjhunwala are eligible for re-appointment as Independent Directors for another term of five years by passing special resolution in this regard. The resolutions for re-appointment of Mr. Janat Shah, Mr. Rajeev Jhawar and Mr. Rabindranath Jhunjhunwala, as Independent Directors not liable to retire by rotation have been included in the Notice of the Annual General Meeting. The Board of Directors recommends the resolutions 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

All Independent Directors of the Company have declared and confirmed that they meet the criteria of independence as prescribed under section 149(6) of the Companies Act, 2013 and Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

KEY MANAGERIAL PERSONNEL

During the year under review, in terms of the provisions of section 203 of the Companies Act, 2013, Mr. Desh Deepak Khetrpal - Managing Director & CEO (DIN 02362633), Mr. Sushil Gupta - Chief Financial Officer (FCA-044924) and Mrs. Nidhi Bisaria - Company Secretary (FCS-5634) continue to hold their respective offices during the financial year 2018-19 as Key Managerial Personnel.

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 or Ethics Policy.

Adequate safeguards are provided against victimization to those who avail of 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: <http://orientation.com/investors/>.

AUDIT COMMITTEE

The Company has a duly constituted Audit Committee in line with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company endeavours to have an appropriate mix of executive, non-executive and independent directors, so as to have independence on the Board and separate its function of governance from that of management. The selection and appointments on the Board of the Company are done on the recommendations of the Nomination & Remuneration cum Compensation Committee. The appointments are based on meritocracy and the candidates are considered against objective criteria, having due regard to the benefits of diversity on the Board. 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 Obligations and Disclosure Requirements) Regulations, 2015. 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, KMPs and Senior Management is attached as **Annexure 'I'** to the Corporate Governance Report.

AWARDS AND RECOGNITIONS

In recognition of its constant quest for growth and achievement, your Company has been honoured and recognised at various forums. The prominent awards are listed below for your reference:

Devapur Plant:

- SEEM National Energy Management Gold Award - 2017 received from Society of Energy Engineers & Managers (SEEM) at New Delhi on May 25, 2018.
- Apex India Excellence Award 2017 in the Category of "Platinum" for Environment, "Gold" for Safety and "Gold" for Energy Efficiency received on May 29, 2018 at New Delhi.
- Mines Environment & Mineral Conservation Week 2017-18 Awards;

Reclamation & Rehabilitation	1 st Prize
Waste Dump Management	2 nd Prize
Overall performance	2 nd Prize

- Mines Safety Week 2018 Awards under the aegis of DGMS

Overall performance	2 nd Prize
Drilling & Blasting	1 st Prize
Swatch Bharat	1 st Prize
Best practices in mines	1 st Prize
Crusher & Belt conveyor	2 nd Prize

- Telangana Best Employer Brand Award 2018 on November 16, 2018.
- Organization with Innovative HR Practice 2018 by World HRD Congress received on September 4, 2018.
- Apex India Excellence Award 2018 received on February 18, 2019 at New Delhi in the Category of "Platinum" for Environment, "Gold" for Safety and "Gold" for Energy Efficiency.
- Mines Environment & Mineral Conservation Week 2018 Awards:

Overall performance	1 st Prize
Mineral Beneficiation	1 st Prize
Publicity and Propaganda	1 st Prize
Waste Dump Management	2 nd Prize
Mineral Conservation	3 rd Prize

Chittapur Plant:

- Safety awards from the Mines Safety Association Karnataka (MSAK) 2018-19

Contractual Work and Safety is my responsibility cards	1 st Prize
Publicity & Propaganda and Innovation	3 rd Prize
Safety Management System	1 st Prize
Maintenance of Mining Machinery and Crusher	1 st Prize
Drilling and Blasting	2 nd Prize
Mine workings	2 nd Prize
Loading & Transportation	3 rd Prize
Overall performance (zonal level)	1 st Prize
Overall performance (state level)	1 st Prize

- Mines Environment & Mineral Conservation Week Awards 2018-19 by Indian Bureau of Mines

Waste Dump Management	1 st Prize
Reclamation and Rehabilitation	3 rd Prize
Systematic and Scientific development	2 nd Prize

- State level award from department of factories, boilers, industrial safety & health, Karnataka –Govt. of Karnataka for the year 2018

- Received 2nd prize under large category of industries.

- Orient Cement Ltd., has been declared winner of "GOLD AWARD" in cement sector for outstanding achievement in "Environment Management & Energy Efficiency".

Jalgaon Plant:

- Gold Award received from APEX for "Occupation Health and Safety 2018".
- "Energy Efficient Unit" in 19th National Award for Excellence in Energy Management 2018, CII, Hyderabad.

STATUTORY AUDITORS

M/s S.R. Batliboi & Co. LLP, Chartered Accountants (ICAI Firm Registration Number 301003E/ E300005) was appointed as Statutory Auditors of the Company by the shareholders at the Annual General Meeting held in the year 2014 to hold office as Statutory Auditors from the conclusion of Annual General Meeting held in the year 2014 till the conclusion of eighth Annual General Meeting of the Company to be held in the year 2019, subject to ratification of their appointment at every Annual General Meeting. Prior to this, M/s S.R. Batliboi & Co. LLP, had been the Statutory Auditors from the first Annual General Meeting held in the year 2012 till Annual General Meeting held in the year 2014.

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, the Board of Directors of your Company propose the re-appointment of M/s S.R. Batliboi & Co. LLP, Chartered Accountants (ICAI Firm Registration Number 301003E/E300005) as the Statutory Auditors of the Company for the balance term of two years to hold office as Statutory Auditors from the conclusion of this Annual General Meeting till the conclusion of tenth Annual General Meeting of the Company to be held in the year 2021. The resolution for their re-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 the Auditors confirming that they are eligible for re-appointment as auditors of the Company under section 139 of the Companies Act, 2013 and meet the criteria for appointment specified in section 141 of the Companies Act, 2013.

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.

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 appointed Mr. Somnath Mukherjee, Cost Accountant (M.No.-F5343), as Cost Auditors of the Company for the financial year 2019-20 at a fee of ₹85,000/- (Eighty five thousand only) plus 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 him to the effect that his 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 within the meaning 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 2018-19.

The Secretarial Audit Report is annexed to this report as **Annexure '1'**. The Secretarial Auditor's report is self-explanatory and therefore, does not require further comments and explanation.

The Board has re-appointed M/s Ranjeet Pandey and Associates, Company Secretaries, (Registration No. F-5922), as Secretarial Auditor of the Company for the financial year 2019-20.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

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

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 on an arm's length basis. All related party transactions were placed before the Audit Committee and also 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: <http://orientcement.com/investors/>.

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 '2'** 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.

RISK MANAGEMENT

The Company has constituted a Risk Management Committee 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.

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 practice, 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 Audit Committee of Board, which reviews and approves risk based annual internal audit plan. Audit Committee periodically reviews the performance of internal audit function.

CORPORATE SOCIAL RESPONSIBILITY

The basic concept of Company's 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 Corporate Social Responsibility ('CSR') for society at large, well 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. Detailed information pertaining to the CSR Committee has been provided in the Report on Corporate Governance.

The CSR Policy laid down by the Company ensures that:

1. The CSR agenda is integrated with the business;
2. Focused efforts are made in the identified community development areas to achieve the expected outcome;
3. The Company contributes towards nation-building through its CSR activities.

As part of its initiatives under CSR, the Company has contributed towards healthcare, infrastructure development and education during the year under review.

Corporate Social Responsibility Report, pursuant to section

134(3)(o) of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014, forms part of this Report as **Annexure '3'**

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

PARTICULARS OF EMPLOYEES, DIRECTORS AND KEY MANAGERIAL PERSONNEL

The information required pursuant to section 197 of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as **Annexure '4'** forming an integral part of this Report.

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.

EXTRACT OF THE 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, relevant extract of annual return for the financial year 2018-19 is given as **Annexure '5'** to this Report and can be accessed through the web link <http://orientcement.com/investors/>.

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 2018-19, no options were granted under ESOS-2015. The applicable disclosures under SEBI (Share Based Employee Benefits) Regulations, 2014 ("SEBI Regulations") as at March 31, 2019 has been uploaded on the website of the Company and can be accessed through the web link <http://orientcement.com/investors/>. 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.

As per the provisions of section 21 and 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the report on the details of the number of cases filed under Sexual Harassment and their disposal, during the calendar year 2018 is as under:

Number of cases pending as on the beginning of the calendar year	Nil
Number of complaints filed during the calendar year	Nil
Number of cases pending as on the end of the calendar year	Nil

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As required by Regulation 34(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a detailed Management Discussion and Analysis Report is presented in a separate section forming 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.

A detailed report on Corporate Governance forms an integral part of Annual Report and is set out as separate section therein.

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 Obligations and Disclosure Requirements) Regulations, 2015 is annexed with the Report on Corporate Governance. The Auditors' certificate for financial year 2018-19 does not contain any qualification, reservation or adverse remark.

PERFORMANCE EVALUATION OF BOARD, 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 2018-19. 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, preparation and contribution at Board meetings, leadership etc. 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 performance evaluation of non-independent directors, the Chairman and the Board was done by the independent directors.

LISTING WITH STOCK EXCHANGES

The Equity Shares of the Company are listed on National Stock Exchange of India Limited and BSE Limited. The annual listing fees for the financial year 2019-20 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, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures;
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, 2019 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.

MATERIAL CHANGES AND COMMITMENTS

No material changes and 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.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

The Company values the significance of conservation of energy and technology absorption and remains conscious about the environment impact of its business operations. During the financial year, the Company undertook a variety of energy conservation measures across all its plants, making continuous efforts for judicious use of energy at all levels of operations by utilizing energy efficient system and processes. Some steps taken towards energy conservation are the result of technology absorption. Our new integrated cement manufacturing unit at Chittapur has been equipped with new state of the art technology and latest energy efficient equipment.

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 are 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 ₹4067.30 lacs.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

During the financial year 2018-19, 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

No significant and material orders have been passed by any regulator or court or tribunal against the Company impacting the going concern status and Company's operations in future.

BUSINESS RESPONSIBILITY REPORT

In compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Business Responsibility Report is presented in a separate section forming part of the Annual report.

DIVIDEND DISTRIBUTION POLICY

Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, requires top 500 listed Companies based on the market capitalization to formulate Dividend Distribution Policy. In compliance of the said requirement, the Company has formulated the Dividend Distribution Policy. The Dividend Distribution Policy of the Company is enclosed as **Annexure -'7'** to this Report and is also placed on the website of the Company. This can be accessed through the web link: <http://orientcement.com/investors/>.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

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 as to dividend, voting or otherwise.
2. Issues of sweat equity shares.
3. Provision of money for purchase of its own shares by employees or by trustees for the benefit of employees.

ACKNOWLEDGEMENT

Your Directors place on record their appreciation for assistance and co-operation received from various Ministries and Departments of Government of India and other State Governments, banks, shareholders of the Company etc. Your Directors wish to place on record their sincere appreciation for the dedicated efforts and consistent contribution made by the employees at all levels, to ensure that the Company continues to grow and excel.

**By order of the Board of Directors
For Orient Cement Limited**

**Place: New Delhi
Date: April 29, 2019**

**CK. Birla
Chairman
(DIN 00118473)**

Annexure-1

Secretarial Audit Report

For the financial year ended on 31st March, 2019

[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,
Bhubaneswar, 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 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, 2019 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, 2019, 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 Listing Agreements entered into by the Company

with BSE Limited and National Stock Exchange of India Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above except that the Company filed e-form MGT-14 with respect to appointment of Internal Auditor with a delay of 38 days.

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, during the audit period, the Company has:

- (i) declared and paid dividend and necessary compliances of the Companies Act, 2013 were made;
- (v) obtained the approval of members for raising of funds through issuance of securities.

**For Ranjeet Pandey & Associates
Company Secretaries**

**Place: New Delhi
Date: 29th April, 2019**

**CS Ranjeet Pandey
FCS- 5922, CP NO.- 6087**

*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.*

Annexure-I

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.

**For Ranjeet Pandey & Associates
Company Secretaries**

**Place: New Delhi
Date: 29th April, 2019**

**CS Ranjeet Pandey
FCS- 5922, CP No.- 6087**

Annexure-2

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
(a) Name(s) of the related party and nature of relationship

● Orient Paper & Industries Limited	-Director of the Company along with his relatives holding more than 2% shares in Orient Paper & Industries Limited
● Orient Electric Limited	-Director of the Company along with his relatives holding more than 2% shares in Orient Electric Limited
● Khaitan & Co., LLP, New Delhi	-Director is partner in Khaitan & Co., LLP
● Khaitan & Co. LLP, Kolkata	-Director is partner in Khaitan & Co., LLP
● Talwar Thakore & Associates (TT&A)	-Director is associated through collaboration Agreement

(b) Nature of contracts/arrangements/transactions

● Orient Paper & Industries Limited	- Rent
● Orient Electric Limited	- Purchase of goods
● Khaitan & Co., LLP, New Delhi	- Professional fees
● Khaitan & Co., LLP, Kolkata	- Professional fees
● Talwar Thakore & Associates (TT&A)	- Professional fees

(c) Duration of the contracts / arrangements/transactions:

● Orient Paper & Industries Limited	-Perpetual
● Orient Electric Limited	-Need based
● Khaitan & Co., LLP, New Delhi	-Need based
● Khaitan & Co., LLP, Kolkata	-Need based
● Talwar Thakore & Associates (TT&A)	-Need based

(d) Salient terms of the contracts or arrangements or transactions including the value, if any:

● Orient Paper & Industries Limited	₹12,00,000/-
● Orient Electric Limited	₹17,68,000/-
● Khaitan & Co., LLP, New Delhi	₹6,00,000/-
● Khaitan & Co., LLP, Kolkata	₹1,00,000/-
● Talwar Thakore & Associates (TT&A)	₹3,21,357/-

(e) Date(s) of approval by the Board, if any: Not required as all transactions were at arms' length price and were in ordinary course of business.

(f) Amount paid as advances, if any:-Nil

By order of the Board of Directors
 For Orient Cement Limited

Place: New Delhi
 Date: April 29, 2019

CK. Birla
 Chairman
 (DIN 00118473)

Annexure-3

Annual Report on Corporate Social Responsibility (CSR) Activities

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

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.

CSR Policy is stated on Company's website and can be accessed through the weblink: <http://orientcement.com/investors>.

The composition of the CSR Committee

1. Mr. Janat Shah- Chairman
2. Mr. Desh Deepak Khetrupal- Member
3. Mr. Rabindranath Jhunjhunwala-Member
4. Mr. I. Y.R. Krishna Rao-Member

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

Average net profit of the Company for last three financial years: ₹2086 lacs

Prescribed CSR Expenditure (two per cent of the average net profit): The Company was required to spend ₹41.72 lacs towards CSR during the financial year 2018-19.

Details of CSR spent during the financial year 2018-19:

(a) Total amount spent for the financial year 2018-19: ₹459.97 lacs

(b) Amount unspent, if any: Nil

(c) Manner in which the amount spent during the financial year is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or programs wise (₹ in lacs)	Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads (₹ in lacs)	Cumulative expenditure up to the reporting period (₹ in lacs)	Amount spent : Direct or through implementing agency
1.	School Infrastructure/ Expenses	Education	Devapur, Dist. Adilabad, State-Telangana	486.00	324.68*	324.68	Direct
2.	Running of Medical Dispensary and organizing Medical Camps	Healthcare	Devapur, Dist. Adilabad, State-Telangana	100.00	72.46	72.46	Direct

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or programs wise (₹ in lacs)	Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads (₹ in lacs)	Cumulative expenditure up to the reporting period (₹ in lacs)	Amount spent : Direct or through implementing agency
3.	Other Projects						
i.	Grant to Vanvasi Kalyan Parishad	Hunger, poverty and malnutrition	Devapur, Dist. Adilabad, State-Telangana		1.83	1.83	Direct
ii.	Swatch Bharat Sanitation work	Sanitation	Devapur, Dist. Adilabad, State – Telangana		15.52	15.52	Direct
iii.	Toilet blocks in Village		Jalgaon Khurd and Nashiarabad, Dist. Jalgaon, State – Maharashtra		12.00	12.00	Direct
iv.	Promotion & development of traditional arts and handicrafts	Promotion and development	Devapur, Kasipet, Eppalagudam Dist. Adilabad, State-Telangana	56.00	13.47	13.47	Direct
			Jalgaon Khurd and Nashiarabad, Dist. Jalgaon, State – Maharashtra		19.14	19.14	Direct
v.	Promotion of rural sports	Sports	Devapur, Dist. Adilabad, State – Telangana		0.38	0.38	Direct
vi.	Promoting Employment enhancing vocational skills	Enhancing vocational skills	Devapur, Dist. Adilabad, State – Telangana		0.49	0.49	Direct
TOTAL				642.00	459.97	459.97	

*Excluding provision of gratuity ₹74.88 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 ₹472.08 lacs on projects related to building school, rural infrastructure and community development programs which are not covered under section 135 of the Companies Act, 2013.

Our CSR responsibilities

We hereby affirm that the CSR Policy, as approved by the Board, has been implemented and the CSR Committee monitors the implementation of the projects and activities in compliance with our CSR objectives.

Place: New Delhi
Date: : April 29, 2019

Janat Shah
Chairman CSR Committee
(DIN 01625535)

D. D. Khetrpal
Managing Director & CEO
(DIN 02362633)

Annexure-4

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 percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2018-19 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19:-

S. No.	Name of the Director/ KMP and Designation	Remuneration of Director/ KMP for financial year 2018-19 (₹)	% Increase/ (Decrease) in remuneration in the financial year 2018-19	Ratio of remuneration of each Director/ to median remuneration of employees
1.	Mr. CK. Birla –Chairman	9,00,000	6%	1.13 times
2.	Mr. Desh Deepak Khetrpal - Managing Director & CEO	9,94,85,085	18%	124.82 times
3.	Ms. Amita Birla-Director	9,00,000	6%	1.13 times
4.	Mr. Vinod Kumar Dhall-Director (resigned w.e.f. 23-3-2019)	9,00,000	6%	1.13 times
5.	Mr. Rabindranath Jhunjhunwala-Director	9,00,000	6%	1.13 times
6.	Mr. Rajeev Jhavar-Director	9,00,000	6%	1.13 times
7.	Mr. Janat Shah-Director	9,00,000	6%	1.13 times
8.	Mr. Swapan Dasgupta-Director	9,00,000	6%	1.13 times
9.	Mr. I. Y. R. Krishna Rao-Director	9,00,000	6%	1.13 times
10.	Ms. Varsha Vasant Purandare – Director (appointed w.e.f. 8-2-2019)	2,00,000	-	-
11.	Mr. Sushil Gupta- Chief Financial Officer	1,94,87,563	9%	-
12.	Ms. Nidhi Bisaria – Company Secretary (appointed w.e.f. 23-11-2017)	25,00,012	N.A.	-

Note:-

- For this purpose, sitting fees paid to the directors have not been considered as remuneration.
- (ii) The median remuneration of employees of the Company during the financial year was ₹7.97 lac p.a.
- (iii) In the financial year, there was an increase of 8% in the median remuneration of employees.
- (iv) There were 893 permanent employees on the rolls of the Company as on March 31, 2019.
- (v) Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year i.e 2018-19 was 8.91%. Keeping in view the duties and responsibilities cast on the Managing Director & CEO and considering his knowledge of various aspects relating to the Company's affairs, the percentile increase in the managerial remuneration for the same financial year was 18%.
- (vi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel, Senior Management Personnel and other employees.

(vii) Details of employees employed throughout the year and were in receipt of remuneration at the rate of not less than one crore and two lac rupees per annum and the details of top ten employees in terms of remuneration drawn:

Name of Employee	Designation of the employee	Remuneration received* (₹)	Qualifications	Experience (No. of years)	Date of commencement of employment	Age (years)	The last employment held by such employee before joining the Company
Desh Deepak Khetrapal	Managing Director and CEO	9,56,13,165	B Com (H), MBA	43	02.04.2012	63	Jumbo Electronics, Dubai as Group CEO
Shyam B Asawa	President - Projects	2,11,65,560	B.E. (Mechanical) Diploma In Business Management	37	01.11.2012	59	Reliance Cement Company Pvt. Ltd. as Director - Projects
Sushil Gupta	Chief Financial Officer	1,94,27,196	CA	28	21.07.2014	52	Essar Offshore Sub-Sea Limited as CFO & Director (Finance)
Shiva Kant Pandey	President - Works	1,89,62,927	B. E - Electrical	35	21.07.2014	56	Heidelberg Cement as Additional Director (Technical) & Unit Head
Rajendra Mishra	Chief Operating Officer	1,67,21,138	B.E – Electrical & Electronics	29	01.11.2017	52	Sterlite Technologies Ltd. as Chief Technology Officer
Manish Dua	President – Sales & Marketing	1,68,04,500	MBA – Marketing	28	16.11.2017	49	Kesoram Industries Ltd. as Chief Sales & Marketing Officer
Rahul Bhandari	Head - Strategy	1,27,16,543	B. E – Electronics, PGDM	18	10.09.2015	38	J.P. Morgan and Mitsubishi UFJ based in London and Hong Kong
N S Srinivas	Senior Vice President - Human Resources	1,18,76,160	MSW - HRM, LLB	23	13.02.2014	46	KEC International Limited – as Vice President – Human Resources
Avinash Joshi	Senior Vice President - Central Procurement	1,09,42,716	B. E – Civil	36	13.10.2016	58	Heidelberg Cement as Director Procurement
Y Srinivasa Rao	Senior Vice President -Marketing	82,73,615	M. Tech- Civil, MBA	25	05.09.2011	51	Bharathi Cement Corporation Pvt. Ltd. as Chief General Manager- Marketing

(viii) Employed for a part of the financial year, was in receipt of remuneration at the rate of not less than eight lac and fifty thousand rupees per month.

Name of Employee	Designation of the employee	Remuneration* received (₹)	Qualifications	Experience (No. of years)	Date of commencement of employment	Age (years)	The last employment held by such employee before joining the Company
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*Remuneration for this purpose has been calculated on actual receipt basis and excludes any benefit accrued but not paid.

Note:

- The remuneration (vii, viii) does not include the provision made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.
- Nature of employment is contractual in all the cases.
- No such employee is a relative of any director or manager of the Company.
- No employee was in receipt of remuneration in the financial year which, in the aggregate, or as the case may be was at a rate which, in the aggregate, is in excess of that drawn by the Managing Director and holds by himself or along with his spouse and dependent children, not less than two per cent of the equity shares of the Company.

By order of the Board of Directors
For Orient Cement Limited

Place: New Delhi
Date: April 29, 2019

CK. Birla
Chairman
(DIN 00118473)

Extract of Annual Return

as on the financial year ended on 31st March, 2019
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

ORIENT
CEMENT

Form No. MGT-9**I. REGISTRATION AND OTHER DETAILS:**

i) CIN	L26940OR2011PLC013933
ii) Registration Date	22 nd July, 2011
iii) Name of the Company	Orient Cement Limited
iv) Category / Sub-Category of the Company	Company having share capital
v) Address of the Registered office and contact details	Unit VIII, Plot No. 7, Bhoinagar, Bhubaneswar, Odisha-751 012 Tel.: 0674-2396930, Fax No. 0674-2396364
vi) Whether listed company	Yes
vii) Name, address and contact details of Registrar and Transfer Agent, if any	MCS Share Transfer Agent Limited*, F-65, Okhla Industrial Area, Phase-I, New Delhi-110 020 Tel.: 011-41406149-52 Email: admin@mcsregistrars.com

*upto April 24, 2019. w.e.f. April 25, 2019, the Company has appointed M/s Karyv Fintech Private Limited as the Registrar & Share Transfer Agent of the Company.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company:

S. No.	Name and description of main products / services	NIC Product/ service	Code of the	% to total turnover of the Company
1	Cement		Group : 239 Class : 2394 Sub-Class : 23941	99.80%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
The Company has no holding, subsidiary and associate company.					

IV. SHARE HOLDING PATTERN (Equity share capital breakup as percentage of total equity)**i) Category-wise shareholding**

Category of shareholders	No. of shares held at the beginning of the year 1-4-2018				No. of shares held at the end of the year 31-3-2019				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	69,63,250	-	69,63,250	3.40	69,63,250	-	69,63,250	3.40	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	6,95,86,672	-	6,95,86,672	33.97	6,95,86,672	-	6,95,86,672	33.97	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	7,65,49,922	-	7,65,49,922	37.37	7,65,49,922	-	7,65,49,922	37.37	-
(2) Foreign									
a) NRIs -Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-

Category of shareholders	No. of shares held at the beginning of the year 1-4-2018				No. of shares held at the end of the year 31-3-2019				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A) (1)+(A)(2)	7,65,49,922	-	7,65,49,922	37.37	7,65,49,922	-	7,65,49,922	37.37	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	4,57,79,713	2000	4,57,81,713	22.35	4,69,64,219	2,000	4,69,66,219	22.93	0.58
b) Banks / FI	87,490	93,460	1,80,950	0.09	1,04,745	97,460	2,02,205	0.10	0.01
c) Central Govt./ State Govt.	-	-	-	-	-	-	-	-	-
d) Venture Capital Funds	-	-	-	-	-	-	-	-	-
e) Insurance Companies	88,29,078	-	88,29,078	4.31	88,29,078	-	88,29,078	4.31	0.00
f) FIs	-	-	-	-	-	-	-	-	-
g) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
h) Others (specify)- Foreign Portfolio Investors	1,42,33,940	-	1,42,33,940	6.95	1,51,62,091	-	1,51,62,091	7.40	0.45
Sub-total (B)(1):-	6,89,30,221	95,460	6,90,25,681	33.69	7,10,60,133	99,460	7,11,59,593	34.73	1.04
2. Non-Institutions									
a) Bodies Corporate	91,23,702	3,32,430	94,56,132	4.62	76,81,919	3,43,970	80,25,889	3.92	(0.70)
b) Individuals									
i) Individual shareholders holding nominal share capital up to ₹2 lacs	1,80,96,718	10,73,685	1,91,70,403	9.36	1,77,22,731	7,97,285	1,85,20,016	9.04	(0.32)
ii) Individual shareholders holding nominal share capital in excess of ₹2 lacs	36,56,660	-	36,56,660	1.78	37,53,660	-	37,53,660	1.83	0.05
c) Others									
--NBFC's Registered with RBI	1,500	-	1,500	-	1,500	-	1,500	-	-
--Trust & Foundations	28,000	-	28,000	0.01	-	4,000	4,000	-	(0.01)
--Non-Resident Individual	15,28,632	25,990	15,54,622	0.76	14,28,340	-	14,28,340	0.70	(0.06)
--OCB	36,82,240	-	36,82,240	1.80	36,82,240	-	36,82,240	1.80	-
--Cooperative Societies	2,17,43,600	-	2,17,43,600	10.61	2,17,43,600	-	2,17,43,600	10.61	-
Sub-total (B)(2):-	5,78,61,052	14,32,105	5,92,93,157	28.94	5,60,13,990	11,45,255	5,71,59,245	27.90	(1.04)
Total Public Shareholding(B)=(B) (1)+ (B)(2)	12,67,91,273	15,27,565	12,83,18,838	62.63	12,70,74,123	12,44,715	12,83,18,838	62.63	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	20,33,41,195	15,27,565	20,48,68,760	100.00	20,36,24,045	12,44,715	20,48,68,760	100.00	-

(ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year 1-4-2018			Shareholding at the end of the year 31-3-2019			% change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged/ encumbered to total shares	
1	Central India Industries Limited	4,91,43,627	23.99	2.83	4,91,43,627	23.99	2.83	-
2	Shekhavati Investments and Traders Limited	1,23,20,865	6.01	-	1,23,20,865	6.01	-	-
3	Mr. Chandrakant Birla	31,53,570	1.54	-	31,53,570	1.54	-	-
4	Hindustan Discounting Company Limited	22,31,000	1.09	-	22,31,000	1.09	-	-
5	Gwalior Finance Corporation Limited	15,92,500	0.78	-	15,92,500	0.78	-	-
6	Amer Investments (Delhi) Limited	14,22,000	0.69	-	14,22,000	0.69	-	-
7	Universal Trading Company Limited	9,72,280	0.47	-	9,72,280	0.47	-	-
8	National Engineering Industries Limited	5,37,400	0.26	-	5,37,400	0.26	-	-
9	Rajasthan Industries Limited	5,04,000	0.25	-	5,04,000	0.25	-	-
10	Ashok Investment Corporation Limited	2,60,000	0.13	-	2,60,000	0.13	-	-
11	Jaipur Finance and Dairy Product Pvt. Ltd.	2,08,000	0.10	-	2,08,000	0.10	-	-
12	India Silica Magnesite Works Limited	2,00,000	0.10	-	2,00,000	0.10	-	-
13	Bengal Rubber Company Limited	1,95,000	0.10	-	1,95,000	0.10	-	-
14	Ms. Nirmala Birla	31,61,680	1.54	-	31,61,680	1.54	-	-
15	Ms. Amita Birla	3,88,000	0.19	-	3,88,000	0.19	-	-
16	Ms. Avani Birla	1,30,000	0.06	-	1,30,000	0.06	-	-
17	Ms. Avanti Birla	1,30,000	0.06	-	1,30,000	0.06	-	-
18	Mr. Shyam Sunder Jajodia	-	-	-	-	-	-	-
	Total	7,65,49,922	37.37	2.83	7,65,49,922	37.37	2.83	-

(iii) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	Name	Shareholding		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year (1.4.2018 to 31.3.2019)	
		No. of shares at the beginning (1.4.2018)/ end of the year (31.3.2019)	% of total shares of the Company				No. of shares	% of total shares of the Company
1	Franklin Templeton Mutual Fund A/c Franklin India	50,75,000	2.48	01-04-2018				
				06-04-2018	6,25,000	Purchase	57,00,000	2.78
				20-04-2018	50,000	Purchase	57,50,000	2.81
				04-05-2018	2,50,000	Purchase	60,00,000	2.93
				22-06-2018	22,795	Purchase	60,22,795	2.94
				30-06-2018	1,21,941	Purchase	61,44,736	3.00
				06-07-2018	38,046	Purchase	61,82,782	3.02
				13-07-2018	3,871	Purchase	61,86,653	3.02
				20-07-2018	2,69,788	Purchase	64,56,441	3.15
				27-07-2018	5,43,559	Purchase	70,00,000	3.42
				03-08-2018	6,50,000	Purchase	76,50,000	3.73
				31-08-2018	1,23,199	Purchase	77,73,199	3.79
				07-09-2018	1,54,724	Purchase	79,27,923	3.87
				14-09-2018	72,077	Purchase	80,00,000	3.90
				29-09-2018	8,60,500	Purchase	88,60,500	4.32
				05-10-2018	7,47,086	Purchase	96,07,586	4.69
				12-10-2018	1,37,673	Purchase	97,45,259	4.76
				19-10-2018	27,226	Purchase	97,72,485	4.77
				26-10-2018	5,128	Purchase	97,77,613	4.77
				09-11-2018	18,338	Purchase	97,95,951	4.78
		23-11-2018	12,693	Purchase	98,08,644	4.79		
		30-11-2018	1,91,356	Purchase	1,00,00,000	4.88		
		14-12-2018	9,615	Purchase	1,00,09,615	4.89		
		21-12-2018	2,62,696	Purchase	1,02,72,311	5.01		
		04-01-2019	3,29,654	Purchase	1,06,01,965	5.18		
		11-01-2019	3,98,035	Purchase	1,10,00,000	5.37		
		1,10,00,000	5.36	31-03-2019				
2	HDFC Trustee Company Limited A/c HDFC Balanced Advant	1,08,38,200	5.29	01-04-2018		Nil		
		1,08,38,200	5.29	31-03-2019		movement during the year		
3	India Capital Fund Limited	74,62,325	3.64	01-04-2018				
				29-09-2018	13,56,250	Purchase	88,18,575	4.30
				05-10-2018	98,750	Purchase	89,17,325	4.35
		89,17,325	4.35	31-03-2019				

S. No.	Name	Shareholding		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year (1.4.2018 to 31.3.2019)	
		No. of shares at the beginning (1.4.2018)/ end of the year (31.3.2019)	% of total shares of the Company				No. of shares	% of total shares of the Company
4	Reliance Capital Trustee Company Limited A/c – Reliance Small	56,96,526	2.78	01-04-2018		Nil movement during the year		
		56,96,526	2.78	31-03-2019				
5	Government Pension Fund Global	42,89,079	2.09	01-04-2018		Nil movement during the year		
		42,89,079	2.09	31-03-2019				
6	Life Insurance Corporation of India	42,25,812	2.06	01-04-2018		Nil movement during the year		
		42,25,812	2.06	31-03-2019				
7	National Insurance Company Limited	42,22,506	2.06	01-04-2018		Nil movement during the year		
		42,22,506	2.06	31-03-2019				
8	HDFC Trustee Co. Ltd. A/c HDFC Housing Opportunities	32,80,243	1.60	01-04-2018		Purchase		
				06-04-2018	5,34,718		38,14,961	1.86
				27-04-2018	3,700		38,18,661	1.86
				04-05-2018	2,00,000		40,18,661	1.96
		40,18,661	1.96	31-03-2019				
9	Birla Institute of Technology and Science	35,19,850	1.72	01-04-2018		Nil movement during the year		
		35,19,850	1.72	31-03-2019				
10	Rukmani Birla Educational Society	34,72,140	1.69	01-04-2018		Nil movement during the year		
		34,72,140	1.69	31-03-2019				

(iv) Shareholding of Directors and Key Managerial Personnel:

S. No.	For each of the Directors and KMP	Shareholding at the beginning of the year 1-4-2018		Cumulative shareholding during the year 31-3-2019	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Mr. Chandrakant Birla				
	At the beginning of the year	31,53,570	1.54	31,53,570	1.54
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	31,53,570	1.54	31,53,570	1.54
2.	Mrs. Amita Birla				
	At the beginning of the year	3,88,000	0.19	3,88,000	0.19
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	3,88,000	0.19	3,88,000	0.19
3.	Mr. Desh Deepak Khetrpal				
	At the beginning of the year	-	-	-	-
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-
4.	Mr. Rajeev Jhawar				
	At the beginning of the year	-	-	-	-
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	-	-	--	-

S. No.	For each of the Directors and KMP	Shareholding at the beginning of the year 1-4-2018		Cumulative shareholding during the year 31-3-2019	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
5	Mr. Rabindranath Jhunjhunwala				
	At the beginning of the year	-	-	-	-
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-
6	Mr. Janat Shah				
	At the beginning of the year	-	-	-	-
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-
7	Mr. Swapan Dasgupta				
	At the beginning of the year	-	-	-	-
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-
8	Mr. I.Y.R. Krishna Rao				
	At the beginning of the year	-	-	-	-
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-

S. No.	For each of the Directors and KMP	Shareholding at the beginning of the year 1-4-2018		Cumulative shareholding during the year 31-3-2019	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
9	Mrs. Varsha Vasant Purandare				
	At the beginning of the year	-	-	-	-
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-
10	Mr. Vinod Kumar Dhall				
	At the beginning of the year	-	-	-	-
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-
11	Mr. Sushil Gupta				
	At the beginning of the year	-	-	-	-
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	-	-	-	-
12	Mrs. Nidhi Bisaria				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the End of the year	-	-	-	-

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (₹ in lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,17,773.98	9,861.87	-	1,27,635.85
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	156.17	-	-	156.17
Total (i+ii+iii)	1,17,930.15	9,861.87	-	1,27,792.02
Change in Indebtedness during the financial year				
• Addition	15,300.00	20,000.00	-	35,300.00
• Reduction	7,520.63	29,861.87	-	37,382.50
Net Change	7,779.37	(9,861.87)	-	(2,082.50)
Indebtedness at the end of the financial year				
i) Principal Amount	1,25,553.35	-	-	1,25,553.35
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	184.86	-	-	184.86
Total (i+ii+iii)	1,25,738.21	-	-	1,25,738.21

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

S. No.	Particulars of Remuneration	Managing Director & CEO	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	883.60	883.60
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	47.09	47.09
	(c) Profits in lieu of salary under section 17(3) of Income-tax Act, 1961	-	-
2	Stock Option (in number)	8,31,900 Options	8,31,900 Options
3	Sweat Equity	-	-
4	Commission		
	- as % of profit	-	-
	- others	-	-
5	Others		
	- Employers' Contribution to Provident Fund	37.44	37.44
	Total (A)	968.13	968.13
	Ceiling as per Act	Not Applicable	
	Remuneration paid to the Managing Director & CEO is as per the terms approved by the shareholders' in the Annual General Meeting held on August 17, 2018.		

B. Remuneration to other Directors

(₹ in lacs)

Particulars of Remuneration	Name of Directors							Total Amount
	Mr. Rajeev Jhawar	Mr. Vinod Kumar Dhall * Resigned w.e.f (23-03-2019)	Mr. Rabindranath Jhunjunwala	Mr. Janat Shah	Mr. Swapan Dasgupta	Mr. I.Y.R. Krishna Rao	Mrs. Varsha Purandare *Appointed w.e.f (08-02-2019)	
1. Independent Directors								
• Fee for attending board / committee meetings	6.00	11.50	8.00	6.50	13.50	10.00	2.50	58.00
• Commission	9.00	9.00	9.00	9.00	9.00	9.00	2.00	56.00
• Others	-	-	-	-	-	-	-	-
Total (1)	15.00	20.50	17.00	15.50	22.50	19.00	4.50	114.00
2. Other Non-Executive Directors								
Particulars of Remuneration	Name of Directors		Total Amount					
	Mr. CK. Birla	Mrs. Amita Birla						
• Fee for attending board / committee meetings	7.00	3.00	10.00					
• Commission	9.00	9.00	18.00					
• Others	-	-	-					
Total (2)	16.00	12.00	28.00					
Total (B)=(1+2)			142.00					
Total Managerial Remuneration (A+B)	₹74.00 lacs (excluding the sitting fees paid to non-executive directors and remuneration paid to the Managing Director & CEO as per the terms approved by the shareholders' in the Annual General Meeting held on August 17, 2018)							
Overall ceiling as per Act	11% of the net profits of the Company, i.e., ₹823.43 lacs.							

C. Remuneration to Key Managerial Personnel other than Managing Director/ Manager/ Whole Time Director

(₹ in lacs)

Sl. no.	Particulars of Remuneration	Chief Financial Officer	Company Secretary	Total Amount
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	174.28	22.65	196.93
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-
2.	Stock Option (in number)	1,73,700 Options	-	1,73,700 Options
3.	Sweat equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
	- others	-	-	-
5.	Others			
	- Employer's Contribution to Provident Fund	9.22	1.05	10.27
	- NPS	7.68	0.88	8.56
	Total (C)	191.18	24.58	215.76

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty					
Punishment			NIL		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			NIL		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			NIL		
Compounding					

 By order of the Board of Directors
 For Orient Cement Limited

 Place: New Delhi
 Date: April 29, 2019

 CK. Birla
 Chairman
 (DIN 00118473)

Annexure-6

Conservation of Energy and Technology Absorption

A) Conservation of energy:

(i) The steps taken or impact on conservation of energy

Devapur:

- Installation of VFD in Kiln-1 Swirl air Fan & cooler fan
- Installation of GRR for Kiln-1 Cooler ESP
- Optimization of Kiln cooler fans by increasing the fan pulley size.
- Optimization of Coal mill-1 CA fan in Line-1
- Energy saving in dust collectors by modifying their motor and fan pulleys.
- Polycom Rawmill-1 Bag filter damper removed.

Jalgaon:

- Removal of dampers from VFD driven Bag Filters fans
- Optimization of compressed air line route and pipe size.
- Direct feeding of fly-ash from silo to mill discharge bucket elevator.
- Modification of Clinker feeding belt conveyor width for reducing the run hours and enhancing the feed rate.
- Saving in material unloading power consumption by replacement of Flyash unloading compressor.

Chittapur:

- P H Fan outlet draft vs Bag house fan Rpm PID put in auto mode.
- Coal Mill booster fan taken in circuit and get enough flow for mill for reduction in Mill power.
- Power saving due to PH fan optimize according to O2 level
- Cyclone V two way feed put in circuit
- Secondary air temperature improved by stopping Cooler back blaster.
- Kiln coating & Lining life increased from 268 days to 338 days by Burner Pipe put inside 100 mm.
- Cooler ESP take off duct coating minimize with adjustment of water nozzle and hood draft to reduce cooler power.
- Raw Meal silo blending optimized.
- Raw Mill fan power consumption reduces from 3.5 to 2.3 kWh/T by static gap adjustment.
- Provided weigh feeders discharge grill in all additive to control the feed size.
- Electrical vibrator fixed in additive hoppers.
- Cement mills fan RPM reduced from 98% to 85% resultant power saving 3.51 kWh/Mt
- Cement mill-2 roller and table profile build up done
- Cement mills grinding aid dosing point changes from feed chute to table through water spray.
- Cement mills main bag house purging sequence, off time increased from 20 sec to 60 sec and compressor air consumption reduced to 70%.
- Fly ash unloading air pressures reduced and operate one compressor with two unloading points which saves power 1.5 kWh/Mt in fly ash unloading.
- Permanent magnets installed on both cement mills reject belt conveyors.
- New venting/suction line connection given from clinker hopper top bag filter to cement mill-1 bag filter.

	<p>Chittapur CPP:</p> <ul style="list-style-type: none"> Achieved Energy Saving of 800kWh/day by introducing VFD for turbine Condensate Extraction Pump (CEP). Achieved Energy Saving of 1800 kWh/day by utilising instrument air for Ash conveying instead of service air by inter connecting both. Energy saving of 432kWh/day by introducing VFD for Auxiliary Cooling water Pumps (ACW). Energy Saving of 144kWh/day by Replacing Motor driven Roof extraction fans with Turbo ventilators in STG Building. Energy saving of 1200kWh/day by introducing Control Valve trimming & replacement of attemperator Control Valves for one boiler.
(ii) The steps taken by the Company for utilising alternate sources of energy;	<p>Devapur:</p> <ul style="list-style-type: none"> Usage of alternative fuels in all three Kilns in plants. <ul style="list-style-type: none"> Carbon Black Organic Residue Agro Waste Usages of Agro waste in CPP Start using Super Poly Diesel in place of HSD for Kiln Firing. <p>Chittapur:</p> <ul style="list-style-type: none"> Usage of alternative fuels in Kiln <ul style="list-style-type: none"> LAFR Carbon Black Organic Residue Dolachar Usages of Agro Waste in CPP. Purchased & used 52 lac/kwh Wind power during year i.e. 3.5% of consumption. Start using Super Poly Diesel in place of HSD for Kiln Firing.
(iii) The capital investment on energy conservation equipments	<p>Jalgaon:</p> <ul style="list-style-type: none"> Fly ash unloading system of ₹26.40 lacs <p>Chittapur:</p> <ul style="list-style-type: none"> Installed Liquid AFR System to use the AFR cost ₹96.65 Lac VFD installed for Auxiliary Cooling water Pumps (ACW) ₹10 Lac at CPP Replacement of Control Valve Trim Set for Boiler FCV and attemperator Control Valves for one boiler ₹19 Lac
(B) Technology absorption:	
(i) The efforts made towards technology absorption	<p>Devapur:</p> <ul style="list-style-type: none"> Adoption of Nano Technology for Roller profiling. Fog spray system introduced <p>Chittapur:</p> <ul style="list-style-type: none"> Installation of Selective Non Catalytic reaction (SNCR) system for Kiln.
(ii) The benefits derived like product improvement, cost reduction, product development or import substitution	<p>Devapur:</p> <ul style="list-style-type: none"> Enhance life & reliability of roller for cement mill by using Nano Technology. Fog spray system introduced to control fugitive emissions <p>Chittapur:</p> <ul style="list-style-type: none"> Installation of Selective Non Catalytic reaction (SNCR) system to neutralize the Nitrogen oxide (Nox) of Kiln.

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	
(b) the year of import	Not Applicable
(c) whether the technology been fully absorbed	
(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	
(iv) the expenditure incurred on research and development	<p>Chittapur:</p> <ul style="list-style-type: none"> • Establishment of Concrete Lab – For research on the impact of cement ratio for making different types of concrete and establish the optimum end use by investment of ₹14.93 Lac

By order of the Board of Directors
For Orient Cement Limited

Place: New Delhi
Date: April 29, 2019

CK. Birla
Chairman
(DIN 00118473)

Annexure-7

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.

Management discussion and analysis report

INDIAN ECONOMIC OVERVIEW

India retained its position as the sixth largest and fastest growing economy this year with an estimated growth rate of 7.2% – 7.4% according to various estimates, an increase over the growth rate of 6.7% recorded in 2017-18. The principal developments during the year comprised a bounce back in per capita income, high FDI flows, decline in the national inflation, steady interest rates and volatility in energy prices with some weakening of industrial growth and consumer sentiment towards the end.

In 2018, the country attracted more foreign inflows than China - approximately USD 38bn, higher than China's USD 32bn primarily driven by global trade wars reducing capital flow to China, a favourable FDI policy in India as well as opportunities for investment becoming available due to asset divestment pursuant to the new bankruptcy framework. India also improved its position in the World Bank's latest report on the ease of doing business in a 23-notch jump to a record 77th position amongst 190 countries. Inflation was pegged at 2.6% on an annual basis, one of the lowest in years and well below the Reserve Bank of India's medium-term target of 4%. The rupee rebounded after touching a low of ₹74.5 to a dollar to close the financial year at ₹69.4

The year saw several key government initiatives such as bank recapitalization scheme, several projects with the focus on improving and expanding infrastructure in various areas (roads, ports, irrigation), affordable housing, rural development and support through an assured income scheme, agriculture support to farmers under a minimum support price (MSP) programme, increasing investment in defence, changes to the insolvency and bankruptcy framework to provide support to home-buyers and use of the Direct Benefit Transfer initiative for better targeting and disbursement of welfare funds.

The growth rate, while healthy to begin, slowed in the second half with GDP growth recorded at 6.6% for Q3 after growing at 7.6% in the first half of the financial year. The slowdown has been primarily attributed to weaker manufacturing and a dip in rural incomes on account of low food inflation. Credit expansion was also impacted on account of the liquidity concerns around the non-banking financial sector with a

follow through impact on domestic demand and consumer sentiment. Core sector production also significantly slowed down in the last quarter of 2018-1 with growth recorded at less than 2% after growing at close to 5% in the first nine months of the year

OUTLOOK

India's economy is projected to continue its impressive growth rate for some years to come, retaining its position as the fastest growing large economy in the world. It is expected to become the 3rd largest economy by the year 2030, according to a recent PricewaterhouseCoopers report. A clean-up of bank and corporate balance sheets, fiscal consolidation and continued momentum in structural policy reforms are expected to provide a boost to business and growth in the years ahead.

However, global factors such as trade wars and protectionist policies, uncertain monetary policies from central banks around the world impacting liquidity and slowdown of the Chinese economy are factors expected to provide downside risks to global economic growth. Domestically, concerns around below normal forecasts for the monsoon due to developing weather patterns (El Nino), uncertainty around policy stability post national elections and currently slower industrial growth numbers have acted to balance optimism around near term growth outlook.

This has prompted the Reserve Bank of India as well as other economic agencies to moderate their growth forecasts for India for the year ahead despite a projected earnings revival in 2019. That said, growth is expected to be a healthy 7.2% for 2019-20 according to most recent estimates from the RBI. The inflation rate remains benign and projected at less than 3% in the first half of 2019-20 and well below 4% thereafter. The fiscal deficit for 2019-20 is pegged at 3.4% with a target of 3% by the 2020-21.

INDIAN CEMENT INDUSTRY OVERVIEW

The Indian cement industry is the second largest in the world (after China) with an annual production capacity approaching 500 million tonnes (2018). The industry has seen significant consolidation in recent times and 50% of the total production capacity is now owned by the largest

five companies. In fact, less than 25 companies account for almost 90% of the total capacity. With most of the large capacities available for sale having been purchased and with one such large acquisition completed during the year gone by, consolidation is expected to slow down with only small bolt-on acquisitions ahead.

Cement is a critical industry which provides direct and indirect employment to over a million people and forms part of the eight core sectors contributing to the economy. Sectors which are major consumers of cement are Housing, Infrastructure and Commercial and Industrial Construction in decreasing order of consumption. Amongst these, the year gone by has seen robust demand from the infrastructure construction sector driven primarily by the government's focus on infrastructure development and provision of affordable housing to India's citizens. The Central Government-backed mega-infrastructure projects like Bharatmala for roads, Sagarmala for ports and the development of dedicated railway freight corridors and Smart City projects reported a surge in the award and implementation of new projects. This sector while accounting for only 20% of the demand for cement has driven most of its growth in 2018-19.

India's cement production grew 13% in 2018-19 over the previous financial year to 330 million tonnes, the first time it has exceeded 300 million tonnes and outpacing every other core industry growth rate by some distance. Since most of this growth has been driven by public spending on infrastructure, this has also seen an impact on the product mix demanded by customers, with a clear tilt towards Ordinary Portland Cement (OPC) versus other blended forms of cement. That said, housing continues to be a large driver of demand accounting for almost 65% of total consumption of cement in the country. The fact that India's per capita consumption of cement remains at a mere 210 kilograms compared to the global average of 580 kilograms, indicates substantial headroom for growth ahead.

While seeing considerable growth in volumes in 2018-19, the cement industry's profit margins have been impacted by the high energy prices prevailing through most of 2018-19 versus the previous year, raising the cost of power and fuel in the production of cement and the overall logistics costs, which are very significant in the cement industry. While there was some moderation in energy prices in the latter part of the year, energy prices have again regained their upward trend in the recent months. Axle load revisions by the Ministry of Road and Transport in the year gone by has helped to somewhat moderate the cost of transportation.

Cement prices, which had trended lower in the second half of 2017-18, fell further during the year, particularly in the

South and West of the country, and negatively impacted the financial results of the industry for most of the year. However, some recovery has been noticed towards the end of the year on the back of the very strong surge in demand seen during the year, resulting in higher capacity utilisation, more so at the clinker level.

Various government initiatives in infrastructure and social housing as well as strong budgetary allocation for spending under these projects have boosted cement use and is expected to continue to bolster demand for cement in the years ahead. Under programmes such as affordable housing under Pradhan Mantri Awas Yojana (PMAY), various city projects under the Smart Cities Mission, rural roads under the Pradhan Mantri Gram Sadak Yojana (PMGSY) and highway development under the Bharatmala Pariyojana has provided an immense thrust to use of cement and have propelled the high rate of growth of cement demand in 2018-19.

OUTLOOK

Much of the optimism related to India's cement industry stems from the strong growth seen in the infrastructure and affordable housing segment as well as the latent demand in the urban and rural housing segments that could come into play upon a revival of this sector.

While the national elections and new government formation may have a short term impact on demand in the early part of 2019-20, progress in various government programmes outlined above is expected to continue to drive growth further ahead. Most independent estimates foresee a 7-8% growth in demand in the years ahead resulting in an increased utilization of existing production capacities. The shift to increased consumption of Ordinary Portland Cement due to the thrust on infrastructure is also expected to boost utilisation further at the clinker level.

On account of low prevailing cement prices, resulting in weakened financial performance for many quarters, we foresee a moderation in the speed of capacity addition, which may stay short of 20 million tonnes per annum at a national level over the next 2-3 years. While some regions continue to see significant over capacity at a broad level, cement being a regional play, an improved demand-supply balance is expected in most regions.

All these factors point to a more favorable demand-supply situation in times ahead and consequently improved market prices for cement. This would provide a welcome respite to an industry reeling under higher energy/input costs and operating margins lower than what will make further investments in the cement capacity worthwhile. Fuel prices have been on an increasing trend recently and unless

recent concerns around global growth fructify, the upwards trajectory in energy costs can be expected to continue in the months ahead.

OUR FINANCIAL PERFORMANCE

The Company's revenues grew by 13% to reach ₹2,53,614.22 lacs in 2018-19 compared to ₹2,24,256.96 lacs (net of excise duty) in the previous year. EBITDA stood at ₹32,600.94 lacs compared to ₹32,540.70 lacs in the previous year. The Company reported a post-tax profit of ₹4,755.17 lacs in 2018-19 compared to a post-tax profit of ₹4,422.14 lacs in the previous year. Consequently, the Company proposed a dividend of ₹0.75/- per equity share worth ₹1/- (fully paid-up).

As on March 31, 2019, the current ratio improved by 26%, from 0.71 as on March 31, 2018 to 0.90 as on March 31, 2019, on account of repayment of short term borrowing from internal accruals.

Financial Year 2018-19 was a difficult year for the cement industry in India and for your Company. The year saw prices in our main markets of Maharashtra, Telangana and Karnataka at very depressed levels for most of the year. While energy prices softened somewhat in the third quarter, they have risen again since, and have resulted in relatively elevated costs of fuel and freight across the year. Your Company's resilience in the face of above headwinds, its efforts towards premiumisation and a relentless focus on efficiencies and costs have helped your Company deliver a creditable performance despite this challenging market environment.

In line with the cement demand growth, we at Orient Cement, have sold 64 lac tonnes of cement in the year versus 57 lac tonnes in 2017-18, registering a growth of 12%. This growth has been achieved despite a significantly raised level of competitive intensity in the regions where your Company's plants are located.

Despite the trend of higher energy costs through most of the year, your Company has managed to moderate the impact on these costs through significant improvement in our operating efficiencies and also through managing to replace the conventional expensive and non-renewable fuels by wastes from various sectors, thus not only keeping the fuel-cost inflation at very modest levels, but also promoting the eco-friendly stance that we have been proudly taking. Our focus on costs has resulted in our newest plant at Chittapur becoming one of the most energy efficient plants in the country.

The year also saw several strategic initiatives launched to optimize our sales and marketing efforts, build durable channel relationships, protect our core markets better

and aggressively grow our footprint in new markets. Your Company's initiative of Key Account Management has brought very good results in 2018-19. Your Company also launched its premium cement StrongCrete in most of its markets during 2018-19 and this product is seeing good traction from customers due to its superior characteristics.

Finally, the year also saw the commissioning of the railway siding at our Chittapur plant which will help in optimizing logistics costs further and improve access to some key large markets from that plant.

OPERATIONS

In an environment where the industry has not been able to pass on the input cost increases to the consumers of cement, our viability depends on improving our cost competitiveness. Your Company continues to be one of the most cost-effective producers of cement in the country. By a relentless focus on optimizing our key performance indicators even further and through additional innovative initiatives, your Company addressed rising energy costs and moderated energy consumption without compromising plant productivity and product quality. Your Company also focused on maximizing capacity utilization, even at the plant that already operates at high utilization, through superior operations-management and quality control tools.

This year, your Company deployed a transformation team comprising of our top talent to address high-impact projects, in areas such as fuel, raw materials and freight optimization to alleviate operating cost pressures. The Company improved operating efficiency to within the 90th percentile of the Indian cement industry. The use of alternate fuel was one such measure and our current thermal substitution rate is already around 10%, which is well above most cement plants in the country. The increased use of alternative fuels helped moderate costs and enhance feedstock flexibility. We have aggressive targets to take this utilization of cost-effective fuels higher, thus also saving the fossil fuels of our planet.

During the year, we automated systems to identify quality deviations and address them with speed and precision. Your Company strengthened quality norms enforced through central monitoring and cement labs across its manufacturing plants. Your Company also commissioned a concrete lab at its Chittapur plant to showcase its product efficacy through its use in concrete.

In the year ahead, your Company intends to sustain and further strengthen its cost management initiatives and optimize plant operations through additional deployment of digitalization and analytics in decision making as well as empowering its transformation team to embrace

more challenges. The Company expects to undertake a debottlenecking initiative at its Devapur plant at a modest investment, increasing grinding capacity.

SALES

Orient Cement showed better than industry growth in sales volumes for 2018-19, with cement sold 6.4 million tonnes, an increase of 12% over the earlier year. The increase in sales volumes was enabled by retention of a strong market share in our core areas of Telangana, Maharashtra and Karnataka, growing in new areas like Gujarat and Madhya Pradesh and serving our institutional clients even better. Most of the growth in sales volumes was driven by the infrastructure segment, consequently also driving higher sales of Ordinary Portland Cement (OPC). However, despite this skew towards OPC, we also increased the amount of blended cement sold during the year in review. Prices remained depressed for most of the year but there was a recovery towards the end of 2018-19.

Today, the Company serves its markets through a 190 strong sales force and a robust distribution network comprising 3000+ dealers and 4800+ retailers across its areas of operation. Our relatively new Key Account Management team has significantly ramped up the number of clients it covers and has more than doubled the cement volumes sold to this important segment. This year, we launched our premium cement, Birla.A1 StrongCrete and have seen strong interest from our customers due to its superior physical and chemical characteristics.

We continue to invest in human resources, adopt new technology, re-align teams and engage with our channels proactively to improve our overall sales effectiveness and align our activities with the needs of our end consumers better. During this year, we identified advanced training needs for the sales team and conducted several training and development programs to ensure that their skills remain amongst the best in the industry. The Company implemented new solutions as part of ongoing digitalization and analytics program specifically targeted at our customers, dealers and influencers. Our channel incentive schemes have been improved with a view to foster deeper relationships with our channel members and be a valued partner in their progress. We have re-aligned our sales teams and improved our distribution model so as to stay better connected and in tune with the requirements of those that use our products.

Looking ahead, your Company intends to grow further in Karnataka and South West Maharashtra driven by the location of the newest plant at Chittapur as well as the recent commissioning of the railway siding there. Improving

market share in core markets, driving sales in our premium products and increasing our connectivity to retailers are some key objectives in the coming year. With projected cement industry demand growth of 7-8% in the years ahead, your Company feels confident of growing its sales at an even healthier clip in the year ahead.

MARKETING

The Company bolstered efforts this year to enhance the premium association in the minds of the consumer and dealer vis-à-vis its key brands. The Company emphasized corporate longevity, trust and transparency in showcasing its corporate brand. These efforts were bolstered by the launch of our premium cement product Birla.A1 StrongCrete in most of our markets this year. This has not only established a specific niche for StrongCrete in the premium category, but also provided an uplift to the overall Birla A1 brand across all cement products.

The Company also implemented a number of regular marketing and branding activities to engage with its customers, influencers and channel partners. The Company engaged extensively with actual product users (masons and construction labourers) with the objective to build the brand bottom-up. The Company focused on building its digital media recall - 150 content videos available in five different languages dovetailed with a 360-degree campaign. We enhanced the customer-centricity of the corporate website (five languages, offering cost estimates and exclusive digital content).

The Company micro-mapped its core markets, identifying and distinguishing markets based on attractiveness on various parameters with a view to deploying its marketing campaigns, brand promotion activities and technical service offerings in a more targeted manner. This was with end objective of improving brand positioning and product pricing versus key competitors. The Company developed an advanced targeting tool strategy to engage with prospective buyers across the product lifecycle. The Company strengthened its technical services team during the year in question, pushing further engagement with customers and influencers with a view to convert them to the use of Birla.A1.

Your Company also directed significant efforts to promoting the use of the more environment friendly fly-ash based blended cement in the regions in which it operates by educating opinion influencers like structural engineers, masons and architects on the blended product's superiority in strength. Given the strong push on infrastructure projects during the year which have traditionally used Ordinary Portland Cement (OPC), your Company enhanced

awareness regarding the use of Portland Pozzolana Cement (PPC) for such projects which even resulted in one of India's largest construction companies converting to its use in a large infrastructure project.

LOGISTICS

Logistics plays a critical role in India's cement industry, considering the vast quantum of resources that need to be transported and the distance across which the end product needs to be dispatched to points of consumption. Logistics costs account for ~30% of the total expenditure in the Indian cement industry. Inevitably, the most competitive companies have the lowest logistics costs and are most efficient in getting their various products to the market place.

The Company continues to stay focused on keeping the average distance its product travels to well within 300 kilometres from its plants, moderating logistic costs and increasing net sales realisations. The Company has harnessed analytics to develop a network optimizer tool that ensures all decisions on plant to market supply are based on the maximization of contribution and profitability. During the year, your Company leveraged the changes in axle load regulation to reduce road freight charges and ensured that benefits of the new regulations accrued to us as well as our valued transportation partners.

The Company adopted a number of other initiatives in logistics to improve costs and service levels associated with the delivery of cement. We switched dispatches from bags to bulk where required, rolled out GPS-enabled vehicles, improved the proportion of direct dispatches from plants, utilized railways discount schemes to reduce rail freight costs and reduced order execution times to industry best levels. We have reduced turn-around times at all our plants and further improved our co-ordination between in-bound material and outward cement movement to deliver value to our transportation partners and derive economic value to us.

PROCUREMENT

The strategic location of our plants has enabled the Company to access raw material and fuel at relatively stable prices even in the face of increasing energy costs. Besides, we are constantly evaluating the right fuel sources and mix keeping in mind the volatile price movements as well its impact on the raw material mix. The ability to procure energy in a cost-effective manner has played a large part in our ability to manage energy costs down versus industry in a difficult environment.

The Company has also reduced its dependence on traditional fuel by ramping up the use of various forms of alternate fuels

and investing in the associated infrastructure. The use of alternate fuel is at a nascent stage in our country and the availability of such fuels is a key bottleneck in accelerating their use. While we are already amongst the best in the industry in terms of thermal substitution rate (TSR) at our plants, we have taken ambitious targets to ramp up the use of such fuels further and are making efforts to ensure their timely and cost-effective procurement to meet such goals.

The Company continues to explore various alternate sources of fuel, fly ash, gypsum and additives as well as use the latest technology to ensure that we use all available means to improve the landed cost of various materials at our plants.

SUSTAINABILITY

Sustainability is a core focus area at Orient Cement and guides all our plans and actions. Given that the cement industry is energy intensive, consumes a number of non-renewable natural resources and involves working at large industrial manufacturing sites located in remote locations, there is a premium on being clean, green, safe and sustainable. Your Company invests and operates in harmony with this objective.

As one of India's most responsible cement companies, OCL has invested extensively in sustainable practices and has benchmarked its environment standards with the best practices prevalent globally. These sustainability efforts have resulted in lower consumption of water and energy per unit of cement produced and also kept emissions well within every prescribed standard. Some of the measures undertaken this year include increasing the usage of alternate fuels at our plants, launch of a high strength cement with lower consumption of clinker, various energy conservation initiatives at the plants, biodiversity management measures and maintenance of ecological balance.

Safety is the other important aspect that we are continuously focused on and we strive to create a safe work environment for all our employees wherever we operate. The most modern safety technology and practices, regular and intensive training and the attention of senior management are some ways in which the Company ensures that its commitment to safety at the work place is second to none. During the year, the Company enhanced operational safety resulting in reduction in on-site mishaps, accidents and near-misses through intensive and continuous training programmes conducted across the plants, including classroom and on-the-job trainings for all workmen, establishing and following Monthly Safety Themes, road safety initiatives, safety awareness among the employees as well as other local stake holders, behavior- based safety training for permanent as

well as contractual workmen and annual medical checkups for all employees (permanent and contractual).

Your Company was the recipient of several awards during the last year at all three plant locations in the areas of energy management, plant safety, mines safety, reclamation and rehabilitation, waste dump management and mineral conservation which is testament to our strong focus and effort in the areas of sustainability and safety. The Company intends to continuously reduce energy and resource consumption, strengthen compliance with the five principal Global Cement & Concrete Association (GCCA) pillars (climate change, health and safety, energy conservation, social responsibility and circular economy) and work towards sustainable development goals (SDGs).

HUMAN RESOURCE

In all businesses including cement, the competitive edge between companies often comes down to its people. Over the years, the Company has invested deeply in its human capital, as a strategic imperative, across recruitment, skill building, talent management and career development initiatives.

The Company has helped employees align their professional and personal goals, strengthening work-life balance and inculcated a pride of association with the Company. The Company invests time and resources in grooming talent, aligning opportunities with aspirations and conducting training to improve employee skill-sets across levels in the organization. The Company's average employee age of 37 years evidences a good balance between experience and enthusiasm.

We have always remained an inclusive employer and have targeted specific efforts towards improving diversity ratios within the organization. The percentage of women employees has been increasing in the last five years as a result of our conscious efforts in this regard, with 15% of senior management positions being occupied by women currently.

During the year, your Company implemented a talent management process to derive incisive insights into employees' aspirations, helping align them with the organisational vision. Our rewards and recognition programme "Applause" and our regular performance management process have together enabled us to recognize outperforming employees, rewarding them with appropriate incentives. We have provided managers with the necessary tools to collaborate effectively and created a buddy system for new employees to improve their onboarding experience.

RISK MANAGEMENT

Risks are an unavoidable aspect of doing business. In fact, identification and timely addressing of certain risks sometimes presents tactical opportunities. However, with a view to managing its risks appropriately in the long term, the Company has a well-established Risk Management Policy which detailed objectives, principles, processes, procedures and related responsibilities.

The Governance Risk and Compliance Committee (GRCC) undertakes the identification, assessment, prioritization, mitigation, monitoring and reporting of risks in line with the Risk Management Framework. The committee presents a report on key risks that matter along with mitigation plans to the Audit Committee and the Board of Directors. The Internal Audit function is responsible for reviewing and providing independent assurance on overall effectiveness and efficiency of the Risk Management process.

RISK PROFILES AND MITIGATION

Economic factors: A change in macroeconomic conditions, such as slowdown in GDP due to structural or one-off factors like demonetisation, interest rate trends, inflation, drought affecting rural incomes etc. can have an adverse impact on the industry's performance. To manage these risks, the Company is continuously tracking economic parameters to proactively identify adverse events early and formulate strategies to minimize their impact on its business.

Credit exposure: Delays in payments from customers may lead to shortfall in cash flows. For timely collection of receivables and mitigation of credit risks, the Company offers incentives to encourage its channel partners and customers to make early payments of their dues.

Compliance: The growth in business size, coupled with increasing regulatory enactments, makes the task of compliance increasingly demanding. Non-compliance with statutory provisions could not only lead to monetary penalties but also impact the reputation of the organization and the goodwill it has accumulated over the years. This risk is mitigated through regular monitoring and review of changes in the regulatory framework, and also through monitoring of compliances through Compliance Management Software and other mechanisms.

Procurement: As we consume many natural resources and waste/bye-products of other processes, increase in the cost, reduced availability and variable quality of various raw materials and fuels can impact our operations and profitability. To mitigate this risk, a focus on achieving better operating

efficiencies and reducing coal and power consumption continues as a way of life. The Company has also ramped up the use of alternate fuels, which can be significantly cheaper as well as environment friendly. The Company continues to evaluate and assess long term strategic solutions like waste heat recovery systems, solar power, etc to manage energy costs in the medium and long term. The availability of fly ash has been a challenge for the cement sector owing to irregular operations of power plants during monsoons. To mitigate this, the Company has started exploring alternatives like bed-ash and pond-ash. The slippage in the quality of raw materials like coal can affect the cost of production of cement. The Company is working with domestic coal suppliers to address the slippage in the quality of received materials through stringent third party quality checks of coal transported.

Competition risk: The country's cement industry is witnessing increasing competition on account of the geographic concentration of cement plants, supply overhang and low levels of capacity utilization. Increased competition can create pressure on margins, market share etc. To mitigate this risk, the Company is leveraging its expertise and experience, investing continuously in enhancing the equity of its Birla A1 brand by focusing on quality, cost, timely delivery, customer service, advertising and brand promotion as well as deeper institutional customer relationships. The Company is investing in marketing and promotions to sustain its brand-equity in its areas of operation, strengthen the brand salience in all its markets and enhance its competitiveness. The Company has used various innovative solutions to create and sustain brand recall for its product in its areas of operations.

Industrial safety, employee health and safety risk: The Indian cement industry is labour intensive; it is exposed to health and injury risks due to accidents or negligence. To reinforce the safety culture in the organization and mitigate this risk, the Company has taken numerous initiatives. The Company has a robust approach to enhance safety and health awareness at all its locations. The various measures include the development and implementation of critical safety standards across units and project sites, establishment of processes for safety training across levels, promotion of a safety culture for staff members and contract workers. Moreover, the Company also covers the risks through appropriate insurance coverage. Internal safety audits were initiated last year and safety training continues to be regularly imparted to employees across all locations to inculcate a culture of safety among all. This year we had zero accidents at our 3 plants.

Human resources risk: The Company's ability to enhance value is dependent on its ability to attract, retain and nurture talent. Attrition and non-availability of the required talent/resources can affect performance. The Company is continuously benchmarking its people practices with the best HR practices across the industry and even beyond, carrying out improvements to attract and retain talent. Various initiatives have been launched to foster a higher level of engagement and belongingness amongst employees. The Company is reviewing, implementing and monitoring individual development plans for high performers and high potential employees. The Company also launched a Talent Management framework this year to attract and retain talent, identify high performers and develop a leadership pipeline.

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility is not just a way of engagement but a symbiotic relationship we create and share with the communities and people we engage with, thus contributing to their overall social and economic development. The Company has aligned its CSR activities with its business imperatives and focuses on education, healthcare, infrastructure development, drinking water and sanitation as well as sustainable livelihoods and skill development around all three plants. All long terms plans have been fleshed into medium and short term plans and every activity recommended by the CSR Committee is diligently executed and monitored for assessment of outcome and impact.

At Devapur, the Company operates a school providing excellent quality education in both English and Telugu medium. Besides the children of our employees, children from the local communities are encouraged and welcomed to attend our school regularly and learn, at no cost. We also conducted motivational, health, career counseling, personal development and exam preparation classes for students at this school. This year, we have established an English medium CBSE school at our Chittapur Plant and have started operating classes up to the 6th Standard in the first phase. It already has 250 students enrolled there.

The Company operates 2 dispensaries located at Devapur and Chittapur, with four full time doctors including a lady doctor, to treat people from the nearby villages. Over 40000 people benefitted across locations this year. Emergency ambulance services were provided as and when needed. We have conducted health camps and medical check-ups in villages around all our plant locations benefitting more than 2500 people during the year.

We conducted various literacy programmes for women at villages in and around the Chittapur plant imparting general education, financial skills and computer knowledge. We promoted vocational training for rural youth in the assembly and installation of solar panels, facilitated training for school students in memory enhancement, conducted training programmes for police aspirant villagers and held awareness sessions for farmers on topics such as plantation and drip irrigation.

To improve rural infrastructure, the Company carried out various construction activities in villages around its plants such as the construction of rain water harvesting structure, a community hall, a gabion structure at Waki River as well as the construction of toilet blocks for the benefit of local villagers.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has put in place necessary internal control systems in line with its business requirements, scale of operations and applicable statutes, to ensure orderly and efficient conduct of business. The systems include well defined organization structure, delegation of authority (DOA), policies and procedures, IT and ERP systems, segregation of key roles and responsibilities (SOD) as well as a robust internal audit and controls framework.

The Company has designed and implemented the necessary financial and key operational controls at entity-level, process-level, applications-level and IT-level, and has a timely Management Information System (MIS) that have evolved and matured over the years. A combination of these systems has made the Company's internal control system robust and provides a high degree of assurance regarding the effectiveness and efficiency of operations, the reliability of financial statements, and compliance with laws and regulations.

The compliance with these controls and systems is reviewed by the Internal Audit function. The Company has engaged the services of a professional Chartered Accountancy firm to carry out internal audit services. It also has an in-house Internal Audit department manned by qualified professionals to conduct, coordinate and monitor audit activities, follow up on various compliances and corrective actions taken. Our risk-based audit approach is focused on the Company's objectives and impediments to achieving those objectives, with an emphasis on value-add. We integrate data analytics into audit methodology, to broaden audit coverage, provide trends/exceptions/non-routines and enhance focus on issues that matter. All material audit observations and follow-up actions thereon are reported to the Audit Committee for its review on a regular basis.

Looking forward, your Company intends to leverage data analytics and automation in audit procedures with the introduction of continuous control monitoring. Risk based auditing will continue to be our key objective in the year ahead. We will be focused on further enhancing the stakeholder's awareness on Governance, Risk and Compliance through trainings, workshops and culture building exercises/ initiatives.

CAUTIONARY STATEMENT

This statement made in this section describes the Company's objectives, projections, expectation 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.

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 long term interests of all stakeholders.

The Company is committed to adhering to corporate governance practices that are best in class in order to ensure healthy 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 behaviour 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 organisation 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 LODR 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 long term interests of its stakeholders. 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.

Our 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 LODR Regulations.

As on March 31, 2019, 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 LODR Regulations and the Companies Act, 2013. Other details relating to the directors as on March 31, 2019 are as follows:

Name of Director	Position held in the Company	Directorship in Companies@ (including Orient)	Committee Membership in listed and unlisted Companies# (including Orient)	Committee Chairmanship in listed and unlisted Companies# (including Orient)
Mr. Chandrakant Birla (DIN 00118473)	Chairman, Non-Executive	8	-	-
Mr. Desh Deepak Khetrpal (DIN 02362633)	Managing Director & CEO-Executive	4	5	-
Mrs. Amita Birla (DIN 00837718)	Non-Executive	4	-	-
Mr. Rajeev Jhawar (DIN 00086164)	Non-Executive-Independent	6	3	1
Mr. Vinod Kumar Dhall* (DIN 02591373)	Non-Executive-Independent	7	5	2
Mr. Rabindranath Jhunjhunwala (DIN 00050729)	Non-Executive-Independent	3	2	-
Mr. Janat Shah (DIN 01625535)	Non-Executive-Independent	2	2	-
Mr. Swapan Dasgupta (DIN 07113693)	Non-Executive-Independent	1	2	-
Mr. I.Y.R. Krishna Rao (DIN 00481367)	Non-Executive-Independent	2	2	1
Mrs. Varsha Vasant Purandare** (DIN 05288076)	Non-Executive-Independent	2	2	-

*Resigned w.e.f. March 23, 2019 and hence information till that date.

**Appointed as Additional Director w.e.f. February 8, 2019.

@ 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, 2019 in other listed entities:

Name of 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
Mr. Desh Deepak Khetrapal	1. HIL Limited 2. Oriental Bank of Commerce 3. Orient Electric Limited	Non-Executive Independent Non-Executive
Mrs. Amita Birla	1. Birlasoft Limited	Non-Executive-Chairperson
Mr. Rajeev Jhawar	1. Usha Martin Limited 2. Usha Martin Education & Solutions Limited	Executive Non –Executive
Mr. Rabindranath Jhunjhunwala	1. TCPL Packaging Limited	Independent
Mr. Janat Shah	1. Future Supply Chain Solutions Limited	Independent
Mr. Swapan Dasgupta	NIL	--
Mr. I.Y.R. Krishna Rao	NIL	--
Mrs. Varsha Vasant Purandare	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 regulations and independent of the management.

The following is the list of core skills/expertise/competencies identified by the Board of Directors as required in the context

of the business of the Company for it to function effectively and those actually available with the Board:

- (i) Leadership
- (ii) Management & operation of various Industrial Enterprises
- (iii) Expertise on various laws
- (iv) Expertise in Operations & Strategy formulation
- (v) Analytical skills
- (vi) Rich experience of administration, economics, and finance fields.

DISCLOSURE REGARDING 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.

During the financial year, Mrs. Varsha Purandare was appointed as an Additional Director w.e.f. February 8, 2019 in the category of Independent Woman Director subject to approval of shareholders in the forthcoming general meeting. The Board has recommended the appointment of Mrs. Varsha Purandare as an Independent Woman Director not liable to retire by rotation in the Notice of ensuing Annual General Meeting.

During the financial year Mr. Vinod Kumar Dhall, Independent Director of the Company resigned from the Directorship of the Company with effect from March 23, 2019 due to his personal reasons including professional preoccupation. Mr. Dhall has confirmed that there are no other material reasons for tendering the said resignation.

Mr. Janat Shah was appointed as Independent Director of the Company with effect from April 30, 2014 and Mr. Rajeev Jhawar and Mr. Rabindranath Jhunjunwala were appointed as Independent Directors with effect from August 9, 2014 and in terms of the provisions of section 149(10) of the Companies Act, 2013, their first term of five consecutive years is expiring on April 29, 2019 and August 8, 2019, respectively. In terms of the provisions of section 149(10), Mr. Janat Shah, Mr. Rajeev Jhawar and Mr. Rabindranath Jhunjunwala are eligible for re-appointment as Independent Directors for another term of five years by passing special resolution in this regard. The Board has recommended the resolutions for re-appointment of Mr. Janat Shah, Mr. Rajeev Jhawar and Mr. Rabindranath Jhunjunwala, as Independent Directors 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 GIVEN 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, 5 (five) Board meetings were held. These were held on May 3, 2018, August 1, 2018, November 5, 2018, February 8, 2019 and March 22, 2019.

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 August 17, 2018.

Name of Director	No. of Board Meetings attended	Attendance at last AGM
Mr. Chandrakant Birla	5	No
Mr. Desh Deepak Khetrpal	5	Yes
Mrs. Amita Birla	3	No
Mr. Rajeev Jhawar	2	No
Mr. Vinod Kumar Dhall	5	Yes
Mr. Rabindranath Jhunjunwala	3	No
Mr. Janat Shah	3	No
Mr. Swapan Dasgupta	5	No
Mr. I.Y.R. Krishna Rao	5	No
Mrs. Varsha Purandare*	2	N.A.

*Appointed as additional Director w.e.f. February 8, 2019.

COMMITTEES OF DIRECTORS

In terms of the SEBI LODR 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 LODR 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 has 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

Mr. Vinod Kumar Dhall, resigned from the Chairmanship of the Audit Committee w.e.f. October 15, 2018 and consequent upon his resignation Mr. I.Y.R. Krishna Rao was appointed as the Chairman of the Audit Committee of the Company w.e.f. November 5, 2018. Mrs. Varsha Vasant Purandare, was appointed as the member of the Audit Committee w.e.f. February 8, 2019. As on March 31, 2019, Audit Committee comprised of the following members, namely:

- Mr. I. Y. R. Krishna Rao
- Mr. Desh Deepak Khetrpal
- Mr. Rajeev Jhawar
- Mr. Rabindranath Jhunjunwala
- Mr. Janat Shah
- Mr. Swapan Dasgupta
- 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 3, 2018, August 1, 2018, November 5, 2018 and February 8, 2019.

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

Name of the Member	Position	No. of meetings attended
Mr. Vinod Kumar Dhall*	Chairman	2
Mr. I. Y. R. Krishna Rao	Member/Chairman**	4
Mr. Desh Deepak Khetrpal	Member	4
Mr. Rajeev Jhawar	Member	2
Mr. Rabindranath Jhunjhunwala	Member	3
Mr. Janat Shah	Member	2
Mr. Swapan Dasgupta	Member	4
Mrs. Varsha Vasant Purandare#	Member	N.A.

* Resigned from the membership of Committee w.e.f. October 15, 2018.

** Appointed as Chairman of Audit Committee w.e.f. November 5, 2018.

Appointed as a member of the Committee by the Board of Directors on February 8, 2019.

The Chairman of the Audit Committee, who is an Independent Director, was present at the Annual General Meeting of the Company held on August 17, 2018.

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, 2019, 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 empower to act, in terms of Companies Act 2013, read with rules framed there under and SEBI (Listing Obligations and Disclosure Requirements) Regulations, including any amendment or modification thereof.

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

4 (four) meetings of Nomination & Remuneration cum Compensation Committee were held during the financial year ended March 31, 2019. These were held on May 3, 2018, August 1, 2018, February 8, 2019 and March 22, 2019.

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

Name of the Member	Position	No. of meetings attended
Mr. Rabindranath Jhunjhunwala	Chairman	2
Mr. Chandrakant Birla	Member	4
Mr. Rajeev Jhawar	Member	1
Mr. Vinod Kumar Dhall*	Member	4
Mr. Janat Shah	Member	2
Mr. Swapan Dasgupta	Member	4
Mrs. Varsha Vasant Purandare**	Member	1

*Ceased to be a member of the Committee w.e.f. March 23, 2019 consequent upon his resignation from the directorship of the Company.

**Appointed as a member of the Committee by the Board of Directors on February 8, 2019.

(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, 2019, the Stakeholders' Relationship Committee comprised of the following members, namely:

- Mr. Desh Deepak Khetrapal
- Mr. Rajeev Jhawar
- Mr. Swapan Dasgupta
- Mrs. Varsha Vasant Purandare

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

Contact details of the Secretary:

Ms. 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 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 listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by

the shareholders of the Company;

- 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 31st March, 2019:

No. of Investors' complaints received from April 1, 2018 to March 31, 2019	No. of Investors' complaints resolved from April 1, 2018 to March 31, 2019	No. of Investors' complaints pending as at March 31, 2019
1	1	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, 2019. These were held on May 3, 2018, August 1, 2018, November 5, 2018 and February 8, 2019.

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
Mr. Vinod Kumar Dhall*	Chairman	4
Mr. Desh Deepak Khetrupal	Member	4
Mr. Rajeev Jhawar	Member	2
Mr. Swapan Dasgupta	Member	4
Mrs. Varsha Vasant Purandare**	Member	N.A.

*Ceased to be a member of the Committee w.e.f. March 23, 2019, consequent upon his resignation from the directorship of the Company.

**Appointed as a member of the Committee by the Board of Directors on February 8, 2019.

(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, 2019, the Corporate Social Responsibility Committee comprised of the following members, namely:

- Mr. Janat Shah
- Mr. Desh Deepak Khetrupal

(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: <http://orientcement.com/investors/>.

Meetings of Corporate Social Responsibility Committee and attendance during the year

1 (One) meeting of Corporate Social Responsibility Committee was held during the financial year ended March 31, 2019 on May 3, 2018.

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

Name of the Member	Position	No. of meeting attended
Mr. Janat Shah	Chairman	-
Mr. Desh Deepak Khetrupal	Member	1
Mr. Rabindranath Jhunjhunwala	Member	1
Mr. I.Y. R. Krishna Rao	Member	1

(e) Risk Management Committee

Risk Management Committee of the Board of Directors of the Company was constituted by the Board of Directors in their meeting held on February 8, 2019 comprising of Mr. I.Y.R. Krishna Rao, Mr. Desh Deepak Khetrupal, Mr. Swapan Dasgupta, Mr. Rabindranath Jhunjhunwala, Prof. Janat Shah, Mr. Rajeev Jhawar and Mrs. Varsha Vasant Purandare as its members with Mr. I.Y.R. Krishna Rao, acting as the Chairman and any two members constituting the quorum for the meetings of this Committee.

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.

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, 2019, the GRCC comprised of following members, namely:

- Managing Director & CEO
- Chief Financial Officer,
- Chief Operating Officer,
- 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

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 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

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, 2019, the Steering Committee comprised of following members, namely:

- Chief Financial Officer
- Chief Operating Officer
- Head – Human Resource
- Chief Compliance Officer
- 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 the 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 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, 2019 is as follows:

Name	Salary and allowances (₹)*	Annual performance linked pay (₹) and performance criteria	Perquisite (₹)	Retiral Benefits (₹)	Total (₹)	Stock Options granted	Notice Period	Severance Pay
Mr. Desh Deepak Khetrapal	7,21,60,365/- p.a.	1,62,00,000/- (Managing Director & CEO's performance and Company's performance)	12,00,000/- p.a.	99,24,720/- p.a.	9,94,85,085/- p.a.	8,31,900 No. of options	Three months	Nil

* Salary and allowances includes ₹9,32,533/- towards encashment of earned leave for 15 days for 2017-18 as per policy of the Company.

Proposed remuneration of the Managing Director & CEO for shareholders' approval for the financial year ended March 31, 2020 is as follows:

Name	Salary and allowances (₹)	Annual performance linked pay (₹) and performance criteria*	Perquisite (₹)	Retiral Benefits (₹)	Total (₹)	Stock Options granted**	Notice Period	Severance Pay
Mr. Desh Deepak Khetrapal	8,20,53,840/- p.a	2,07,00,000/-	12,00,000/- p.a	1,14,51,600/- p.a	11,54,05,440/- p.a	8,31,900 No. of options	Three months	Nil

Apart from this, Mr. Desh Deepak Khetrapal-Managing Director & CEO is eligible for earned leave/ leave encashment as per the policy of the Company.

* The Annual performance variable pay can be paid upto 120% of ₹2,07,00,000/- on achieving certain additional criteria as specified by the Nomination & Remuneration cum Compensation Committee of the Company from time to time.

** Exercise price per share 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 shall commence 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 directors and their shareholding as on March 31, 2019 are as follows:

S. No.	Name of director	Sitting fees (₹)*	Commission (₹)	Shareholding (Nos.)
1.	Mr. Chandrakant Birla	7,00,000/-	9,00,000/-	31,53,570
2.	Mr. Desh Deepak Khetrapal	NA	NA	-
3.	Mrs. Amita Birla	3,00,000/-	9,00,000/-	3,88,000
4.	Mr. Rajeev Jhawar	6,00,000/-	9,00,000/-	-
5.	Mr. Vinod Kumar Dhall	11,50,000/-	9,00,000/-	-
6.	Mr. Rabindranath Jhunjunwala	8,00,000/-	9,00,000/-	-
7.	Mr. Janat Shah	6,50,000/-	9,00,000/-	-
8.	Mr. Swapan Dasgupta	13,50,000/-	9,00,000/-	-
9.	Mr. I.Y.R. Krishna Rao	10,00,000/-	9,00,000/-	-
10.	Mrs. Varsha Vasant Purandare	2,50,000/-	2,00,000/-	-

* For attending the Board Meetings, Audit Committee Meetings, Stakeholders Relationship Committee Meetings, Corporate Social Responsibility Committee Meetings, Nomination & Remuneration cum Compensation Committee Meetings 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. and Mr. Vinod Kumar Dhall, who is in collaboration with Talwar Thakore & Associates had any pecuniary relationship with the Company. The details of transactions entered into with Khaitan & Co. and Talwar Thakore & Associates are given in form AOC-2 that forms an integral part of this Annual Report.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Act and SEBI LODR 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 and Corporate Social Responsibility 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, preparation and contribution at Board Meetings, leadership, etc. 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 November 5, 2018 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 LODR Regulations.

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

- (a) Review the performance of Non-independent Directors and the Board of Directors as a whole;

- (b) Review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- (c) 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
2015-16	July 23, 2016	Saturday	2:00 P.M	Unit-VIII, Plot No.7, Bhoinagar, Bhubaneswar-751012, Odisha	(i) Fixing of remuneration of Mr. Desh Deepak Khetrpal, Managing Director & CEO of the Company
2016-17	September 23, 2017	Saturday	2:00 P.M	Unit-VIII, Plot No.7, Bhoinagar, Bhubaneswar-751012, Odisha	(i) Waiver of recovery of excess remuneration paid to Mr. Desh Deepak Khetrpal, Managing Director & CEO of the Company for the financial year 2016-17 (ii) Approval of the terms of remuneration of Mr. Desh Deepak Khetrpal, Managing Director & CEO (iii) Conversion of loan into equity (iv) Increase in borrowing limits (v) Creation of Charges / Mortgages on the movable and immovable properties of the Company, both present and future, in respect of borrowings (vi) Raising of funds through issuance of securities
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

(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, no resolution was put through Postal Ballot. 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 'The Economic Times' / '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 Transfer Agent at einward.ris@karvy.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	Within forty five days from the end of the quarter, as stipulated under the SEBI LODR Regulations.
Board Meeting for consideration of audited results for the financial year	Within sixty days from the end of the last quarter, as stipulated under the SEBI LODR Regulations.
Book Closure date	Friday, July 26, 2019 to Thursday, August 1, 2019 (both days inclusive)
Dividend payment date	August 9, 2019
Day, date, time and venue of Annual General Meeting	Thursday, August 1, 2019, at 2:00 P.M., Unit - VIII, Plot No. 7, Bhoinagar, Bhubaneswar - 751012, Odisha

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

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 2018-19, 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 2018-19 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, 2019, the Company has paid the following amounts 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:

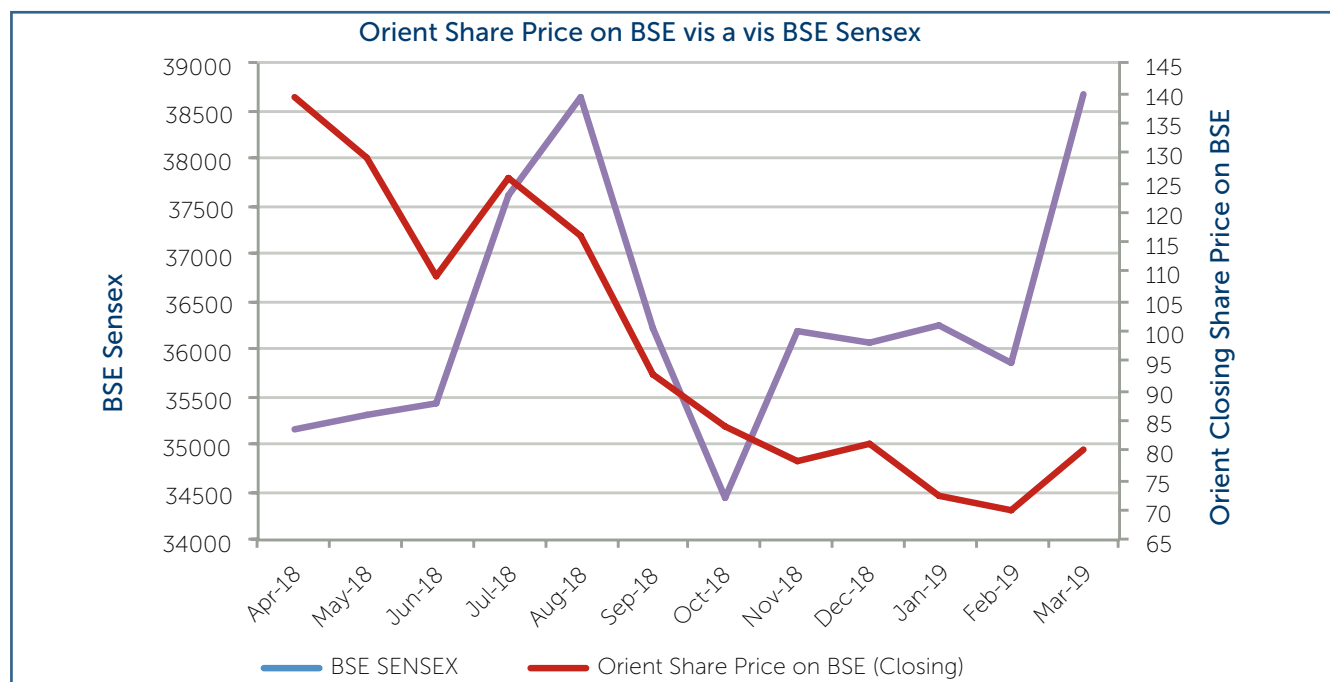
a) Fees for audit and related services	87,45,992.27
b) Other fees	13,22,751.00
Total	1,00,68,743.27

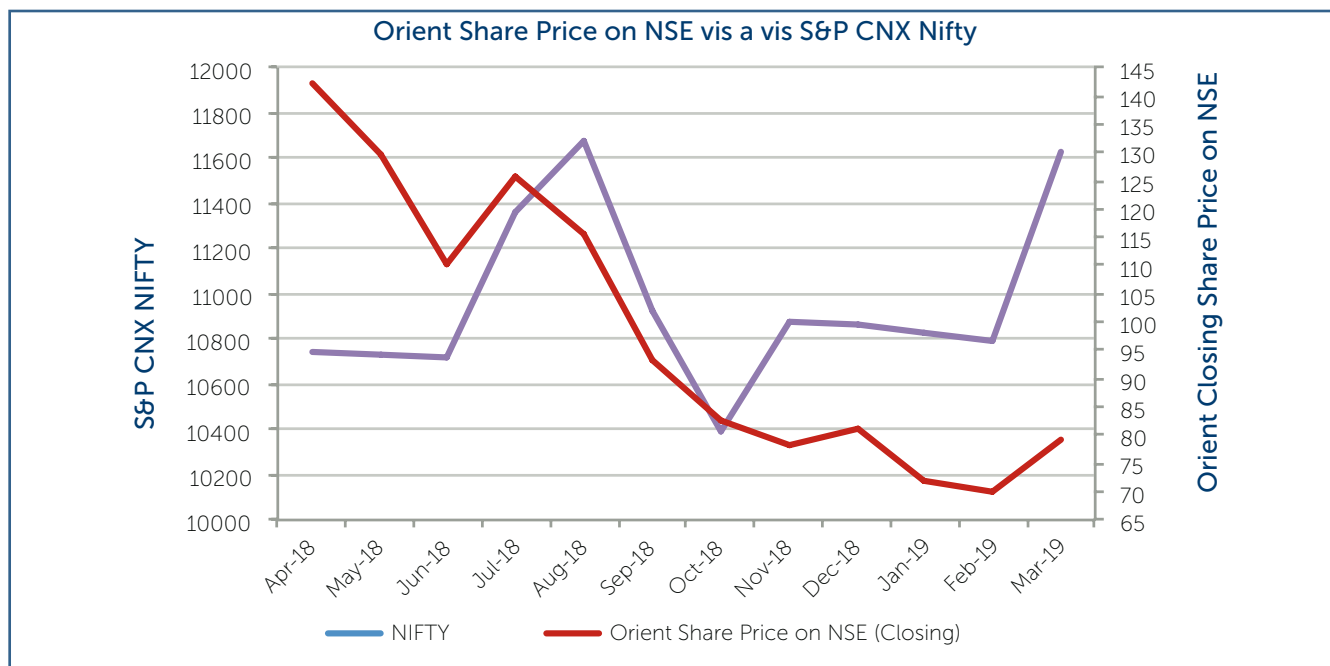
Market price data Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) (April 2018-March 2019)

Month	BSE		NSE	
	High Price (₹)	Low Price (₹)	High Price (₹)	Low Price (₹)
April 2018	152.00	137.75	152.00	136.60
May 2018	148.45	117.35	148.75	117.90
June 2018	130.00	106.00	128.50	105.30
July 2018	133.80	105.00	131.90	105.05
August 2018	128.70	107.00	128.25	111.45
September 2018	118.00	91.95	118.50	91.15
October 2018	94.00	80.70	94.90	80.40
November 2018	97.00	78.00	92.50	78.00
December 2018	89.70	73.85	87.00	73.50
January 2019	88.05	67.55	85.85	67.80
February 2019	75.50	61.90	75.60	62.15
March 2019	92.00	71.00	92.40	70.00

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

Month	BSE (Closing price) (₹)	BSE Sensex (Closing)	NSE(Closing price) (₹)	S&P CNX Nifty (Closing)
April 2018	139.40	35,160.36	142.00	10,739.35
May 2018	129.00	35,322.38	129.50	10,736.15
June 2018	109.10	35,423.48	110.05	10,714.30
July 2018	125.85	37,606.58	125.55	11,356.50
August 2018	115.90	38,645.07	115.60	11,680.50
September 2018	92.80	36,227.14	93.35	10,930.45
October 2018	84.20	34,442.05	82.40	10,386.60
November 2018	78.30	36,194.30	78.45	10,876.75
December 2018	81.10	36,068.33	81.35	10,862.55
January 2019	72.30	36,256.69	72.15	10,830.95
February 2019	69.90	35,867.44	69.80	10,792.50
March 2019	80.05	38,672.91	79.00	11,623.90





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. Share transfer forms (SH-4) for shares held in physical mode 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 of transfer. 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 shareholders holding shares in physical form are requested to get their shares dematerialized at the earliest, as the Company's shares are required to be compulsorily traded at Stock Exchanges in dematerialized form only.

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

Shareholding Pattern as on March 31, 2019

Sr. No.	Category	No. 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	7,11,59,593	34.73
2.	Central Government/ State Government(s)/ President of India	-	-
3.	Non-Institutions	5,71,59,245	27.90
	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, 2019

From-To	Number of shares	Percentage of total no. of shares
1-500	29,49,717	1.44
501-1000	18,94,383	0.92
1001-2000	21,61,193	1.05
2001-3000	14,21,103	0.69
3001-4000	10,39,406	0.51
4001-5000	11,73,889	0.57
5001-10000	29,86,517	1.46
10001-50000	58,49,477	2.86
50001-100000	26,13,740	1.28
Above 100001	18,27,79,335	89.22
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, 2019, 99.39% of the equity shares of the Company are held by 26,467 equity shareholders in the dematerialized form and the balance 0.61% is held by 429 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 2018-19.

As on March 31, 2019, a total of 14,73,900 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	Rating
Long term Bank facilities	CARE AA-(Double A minus)
Commercial Paper (CP) issue	CARE A1+(A One Plus)

There is no change in the said ratings during the financial year 2018-19.

Registrar and Transfer Agent

MCS Share Transfer Agent Limited was acting as the Registrar and Transfer Agent (RTA) for handling the shares related matters both in physical as well as dematerialized mode till April 24, 2019. All work relating to equity shares was handled by them.

Karvy Fintech Private Limited has been appointed as the Registrar and Share Transfer Agent (RTA) of the Company for handling the shares related matters both in physical as well as

dematerialized mode in place of the existing RTA, M/s MCS Share Transfer Agent Limited with effect from April 25, 2019.

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

Karvy Fintech Private Limited

Unit: Orient Cement Limited
 6F – 025, 6th Floor, Karvy Selenium (Tower B),
 Gachibowli, Financial District, Nanakramguda,
 Hyderabad – 500 032
 Toll Free No. 1800-3454-001
 Email: einward.ris@karvy.com

However, for the convenience of shareholders, correspondence relating to shares received by the Company is 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 addresses 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 addresses 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 & 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 & 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 LODR Regulations during the financial year 2018-19 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: <http://orientcement.com/investors/>.

(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 LODR Regulations a comprehensive Whistle Blower Policy ("Policy") has been approved and 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 and access to the Chairman of the Audit Committee in exceptional cases. This Policy safeguards 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: <http://orientcement.com/investors/>.

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 are:

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 LODR 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 LODR 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 following information on its website, as required under SEBI LODR Regulations:

- 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 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 LODR 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. During the year no unclaimed dividend is due for transfer to IEPF. The information on unclaimed dividend is posted on the website of the Company www.orientcement.com.

UNCLAIMED SHARES

The Company has opened a Demat Suspense Account- "**ORIENT CEMENT LTD-UNCLAIMED SUSPENSE ACCOUNT**" and unclaimed equity shares have been transferred to this Account of the Company and shall be transferred to the concerned shareholder upon making a claim to the Company or its Registrar & Transfer Agent. Details of the account as on March 31, 2019 are as under:

S.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, 2018	165
2.	Total number of outstanding equity shares in the Suspense Account lying at the beginning of the financial year, i.e. April 1, 2018	7,32,180
3.	Number of shareholders who approached the Company for transfer of shares and to whom shares were transferred from Suspense Account during the financial year	-
4.	Number of shares transferred from Suspense Account to Beneficiary Account during the financial year	-
5.	Total number of shareholders in the Suspense Account at the end of the financial year, i.e. March 31, 2019	-
6.	Total number of outstanding equity shares in the Suspense Account lying at the end of the financial year, i.e. March 31, 2019	7,32,180

Further, the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

Members may note that the lawful claimant in respect of these shares will be able to claim such shares and the dividend thereof till such time as they remain in the **"ORIENT CEMENT LTD-UNCLAIMED SUSPENSE ACCOUNT"**.

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 their annual confirmation of compliance with the Code. The Code is available on Company's website and can be accessed through the web link: <http://orientcement.com/investors/>. The role and responsibilities of Independent Directors as prescribed in Schedule IV of the Companies Act, 2013 and/or prescribed in SEBI LODR 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 <http://www.orientcement.com/wp-content/uploads/2016/05/Code-of-Practices-and-Procedures-for-Fair-Disclosure-of-UPSI.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 familiarised 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: <http://orientcement.com/investors/>.

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 2018 -19 is as under:

Number of cases pending as on the beginning of the financial year	Nil
Number of complaints filed during the financial year	Nil
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 LODR Regulations was placed before the Board along with financial statement(s) for the year ended March 31, 2019. 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**

**Place: New Delhi
Date: April 29, 2019**

**CK. Birla
Chairman
(DIN 00118473)**

**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 confirmation received from the Directors of Orient Cement Limited (CIN: L26940OR2011PLC013933) having Registered office at Unit VIII, Plot No. 7, Bhoinagar, Bhubaneswar, Odisha-751 012, we hereby confirm that:

As on March 31, 2019, 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: 29.04.2019

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

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 is 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 the 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 per cent 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, 2019 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

Place: New Delhi
Date: April 29, 2019

D. D. Khetrupal
Managing Director & CEO
(DIN 02362633)

Sushil Gupta
Chief Financial Officer
(FCA-044924)

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, 2019.

For Orient Cement Limited

Place: New Delhi
Date: April 29, 2019

D. D. Khetrupal
Managing Director & CEO
(DIN 02362633)

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

To,
The Members of Orient Cement Limited
Birla Tower, 3rd Floor
25, Barakhamba Road,
New Delhi - 110001

1. The Corporate Governance Report prepared by Orient Cement Limited (hereinafter the "Company"), contains details as required by the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') with respect to Corporate Governance for the year ended March 31, 2019. This report is required by the Company for annual submission to the Stock Exchanges and to be sent to the Shareholders of the Company.

Management's Responsibility

2. 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.
3. The management along with the Board of Directors of the Company 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

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the specific requirements of the Listing Regulations referred to in paragraph 3 above.
5. 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, 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 the Institute of Chartered Accountants of India.

6. 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.
7. 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 key procedures performed include:
 - i. Reading and understanding of the information prepared by the Company and included in its Corporate Governance Report;
 - ii. Obtained and verified that the composition of the Board of Directors w.r.t executive and non-executive directors has been met throughout the reporting period;
 - iii. Obtained and read the Directors Register as on March 31, 2019 and verified that atleast one woman director was on the Board during the year;
 - iv. Obtained and read the minutes of the following committee meetings held between April 1, 2018 to March 31, 2019:
 - (a) Board of Directors meeting;
 - (b) Audit committee;
 - (c) Annual General meeting;
 - (d) Nomination and remuneration committee;
 - (e) Stakeholders Relationship Committee
 - (f) Independent directors meeting; and
 - (g) Corporate Social Responsibility Committee.

- v. Obtained necessary representations and declarations from directors of the Company including the independent directors ; and
- vi. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

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.

- 8. Based on the procedures performed by us as referred in paragraph 7 above, and according to the information and explanations given to us, that we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing

Regulations, as applicable for the year ended March 31, 2019, referred to in paragraph 1 above.

Other matters and Restriction on Use

- 9. 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.
- 10. 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.

Place of Signature: New Delhi
Date: April 29, 2019

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005
per Sanjay Kumar Agarwal
Partner
Membership Number: 060352
UDIN – 19060352AAAAAW1537

Business Responsibility Report for the Financial Year 2018-19

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company	L26940OR2011PLC013933		
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	sushil.gupta@orientcement.com		
6. Financial year reported	April 1, 2018- March 31, 2019		
7. Sector(s) that the Company is engaged in (industrial activity code-wise)			
Group	Class	Sub class	Description
239	2394	23941	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) b) Number of National Locations	Nil 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)	₹2,52,216.93 lacs
3. Total profit after taxes (INR)	₹4,755.17 lacs
4. Total spending on Corporate Social Responsibility (CSR)	The Company has spent ₹459.97 lacs during the financial year 2018-19 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. In this capacity they are involved and 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

1. DIN Number	02362633
2. Name	Mr. Desh Deepak Khetrapal
3. Designation	Managing Director & CEO

(b) Details of the BR head

1. DIN Number (if applicable)	N.A
2. Name	Mr. Sushil Gupta
3. Designation	Chief Financial Officer
4. Telephone number	011-42092246
5. e-mail id	sushil.gupta@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	Note-7	Y	Note 8	
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		Y Note-4
4.	Has the policy being 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		Y		
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/>

<http://www.orientcement.com/wp-content/uploads/2016/05/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

<p>(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</p>	<p>The Managing Director & CEO of the Company assesses the BR performance of the Company on a quarterly basis.</p> <p>This Report forms part of the Annual Report and is placed before the Board of Directors for approval.</p>
<p>(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?</p>	<p>The Company will publish the Business Responsibility Report in accordance with SEBI guidelines and it will form part of the Annual Report.</p> <p>The Report is available on the Company's website: www.orientcement.com</p> <p>In addition to this, Orient Cement, as a responsible Corporate is in process for developing its first sustainability report under the international protocol of GRI standards.</p>

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 Company does not have a separate policy relating to ethics, bribery and corruption. However, the policy 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 2018-19, the Company received total of 16 complaints related to ethics, bribery, and corruption. 12 complaints were successfully resolved during the year as on March 31, 2019 through appropriate grievance redressal mechanisms. 4 out of the 16 complaints were received in March 2019, reviews have been initiated and the reports would be submitted within the defined timeframe as per our Whistle Blower Policy.

Apart from this, the Company received 1 complaint from the shareholders of the Company during the financial year 2018-19, 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.

Two principal products are Ordinary Portland Cement (OPC) and Pozzolana Portland Cement (PPC) and further under OPC, 43 and 53 grades is being manufactured in all the locations. A new product "Birla-A1 StrongCrete" was launched under PPC at all plant manufacturing units.

As a responsible corporate, 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.

At Orient Cement, we integrate responsible sustainable practices into business operations that aim at

environment sustainability and inclusive growth. We adopt a pro-active and responsible approach and consciously try to mitigate any impact of our operations on the environment. We also aim at prudent and frugal use of non-renewable natural resources, reduction in air emissions as well as targeted investments in viable technologies that promise sustainable development. As a result of this responsible and pro-active approach, the Company is one of the most efficient manufacturers of cement in India in terms of power and fuel consumption.

The Company follows the following approach to achieve its goal of sustainability:-

- a) The Devapur and Jalgaon units are certified with integrated management systems (Quality- ISO 9001:2015, Environment- ISO 14001:2015 and Occupational Health and Safety- BS OHSAS 18001:2007) and Energy Management System ISO 50001:2011. Our Chittapur unit also certified for ISO 9001, ISO 14001 and OHSAS 18001.
- b) Energy conservation practices such as installation/ replacement of energy- efficient equipment to reduce the Green House Gases (GHG) emissions and also to increase the resource efficiency.
- c) Use of Alternate Fuel Resource (AFR) – Rice Husk, carbon black, Solid & Liquid Hazardous waste as an Alternate Fuel in the manufacturing process to substitute the consumption of fossil fuel/ coal.
- d) Use of Fly ash (as a waste material from thermal power plants) to manufacture Pozzolana Portland Cement (PPC) as an environment friendly practice to conserve the environment.
- e) Conservation of water through various rain water harvesting pits, check dams, mined out pits for its use in the operations, augmentation of ground water level and support the local biodiversity.
- f) Adequate pollution control equipments were installed for prevention of emissions and adherence to preventive maintenance schedules. All raw materials which come inside the plant are stored under covered shed.
- g) Adequate green belt development for pollution abatement, support to the local biodiversity and increasing the aesthetic and scenic beauty of the plants/ mines site.
- h) Installed Continuous Emission Monitoring System for all the major stacks of Cement plant and CPP (Captive Power Plant). Continuous Ambient Air Quality Monitoring System for ambient air quality measurement has been carried out for regular assessment of emissions.
- i) All conveyor belts are covered with sheds to control

fugitive emission.

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 constantly putting the efforts towards improving resource efficiency, conservation of energy (electrical & thermal) and water. We are closely monitoring & working on improving/ reducing our Raw materials, Energy consumptions, Water consumptions, Resource efficiency and utilization of waste as Fuel and which is reflecting on our footprint. The Company is focusing on improving further on operating efficiencies has led to the lowest specific thermal & electrical energy power consumption in industry as part of our "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 help to minimize transportation cost. The Company deploys sustainable mining practices. The Company utilizes wastes generated chemical gypsum (an industrial waste) for the manufacture of cement as well as flyash (a waste product from thermal power plants) in the production of Pozzolana Portland Cement (PPC). The Company utilises alternative fuel; rice husk, hazardous waste, carbon black and Portland which helps to conserve the finite natural resources. The Company is scaling the usage of alternate fuel year on year to decrease dependency on traditional fuel i.e. coal.

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 avails services like AMC's, housekeeping, transportation, horticulture and like services from suitable sources of supply near our places of work. The Company fosters local and small suppliers for procurement of goods and services in close proximity to its plant locations. Contractor safety management is in place as part of encouragement and development of local and small suppliers. Training and technical support is being provided to them to improve and build their capability and to educate and improve their performance standards.

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 also chemical gypsum (an industrial waste) for the manufacture of Pozzolana Portland Cement (PPC) and Ordinary Portland Cement. The Company also uses consumed Rice husk (waste material), hazardous waste, carbon black as an alternate fuel in the manufacturing process to substitute for the consumption of the fossil fuel/ coal.

In addition to the above, the Company has installed several bag filters at various transfer points, Bag House for main stacks and Electro Static Precipitator (ESP) for cooler and CPP stack for trapping the dust passing through the chimney, this dust captured is collected in the hopper from which it is recirculated/ recycled back to the Raw meal process.

We are treating wastewater in Sewage treatment plant and treated water is used for dust suppression and horticulture purpose.

Principle 3 - EMPLOYEE WELL-BEING

1. **Number of employees**

5047 (direct and indirect) employees.

2. **Number of employees hired on temporary/ contractual/ casual basis**

3665 workers were hired on a temporary/contractual/ casual basis.

3. **Number of permanent women employees**

There are 33 women employees in the management staff and 8 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 employee association 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	Nil	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 people
- 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, Orient Cement undertakes several programs to improve health service delivery, rural education, skill development, infrastructural development and economic livelihood. Several initiatives such as health care, education, 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 respects and promotes human rights of all relevant stakeholders and groups within and beyond the workplace, including those of the communities, consumers as well as the vulnerable and marginalised sections of the society. The Company is committed to ensuring that people are treated with dignity and respect. We have adopted Human Rights Policy to uphold human rights within our organisational boundaries 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 per cent 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.

As per Orient Cement's Supplier Code of Conduct, the vendors, agents, consultants, contractors and any other third party, who have a business relationship with Orient Cement, have to ensure the compliance with all governmental laws related to Environment and Health and Safety. Compliance with these laws is mandatory for Orient Cement's vendors, agents, consultants, contractors and any other third party.

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, at Orient Cement, we believe that Environmental and Social sustainability is imperative to the well-being of our planet and to human development and responsible corporates like us have to assume a responsible and proactive role in contributing to the sustainability imperative. With increasing population and urbanization, demand for natural resources is increasing rapidly. Therefore, organizations involved in the cement industry have the responsibility to generate lasting innovations to protect both the industry's future viability and the health of our environment. It is necessary for those involved in the cement industry to manage emissions, eliminate waste

and take responsibility for enhancing the quality of life on our planet. With this philosophy in our mind, we constantly identify and implement practices that satisfy the goals of sustainability in a holistic manner. Producing more and consuming less is the motto of our Company, which is evidenced by improvement in efficiencies across all aspects of our operations. This will not only benefit our environment but also improve the living standards of our society. It will help our nation's progress, ensuring the development in a rapid yet sustainable manner.

We strive to integrate responsible environmental practices into business operations that aim at environmental management, social development and financial profitability and have taken constant measures towards the same. We consciously aim to mitigate environmental impacts due to our business operations and follow precautionary approach wherever we suspect that our actions might cause harm to environment. We are aiming for responsible use of natural resources, reduction in air emissions, reduction in waste generation, reduction in energy consumptions; targeted investments in viable technologies that promise sustainable growth that extend beyond mere compliance with the law.

A water accounting verification audit conducted by third party for all plants and based on water credit & debit assertions issued a certificate overall water positive organization. Orient Cement, as a responsible Corporate is in process for developing its first sustainability report under the international protocol of GRI standards.

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. The Company is following ISO 14001:2015 standards to mitigate the potential environmental risks at Devapur, Chittapur and Jalgaon. Environment and Safety management programs are initiated for the mitigation of identified environment aspects as well as safety hazards.

Moreover, the critical environment risks are identified as a part of the Company's risk management identification process and these features in the Company's risk library. The Company regularly reviews its environmental risks and undertakes initiatives to mitigate them.

For us, the environmental performance improvement remains an important pillar of our business success. We are committed towards Environmental, Health and Safety (EHS) management. We also continuously focus on improving resource efficiency in clinker and cement

production by optimising energy usage, utilising waste in production processes and targeting higher alternative fuel and raw material usage. In the process, we also endeavour to minimise our impact on climate, water and air.

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?

Our Chittapur cement plant 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. The raw material grinding is achieved with vertical roller mills in finish mode which consumes substantially less electrical energy when compared with conventional ball mill grinding. The preheater is designed with low pressure cyclones for better utilisation of heat energy and kiln burner is provided with multi-channel burner. The clinker cooler is of the latest generation that uses less cooling air i.e. less electrical energy when compared with conventional coolers. The cooler drives are also of the hydraulic type. The complete pyro system is designed for the best and lowest heat energy consumption possible. The cement grinding circuit consists of vertical roller mills in closed circuit so that the cement grinding can be carried out with the optimum electrical energy when compared with conventional ball mill grinding. The quality control systems of latest generation are in place to optimise consumption of various raw materials.

Orient Cement is active in managing its GHG emissions. The Company is utilising power plant waste i.e. fly ash to manufacture Pozzolana Portland Cement as much as possible and system is designed for the same with one of the best and most accurate feeding systems. The Company is using AFR wastes such as ricehusk, carbon black, 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.

Orient Cement has taken numerous initiatives to implement clean and green technology, energy efficiency and renewable energy perspective. Some of these include: -

- a) Monitor, identify & Implementation of the energy efficiency activities in the plant are a continuous process. 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) Various process improvement initiatives taken at all plants.
- c) 100% utilization of flyash generated from Captive power plant being consumed and balance required quantity is being procured from nearest thermal power plant. The Company utilizes chemical gypsum (an industrial waste) for the manufacture of cement.
- d) The Company uses Biomass – Rice Husk (waste material), Hazardous waste (Solid & liquid waste), carbon black as an alternate fuel in the manufacturing process to substitute the consumption of the fossil fuel/ coal.
- e) The Company has constructed and maintained various check dams in and around the plant at Devapur. Rain water harvesting system has been developed at the Jalgaon plant also. A huge pond is being maintained for the collection of rain water at the Chittapur plant. Orient Cement has developed a Reservoir – "Maisamma Sagar" at the Devapur Plant for collecting rain water in the lower most benches during the monsoon season and further planned for new water reservoir adjacent to present reservoir to increase storage/ recharge area. This is being used for plantation activities and water spraying on roads for suppressing dust besides being used in the power plant and cement plant. The rain water harvesting fulfils the requirement of the mines, power plant and cement plant. This huge reservoir/lake recharges the ground water table of surrounding areas and supports the existence of local flora and fauna. Many bird species can be seen in the area using different habitats extensively for foraging, nesting and roosting in the surrounding vegetation. Fishes in the water reservoir help in maintaining an aquatic ecosystem.
- f) The Company is continuously concentrating on improving its productivity in terms of production, power consumption and thermal energy consumption. The electrical equipment used in the plant is made energy efficient through usage of Variable Frequency Drives (VFDs) and continuous monitoring. Our focus on operating efficiencies has led to the Company having one of the lowest

specific energy and power consumption metrics in the industry.

- g) At Chittapur plant all the electrical drives are of latest IE3 class having the highest energy efficiency. Most of the plant drives where speed control is necessary are provided with Variable Frequency Drives so as to optimise the electrical energy utilisation. All the raw material and fuel storage areas are completely covered to prevent dust and leaching due to rain water which also reduces the energy utilisation.
- h) The Company has a sewage treatment plant, a water treatment plant and neutralization pit for treating water and wastewater generated at Plant.

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, Cement Sustainability Initiative (CSI), under the aegis of the World Business Council for Sustainable Development (WBCSD), 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 believe in being a good corporate citizen by helping communities and being instrumental in supporting their progress. Towards this objective, we have a well-established policy framework and implementation mechanism which reflects our objective of economic and social development to create a positive impact in our neighbouring communities. Beyond constantly creating value through our operations and initiatives, we are committed to the socio-economic development of communities around us.

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. Focused efforts are made in the identified community development areas to achieve the desired outcomes. 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. The focus of all such initiatives has been to improve the quality of life of local residents.

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. It formulates and monitors implementation framework of "Corporate Social Responsibility Policy", observes practices of Corporate Governance at all levels and provides remedial measures wherever necessary.

Under the framework of its CSR Policy, the Company undertakes social programs/ projects on an ongoing basis. The programs/projects are undertaken through in-house teams to ensure that Orient Cement achieves

success in effectively translating the Company's vision of promoting inclusive growth successfully in a focused manner and under the Company's direct supervision.

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 people in and around the Company's plants.

During financial year 2018-19, the Company has, like in previous years, made significant contributions towards promotion of education and social good by providing primary healthcare support in the vicinity of its plants. In the area of education, in the school run by the Company in Devapur, both primary and secondary, over 1500 students are studying on an average per year both in English and Telugu medium. It has hugely impacted the quality of life of the villagers in the vicinity. Few of our initiatives in this direction include:

- We have established an English medium CBSE school at our Chittapur Plant in June 2018. In a first phase we have started upto 6th Standard. It has currently 250 students.
- In the area of Women Empowerment we have conducted programs at villages in around our Chitapur Plant (1) literacy program, benefiting about 140 women members; (2) conducted banking & self-employment program wherein 100 women members were benefited and (3) Computer Education to high school and college girls wherein about 69 members benefited.
- To improve the awareness on health & hygiene, we have conducted various health camps and check-ups across villages around our plants covering more than 2500 beneficiaries. Also, to build hygiene awareness in line of Swatch Bharat initiatives we have conducted more than 15 program touching more than 3000 people. We also focused on Shishu Ashar for health improvement for kids wherein about 95 numbers benefited.
- To promote vocational training we have trained around 40 rural youth on solar panel assembling and installation. Also facilitated abacus training for school students numbering 72, for memory enhancement. Further conducted, training to villagers who are aspiring to be police wherein about 50 candidates benefited from this training.

- To support agricultural activities and to bring in modern techniques in drip irrigation, plantation etc., awareness sessions were conducted.
- The Company has four full time doctors including a lady doctor in the dispensary at Devapur and Chittapur to treat people from the nearby villages. Over 40000 people were benefitted across locations.
- We have also undertaken few infrastructure initiatives for improving living conditions and conserve water:
 1. Construction of Rooftop Rain Water Harvesting Structure at Jalgaon Khurd Village
 2. Construction of Gabion Structure at Waki River near Jalgaon Khurd Village
 3. Construction of Underground Bandhara at Waghur River near Jalgaon Khurd Village
 4. Toilet blocks for men and women at Jalgaon Khurd and Nashirabad
 5. Construction of Community Hall at Nashirabad.
- To promote tribal festival and culture activities, our Company supported local villagers and atleast 1000 members participated in cultural events.
- Conducted motivational, health, career counseling, personal development and exam preparation classes for 8th, 9th and 10th class children at Government Girls Ashram High School, Devapur.
- Conducted career counseling to 10th class students and enabled them to choose right paths, over 250 students participated in these interactions.

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 ₹1,006.93 lacs (including provision of gratuity ₹74.88 lacs related to school staff) on community development projects. The Company has been working for community development around the Company's manufacturing locations focusing mainly on education, healthcare, sustainable livelihood, social empowerment and infrastructure development.

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 conducts consistent engagement and interaction with the community to ensure that the

initiatives undertaken are successfully implemented and addresses specific needs of the community. The Company has taken steps to ensure that the community initiatives benefit the community as per the identified and assessed needs. Projects are evolved out of the identified needs of the communities. 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 initiatives.

Principle 9 – PROVIDING VALUE TO CUSTOMERS

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?

Effective redressal mechanism is in place for addressing customer complaints and handling consumer cases. The Company has a well-defined system of addressing customer complaints. There have been nil consumer complaints registered in financial year 2018-19.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws?

Yes, we strictly follow all applicable regulations regarding product labelling. Apart from the information required as per the latest BIS guidelines, which is printed on the packaging after taking approval from BIS, following marketing related information is also included:

- Name and logo of the brand (Birla.A1 Premium Cement), Company (Orient Cement), Group (CK Birla),
- Various certifications obtained - ISO 9001, ISO 14001, OHSAS 18001, ISO 50001, TPM Company

- Marketing communication related information - Product tagline - "Majbooti me A1, Bharose me A1, and PST (Pressure Sustaining Technology), The Forever Cement.

The Company also has a website which 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 as at the end of the financial year.

4. Did your Company carry out any consumer survey/ consumer satisfaction trends?

Customer Satisfaction Surveys are conducted periodically to assess the consumer satisfaction levels. Besides, we have engaged third party services to understand operational trends in the market place.

**By order of the Board of Directors
For Orient Cement Limited**

**CK. Birla
Chairman
(DIN 00118473)**

**Place: New Delhi
Date: April 29, 2019**

FINANCIAL SECTION

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, 2019, the Statement of Profit and Loss, including other comprehensive income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the 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, 2019, 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 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 of the Company.

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, 2019. 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
Revenue from sale of goods (as described in Note 2.1 (i) to the Ind AS financial statements)	
<p>The Company recognizes revenues 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 price, the Company considers the effects of rebates and discounts (variable consideration). At March 31, 2019, the Company's Statement of Profit and Loss included Sales of INR 2,51,722.17 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 determining sales revenues.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> ➤ Considered the appropriateness of 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;

Key audit matters	How our audit addressed the key audit matter
Revenue from sale of goods (as described in Note 2.1 (i) to the Ind AS financial statements)	
<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"> ➤ Performed sample tests of individual sales transaction and traced to sales invoices, sales orders and other related documents. In respect of the samples selected, tested that the revenue has been recognized as per the sales agreements; ➤ Selected sample of sales transactions made pre- and post-year end, agreed the period of revenue recognition to underlying documents; and, ➤ Assessed the relevant disclosures made within the Ind AS financial statements
Pending litigations (as described in Note 37 to the Ind AS financial statements)	
<p>The Company is subject to number of claims and litigations mainly related to indirect taxes and duties. 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>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; ➤ 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; ➤ 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 system 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 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, 2019 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 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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company 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, 2019 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:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 37 to the Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.R. Batliboi & CO. LLP
Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Sanjay Kumar Agarwal

Place of Signature: New Delhi

Partner

Date: April 29, 2019

Membership Number: 060352

ANNEXURE 1 TO THE INDEPENDENT AUDITORS' 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) All fixed assets have not been physically verified by the management during the year but 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.
- (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 on 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 and Customs Act, 1962	Excise Duty, Customs and Penalty	271.72	Jul-09 to Dec-14	Commissioner / High Court
A.P. Sales Tax & Central Sales Tax Act, 1956	Sales Tax and CST	230.68@	1983-84 to 2004-05	Commissioner / Appellate Dy. Commissioner / Sales Tax Appellate Tribunal / High Court
Tamil Nadu / Karnataka / Maharashtra VAT Act	VAT and Penalty	57.42\$	1996-97, 2004-05, 2008-09 & 2014-15	Joint Commissioner / Appellate Dy. Commissioner
Income Tax Act, 1961	Income Tax, Interest and Penalty	403.48*	2013-14, 2014-15 & 2015-16	Commissioner (Appeals)

@ net of amounts paid under protest amounting to ₹265.04 lacs

\$ net of amounts paid under protest amounting to ₹0.52 lacs

*net of amounts paid under protest amounting to ₹29.38 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, term loans were applied for the purpose for which the loans were obtained. The Company has not raised any money by way of further public offer during the year.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view on 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) of the Order 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 them 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
Place of Signature: New Delhi **Partner**
Date: April 29, 2019 **Membership Number: 060352**

ANNEXURE 2 TO THE INDEPENDENT AUDITORS' 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, 2019 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, 2019, 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

Place of Signature: New Delhi

Partner

Date: April 29, 2019

Membership Number: 060352

Balance Sheet

as at 31st March, 2019

(₹ in Lacs)

Particulars	Note	31st March 2019	31st March 2018
I) ASSETS			
1) NON-CURRENT ASSETS			
a) Property, plant and equipment	3	2,29,322.20	2,18,573.36
b) Capital work-in-progress		4,781.31	15,821.15
c) Intangible assets	4	6,131.19	6,498.64
d) Financial assets			
(i) Loans and Deposits	5	1,288.90	1,293.91
(ii) Other financial assets	6	2,069.33	2,509.27
e) Income tax assets (net)	7	255.31	260.89
f) Other assets	8	3,281.70	3,129.00
	(A)	2,47,129.94	2,48,086.22
2) CURRENT ASSETS			
a) Inventories	9	18,596.77	16,420.73
b) Financial assets			
(i) Trade receivables	10	17,951.94	15,277.60
(ii) Cash and cash equivalents	11	2,204.12	3,206.05
(iii) Bank balances other than (ii) above	12	672.73	106.22
(iv) Loans and Deposits	5	8.78	15.05
(v) Other financial assets	6	1,978.28	1,831.28
c) Other assets	8	4,146.32	8,751.80
	(B)	45,558.94	45,608.73
TOTAL ASSETS (A)+(B)		2,92,688.88	2,93,694.95
II) EQUITY AND LIABILITIES			
1) EQUITY			
a) Equity Share Capital	13	2,048.69	2,048.69
b) Other Equity	14	1,03,301.93	1,00,163.57
	TOTAL EQUITY (C)	1,05,350.62	1,02,212.26
LIABILITIES			
2) NON-CURRENT LIABILITIES			
a) Financial Liabilities			
(i) Borrowings	15	1,22,624.23	1,13,848.04
(ii) Other financial liabilities	16	36.57	-
b) Long term provisions	17	4,298.98	4,871.28
c) Deferred tax liabilities (net)	18	9,609.04	8,543.23
	(D)	1,36,568.82	1,27,262.55
3) CURRENT LIABILITIES			
a) Financial Liabilities			
(i) Borrowings	15	453.52	12,435.85
(ii) Trade Payables	19		
- Total Outstanding Dues of Micro Enterprises and Small Enterprises		251.74	278.44
- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		18,398.39	19,733.79
(iii) Other current financial liabilities	20	17,869.58	18,443.79
b) Other current liabilities	21	10,382.58	10,341.21
c) Provisions	17	3,132.10	2,646.13
d) Current tax liabilities (net)	22	281.53	340.93
	(E)	50,769.44	64,220.14
TOTAL LIABILITIES (F)=(D)+(E)		1,87,338.26	1,91,482.69
TOTAL EQUITY AND LIABILITIES (C)+(F)		2,92,688.88	2,93,694.95
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: New Delhi
Date: 29th April, 2019

For and on behalf of Board of Directors

CK. Birla
Chairman
(DIN 00118473)

S. Gupta
Chief Financial Officer
(FCA 044924)

D.D. Khetrapal
Managing Director & CEO
(DIN 02362633)

N. Bisaria
Company Secretary
(FCS 5634)

Statement of Profit & Loss

for the year ended 31st March, 2019

(₹ in Lacs)

Particulars	Note	31st March 2019	31st March 2018
I) INCOME			
Revenue from operations	23	2,52,216.93	2,31,084.51
Other income	24	1,397.29	2,022.66
Total income (I)		2,53,614.22	2,33,107.17
II) EXPENSES			
Cost of raw materials consumed	25	30,518.30	27,187.28
Increase in inventories of finished goods and work in progress	26	(374.14)	(1,099.76)
Excise duty on sale of goods		-	8,850.21
Employee benefits expense	27	15,476.98	13,846.88
Power and Fuel		66,550.68	58,071.00
Packing, Freight & Forwarding Charges		74,065.47	59,370.28
Finance costs	28	11,849.93	12,920.96
Depreciation and amortisation expenses	29	13,271.92	12,616.62
Other expenses	30	34,775.99	34,340.58
Total expenses (II)		2,46,135.13	2,26,104.05
III) Profit before tax (I)-(II)		7,479.09	7,003.12
IV) Tax Expense	18		
(1) Current Tax		1,620.84	1,507.25
(2) MAT Credit		(1,620.84)	(1,507.25)
(3) Deferred Tax Charge		2,723.92	2,580.98
		2,723.92	2,580.98
V) Profit for the year (III)-(IV)		4,755.17	4,422.14
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		(106.62)	(74.95)
Income tax effect		37.26	25.94
Other Comprehensive Income (net of tax)		(69.36)	(49.01)
VII) Total Comprehensive Income for the year (V)+(VI)		4,685.81	4,373.13
Earnings per share:	31		
(1) Basic		2.32	2.16
(2) Diluted		2.32	2.16
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: New Delhi
 Date: 29th April, 2019

For and on behalf of Board of Directors

CK. Birla
 Chairman
 (DIN 00118473)

S. Gupta
 Chief Financial Officer
 (FCA 044924)

D.D. Khetrapal
 Managing Director & CEO
 (DIN 02362633)

N. Bisaria
 Company Secretary
 (FCS 5634)

Cash Flow Statement

for the year ended 31st March, 2019

Particulars	Note	(₹ in Lacs)	
		31st March, 2019	31st March, 2018
(A) OPERATING ACTIVITIES :			
Profit before tax		7,479.09	7,003.12
Adjustments to reconcile profit before tax to net cash flows :			
Depreciation and amortisation expense		13,271.92	12,616.62
Finance costs (net of interest capitalisation of ₹1,182.59 lacs (31st March 2018 ₹236.11 lacs)		11,849.93	12,920.96
Loss on sale/discard of Property, plant and equipment (net)		0.54	100.15
Bad debts/advances written off (net of reversals)		5.67	27.49
Provision for doubtful debts & advances		38.30	87.34
Unspent liabilities and unclaimed balances adjusted		(782.57)	(1,519.34)
Profit on sale of Investment in Mutual Fund (net)		(7.58)	(37.26)
Employee stock option charge		304.91	353.85
Interest Income on loans, deposits, others		(261.78)	(204.62)
Working Capital Adjustments :			
Increase/(Decrease) in trade payable and other liabilities		(1,016.09)	4,701.93
(Decrease) in provisions		(497.80)	(156.01)
(Increase) in inventories		(2,176.04)	(1,754.74)
(Increase)/Decrease in trade receivables and other assets		1,595.25	(5,016.14)
CASH GENERATED FROM OPERATIONS:		29,803.75	29,123.35
Income tax paid		(1,674.65)	(1,207.77)
NET CASH FLOWS FROM OPERATING ACTIVITIES		28,129.10	27,915.58
(B) INVESTING ACTIVITIES :			
Purchase of Property, plant and equipment and Intangibles (including capital work-in-progress)		(12,178.39)	(14,806.89)
Proceeds from sale of Property, plant and equipment		53.65	107.65
Investment in Mutual funds		(6,600.00)	(17,908.31)
Proceeds from Sale of Mutual Funds		6,607.58	17,945.57
Payments for term deposits with banks		(142.93)	(409.44)
Proceeds from maturity of term deposits with banks		26.20	24.25
Interest Received		241.52	194.28
NET CASH FLOWS USED IN INVESTING ACTIVITIES		(11,992.37)	(14,852.89)
(C) FINANCING ACTIVITIES :			
Proceeds from long term borrowings		15,300.00	-
Repayment of long term borrowings		(5,678.51)	(4,900.89)
Movement in short term borrowings (net)		(12,120.46)	2,573.98
Interest paid		(12,787.34)	(12,593.32)
Dividends Paid (including dividend distribution tax)		(1,852.35)	(1,228.59)
NET CASH FLOWS USED IN FINANCING ACTIVITIES		(17,138.66)	(16,148.82)
NET DECREASE IN CASH & CASH EQUIVALENTS (A+B+C)		(1,001.93)	(3,086.13)
Cash & Cash Equivalents at the beginning of the year	11	3,206.05	6,292.18
Cash & Cash Equivalents at the end of the year	11	2,204.12	3,206.05
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: New Delhi
Date: 29th April, 2019

For and on behalf of Board of Directors

CK. Birla
Chairman
(DIN 00118473)

S. Gupta
Chief Financial Officer
(FCA 044924)

D.D. Khetrapal
Managing Director & CEO
(DIN 02362633)

N. Bisaria
Company Secretary
(FCS 5634)

Statement of Changes in Equity

for the year ended 31st March, 2019

A) Equity Share Capital

	No. in Lacs	₹ in Lacs
Equity Shares of ₹ 1 each issued, subscribed and fully paid		
At 31st March, 2018	2,048.69	2,048.69
At 31st March, 2019	2,048.69	2,048.69

B) Other Equity

Particulars	Reserves and Surplus			Total
	General Reserve	Employee Stock Options Outstanding	Retained Earnings	
As at 31st March, 2017	71,056.95	818.42	24,794.09	96,669.46
Profit for the year	-	-	4,422.14	4,422.14
Other comprehensive income	-	-	(49.01)	(49.01)
Total comprehensive income	71,056.95	818.42	29,167.22	1,01,042.59
Share based payments (Note 34)	-	353.85	-	353.85
Dividend	-	-	1,024.34	1,024.34
Dividend Distribution Tax	-	-	208.53	208.53
As at 31st March, 2018	71,056.95	1,172.27	27,934.35	1,00,163.57
Profit for the year	-	-	4,755.17	4,755.17
Other comprehensive income	-	-	(69.36)	(69.36)
Total comprehensive income	71,056.95	1,172.27	32,620.16	1,04,849.38
Share based payments (Note 34)	-	304.91	-	304.91
Dividend	-	-	1,536.52	1,536.52
Dividend Distribution Tax	-	-	315.84	315.84
As at 31st March, 2019	71,056.95	1,477.18	30,767.80	1,03,301.93

Summary of significant accounting 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. Batliboi & Co. LLP
 Firm registration number:301003E/E300005
 Chartered Accountants

per Sanjay Kumar Agarwal
 Partner

Membership No.: 060352

Place: New Delhi
 Date: 29th April, 2019

For and on behalf of Board of Directors

CK. Birla
 Chairman
 (DIN 00118473)

D.D. Khetrapal
 Managing Director & CEO
 (DIN 02362633)

S. Gupta
 Chief Financial Officer
 (FCA 044924)

N. Bisaria
 Company Secretary
 (FCS 5634)

Notes to the Ind AS Financial Statements

as at and for the year ended 31st March, 2019

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 29th April, 2019.

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 (INR 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 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 inspection 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
Factory Buildings	30 years
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

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March, 2019

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 20 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.

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)

(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.

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March, 2019

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 determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

A lease is classified at the inception date as a finance lease or an operating lease.

Where the Company is lessee

A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Where the Company is the lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Assets subject to operating leases are included in property, plant and equipment. Lease income on an operating lease is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the Statement of Profit and Loss.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

(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 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.

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March, 2019

(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.

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

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.

Amendment to Ind AS 20 Government grant related to non-monetary asset

The amendment clarifies that where the government grant related to asset, including non-monetary grant at fair value, shall be presented in balance sheet either by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset. Prior to the amendment, Ind AS 20 did not allow the option to present asset related

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March, 2019

grant by deducting the grant from the carrying amount of the asset. The Company has adopted the method of deducting grant from the carrying amount of the asset. However, this amendment does not have any significant impact on the financial statements.

(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

Ind AS 115 was issued on 28 March 2018 and supersedes Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all the relevant facts and circumstances when applying each step of the model to contracts with their customers. The Company adopted Ind AS 115 using the modified retrospective method of adoption with the date of initial application of 1 April 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Company elected to apply the standard to all contracts as at 1 April 2018. However, the application of Ind AS 115 does not have any significant impact on the recognition and measurement of revenue and related items.

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.

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.

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March, 2019

(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 funded 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 profit or 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.

(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).

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March, 2019

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".

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

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March, 2019

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.

(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.

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.

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March, 2019

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.

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, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March, 2019

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.

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March, 2019

3. Property, plant and equipment

(₹ in Lacs)

	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 2017	14,170.13	6,378.90	14,800.38	515.15	2,04,201.51	738.50	209.18	369.43	780.35	2,42,163.53
Additions	990.59	30.36	3,807.51	-	2,604.76	129.90	45.95	44.90	141.37	7,795.34
Disposals	16.15	4.77	-	-	368.54	26.25	7.75	0.83	28.49	452.78
At 31st March 2018	15,144.57	6,404.49	18,607.89	515.15	2,06,437.73	842.15	247.38	413.50	893.23	2,49,506.09
Additions	140.31	8.63	6,107.39	5,740.50	11,353.63	222.02	96.31	20.62	71.81	23,761.22
Disposals	-	-	-	-	186.77	30.04	1.82	-	1.33	219.96
Other adjustments	(51.62)	-	-	-	(100.00)	-	-	-	-	(151.62)
At 31st March 2019	15,233.26	6,413.12	24,715.28	6,255.65	2,17,504.59	1,034.13	341.87	434.12	963.71	2,72,895.73
Depreciation										
At 1st April 2017	-	330.82	1,407.33	171.26	16,304.04	326.46	83.70	139.64	360.71	19,123.96
Charge for the year	-	224.77	970.57	21.30	10,427.55	135.02	30.80	62.02	181.70	12,053.73
Disposals	-	0.86	-	-	214.60	12.92	1.85	0.01	14.72	244.96
At 31st March 2018	-	554.73	2,377.90	192.56	26,516.99	448.56	112.65	201.65	527.69	30,932.73
Charge for the year	-	225.21	1,397.14	47.37	10,877.30	62.82	48.40	25.55	122.78	12,806.57
Disposals	-	-	-	-	150.41	13.16	0.99	-	1.21	165.77
At 31st March 2019	-	779.94	3,775.04	239.93	37,243.88	498.22	160.06	227.20	649.26	43,573.53
Net book value										
At 31st March 2019	15,233.26	5,633.18	20,940.24	6,015.72	1,80,260.71	535.91	181.81	206.92	314.45	2,29,322.20
At 31st March 2018	15,144.57	5,849.76	16,229.99	322.59	1,79,920.74	393.59	134.73	211.85	365.54	2,18,573.36

- Includes ₹716.65 lacs (31st March 2018: ₹859.40 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 15.
- 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)

	Computer software	Mining Rights	Total
Cost			
At 1st April 2017	661.38	6,721.64	7,383.02
Additions	172.15	364.93	537.08
At 31st March 2018	833.53	7,086.57	7,920.10
Additions	97.90	-	97.90
At 31st March 2019	931.43	7,086.57	8,018.00
Amortisation			
At 1st April 2017	349.82	508.75	858.57
Charge for the year	241.94	320.95	562.89
At 31st March 2018	591.76	829.70	1,421.46
Charge for the year	139.84	325.51	465.35
At 31st March 2019	731.60	1,155.21	1,886.81
Net book value			
At 31st March 2019	199.83	5,931.36	6,131.19
At 31st March 2018	241.77	6,256.87	6,498.64

- 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, 2019

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

	(₹ in Lacs)	
	31st March, 2019	31st March, 2018
a) Pre-Operative Expenses:		
Rates & Taxes	-	84.86
Consultancy charges	10.63	124.45
Interest cost	1,182.59	236.11
Miscellaneous Expenses	1.87	3.93
	1,195.09	449.35
b) Add: Balance brought forward from previous year	956.71	743.47
c) Less: Allocated to Property, plant and equipment / Capital work-in-progress during the year / Charged to Statement of Profit and Loss	1,304.31	236.11
d) Balance pending allocation included in Capital work-in-progress (a+b-c)	847.49	956.71

5. Loans and Deposits

	(₹ in Lacs)	
	31st March, 2019	31st March, 2018
At amortised Cost		
Non-current		
Unsecured, considered good		
Security deposits	1,286.41	1,291.34
Loans to employees	2.49	2.57
	1,288.90	1,293.91
Current		
Unsecured, considered good		
Security deposits	-	5.58
Loans to employees	8.78	9.47
	8.78	15.05
Total Loans and Deposits	1,297.68	1,308.96

6. Other financial assets

	(₹ in Lacs)	
	31st March, 2019	31st March, 2018
Non-current		
Deposit with original maturity for more than 12 months	2,061.98	2,502.18
Interest accrued on loans, deposits etc.	7.35	7.09
	2,069.33	2,509.27
Current		
Interest accrued on loans, deposits etc.	124.93	104.92
Claims & other receivables	1,853.35	1,726.36
	1,978.28	1,831.28
Total other financial assets	4,047.61	4,340.55

Receipts for ₹2,061.98 lacs (31st March 2018: ₹1,937.76 lacs) are lodged with Government Departments/Banks as security.

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March, 2019

7. Income tax assets (net)

(₹ in Lacs)

	31st March, 2019	31st March, 2018
Advance payment of income tax and tax deducted at source (net of provision for taxation)	255.31	260.89
	255.31	260.89

8. Other assets

(₹ in Lacs)

	31st March, 2019	31st March, 2018
Non-current		
Unsecured, considered good, except where otherwise stated		
Capital advances		
Considered good	286.74	513.82
Considered doubtful	43.27	43.27
	330.01	557.09
Less: Provision for doubtful advances	43.27	43.27
	286.74	513.82
Trade & other deposits	923.91	904.90
Deposits against demand under dispute	1,570.37	1,543.43
Prepaid expenses	500.68	166.85
	2,071.05	1,710.28
	3,281.70	3,129.00
Current		
Unsecured, considered good, except where otherwise stated		
Advance to suppliers / service providers		
Considered good	3,429.43	7,459.58
Considered doubtful	94.30	85.65
	3,523.73	7,545.23
Less: Provision for doubtful advances	94.30	85.65
	3,429.43	7,459.58
Prepaid expenses	382.54	268.52
Balances with excise, customs, port trusts and other government authorities	333.35	1,016.70
Trade & other deposits	1.00	7.00
	4,146.32	8,751.80
Total other assets	7,428.02	11,880.80

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March, 2019

9. Inventories

(₹ in Lacs)

	31st March, 2019	31st March, 2018
Valued at Lower of Cost and Net Realisable Value		
Raw materials	1,549.57	2,113.29
Work-in-progress	1,637.03	2,135.27
Finished goods	1,206.62	541.09
Packing Material	295.24	261.58
Stores and spares	7,714.98	7,384.06
Fuels	6,124.79	3,932.45
At net realisable value		
Scrap	68.54	52.99
	18,596.77	16,420.73
The above includes stock in transit:		
Raw materials	-	315.32
Work-in-progress	113.77	114.12
Stores and spares	30.93	59.89
Fuels	2,028.92	83.46
	2,173.62	572.79

a. Inventories are pledged against the borrowings of the Company as referred in Note 15.

10. Trade receivables

(₹ in Lacs)

	31st March, 2019	31st March, 2018
Secured, considered good	3,935.17	2,610.93
Unsecured, considered good	14,016.77	12,666.67
Doubtful	177.19	147.54
	18,129.13	15,425.14
Less: Provision for doubtful debts	177.19	147.54
	17,951.94	15,277.60

a. Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days.

b. Trade receivables are pledged against the borrowings of the Company as referred in Note 15.

c. For ageing analysis of trade receivables, refer Note 41.

11. Cash and cash equivalents

(₹ in Lacs)

	31st March, 2019	31st March, 2018
Balances with banks On current accounts	471.15	840.28
Cheques on hand	1,730.56	2,363.14
Cash on hand	2.41	2.63
	2,204.12	3,206.05

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March, 2019

Changes in liabilities arising from financing activities

(₹ in Lacs)

	1st April 2018	Cash Flows	Others	31st March 2019
Current borrowings (excluding items listed below)	17,235.85	(16,782.33)	5,439.12	5,892.64
Current obligations under deferred sales tax loan	278.15	(278.15)	461.41	461.41
Non-current borrowings (excluding items listed below)	1,09,821.53	14,699.82	(5,462.23)	1,19,059.12
Non-current obligations under deferred sales tax loan	4,026.52	-	(461.41)	3,565.11
	1,31,362.05	(2,360.66)	(23.11)	1,28,978.28

(₹ in Lacs)

	1st April 2017	Cash Flows	Others	31st March 2018
Current borrowings (excluding items listed below)	14,665.29	(2,229.44)	4,800.00	17,235.85
Current obligations under deferred sales tax loan	100.89	(100.89)	278.15	278.15
Non-current borrowings (excluding items listed below)	1,14,544.36	-	(4,722.83)	1,09,821.53
Non-current obligations under deferred sales tax loan	4,304.66	-	(278.14)	4,026.52
	1,33,615.20	(2,330.33)	77.18	1,31,362.05

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.

12. Other bank balances

(₹ in Lacs)

	31st March, 2019	31st March, 2018
On unpaid dividend accounts *	89.60	80.01
Deposits with original maturity for more than 3 months but less than 12 months	13.13	26.13
Deposits with original maturity for more than 12 months	570.00	0.08
	672.73	106.22

* earmarked for payment of unpaid dividend only.

Receipts for ₹583.13 lacs (31st March 2018: ₹26.21 lacs) are lodged with Government Departments/Banks as security.

13. Equity Share Capital

	31st March, 2019		31st March, 2018	
	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.

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 2019, the amount of per share dividend recognised as distribution to equity shareholders was ₹0.75 per share (31st March 2018: ₹0.50 per share).

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March, 2019

The Board of Directors, at its meeting on 29th April 2019, have proposed a final dividend of ₹0.75 per equity share for the financial year ended 31st March 2019. 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 ₹1852.36 lacs including corporate dividend tax. 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

Name of shareholder	31st March, 2019		31st March, 2018	
	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- HDFC Equity Saving Fund	184.30	9.00	-	-
Shekhavati Investments and Traders Limited	123.21	6.01	123.21	6.01
Franklin Templeton Mutual Fund A/c Franklin India Focused Equity Fund	110.00	5.37	-	-
HDFC Trustee Company Limited- HDFC Prudence Fund	-	-	105.03	5.29

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 34.

14. Other Equity

(₹ in Lacs)

	31st March, 2019	31st March, 2018
General reserve	71,056.95	71,056.95
Employee Stock Options Outstanding		
Balance as per last financial statements	1,172.27	818.42
Add: Charge for the year (Note 34)	304.91	353.85
	1,477.18	1,172.27
Retained Earnings		
Opening Balance	27,934.35	24,794.09
Add: Profit for the year	4,755.17	4,422.14
Less: Other Comprehensive Income for the year	69.36	49.01
Less: Dividend	1,536.52	1,024.34
Less: Dividend distribution tax	315.84	208.53
Closing Balance	30,767.80	27,934.35
Total	1,03,301.93	1,00,163.57

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March, 2019

15. Borrowings

(₹ in Lacs)

	Effective Interest rate %	Maturity	31st March, 2019	31st March, 2018
Non-current borrowings				
Term loans				
From Banks				
Secured bank loans	8.70 - 9.04	2017-2031	1,24,498.24	1,14,621.53
From other parties				
Deferred sales tax loan (Unsecured)		2012-2023	4,026.52	4,304.66
			1,28,524.76	1,18,926.19
Current maturity of long term loans				
Secured bank loans (Note 20)			5,439.12	4,800.00
Deferred sales tax loan (Unsecured) (Note 20)			461.41	278.15
Amount disclosed under the head "Other current financial liabilities"			5,900.53	5,078.15
Total non-current borrowings			1,22,624.23	1,13,848.04
Current borrowings				
Loan repayable on demand				
Cash credit from banks (Secured)			453.52	2,573.98
Commercial paper (unsecured)				
From a bank			-	9,861.87
Total current borrowings			453.52	12,435.85

- 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 installments 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 @ 9.25% to 9.45% p.a (31st March, 2018: 8.60% to 8.70%).
- Deferred sales tax loan is interest free and payable in 26 unequal installments, 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 @ 8.40% to 8.70% p.a. (31st March 2018: 8.15% to 8.35%).
- Commercial papers from a bank are availed for periods ranging from 90 to 180 days and carries interest @ 6.95% to 7.99% p.a (31st March 2018: 6.70% to 6.95%).

16. Other financial liabilities

(₹ in Lacs)

	31st March, 2019	31st March, 2018
Capital creditors	36.57	-
	36.57	-

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March, 2019

17. Provisions

(₹ in Lacs)

	31st March, 2019	31st March, 2018
Non-current		
Provision for gratuity (Note 33)	1,586.72	1,956.54
Provision for mining restoration costs	375.55	370.52
Provision for rehabilitation & resettlement obligation relating to mines	2,336.71	2,544.22
	4,298.98	4,871.28
Current		
Provision for gratuity (Note 33)	134.93	85.17
Provision for leave benefits	1,112.63	706.35
Provision for mining restoration costs	148.72	122.81
Provision for rehabilitation & resettlement obligation relating to mines	1,735.82	1,731.80
	3,132.10	2,646.13

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.

	31st March, 2019	31st March, 2018
Opening balance	493.33	96.58
Arisen during the year	-	364.93
Utilized during the year	5.31	1.90
Unwinding of discount	36.25	33.72
Closing balance	524.27	493.33
Current	148.72	122.81
Non-current	375.55	370.52

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.

	31st March, 2019	31st March, 2018
Opening balance	4,276.02	4,851.27
Arisen during the year	-	-
Utilised during the year	472.08	1,034.99
Unwinding of discount	268.59	459.74
Closing balance	4,072.53	4,276.02
Current	1,735.82	1,731.80
Non-current	2,336.71	2,544.22

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March, 2019

18. Income tax

Income tax expense in the Statement of Profit and Loss comprises:

	(₹ in Lacs)	
	31st March, 2019	31st March, 2018
Current tax	1,620.84	1,507.25
MAT Credit	(1,620.84)	(1,507.25)
Deferred tax Charge	2,723.92	2,580.98
Income tax expense	2,723.92	2,580.98

Entire deferred / income tax for the year ended 31st March 2019 and 31st March 2018 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)	
	31st March, 2019	31st March, 2018
Profit before income tax	7,479.09	7,003.12
Enacted tax rates in India	34.94%	34.61%
Computed expected tax expense	2,613.49	2,423.64
Effect of non-deductible expenses		
CSR expenses disallowed under the Income tax Act, 1961	186.90	153.64
Difference between tax depreciation and book depreciation estimated to be reversed during tax holiday period	(128.20)	(116.94)
Others	51.73	120.64
Income tax expense	2,723.92	2,580.98

The applicable Indian statutory tax rate for fiscal 2019 is 34.94% and fiscal 2018 is 34.61%.

The significant temporary differences that resulted in deferred income tax assets and liabilities are as follows:

	(₹ in Lacs)	
	31st March, 2019	31st March, 2018
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	37,349.31	35,656.72
Gross deferred tax liability	37,349.31	35,656.72
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	1,099.15	1,031.19
Impact of business loss and unabsorbed depreciation	22,116.79	23,193.14
Provision for doubtful debts and advances	110.00	95.67
MAT Credit entitlement	4,414.33	2,793.49
Gross deferred tax asset	27,740.27	27,113.49
Net deferred tax liability	9,609.04	8,543.23

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March, 2019

19. Trade payables

(₹ in Lacs)

	31st March, 2019	31st March, 2018
Trade payables		
• total outstanding dues of micro enterprises and small enterprises (refer Note 39 for details of dues to micro and small enterprises)	251.74	278.44
• total outstanding dues of creditors other than micro enterprises and small enterprises	18,398.39	19,733.79
	18,650.13	20,012.23

Trade payables are non-interest bearing and normally settled on 0 to 45 day terms.

20. Other current financial liabilities

(₹ in Lacs)

	31st March, 2019	31st March, 2018
Current maturities of Long term loans (Note 15)	5,439.12	4,800.00
Current maturities of Deferred sales tax loan (Note 15)	461.41	278.15
Interest accrued but not due on borrowings	184.86	156.17
Unpaid dividend	89.60	80.01
Trade & other deposits	7,882.57	8,591.83
Capital creditors	2,317.35	3,274.31
Employee Benefits payable	1,493.89	1,262.54
Other miscellaneous payable	0.78	0.78
	17,869.58	18,443.79

21. Other current liabilities

(₹ in Lacs)

	31st March, 2019	31st March, 2018
Advances from customers	2,852.25	4,675.87
Statutory dues payable	7,530.33	5,665.34
	10,382.58	10,341.21

22. Current Tax Liabilities (net)

(₹ in Lacs)

	31st March, 2019	31st March, 2018
Provision for income tax (net of advance income tax and tax deducted at source)	281.53	340.93
	281.53	340.93

23. Revenue from operations

(₹ in Lacs)

	31st March, 2019	31st March, 2018
Revenue from operations		
Sale of products (including excise duty)		
Finished goods	2,66,658.92	2,45,551.49
Semi-finished goods	137.19	-
	2,66,796.11	2,45,551.49
Less: Cash discount, rebates, incentives etc.	15,073.94	15,041.33
	2,51,722.17	2,30,510.16
Other operating revenue		
Scrap sales	310.49	303.58
Sale of power	184.27	270.77
Revenue from operations (gross)	2,52,216.93	2,31,084.51

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March, 2019

24. Other income (₹ in Lacs)

	31st March, 2019	31st March, 2018
Interest income on		
Loans, deposits, others etc.	261.78	204.62
Other non-operating income		
Insurance & other claims	4.04	25.33
Rent & hire charges	11.25	6.06
Unspent liabilities and unclaimed balances adjusted	782.57	1,519.34
Gain on exchange rate fluctuations (net)	15.20	33.24
Profit on sale of Investment in Mutual Fund	7.58	37.26
Other miscellaneous income	314.87	196.81
	1,397.29	2,022.66

25. Cost of raw materials consumed (₹ in Lacs)

	31st March, 2019	31st March, 2018
Inventory at the beginning of the year	2,113.29	1,542.78
Add: Purchases & procurement expenses	29,954.58	27,757.79
	32,067.87	29,300.57
Less: Inventory at the end of the year	1,549.57	2,113.29
	30,518.30	27,187.28

26. Increase in inventories of finished goods and work in progress (₹ in Lacs)

	31st March, 2019	31st March, 2018
Inventories at the end of the period		
Work-in-progress	1,637.03	2,135.27
Finished goods	1,206.62	541.09
Scrap	68.54	52.99
	2,912.19	2,729.35
Inventories at the beginning of the period		
Work-in-progress	2,135.27	1,434.18
Finished goods	541.09	733.11
Scrap	52.99	54.80
	2,729.35	2,222.09
	(182.84)	(507.26)
Decrease of excise duty on inventory	-	(154.14)
Self Consumption	(191.30)	(438.36)
	(374.14)	(1,099.76)

27. Employee benefits expense (₹ in Lacs)

	31st March, 2019	31st March, 2018
Salaries, wages and bonus	13,288.85	11,788.24
Contribution to provident and other funds	754.83	720.35
Gratuity expense (Note 33)	515.46	393.02
Employee Stock Option charge (Note 34)	304.91	353.85
Staff welfare expenses	612.93	591.42
	15,476.98	13,846.88

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March, 2019

28. Finance costs

(₹ in Lacs)

	31st March, 2019	31st March, 2018
Interest on debts and borrowings	12,553.26	12,516.64
Other borrowing cost (includes bank charges, processing fees, etc)	174.42	146.97
Total interest expense	12,727.68	12,663.61
Unwinding of interest on provisions (Note 17)	304.84	493.46
Less: Transfer to Capital work-in-progress / Property, plant and equipment	1,182.59	236.11
	11,849.93	12,920.96

29. Depreciation and amortisation expenses

(₹ in Lacs)

	31st March, 2019	31st March, 2018
Depreciation of tangible assets (Note 3)	12,806.57	12,053.73
Amortisation of intangible assets (Note 4)	465.35	562.89
	13,271.92	12,616.62

30. Other expenses

(₹ in Lacs)

	31st March, 2019	31st March, 2018
Royalty and cess	6,889.13	6,303.74
Consumption of stores and spares	7,117.41	7,176.25
Handling & other charges to contractors	2,246.73	2,125.92
Rent & hire charges (Note 35)	1,792.59	1,715.35
Rates and taxes	468.91	373.07
Insurance	191.50	151.67
Repairs and maintenance		
Plant and machinery	4,308.76	4,380.42
Buildings	518.58	632.83
CSR expenditure (Note 43)	534.85	443.95
Advertising and sales promotion	3,320.95	3,492.79
Commission on sales	2,022.47	1,644.24
Payment to auditor		
As Auditor:		
Audit fee	33.50	32.50
Limited review	25.50	19.50
Tax Audit fee	8.00	8.00
In other capacity:		
For certificates & other services	26.00	9.19
Reimbursement of expenses	4.46	1.27
Professional & consultancy charges	1,465.42	1,789.96
Director's commission	75.00	71.00
Directors' sitting fees	68.00	65.15
Bad debts / advances written off (net of reversals)	5.67	27.49
Turnover tax & entry tax etc.	-	87.88
Provision for doubtful debts & advances	38.30	87.34
Loss on sale/discard of Property, plant and equipment (net)	0.54	100.15
Miscellaneous expenses	3,613.72	3,600.92
	34,775.99	34,340.58

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March, 2019

31. 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)	
	31st March, 2019	31st March, 2018
Profit after tax	4,755.17	4,422.14
Net Profit for calculation of basic and diluted EPS	4,755.17	4,422.14
Weighted average number of equity shares in calculating basic EPS	2,048.69	2,048.69
Effect of dilution:		
Stock option granted under ESOP	-	2.07
Weighted average number of equity shares in calculating diluted EPS	2,048.69	2,050.76
Earnings per equity share [nominal value of share ₹ 1] (31st March 2018 : ₹ 1)		
Basic	2.32	2.16
Diluted	2.32	2.16

32. 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 18.

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 17.

Useful Lives of Property, Plant & Equipment

The Company uses technical expertise along with historical and industry trends for determining the economic life of an 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

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March, 2019

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 33.

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 34.

33. 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)

	Gratuity - Funded		Gratuity - Non Funded	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Service cost	218.46	173.74	153.62	108.47
Opening adjustment of defined benefit obligation in relation to a school considered under Corporate Social Responsibility expenditure	-	-	51.58	-
Net Interest cost / (income) on the net defined benefit liability / (asset)	77.07	44.59	89.61	66.22
Net benefit expense #	295.53	218.33	294.81	174.69
Actual return on plan assets	113.42	59.02	-	-

including amount of ₹74.88 lacs (31st March 2018 : ₹Nil) disclosed under CSR expenditure.

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as at and for the year ended 31st March, 2019

Other comprehensive income

(₹ in Lacs)

	Gratuity - Funded		Gratuity - Non Funded	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Actuarial (gains) / losses				
- change in financial assumptions	-	(19.43)	-	(14.12)
- experience variance (i.e. Actual experience vs assumptions)	23.79	91.41	138.09	8.25
Return on plan assets, excluding amount recognised in net interest expense	(55.26)	8.84	-	-
Components of defined benefit costs recognised in other comprehensive income	(31.47)	80.82	138.09	(5.87)

Balance sheet

Benefit asset/ liability

(₹ in Lacs)

	Gratuity - Funded		Gratuity - Non Funded	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Present value of defined benefit obligation	1,899.41	1,768.97	1,454.32	1,033.60
Fair value of plan assets	1,632.08	760.86	-	-
Net liability	267.33	1,008.11	1,454.32	1,033.60

Changes in the present value of the defined benefit obligation are as follows:

(₹ in Lacs)

	Gratuity - Funded		Gratuity - Non Funded	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Opening defined benefit obligation	1,768.97	1,589.98	1,033.60	902.40
Opening adjustment of defined benefit obligation in relation to a school considered under Corporate Social Responsibility expenditure	-	-	138.69	-
Current service cost	218.46	173.74	153.62	108.47
Interest cost	135.23	112.45	89.62	66.22
Re-measurement (or Actuarial) (gain) / loss arising from:				
- change in financial assumptions	-	(19.44)	-	(14.11)
- experience variance (i.e. Actual experience vs assumptions)	23.79	91.41	138.09	8.25
Benefits paid	(247.04)	(179.17)	(99.30)	(37.63)
Closing defined benefit obligation	1,899.41	1,768.97	1,454.32	1,033.60

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Changes in the fair value of plan assets are as follows:

(₹ in Lacs)

	Gratuity - Funded		Gratuity - Non Funded	
	31st March, 2019	31st March, 2018	31st March, 2019	31st March, 2018
Opening fair value of plan assets	760.86	881.01	-	-
Expected return / Investment Income	58.16	67.86	-	-
Employers contribution	1,000.00	-	-	-
Benefits paid	(242.20)	(179.17)	-	-
Return on plan assets, excluding amount recognised in net interest expense	55.26	(8.84)	-	-
Closing fair value of plan assets	1,632.08	760.86	-	-

The Company expects to contribute ₹350.00 lacs (31st March, 2018 : ₹450.00 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:

	31st March, 2019	31st March, 2018
Investments with insurer	100%	100%

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

	31st March, 2019	31st March, 2018
Discount rate	7.65%	7.65%
Expected rate of return on assets	7.55%	7.55%
Future salary increases:	7.00%	7.00%
Mortality Rate (% of IALM 06-08)	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)

	31st March, 2019	31st March, 2018
Contribution to Provident / Pension Funds	641.70	593.61
Contribution to Superannuation Fund	73.28	88.42
	714.98	682.03

Funded

A quantitative sensitivity analysis for significant assumptions is as below:

(₹ in Lacs)

Assumptions	31st March, 2019		31st March, 2018	
	Discount rate		Discount rate	
	1% increase	1% decrease	1% increase	1% decrease
Sensitivity level				
(Decrease)/Increase in gratuity defined benefit obligation	(126.76)	145.46	(120.32)	137.67

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as at and for the year ended 31st March, 2019

(₹ in Lacs)

Assumptions	31st March, 2019		31st March, 2018	
	Future Salary		Future Salary	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
(Decrease)/Increase in gratuity defined benefit obligation	144.96	(128.61)	137.20	(122.08)

Non-Funded

A quantitative sensitivity analysis for significant assumptions is as below:

(₹ in Lacs)

Assumptions	31st March, 2019		31st March, 2018	
	Discount rate		Discount rate	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
(Decrease)/Increase in gratuity defined benefit obligation	(100.24)	120.20	(86.89)	101.08

Assumptions	Future Salary		Future Salary	
	1% increase	1% decrease	1% increase	1% decrease
(Decrease)/Increase in gratuity defined benefit obligation	119.16	(102.96)	100.72	(88.14)

34. 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:

	31st March, 2019	31st March, 2018
	No of options	No of options
Outstanding at the beginning of the year	14,73,900	16,48,900
Granted during the year	-	-
Cancelled during the year	-	1,75,000
Outstanding at the end of the year	14,73,900	14,73,900
Exercisable at the end of the year	5,89,560	-

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March, 2019

The weighted average remaining contractual life for the stock options outstanding as at 31st March 2019 is 2.09 years (31st March 2018 2.93 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:

	31st March, 2019	31st March, 2018
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

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.

35. Leases

Operating lease: Company as lessee

Certain office premises, equipments, depots etc are obtained by the Company on operating lease. The lease term is for 1-3 years and renewable for further period either mutually or at the option of the Company. Lease agreements have price escalation clauses. The rent is not based on any contingencies. There are no restrictions imposed by lease arrangements. The leases are cancelable.

	(₹ in Lacs)	
	31st March, 2019	31st March, 2018
Lease expenses for the year	1,792.59	1,715.35

36. Capital and other commitments

Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances) ₹5,943.58 lacs (31st March 2018: ₹9,630.18 lacs).

37. Contingent liabilities

	(₹ in Lacs)	
	31st March, 2019	31st March, 2018
Claims against the Company not acknowledged as debt :		
Excise Duty and Customs	758.45	822.09
Sales Tax (including Entry Tax)	782.21	782.21
Income Tax	587.07	301.08
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)	1,651.46	2,196.85
	6,070.50	6,393.54

Note :

- a) The plea by the Company challenging the constitutional validity of Electricity duty demand of ₹1,691 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 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.

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March, 2019

- b) There are numerous interpretative issues relating to the Supreme Court (SC) judgement on PF dated 28th February 2019. As a matter of caution, the Company has made a provision on a prospective basis from the date of the SC order. The Company will update its provision, on receiving further clarity on the subject.

Based on discussions with the solicitors/ favorable 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.

38. 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 & CEO	Mr. D.D.Khetrapal
Other Directors	Mrs. Amita Birla
	Mr. Rajeev Jhawar
	Mr. V.K.Dhall (Till 22nd March 2019)
	Mr. R.Jhunjhunwala
	Mr. Janat Shah
	Mr Swapan Dasgupta
	Mr. I.Y.R Krishna Rao
	Mrs. Varsha Vasant Purandare (From 8th February 2019)
Relatives of Director	Mrs. Nirmala Birla
	Ms. Avanti Birla
	Ms. Avani Birla
Chief Financial Officer	Mr. Sushil Gupta
Company Secretary	Mrs. Nidhi Bisaria (From 23rd November 2017)
	Mrs. Deepanjali Gulati (Till 31st October 2017)
Enterprise in which a director or his/her relative has significant influence or is a Key management personal	Orient Paper & Industries Limited
	Orient Electric Limited
	Khaitan & Co LLP, New Delhi
	Khaitan & Co LLP, Kolkata
	Khaitan & Co, Mumbai
	Talwar Thakore & Associates
	C K Birla Corporate Services Limited
	National Engineering Industries Limited
	HIL Limited
GMMCO Limited	
Enterprise having significant influence over the Company	Central India Industries Limited

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March, 2019

Related party transactions

The details of related parties transactions entered into by the Company for the year ended 31st March 2019 and 31st March 2018, and the details of amounts due to or due from related parties as at 31st March 2019 and 31st March 2018:

	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-19	143.00	75.00
	31-Mar-18	136.02	70.87
Dividend paid to Directors			
Dividend payment	31-Mar-19	26.56	-
Dividend payment	31-Mar-18	17.71	-
Managing Director & CEO			
Salary, bonus and contribution to PF	31-Mar-19	986.13	180.00
Share based payment	31-Mar-19	171.85	-
Salary, bonus and contribution to PF	31-Mar-18	820.82	150.00
Share based payment	31-Mar-18	248.99	-
Chief Financial Officer			
Salary, bonus and contribution to PF	31-Mar-19	198.46	36.39
Share based payment	31-Mar-19	35.88	-
Salary, bonus and contribution to PF	31-Mar-18	175.63	32.20
Share based payment	31-Mar-18	51.99	-
Company Secretary			
- Mrs. Nidhi Bisaria			
Salary, bonus and contribution to PF	31-Mar-19	24.58	2.50
Salary, bonus and contribution to PF	31-Mar-18	9.58	0.89
- Mrs. Deepanjali Gulati			
Salary, bonus and contribution to PF	31-Mar-18	16.61	-
Enterprise in which a director or his/her relative has significant influence or is a Key management personnel			
- Orient Paper & Industries Limited			
Payment of Rent	31-Mar-19	14.16	-
Payment of Rent	31-Mar-18	14.16	-
- Orient Electric Limited			
Purchase of Goods	31-Mar-19	19.99	-
Purchase of Goods	31-Mar-18	72.13	-
- Khaitan & Co LLP - New Delhi			
Purchase of services	31-Mar-19	6.00	-
Purchase of services	31-Mar-18	12.24	-
- Khaitan & Co LLP - Kolkata			
Purchase of services	31-Mar-19	1.00	-
Purchase of services	31-Mar-18	1.00	-
- Khaitan & Co - Mumbai			
Reimbursement of expenses	31-Mar-19	2.88	-

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March, 2019

	Year Ended	Transaction during the period	Amount owed to related parties
Purchase of services	31-Mar-18	23.14	4.71
Reimbursement of expenses	31-Mar-18	1.85	-
- Talwar Thakore & Associates			
Purchase of services	31-Mar-19	3.21	-
Purchase of services	31-Mar-18	-	-
- C K Birla Corporate Services Limited			
Purchase of services	31-Mar-19	768.07	37.50
Purchase of services	31-Mar-18	606.74	43.75
- National Engineering Industries Limited			
Purchase of services	31-Mar-19	4.28	0.06
Payment of Rent and office maintenance	31-Mar-19	63.22	-
Purchase of services	31-Mar-18	13.34	50.63
Payment of Rent and office maintenance	31-Mar-18	58.14	2.25
- HIL Limited			
Purchase of goods	31-Mar-19	1.51	-
Payment of Rent and office maintenance	31-Mar-19	80.16	-
Purchase of goods	31-Mar-18	19.77	-
Payment of Rent and office maintenance	31-Mar-18	80.83	-
Sale of Goods	31-Mar-18	76.43	-
- GMMCO Limited			
Purchase of goods	31-Mar-19	10.67	(1.60)
Purchase of services	31-Mar-19	11.75	-
Payment of Rent and office maintenance	31-Mar-19	27.53	-
Purchase of goods	31-Mar-18	10.26	-
Purchase of services	31-Mar-18	0.52	-
Payment of Rent and office maintenance	31-Mar-18	27.61	-
Sale of Goods	31-Mar-18	7.07	-
Relatives of Director			
Dividend payment	31-Mar-19	25.66	-
Dividend payment	31-Mar-18	17.11	-
Enterprise having significant influence over the Company			
- Central India Industries Limited			
Dividend payment	31-Mar-19	368.58	-
Dividend payment	31-Mar-18	245.72	-

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.

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March, 2019

39. Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

	(₹ in Lacs)	
	31st March, 2019	31st March, 2018
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	251.74	278.44
Interest due on above	-	-
	251.74	278.44
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	-	-

40. 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, 2019 and 31st March, 2018.

41. 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.

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.

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March, 2019

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.

		(₹ in Lacs)	
		Increase/ decrease in basis points	Effect on profit before tax
31 March 2019	INR	50 basis points	542.43
31 March 2018	INR	50 basis points	588.00

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.

					(₹ in Lacs)
Trade Receivable	< 30 days	031 - 090 Days	91 to 180 days	> 180 days	Total
Mar-19	11,892.51	5,268.56	320.54	470.33	17,951.94
Mar-18	10,195.86	4,201.47	412.52	467.75	15,277.60

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations or 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.

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March, 2019

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)				
Financial Liabilities	0-1 year	2-5 year	6-10 year	Above 10 years	Total
Mar-19					
Borrowings *	17,881.92	74,777.98	87,755.35	30,031.61	2,10,446.86
Trade Payables	18,650.13	-	-	-	18,650.13
Other financial liabilities	17,869.58	36.57	-	-	17,906.15
Total	54,401.63	74,814.55	87,755.35	30,031.61	2,47,003.14
Mar-18					
Borrowings *	27,359.17	64,298.44	75,015.36	41,007.60	2,07,680.56
Trade Payables	20,012.23	-	-	-	20,012.23
Other financial liabilities	18,443.79	-	-	-	18,443.79
Total	65,815.19	64,298.44	75,015.36	41,007.60	2,46,136.58

* including future interest of ₹80,867.00 lacs (31st March 2018: ₹75,463.80 lacs) and net of unamortised processing fees of ₹601.59 lacs (31st March 2018 : ₹578.47 lacs)

42. 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's policy is to keep the gearing ratio between 0.50 to 0.55. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

	(₹ in Lacs)	
	31st March, 2019	31st March, 2018
Interest bearing borrowings	1,24,951.76	1,27,057.38
Less: Cash and cash equivalents	(2,204.12)	(3,206.05)
Net debt (A)	1,22,747.64	1,23,851.33
Equity Share Capital	2,048.69	2,048.69
Other Equity	1,03,301.93	1,00,163.57
Total Capital	1,05,350.62	1,02,212.26
Total Capital plus Net debt (B)	2,28,098.26	2,26,063.59
Gearing Ratio ((A)/(B))	0.54	0.55

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March, 2019

43. Details of CSR expenditure

(₹ in Lacs)

		31st March, 2019	31st March, 2018
(a) Gross amount required to be spent by the Company during the year		41.72	164.22
	In cash	Yet to be paid in cash	Total
(b) Amount spent during the year ending on 31st March 2019:			
i) Construction/acquisition of any asset	37.68	-	37.68
ii) On purposes other than (i) above	422.29	74.88	497.17
(c) Amount spent during the year ending on 31st March 2018:			
i) Construction/acquisition of any asset	25.00	-	25.00
ii) On purposes other than (i) above	418.95	-	418.95

44. Distribution of Dividend

(₹ in Lacs)

	31st March, 2019	31st March, 2018
Dividend on equity shares declared and paid :		
Final dividend for the year ended 31st March 2018 : ₹0.75 per share (31st March 2017: ₹0.50 per share)	1,536.52	1,024.34
DDT on Final dividend	315.84	208.53
	1,852.36	1,232.87
Proposed Dividend on equity shares :		
Proposed dividend on equity shares for the year ended on 31st March 2019: ₹0.75 per share (31st March 2018 : ₹0.75 per share)	1,536.52	1,536.52
DDT on proposed dividend	315.84	315.84
	1,852.36	1,852.36

45 Fair Value

The fair value of the financial assets and liabilities approximates their carrying amounts as at the balance sheet date.

46. Standards issued but not effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, 2019 amending the following standard:

Ind AS 116 Leases

Ind AS 116 Leases was notified on 30 March 2019 and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March, 2019

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under Ind AS 116 is substantially unchanged from today's accounting under Ind AS 17. Lessors will continue to classify all leases using the same classification principle as in Ind AS 17 and distinguish between two types of leases: operating and finance leases.

The Company intends to adopt this standard. However, adoption of this standard is not likely to have a significant impact in its Ind AS Financial statements.

Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 and does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

An entity has to determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The approach that better predicts the resolution of the uncertainty should be followed.

The interpretation is effective for annual reporting periods beginning on or after 1 April 2019, but certain transition reliefs are available. The Company will apply the interpretation from its effective date.

These amendments shall have no material impact on the financial statements of the Company.

Amendments to Ind AS 109: Prepayment Features with Negative Compensation

Under Ind AS 109, a debt instrument can be measured at amortised cost or at fair value through other comprehensive income, provided that the contractual cash flows are 'solely payments of principal and interest on the principal amount outstanding' (the SPPI criterion) and the instrument is held within the appropriate business model for that classification. The amendments to Ind AS 109 clarify that a financial asset passes the SPPI criterion regardless of the event or circumstance that causes the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract.

The amendments should be applied retrospectively and are effective for annual periods beginning on or after 1 April 2019. These amendments have no impact on the financial statements of the Company.

Amendments to Ind AS 19: Plan Amendment, Curtailment or Settlement

The amendments to Ind AS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to:

- Determine current service cost for the remainder of the period after the plan amendment, curtailment or settlement, using the actuarial assumptions used to remeasure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event.
- Determine net interest for the remainder of the period after the plan amendment, curtailment or settlement using: the

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended 31st March, 2019

net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event; and the discount rate used to remeasure that net defined benefit liability (asset).

The amendments also clarify that an entity first determines any past service cost, or a gain or loss on settlement, without considering the effect of the asset ceiling. This amount is recognised in profit or loss.

The amendments apply to plan amendments, curtailments, or settlements occurring on or after the beginning of the first annual reporting period that begins on or after 1 April 2019. These amendments will apply only to any future plan amendments, curtailments, or settlements of the Company.

Annual improvement to Ind AS (2018);

These improvements include:

Amendments to Ind AS 12: Income Taxes

The amendments clarify that the income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity recognises the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

An entity applies those amendments for annual reporting periods beginning on or after 1 April 2019. Since the Company's current practice is in line with these amendments, the Company does not expect any effect on its financial statements.

Amendments to Ind AS 23: Borrowing Costs

The amendments clarify that an entity treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete.

An entity applies those amendments to borrowing costs incurred on or after the beginning of the annual reporting period in which the entity first applies those amendments. An entity applies those amendments for annual reporting periods beginning on or after 1 April 2019. Since the Company's current practice is in line with these amendments, the Company does not expect any effect on its 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: New Delhi
Date: 29th April, 2019

For and on behalf of Board of Directors

CK. Birla
Chairman
(DIN 00118473)

S. Gupta
Chief Financial Officer
(FCA 044924)

D.D. Khetrpal
Managing Director & CEO
(DIN 02362633)

N. Bisaria
Company Secretary
(FCS 5634)

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

PROXY FORM

(Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the member(s):

Registered address:

E-mail ID:

Folio No./ Client Id:

DP ID:

I/We, being the member(s) ofequity shares of the above named company, hereby appoint

1. Name:
Address:
E-mail Id:
Signature:, or failing him/ her
2. Name:
Address:
E-mail Id:
Signature:, or failing him/ her
3. Name:
Address:
E-mail Id:
Signature:

as my/ our proxy to attend and vote (on a poll) for me/ us and my/ our behalf at the **8th Annual General Meeting** of the Company, to be held at **Unit VIII, Plot No. 7, Bhoinagar, Bhubaneswar, Odisha-751 012**, on **Thursday, 1st day of August, 2019 at 2:00 P.M.** and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Description	Vote (Please see Note 2)		
		For	Against	Abstain
Ordinary business				
1.	To receive, consider and adopt the Financial Statements of the Company for the financial year ended 31 st March, 2019.			
2.	To declare a final dividend.			
3.	To appoint a director in place of Mr. Chandrakant Birla, who retires by rotation and being eligible, seeks re-appointment.			
4.	To re-appoint the Statutory Auditors of the Company for a term of two years.			
Special business				
5.	To appoint Mrs. Varsha Vasant Purandare as an Independent Director			
6.	To re-appoint Mr. Janat Shah as an Independent Director			
7.	To re-appoint Mr. Rabindranath Jhunjhunwala as an Independent Director			
8.	To re-appoint Mr. Rajeev Jhawar as an Independent Director			
9.	To fix the remuneration of Mr. Somnath Mukherjee, Cost Auditor of the Company.			
10.	To approve the terms of remuneration of Mr. Desh Deepak Khetrupal, Managing Director & CEO (DIN 02362633).			

Signed this..... day of..... 2019

Affix ₹ 1
Revenue Stamp

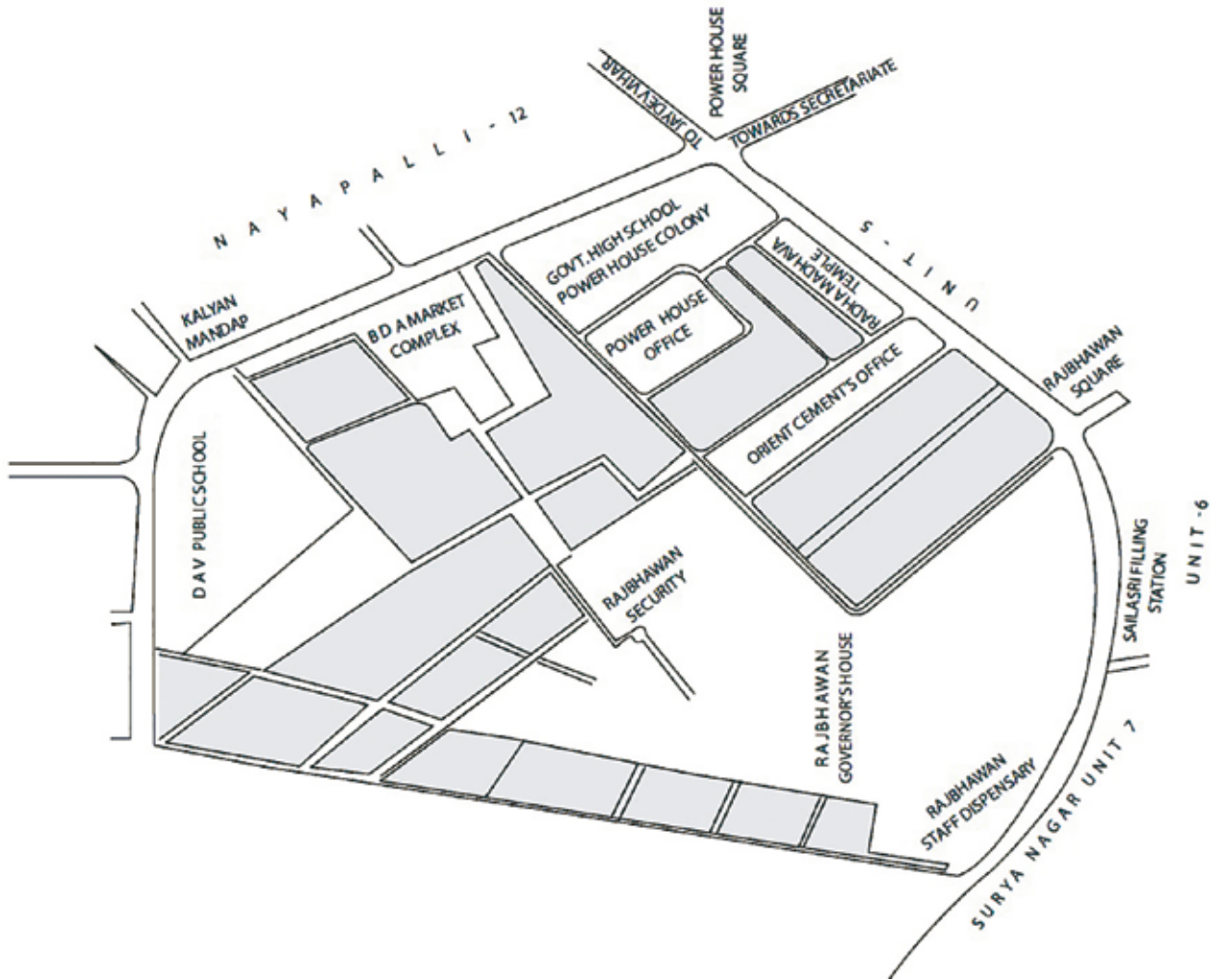
Signature of the Member

Signature of Proxy Holder(s)

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. The holder may vote, either, for or against each resolution or may abstain from voting.
3. It is optional to indicate your preference. If you leave the for, against or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/ she may deem appropriate.

Route Map of the AGM Venue



Orient Cement Limited
CIN : L26940OR2011PLC013933
Birla Tower, 3rd Floor,
25, Barakhamba Road,
New Delhi - 110 001
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