



powered by
humility to
learn

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Forward-looking statements

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

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Corporate Information

Board of Directors

Mr. Chandrakant Birla
Chairman

Mrs. Amita Birla

Mr. Rajeev Jhawar

Mr. Rabindranath Jhunjunwala

Mr. Janat Shah

Mr. Swapan Dasgupta

Mr. I.Y.R. Krishna Rao

Mrs. Varsha Vasant Purandare

Mr. Desh Deepak Khetrapal
Managing Director & CEO

Key Managerial Persons

Mr. Desh Deepak Khetrapal
Managing Director & CEO

Mr. Soumitra Bhattacharyya
Chief Financial Officer

Mrs. Nidhi Bisaria
Company Secretary

Statutory Auditors

M/s. B S R & Associates LLP
Salarpuriya Knowledge City,
Orwell, B Wing, 6th Floor, Unit-3,
Sy No. 83/1, Plot No. 02, Raidurg,
Hyderabad – 500 081

Registered Office

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

Corporate Identification No.

L26940OR2011PLC013933

Manufacturing Plants

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

Jalgaon:
Nashirabad, Dist. Jalgaon
(Maharashtra)

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

Registrar & Share Transfer Agent

KFin Technologies Limited
(Formerly KFin Technologies Private Limited)

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

Toll Free No. 1800-309-4001
E-mail: einward.ris@kfintech.com

Bankers

State Bank of India
HDFC Bank Limited
Indian Bank

11th Annual General Meeting

(Through Video Conferencing/Other Audio Visual Means)

Date: 28th day of July, 2022

Day: Thursday

Time: 3:30 P.M.

Book Closure for AGM

Friday, 28nd day of July, 2022 to
Thursday, 28th day of July, 2022
(Both days inclusive)

Website

www.orientcement.com



Agility

Powered by
humility to
learn

How far do we wish to travel for what we seek to achieve?

What risks are we ready to take to accelerate our pace towards realising our goals?

At Orient Cement, we ask these tough questions and challenge ourselves to travel the extra mile to unlock our potential meaningfully and profoundly. We believe, unless we stretch our limits and bring nimbleness to our steps, we can never know what we are truly capable of.

Undeterred by obstacles on the way, we continuously re-evaluate our strategies to drive for higher value creation. We set small goals and approach each goal with a beginners' humility and enthusiasm to learn. This credo has helped us instil a flexible and ground up approach across all aspects of our business - from designing new products, achieving higher operational efficiency, bolstering our supply chain, optimising our costs, upskilling our teams or even repositioning our corporate brand.

Our overarching objective is to contribute responsibly to nation-building, bring about a better quality of life to the communities we serve and be a valued partner in progress. Resilience remains at the heart of our business model supported by agile execution and above all the humility and curiosity to learn as we progress towards co-creating sustainable value for all stakeholders.

About the Group

The CK Birla Group is a diversified \$2.8 billion conglomerate with a global presence and a history of enduring relationships with renowned global companies.



With over 30,000 employees, 46 manufacturing facilities and numerous patents and awards, the Group's businesses are present across 5 continents. The Group operates in three industry clusters: technology & automotive, home & building and healthcare & education.

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



OVER
~\$ **2.8** billion
CONGLOMERATE



30,000+
EMPLOYEES



PRESENCE ACROSS
5
CONTINENTS



FOCUSED ON
Long-term value creation

Introducing Orient Cement

Among the country's leading cement companies, we are trusted by our customers for our industry-leading products and solutions to meet their construction needs.

Started in 1979, today we are a fast growing cement company in India, with a diversified portfolio of products addressing a wide range of construction activities. Our two integrated cement manufacturing plants and a split clinker grinding unit position us with strong market share in states of Maharashtra, Telangana, Karnataka and Madhya Pradesh. The well-diversified but synergistic geographic portfolio of assets in high-growth and profitable markets underpins our long-term value-creation objective.

Our vision

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



Our values



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



Humility to learn



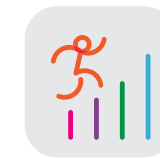
Walk the Talk



Respect for all



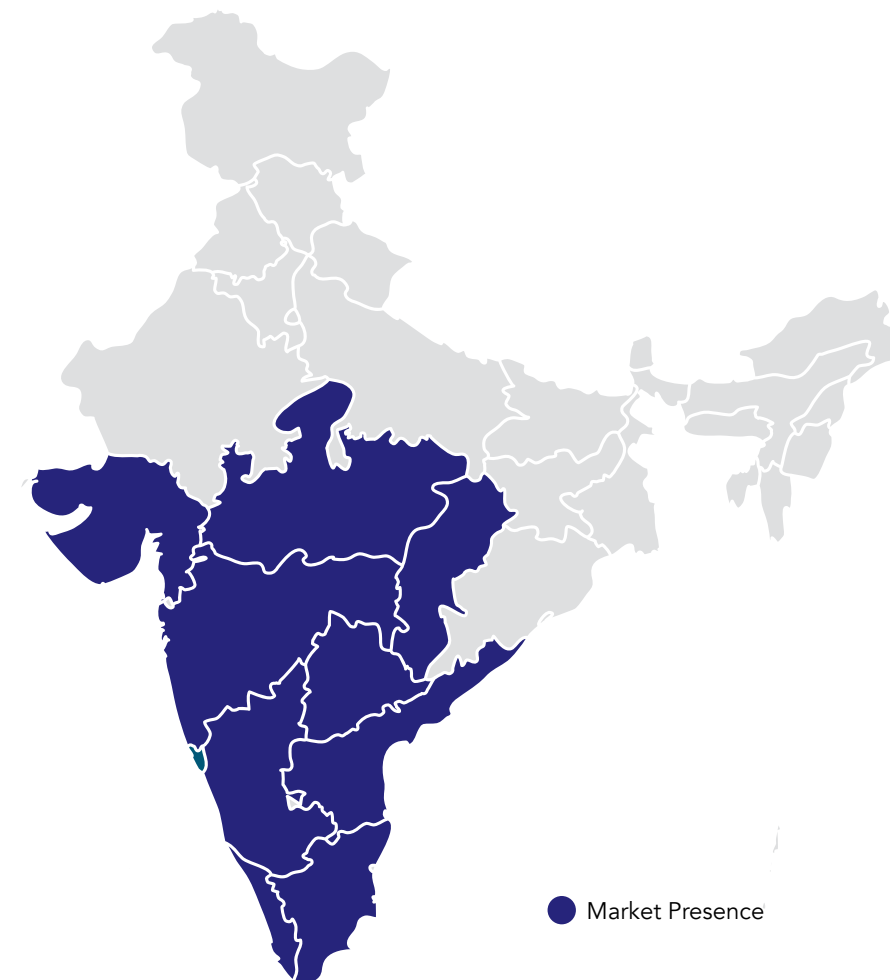
Celebrate diversity



Passion to excel



Agility with speed



8.5 MTPA

CEMENT MANUFACTURING
CAPACITY

5.5 MTPA

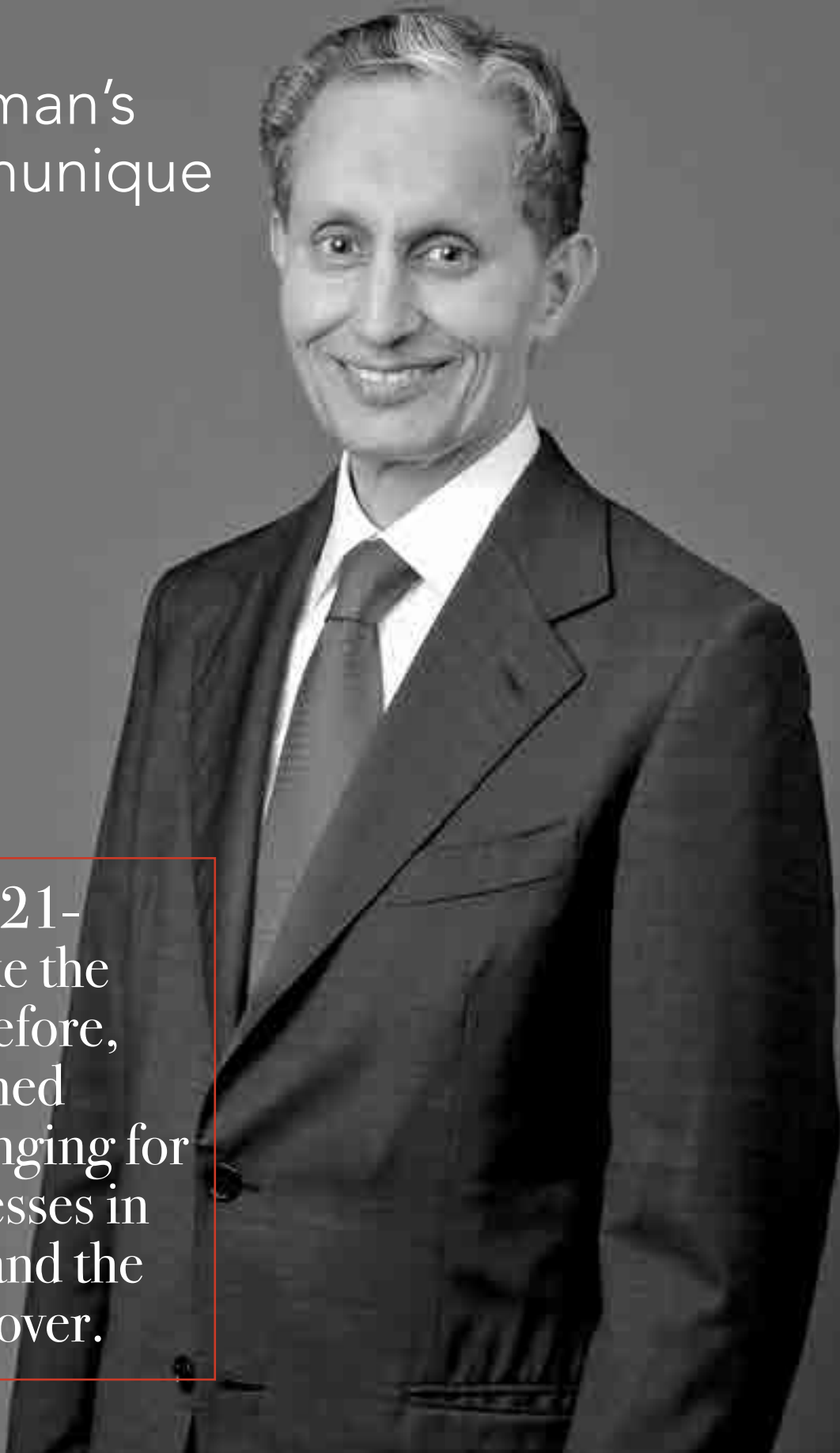
CLINKER MANUFACTURING
CAPACITY

10 STATES

MARKET PRESENCE

Chairman's Communique

FY 2021-22, like the year before, remained challenging for businesses in India and the world over.



We are enhancing operational efficiencies to build a more sustainable business.

I am pleased to report that all our teams from the top leadership to our workmen at the plants are driving our **sustainability agenda** through increased focus and innovation.



Dear Shareholders,

FY 2021-22, like the year before, remained challenging for businesses in India and the world over.

However, there certainly was moderation in severity of challenges in the evolving macro landscape and coupled with the increased acquired ability to mitigate them, the year overall seemed somewhat easier to navigate through. Undeterred by the headwinds, your Company focused on keeping the strategy flexible and execution agile to leverage relevant opportunities as they emerged. This enabled the Company to maximize the value-creation for customers and all other stakeholders.

Agility has been an intrinsic part of your Company's DNA, and this particular trait came to the fore in the reporting year. Our teams rallied together to drive quality sales through improved product and market mix, focus on capacity utilisation, optimise costs and push the envelope of

innovation and circularity further. Each and every process in the value chain was appropriately fine-tuned to work around the bottlenecks and enhance operational efficiency.

As is well known, elevated inflation adversely impacted the costs of all inputs and logistics. We had to rethink strategies proactively, so that costs could be managed, without impacting the quality of our products. We also strengthened our engagement with our customers, partners and other stakeholders, because we believe a sustainable business can flourish only in an ecosystem of interdependence.

With improved quality of sales and focus on cost optimisation, the profitability of your Company registered further improvement, with robust cash generation, notwithstanding the adversity. This enabled your Company to deleverage its balance sheet significantly during the year. The enhanced strength

of the balance sheet has created a platform to sustain the ambitious capex plans for medium and long term.

We are enhancing operational efficiencies to build a more sustainable business.

I am pleased to report that all our teams from the top leadership to our workmen at the plants are driving our sustainability agenda through increased focus and innovation.

With agility and sustainability deeply embedded at the core of our business model, we are embarking upon the next phase of our growth with increased confidence and optimism. I seek the support of all stakeholders in this journey.

CK. Birla
Chairman

Managing Director's Message

The fiscal year 2021-22 was another eventful year, coming right after FY21 which had exposed our World's vulnerabilities to a sub-microscopic agent which caused havoc not just on the health front but also seriously disrupted all aspects of 'normal' life as we know it.

Marching towards its target to emerge as a **\$5 trillion economy**. I remain confident of your Company's long-term prospects, knowing that **cement will remain integral to our nation's infrastructure development** and robust economic growth.

Dear Shareholders,

The fiscal year 2021-22 was another eventful year, coming right after FY21 which had exposed our World's vulnerabilities to a sub-microscopic agent which caused havoc not just on the health front but also seriously disrupted all aspects of 'normal' life as we know it.

The economy and business had to cope with the fresh mutant waves of the pandemic. As if the situation was not challenging enough, it was exacerbated by the mounting tensions between Ukraine and Russia in last quarter of the fiscal. The meltdown of global supply chains, rising inflation, scarce availability

and rapid hike in fuel prices due to pandemic, were further aggravated by geo-political tensions.

Even in the shadow of mounting impediments, we at Orient Cement never deviated from our vision: **'Build Sustainably'**. Having already delivered improved results leveraging our resilience and limitless attitude in FY21, we navigated the year under review with agility and despite all the challenges, we have delivered results which make us proud. I am extremely proud of my colleagues, who have demonstrated exemplary agility, speed and ability to keep learning and contributing during

these testing times. I would like to express my deepest appreciation for their support and commitment to all our stakeholders.

India, now the fifth largest economy in the world, is the fastest growing large economy. Marching towards its target to emerge as a \$5 trillion economy. I remain confident of your Company's long-term prospects, knowing that cement will remain integral to our nation's infrastructure development and robust economic growth. We remain committed to making a significant contribution to country's infrastructure and housing sector.

Agility, powered by humility to learn

Even as the pandemic moderated during the second half of the year, with a large part of population in the country being vaccinated, its brutal impact on lives and livelihood is likely to cast its shadow on the coming few years. Again, this year, Orient Cement displayed its agility, marching ahead with humility to learn along the way. This was demonstrated as we adapted to shifting ways of working, delivered robust operational efficiencies, capitalised on newer opportunities, delighted our customers and remained committed to building a long-term value-accretive business.

Our efforts to moderate the impact of unprecedented increase in conventional energy costs resulted in a significant increase in the use of a growing basket of alternative fuels.

During the year, we also added nearly half a million ton to our cement grinding capacity with a modest investment, which will also give us higher flexibility and efficiencies.

Such initiatives benefit the larger society by reducing unprocessed waste, and promote circularity through substitution of non-renewable fossil fuels. We moved a lot more of our material using rail mode, again contributing to better cost management and ‘greener’ logistics. These are just a few examples of how we responded to the dynamic, emerging situations. During the year, we also added nearly half a million ton to our cement grinding capacity with a modest investment, which will also give us higher flexibility and efficiencies.

Sustaining market share

Our 8% growth for the year in cement volume is in line with the growth of the sector. This has been achieved despite having adopted a clear approach to defend our profitability by following sales policies aimed at recovery of replacement cost of resources consumed. We also continue to leverage our brand portfolio and product quality to seek a fair price for our cement.

In addition, we overhauled our market strategy through a discerning choice

of channel partners and refinements in our brand positioning. Similar tough choices were exercised in selecting the geographical markets and customer segments to ensure a minimum threshold of contribution to the bottom-line. Successful execution of our strategies, coupled with prudent selection of market opportunities enabled your Company to deliver results that are being presented to you.

Our team – at the heart of our operations

It goes without saying that our employees are the heart of Orient Cement. Shifting gears, learning the new and being agile helped your Company be at forefront of finding sustainable solutions. Our people also contribute to making us a preferred organisation to work for. It gives me immense pride to report that your Company has been recognised as a ‘Great Place to Work’ for the third consecutive year. This year’s recognition holds more significance, as this survey integrates the voices of all our employees, including our workmen at plants.

Road ahead

Even as some uncertainties linger at the present juncture, looking forward, we are confident of unlocking further opportunities for profitable growth. With the robust balance sheet of your Company (a consequence of a large reduction in our debt over the last two years), we are now getting prepared for the next phase of growth which needs additional capacity to be added. We are taking concrete steps in that direction and look forward to adding 3 million tons to our capacity by FY 2023-24, with more to follow subsequently. We also continue to build on our already strong ESG framework, year after year, with initiatives that are directed to build a carbon neutral company.

I also take this opportunity to extend my sincerest gratitude to all our stakeholders and look forward to another exciting year ahead.

Deepak Khetrapal
Managing Director and CEO

Our Board of Directors

Mr. Chandrakant Birla
(Chairman)

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

Mr. Desh Deepak Khetrapal
(Managing Director & CEO)

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

Mrs. Amita Birla
(Non- Executive Director)

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

Mr. Janat Shah
(Independent Director)

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

Mr. Rabindranath Jhunjhunwala
(Independent Director)

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

Mr. Rajeev Jhawar
(Independent Director)

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

Mr. Swapan Dasgupta
(Independent Director)

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

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

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

Mrs. Varsha Vasant Purandare
(Independent Director)

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

Our Business Model

Our Resources

- Our value creation**
Build Sustainably to be a valued partner in progress
- Our people**
1,200 Employees at Orient Cement
- Our governance**
 - Strong governance framework
 - Transparent policies and ethics
- Our geographic presence**
Andhra Pradesh, Chhattisgarh, Delhi, Goa, Gujarat, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Odisha, Tamil Nadu, Telangana
- Our capital**
₹20.49 crore Paid up capital
₹1,525.43 crore Network
0.2:1 Debt-equity ratio
- Our technology capital**
Especially engineered cement product variants produced par-excellence
- Our social-relationship promise**
Our products, process and value creation philosophy is built on promise of sustainability

Our Activities

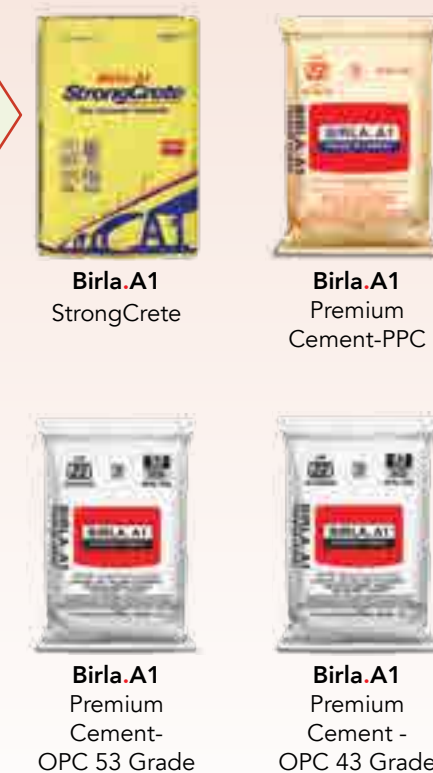


Our Offerings

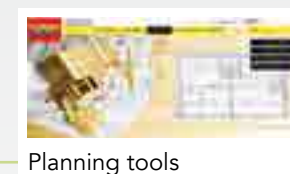
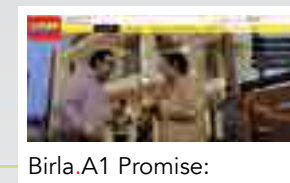
Our products



Our brands



Beyond cement



Mazbooti mein A1.
Bharose mein A1



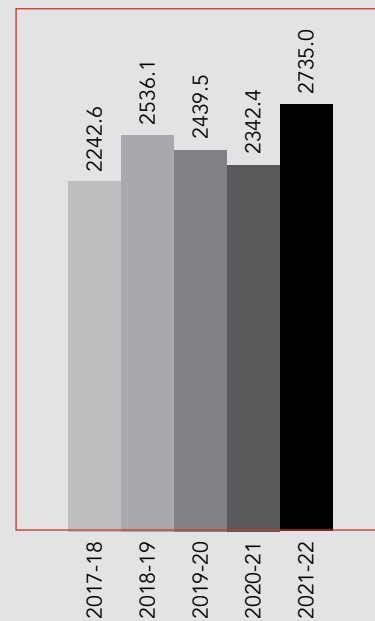
Our value creation

- Customers**
 - Trusted cement manufacturer
 - Leading brand in the markets we operate
 - Quality that is unrivalled and unmatched
- Shareholders and investors**
 - Revenue – ₹2,734.98 crore
 - EBIDTA – ₹600.64 crore
 - PAT – ₹263.25 crore
 - Dividend – ₹2.50 per equity share
 - Market Capitalisation - ₹2,915.28 crore
- Employees**
 - 1,200 Employees as on March 31, 2022
 - Promotes Diversity and Inclusion
 - ZERO fatalities in last four years
 - Engaging sessions on empowering a learning and development culture
- Suppliers & Regulators**
 - ₹995.37 crore Cost of goods procured (excluding limestone)
 - ₹1,178.10 crore Contribution to exchequer
- Society and Community**
 - 2.40% of average profits spent on CSR initiatives
 - 3.15% of average profits spent on Rehabilitation & Resettlement projects.
 - 8.5% energy sourced from renewable sources

Agile and nimble

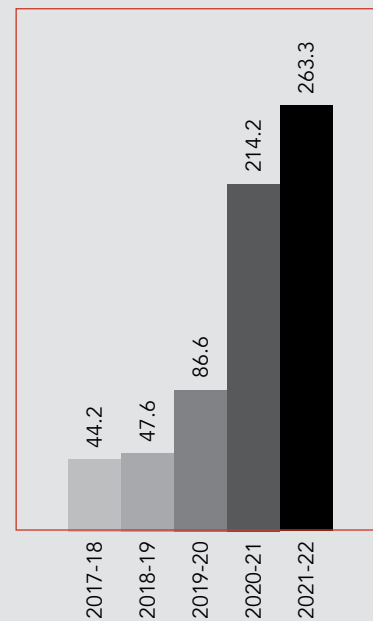
Total income

(₹ crore)



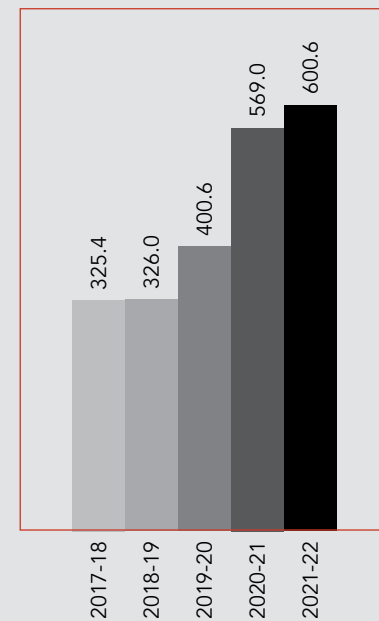
Net Profit

(₹ crore)



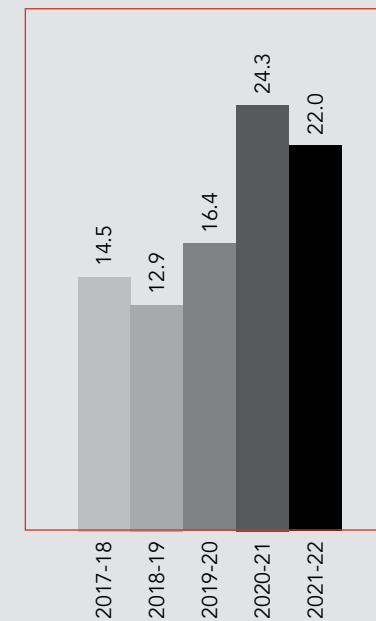
EBIDTA

(₹ crore)



EBIDTA margin

(%)



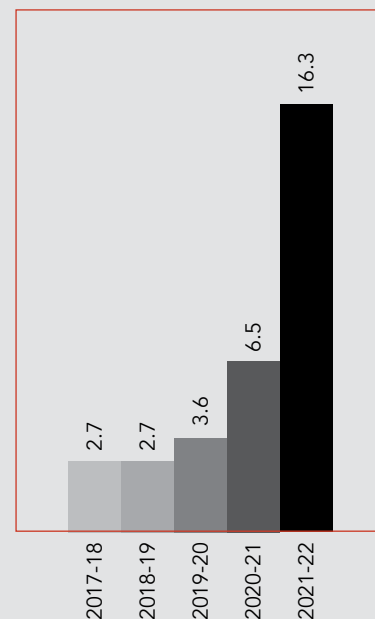
“Considering the higher-cost of debt on our books and its impact on our profitability, we have got our long-term debt refinanced, leveraging our current and projected robust cash generation.

We have committed to a faster repayment of the debt and attained lower borrowing cost by approx. 160 bps, while retaining the flexibility of early payments. The refinancing was achieved in less than a month by December 2021 allowing us to avail the benefit of interest arbitrage for a full quarter in the year. During the year, we reduced our outstanding debt by approximately ₹ 478 crores to ₹ 296 crores as on March 31, 2022. Agility unlocked for today and tomorrow.

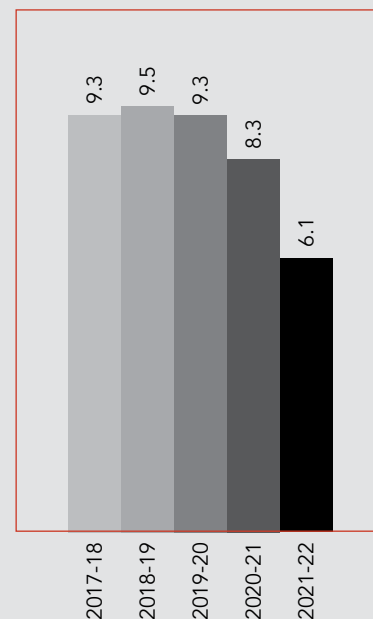
Mr. Manish Aggarwal, Senior General Manager – Finance

Debt profile

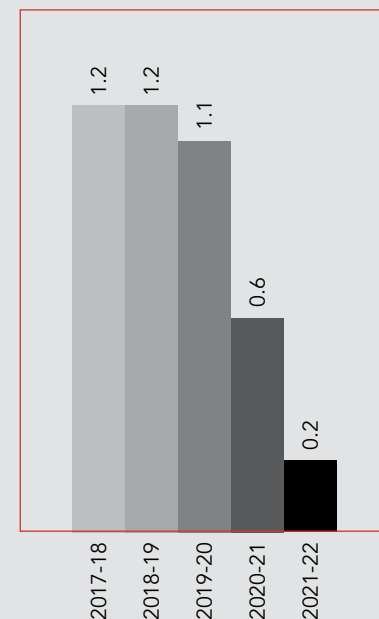
Interest Coverage (%)



Debt Cost (%)

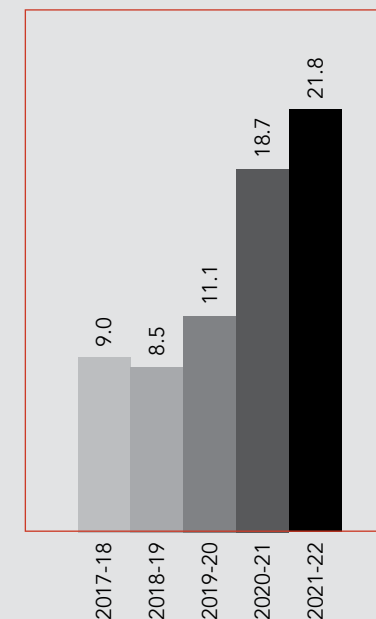


Debt-equity



ROCE

(%)



₹ 589.70 crore

CASH FLOW FROM OPERATIONS

₹ 490.98 crore

(including ₹ 12.80 crore deferred sales tax loan)

LONG-TERM DEBT REPAYED IN FY'22

₹ 2915.28 crore

MARKET CAPITALISATION

Agility is Speed with precision

Ever heard of capacity enhancement commissioned at a cement manufacturing plant in 36 days?

At Orient Cement, we just did it.

Quick fact: The function of cement mill separator is to separate the fine-sized particles from coarse-sized particles.

Our separator at Devapur plant, responsible for producing four finished products – OPC 53, OPC 43, PPC and StrongCrete, needed an upgrade. But we could not afford to stop production for long.

The team thought of the unthinkable. “Why don’t we do it during our preventive scheduled maintenance period?” said Mr. Satyabrata Sharma, our Projects Head. A murmur gathered among the team, wondering how that would be possible when the maintenance shutdown period is just a month.

IMPOSSIBLE
“Asambhav kuch nahi.
Chalo karke dikhate hai!”



Mr. Satyabrata Sharma told confidently to the team and got to the drawing board.

The OEM vendor was finalised in **no time.**

More than **400 workers** on site working round the clock in shifts.

Capex a meagre **₹ 15 crore;**

Height to be worked upon, **60 metres;**

Weather conditions, **heavy rainfall with winds.**

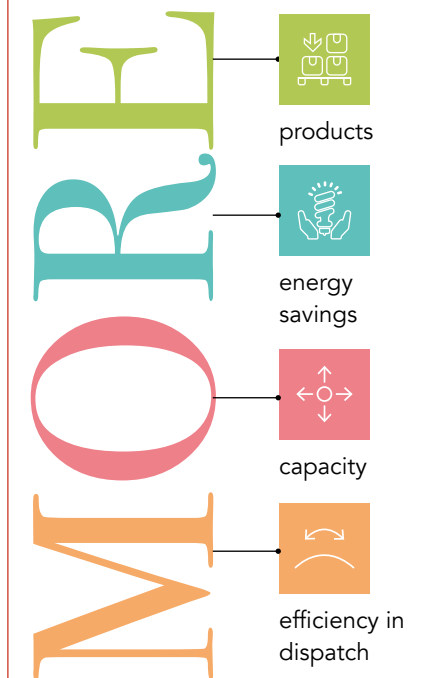
Time in hand,
a month.

The team stretched themselves beyond imagination. From backend groundwork to on-site execution, they took the bull by the horn, literally. This kind of engineering work, on a structure which is decades old, with one side having an existing operating cement mill and other side a packaging unit, needs extensive supervision with immaculate precision, continuous innovation to overcome bottlenecks and high safety management. When hands fell short, we deployed members from our plant maintenance and engineering team to get the job done. Continuous innovation came into force at various stages of execution, ensuring speed and precision.

“This kind of capacity expansion through essentially debottlenecking is not common. A similar ‘usual’ capacity addition would cost 8x of the investment we made. The benefits we will reap, far outweigh our investment with a quick payback. *Aise challenging project pe kaam karna sabko naseeb nahi hota!*”

recalls **Mr. Bala Girdhar**, Asst. Vice President Mechanical-Devapur.

While all the preparatory work was carried out in advance before taking up the shut down in as few as 36 days, we commissioned the separator and upgraded the mill, that is now capable of producing additional 0.5 million tons of cement per annum and grinding four different grades of high-quality cement with higher efficiency and flexibility. The outcome: ‘More with Less’:



Agility is Flexibility at core

A core part
of the story
of any cement
company
is coal.

We try and break this linear linkage based on market dynamics of various fuels. We think of coal as just one of the fuels.

The key challenge is this:

“The process of ignition and combustion of different fuels especially with different alternative fuels (other than coal and petcoke) becomes highly complex as the kiln has to be kept stable and efficient to produce a consistent quality of clinker (and then cement) despite frequent changes in fuel mix. Optimising and maximising heat from the AFRs needs special know-how and handling skill. *Ye itna asaan nahi hai sir.*”

Mr. Santosh Sharma, Asst. Vice President Operations – Chittapur.

At Orient Cement, utilisation of waste to extract energy is a consistent push, not a *jargon* picked up from environment books. Both our plants at Devapur and Chittapur are now using Refuse Derived Fuel (RDF) as an AFR. Every day, the team improvises the inputs with different alternative fuels. During the year, we installed a new liquid alternative fuel feeding system at Devapur plant, with liquid waste being used as fuel after successful commissioning of liquid alternative fuel feeding system at Chittapur plant.

Wondering what our Thermal Substitution Rate (TSR) is?

An impressive 10%. The team has entered into long-term agreements with local municipalities for sourcing waste. AFRs like plastic waste, agri-waste, biomass, solid and liquid hazardous waste etc. are all now part of our AFR assortment. The team keeps a close watch and ensures compliance with specific guidelines and regulations pertaining to different industries and waste generated therefrom. Our plant R&D teams work closely to check the efficacy of waste sourced at our NABL accredited labs. The efficacy of waste material, solid or liquid, is tested at our laboratories. Constant efforts are made to reach out and expand our basket of waste to support our sustainability goals and also to optimise our overall fuel cost.

“We are among the leading cement companies in the country when it comes to thermal substitution. Our strategic plant locations are leveraged to source various available AFRs, including RDF from nearby municipal bodies. Realising the benefits, we introduced the AFR in our captive power plants for the very first time. Reverse logistics, local procurement, process engineering are all helping us drive more and efficient AFR adoption, thus conserving precious non-renewable fossil fuels, helping the environment and generating financial benefits to our shareholders. Innovation and flexibility is the *mantra* for an improved TSR.”

Mr. Y. Padmaveer
Asst. Vice President Production – Devapur.

25%

EXPECTED AVERAGE TSR AT
BOTH PLANTS BY 2030

24%

FUEL COST AS PERCENTAGE
OF TOTAL COST IN FY2022

Agility is Doing the unthinkable

Why should a
customer pay
more for cement?



Birla.A1 StrongCrete is not just any cement.

“They didn’t leave the site until the casting was done. I thought after casting, they would come back after 15-20 days, but was impressed when they called me back in 7 days to check the casting. I was left speechless when the technical advisor at site showed me the megapascal (MPa) levels. *Ye kaise ho sakta hai?*”

Mr. T. N. Kulkarni, Prabhani, a StrongCrete Customer

Birla.A1 StrongCrete is not just a premium brand. It is a cement in its own class!

Quality cannot be defined just in words. It is measurable through facts and figures. So when a customer asks us, “Why should I pay more for StrongCrete cement?”

we smile. 

That is one question we love to answer.

Birla.A1 StrongCrete is specially engineered cement with properties that are above par with any other cement. Infact, it differentiates itself visibly from other cement. It is a blended green cement with higher strength, faster setting time and increased durability that can sustain very high pressure and withstand even adverse harsh climatic conditions. Birla.A1 StrongCrete is packed in tamper and moisture proof packaging material, keeping its core properties intact. StrongCrete’s greater fineness & workability reduces the cement consumption during construction. It is premium for all the right reasons and excellent value for money.

Birla.A1 StrongCrete cement is also lovingly called the monsoon cement by the users who have experienced its efficacy. *Log to yahi kehte hai.* Ever heard a cement that can enable construction activity in pouring rain?



64%

Y-O-Y INCREASE IN VOLUMES
OF STRONGCRETE IN FY22

Living up to customer trust

Birla.A1 StrongCrete is normally sold in bags. What would one do if a customer wants StrongCrete in bulk quantity at his large construction site spread across 13,000 sq. ft?

Cutting open hundreds of bags to use the cement to convert into RMC (ready-mix concrete) would have been time consuming, resulting in wastage of cement and increased labour cost too. So? The team showed its agility. The plant process was remodelled to load StrongCrete in bulkers at the plant and not in bags. Co-ordination was ensured with production team for necessary arrangement of packer shifting and with the dispatch and logistic team to arrange and load the bulker. StrongCrete delivered. All of this in just 24 hours from the day of request made by the customer, even though it was our first time. In the end, when a customer believes in the product, how can we disappoint!



Agility is Leading by putting people first

We hear a lot about it. How often do we see it put in practice? And at a level unparalleled in the industry!

We walk the talk.

The second wave of Covid-19 in early FY 2021-22 challenged us like nothing else. A large number of our people were infected and were struggling to get the medical support, hospital beds and oxygen. Our HR functionaries, with full support from the leaders of the Company worked tirelessly for weeks together and arranged all that in a manner that it was within the reach of our employees.

Our 'Work from Home' regime and strict SOPs have been noted and appreciated by the people who keep a close watch on our philosophy and people policies.

As the vaccines became available, we coordinated with all concerned stakeholders and arranged extensive vaccination drives across all our locations.

It is well-known that cement industry is people-intensive. Prioritising safety during risk-prone times, we arranged for Covid-19 vaccines for all our employees (including temporary workers), including the second and the precautionary dose. Enhanced insurance coverage was arranged at significant financial commitments. Also, safety protocols were strengthened across workplace with more than 19 safety training programs conducted. The best part being 72% of the employees participated in these programs. In addition, the employees also participated in many small group communication and safety awareness sessions.

Among the many training and development programs, 'LEAP 2.0': our Leadership Engagement Program for our managers was focused on providing structured training for enhancing their aptitude, attitude skillsets to boost their people-management effectiveness on CDI (Connect, Develop & Inspire) Framework. The Program focuses on capability building within the team and on fostering strong career growth. Our regular townhall sessions, cross-functional engagements and interactive engagement activities keep our people engaged and motivated.

How does one measure this passion-led performance? We are now certified a 'Great Place to Work®' (GPTWFORALL) for third year in a row. This year with an improved trust score and higher participation from employees (including workers at plants). The recognition clearly validates our core values 'Collaboration, the Orient Cement way, the Dahi Handi way', where our work culture celebrates the values of credibility, respect, fairness, pride and camaraderie.

31%

EMPLOYEES WITH MORE THAN 10 YEARS OF ASSOCIATION

"We are proud of being associated with Orient Cement. A balanced work-life ecosystem with fair remuneration motivates us to give our best. Direct engagement with top leaders is a reality, without questions! Reward and recognition with opportunities to rise up the ladder, underlines my 11 years of relationship with Orient Cement. *Aur kya chahiye?*"

Mr. M. Thirumala Chary,
Manger Civil - Devapur



3rd

YEAR IN A ROW CERTIFIED AS GREAT PLACE TO WORK®

Agility is

Being Responsible

The need of the hour is to be more responsible, responsive and committed to environment.

At Orient, we are stepping up.

To lead our business in the coming decade, we are aggressively working towards reducing our carbon emissions by making significant shifts in our energy sources and fuel. Our roadmap to build a '**Net Zero Carbon Company**' by 2050, as a member of Global Cement and Concrete Association (erstwhile known as Cement Sustainability Initiative) is a testament to our aspirations of building a carbon neutral company and being an active participant in mitigating global warming. Our roadmap to scale up renewable energy and waste heat recovery for our power mix is targeted at achieving **50%** of such power in our total power needs by 2030. As a first step, we have entered into a long-term agreement for procuring solar energy at Jalgaon grinding unit to meet around 50% of our energy requirements there. We have begun construction of 10.1 MW Waste Heat Recovery (WHR) system at Chittapur unit, which will

replace fossil fuel, give benefits in Perform, Achieve and Trade (PAT) and conservation of natural resources. Both these initiatives will optimise costs and reduce our carbon footprint significantly. Similar investments will also be made as we expand our cement capacity in the upcoming years. We have also initiated efforts towards environment protection through:

- Ensuring optimum use of limestone
- Introducing Refused Derived Fuel, plastic waste, other hazardous and non-hazardous materials to enhance consumption under Alternative Fuel bucket
- Liquid alternative fuel feeding system (LAFR) installed at Devapur plant to enhance the co-processing of liquid hazardous waste.
- Educating vendors and suppliers on ESG importance and Company's targets on carbon neutrality
- Curating idea generation programs at plants and rewarding employees on execution of ideas towards reducing our carbon footprint
- Process optimisation and implementation of energy conservation initiatives

40%

REDUCTION IN CO₂ SCOPE 1 AND SCOPE 2 EMISSIONS BY 2030

"It is about taking small steps with small ideas. There is no denial that cement industry has a significant impact on society and environment. We are already working on identified parameters across our operations that will make significant contributions to reduce our carbon footprint. We are making a difference."

Mr. V. V. Srinivas Kumar,
General Manager, Sustainability

ESG Achievements

As a socially responsible Company, we aim to achieve success beyond just our financial metrics. We strive to achieve major strides across the environment, social and governance aspects of our business. All our business operations are aligned with sustainable and safe practices. This is further strengthened by global environment and safety certifications. We have also set sustainability aspirations for 2030 to make our operations greener and more efficient.

Global Management Systems followed



Environment and Management System
ISO 14001:2015



Quality Management System
ISO 9001:2015



Occupational Health & Safety Management System
ISO 45001:2018



Energy Management System
ISO 50001:2018



Facility Management System
ISO 41001:2018

For more information on sustainability aspirations refer principle-6 of BRSR on [page 123](#)



Environment stewardship

Climate change is a critical issue in our common future and we at Orient Cement have embraced several strategies to address it. We have been focusing on energy management, emission reduction, raw material procurement and waste management to reduce our ecological footprint. We have been enhancing operational efficiency and implementing the 3R principle across our facility to reduce our environmental impact.

18,489 TJ
TOTAL ENERGY CONSUMPTION
(SEC) ELECTRICAL + THERMAL

932 TJ
RENEWABLE ENERGY
CONSUMPTION

15.1%
WASTE RECYCLED

16.5%
ALTERNATIVE RAW MATERIALS
USED

27%
SUB-GRADE LIMESTONE USED

37.6 lakh cub m
CUMULATIVE WATER RESERVOIR
CAPACITY (DEVAPUR+CHITTAPUR)

2.6 times
WATER POSITIVE



Chittapur Water Reservoir

For more information on Environment stewardship refer principle-6 of BRSR on [page 124](#)



Devapur Water Reservoir

Social responsibility

We are a people-oriented Company and have adopted fair employment practices that help create an inclusive and conducive work environment. Our health and safety practices are aligned with the Company's philosophy of "Work Safe-Live Safe". We have also undertaken several initiatives for community development across focus areas.



200+

DISPENSARY BENEFICIARIES
PER DAY

1500+

STUDENTS BENEFITED YEARLY

100%

WORKERS COVERED UNDER
HEALTH AND ACCIDENT
INSURANCE

₹ 10.03 crore

COMMUNITY DEVELOPMENT
EXPENDITURE (CSR & R&R)

CSR focus areas



Promoting
Education



Promoting
Healthcare



Socio-economic
Development



Rural
development



Hunger and
poverty



Sanitation

For more information on Social responsibility
refer principle-8 of BRSR on [page 129](#)

Governance

We believe in a strong and transparent governance framework to propagate ethical values and protect the interests of stakeholders. We have identified the regulatory risks pertaining to the business and have built a strong framework to mitigate these risks. We comply with all the applicable laws to Stock Exchanges/ SEBI, MoEFCC, SPCB, CPCB or any statutory and regulatory bodies. We regularly conduct internal and external audits to improve the existing systems and processes.

For more information on Governance refer
BRSR on [pages 107 and 108](#)

75%*

INDEPENDENT DIRECTORS

*Excluding professional Managing Director

~ 8 years

AVERAGE TIME ON BOARD BY
DIRECTORS

91%

AVERAGE ATTENDANCE IN
BOARD MEETINGS IN FY 22



Orient Cement Limited

CIN:L26940OR2011PLC013933

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

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

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

Tel: 011-42092100, 011-42092190

investors@orientcement.com | www.orientcement.com

Notice

NOTICE is hereby given that the 11th Annual General Meeting of the Members of Orient Cement Limited will be held on **Thursday, the 28th day of July, 2022** at 3:30 p.m. through Video Conferencing (VC) / Other Audio Visual Means (OAVM), to transact the following business:-

Ordinary Business

1. To consider and adopt the Financial Statements of the Company for the financial year ended March 31, 2022, including the audited Balance Sheet as at March 31, 2022, the Statement of Profit & Loss and Cash Flow Statement for the financial year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To declare a final dividend of ₹ 1.75/- (175%) per equity share for the financial year ended March 31, 2022 and to confirm the interim dividend of ₹ 0.75/- (75%) per equity share paid during the financial year 2021-22.
3. To appoint a Director in place of Mrs. Amita Birla (DIN 00837718), who retires by rotation under the provisions of the Companies Act, 2013 and being eligible, offers herself for re-appointment.

Special Business

Item No. 4 - To ratify the remuneration payable to Mr. Somnath Mukherjee, Cost Auditor of the Company for the financial year 2022-23 and in this regard, to consider and if thought fit, pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Members of the Company hereby ratify the payment of remuneration, as approved by the Board of Directors, to Mr. Somnath Mukherjee, Cost Accountant in Practice (M.NO.-F5343), the Cost Auditor of the Company, amounting to ₹ 90,000/- (Rupees ninety thousand only) plus applicable taxes and out of pocket expenses to conduct the audit of the cost records of the cement activity for the financial year 2022-23."

By order of the Board of Directors

Nidhi Bisaria

Company Secretary
(M.No.FCS-5634)

Place: New Delhi
Date: May 11, 2022

NOTES:

1. The Explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 ("**Act**"), in respect to the special businesses to be transacted at the AGM is annexed hereto. Additional information as per Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") and Secretarial Standard -2 ("**SS-2**") on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director retiring by rotation seeking re-appointment at this AGM are furnished in the Notice of AGM.
2. In view of the COVID-19 pandemic across the country, social distancing is a norm to be followed and pursuant to General Circular dated May 5, 2022 issued by the Ministry

of Corporate Affairs ("**MCA**") read with its earlier circulars dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021 and December 14, 2021 (collectively referred to as "**MCA Circulars**"), permitted the companies to hold their Annual General Meeting ("**AGM**") through video conferencing ("**VC**") or other audio visual means ("**OAVM**") for the calendar year 2022 without the physical presence of the Members at a common venue. Accordingly, in compliance with the provisions of the Companies Act, 2013 (the "**Act**"), SEBI Listing Regulations and MCA Circulars, the AGM of the Company is being held through VC / OAVM. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company at Unit VIII, Plot No. 7, Bhoinagar, Bhubaneswar – 751012, Odisha, which shall be deemed venue of the AGM.

3. Since the AGM will be held through VC/ OAVM, pursuant to the MCA Circulars, physical attendance of the members is not required at the AGM, and attendance of the members through VC/OAVM will be counted for the purpose of reckoning the quorum under section 103 of the Act. Route map of the venue of the Meeting is accordingly not annexed hereto.
 4. Pursuant to the provisions of section 105 of the Act and Regulation 44(4) of the Listing Regulations, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this AGM is being held through VC/OAVM pursuant to the applicable MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of Proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
 5. For enabling the Members to participate at the 11th AGM, **the Company has entered into an agreement with National Securities Depository Limited ("NSDL") to provide VC/ OAVM facility and e-voting facility for the Annual General Meeting.** The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 members on a first-come-first-served basis as per the MCA Circulars.
 6. Corporate/Institutional members (i.e. other than individuals, HUF, NRI etc.) are entitled to appoint authorised representatives to attend the AGM through VC/OAVM on their behalf and cast their votes through remote e-voting during the e-voting period and / or during the AGM. Corporate/ Institutional members are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote / attend AGM, to the Scrutinizer by e-mail at aklabhcs@gmail.com with a copy marked to National Securities Depositories Limited ('NSDL') (agency for providing the Remote e-Voting facility) at evoting@nsdl.co.in and the Company at investors@orientcement.com. They can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login at e-voting portal.
 7. **Dispatch of Annual Report through Electronic Mode:** In compliance with the MCA Circulars and the Securities and Exchange Board of India ("**SEBI**") circular dated May 13, 2022 read with circular dated May 12, 2020 and January 15, 2021 (hereinafter referred to as "**SEBI Circular**"), Notice of the 11th AGM along with the Annual Report for the financial year 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depository Participant/ Registrar and Share Transfer Agent of the Company. The Company shall send physical copy of the Annual Report for the financial year 2021-22 to those members who request for the same at investors@orientcement.com mentioning their Folio No./ DP ID and Client ID. Members may note that this Notice along with the Annual Report for the financial year 2021-22 will also be available on the website of the Company at www.orientcement.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and also on the website of NSDL at www.evoting.nsdl.com.
 8. The Register of Members and Share Transfer Books of the Company will remain closed from **Friday, July 22, 2022 to Thursday, July 28, 2022**, both days inclusive, for annual closing and for determining the entitlement of the Members to the final dividend for financial year 2021-22, if approved at the AGM.
 9. **Payment of Dividend:** The dividend on Equity Shares, if declared at the AGM, will be paid, subject to deduction of tax at source, on or before August 26, 2022 to the Members whose names appear on the Company's Register of Members as on the close of business hours on Thursday, July 21, 2022 and whose bank mandate are registered in the records of the Depository Participants/RTA. For Members whose bank mandates are not updated with the Depository Participants / RTA as on the book closure date, demand drafts or warrants or cheques shall be sent through post.
 10. **Tax Deduction at Source on Dividend:** Pursuant to Income-Tax Act, 1961, as amended, the dividend income is now taxable in the hands of members and therefore, the Company shall be required to deduct tax at source ("**TDS**") at the prescribed rates from dividend paid to members. For the prescribed rates for various categories, members are requested to refer to the Finance Act, 2020 and amendments thereof.
- For Resident members, TDS shall be deducted under Section 194 of the Income-Tax Act, 1961 @ 10% on the amount of Dividend declared and paid by the Company during the financial year 2022-23, provided PAN is provided by the member. If PAN is not submitted to the Company / RTA (in case shares are held in physical mode) / updated in their demat account (in case shares are held in demat mode), TDS would be deducted @ 20% as per Section 206AA of the Income-Tax Act, 1961.
- However, no TDS shall be deducted on the Dividend payable to a resident Individual if the total dividend to be received during the financial year 2022-23 does not exceed ₹ 5,000.
- A resident individual member with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source. Further, in terms of Section 206AB of the Income Tax Act, 1961, effective from July 1, 2021, TDS deducted shall be higher of the following i.) Twice the rate

specified in the relevant provision of the Income-tax Act; or ii) Twice the rate or rates in force; or iii) the rate of 5%; in case a person has not filed his/her Return of Income for each of the two preceding financial years and the aggregate of TDS in his/her case is ₹ 50,000 or more in each of these two financial years which shall not be limited to TDS only on dividend income received by the member but will include all TDS transactions of the member during the relevant financial year.

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

Members may submit the aforementioned documents by sending an email to einward.ris@kfintech.com or by uploading the self-attested documents at <https://ris.kfintech.com/form15/> on or before Thursday, July 21, 2022 in order to enable the Company to determine and deduct appropriate tax. No communication on the tax determination / deduction shall be entertained post Thursday, July 21, 2022. It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details / documents from the members, there would still be an option available with the members to file the return of income and claim an appropriate refund, if eligible.

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

11. Members are requested to address all correspondences, including for dividends, to the RTA of the Company, at KFin Technologies Limited (erstwhile KFin Technologies Private Limited), Unit: Orient Cement Limited, Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad 500 032 or via email at einward.ris@kfintech.com.
12. **Procedure for updating / registering the email address and mobile numbers for receiving Annual Report and other communications from the Company electronically and updation of bank account mandate for receipt of dividend:**

Members holding shares in Physical Form:

Members who have not registered their e-mail address and as a consequence are not receiving communications from the Company electronically (viz. the Annual Report, Notice of AGM, e-voting details, etc.) may get their email address and mobile number registered by providing the same

to the Company's RTA, by clicking the link: <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx> for receiving such communications electronically. Members are requested to follow the process as provided in the link for updating their email address and mobile number for receiving the soft copy of the notice(s), Annual Reports and other communications over email in future. In case of any query on registering the email addresses and mobile number, the member may write to RTA at einward.ris@kfintech.com.

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

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

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

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

Members holding shares in Dematerialized Form:

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

13. **IEPF related information:** Dividends, if not encashed for a consecutive period of 7 years, from the date of transfer to Unpaid/Unclaimed Dividend Account of the Company, are liable to be transferred to Investor Education and Protection Fund ("IEPF"). Further, the shares of a member who does not encash his/ her dividend for a continuous period of 7 years, are also liable to be transferred to the demat account of IEPF Authority.

Members who have not encashed their dividend paid by the Company so far up to and during the financial year ended March 31, 2022, may immediately approach the Company / RTA for claiming dividend amount. Information in respect of the unclaimed dividend up to March 31, 2022, will be uploaded on the website of Investor Education and Protection Fund ("IEPF") Authority of the Government, i.e., www.iepf.gov.in and on the website of the Company, www.orientcement.com after the AGM.

Please note that the unpaid/unclaimed final dividend for the financial year 2014-15 shall become due to transfer to IEPF on **August 28, 2022** upon completion of seven years in terms of section 124(6) of the Act. The corresponding shares shall be transferred to relevant Demat Account of the IEPF Authority as per Rule 6 of the IEPF Rules, 2016, as amended. You are thus requested to claim the unclaimed dividend by sending a written application to KFin Tech or to the Company's Registered / Corporate Office address along with (a) copy of PAN Card; (b) a cancelled cheque of your registered bank account; and (c) the original un-encashed Dividend warrant or a duly filled in indemnity letter in the format available on the website of the Company www.orientcement.com. The said application should reach the Company on or before **August 19, 2022** so as to enable us to submit your request to the bankers for transfer by NEFT or issuance of Demand Draft. In case no claim is received with respect to the above dividend, the shares (whether held in physical or electronic form) will be transferred by the Company to the Demat Account of the IEPF Authority.

14. **KYC updation for physical members:** SEBI vide its circular number SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021 mandated for updation of PAN, Contact Details (postal address with PIN, email and mobile number), bank account details, specimen signature and nomination by all the members holding shares in physical mode. Folios, where any of the above details shall not be available on or after April 01, 2023, shall be frozen by the RTA and such members, thereafter, shall not be eligible to lodge grievance or avail service from the RTA and receive dividend in physical mode, unless the aforesaid details are furnished. If such folios continue to remain frozen as on December 31, 2025, such frozen folios, thereafter, are required to be reported to administrative authority under the Benami Transactions (Prohibitions) Act, 1988 and / or Prevention of Money Laundering Act, 2002. Therefore, members of the Company, holding shares in physical mode are requested to immediately update their aforesaid KYC details with the RTA of the Company to avoid any hardship / consequences as above. For facilitating to update their aforesaid KYC details, the Company has uploaded required forms – ISR1, ISR2, ISR3, ISR4, SH13 and SH14, as applicable, on its website viz. www.orientcement.com.

Members can download the Forms, as applicable / required, fill in the details and send to the RTA of the Company for updating the details.

15. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members are accordingly requested to get in touch with any Depository Participant having registration with SEBI to open a Demat account or alternatively, contact RTA to seek guidance for the demat procedure. Members may also visit website of depositories viz. National Securities Depository Limited viz. <https://nsdl.co.in/faqs/faq.php> or Central Depository Services (India) Limited viz. <https://www.cdslindia.com/investors/open-demat.html> for further understanding of the demat procedure.

16. **Procedure for Inspection of Documents:** The Register of Directors and Key Managerial Personnel and their shareholding, Register of Contracts, Certificate from the Secretarial Auditors on the implementation of ESOP Scheme and other relevant documents referred to in the Notice will be available, electronically, for inspection by the Members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an e-mail to investors@orientcement.com.

17. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before **Thursday, July 21, 2022**, by sending e-mail to investors@orientcement.com. The same will be replied by the Company suitably. Please note that the shareholders' questions will be answered only if the shareholder continues to hold the shares as on the cut-off date, i.e., Thursday, July 21, 2022.

18. VOTING THROUGH ELECTRONIC MEANS AND ATTENDING THE AGM THROUGH VC/OAVM:

- i. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI Listing Regulations read with circular of SEBI no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 regarding e-Voting facility provided by Listed Entities, the Company is providing to its Members facility to exercise their right to vote on resolutions proposed to be passed at the AGM by electronic means ("e-Voting").
- ii. **Remote e-Voting:** Members may cast their votes remotely, using an electronic voting system on the

dates mentioned herein below ("**remote e-Voting**"). The facility of casting the votes by remote e-Voting will be provided by NSDL.

- iii. The remote e-Voting period commences on **Monday, July 25, 2022**, at 9.00 a.m. IST and ends on **Wednesday, July 27, 2022** at 5.00 p.m. IST. During this period, Members of the Company holding shares either in physical or dematerialized form, as on the cut-off date of **Thursday, July 21, 2022** ("**Cut-off Date**") may cast their vote by remote e-Voting. The remote e-Voting module shall be disabled by NSDL for voting thereafter.
- iv. **Voting at the AGM:** Members who have not voted through remote e-Voting may avail the e-Voting facility provided in the AGM by NSDL. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote through remote e-Voting are eligible to vote through e-Voting at the AGM. However, Members who have voted through remote e-Voting will be eligible to attend the AGM. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned for remote e-Voting.
- v. A Member can opt for only one mode of voting, i.e., either through remote e-Voting or through e-Voting during the Meeting. If a Member casts votes by both the modes, then voting done through remote e-Voting shall prevail.
- vi. The Voting rights of a Member / Beneficial Owner (in case of electronic shareholding) shall be in proportion to their shareholding in the paid-up equity share capital of the Company as on the cut-off date, that is, **Thursday, July 21, 2022**.
- vii. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company shall be entitled to vote at the 11th AGM.
- viii. Once the vote on a resolution is cast by a Member, whether partially or otherwise, the Member shall not be allowed to change it subsequently or cast the vote again.

- ix. Members who have acquired shares of the Company after the dispatch of this Notice and holding shares as on the cut-off date / member who has forgotten the User ID and Password, may approach NSDL at **evoting@nsdl.co.in**, for issuance of User ID and Password for exercising their right to vote by electronic means as explained in e-Voting instructions. However, if he/she is already registered with NSDL for remote e-voting then he/ she can use his/her existing User ID and Password for casting the vote. Individual members holding securities in dematerialized mode may follow steps mentioned below under "Login method for remote e-voting and joining virtual meeting for individual members holding securities in dematerialized mode."

- x. **The instructions for remote e-Voting and joining the AGM are as under: -**

A. VOTING THROUGH ELECTRONIC MEANS:

Process to vote electronically on NSDL e-voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-voting system

Step 2: Cast your vote electronically on NSDL e-voting system.

Details on Step 1 are mentioned below:

i) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

Pursuant to SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-voting facility provided by Listed Companies", e-voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts/websites of Depositories/ Depositories Participants ('DPs') to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-voting service provider ('ESP') thereby not only facilitating seamless authentication but also ease and convenience of participating in e-voting process. Members are advised to update their mobile number and e-mail ID with their DPs to access e-voting facility.

Login method for individual members holding securities in dematerialized mode is given below:

Type of members	Login Method
Individual members holding securities in dematerialized mode with NSDL	<p>A. NSDL IDeAS facility</p> <p>If you are already registered with IDeAS, follow the below steps:</p> <ol style="list-style-type: none"> 1. Visit the e-Services website of NSDL. Open web browser and type the following URL: https://eservices.nsdl.com/ either on a computer or on a mobile. 2. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. 3. A new screen will open. You will need to enter your User ID and Password. After successful authentication, you will be able to see e-voting services under Value Added Services. 4. Click on “Access to e-voting” appearing on the left-hand side under e-voting services and you will be able to see e-voting page. 5. Click on options available against Company name or e-voting service provider-NSDL and you will be re-directed to NSDL e-voting website for casting your vote during the remote e-voting period or joining virtual meeting and e-voting during the meeting. <p>If you are not registered with IDeAS, follow the below steps:</p> <ol style="list-style-type: none"> 1. Option to register is available at https://eservices.nsdl.com. 2. Select “Register Online for IDeAS” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Please follow steps given in points 1-5 above. <p>B. E-voting website of NSDL:</p> <ol style="list-style-type: none"> 1. Open web browser and type the following URL: https://www.evoting.nsdl.com/ either on a computer or on a mobile phone. 2. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. 3. A new screen will open. You will need to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. 4. After successful authentication, you will be redirected to NSDL website wherein you can see e-voting page. Click on options available against Company name or e-voting service provider-NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting and e-voting during the meeting. <p>C. Shareholders/Members can also download NSDL mobile app “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p>

NSDL Mobile App is available on



Type of members	Login Method
Members holding securities in dematerialized mode with CDSL	<ol style="list-style-type: none"> Existing users who are registered at Easi/Easiest, they can login through their User ID and Password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi/Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will also be able to see the e-voting menu. The menu will have links of e-voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. Alternatively, the user can directly access e-voting page by providing demat account number and PAN from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile and e-mail as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-voting is in progress.
Individual members (holding securities in dematerialized mode) login through their DPs	<ol style="list-style-type: none"> You can also login using the login credentials of your demat account through your DP registered with NSDL/CDSL for e-voting facility. Once logged-in, you will be able to see the e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on options available against Company name or e-voting service provider-NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting and e-voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

II) Login method for e-voting and joining virtual meeting for members other than individual members holding securities in dematerialized mode and members holding securities in physical mode.

How to Log-in to NSDL e-voting website?

- i. Visit the e-voting website of NSDL. Open web browser by clicking the URL: <https://www.evoting.nsdl.com/> either on a computer or on a mobile.
- ii. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- iii. A new screen will open. You will have to enter your User ID, Password/OTP and a verification code as shown on the screen.
- iv. Alternatively, if you are registered for NSDL eservices i.e. IDeAS, you can login at <https://eservices.nsdl.com/> with your existing IDeAS login. Once you login to NSDL eservices after using your login credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.
- v. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a. For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example: If your DP ID is IN300*** and Client ID is 12***** then your User ID is IN300***12*****
b. For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example: If your Beneficiary ID is 12***** then your User ID is 12*****
c. For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example: If EVEN is 123456 and folio number is 001*** then User ID is 123456001***

- vi. Password details for members, other than Individual members, are given below:

e-mail and open the attachment i.e. a .pdf file. Open the .pdf file.

- a. If you are already registered for e-voting, then you can use your existing Password to login and cast your vote.
- b. If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you by NSDL. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your Password.
- c. How to retrieve your 'initial password'?

The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- ii. In case you have not registered your e-mail address with the Company/Depository, please follow instructions mentioned in this Notice.

- vii. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a. Click on "Forgot User Details/ Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

- b. Click on "Physical User Reset Password?" (If you are holding shares in physical mode) option available on **www.evoting.nsdl.com**.
- c. If you are still unable to get the password by aforesaid two options, you can send a request at **evoting@nsdl.co.in** mentioning your demat account number/ folio number, PAN, name and registered address.
- d. Members can also use the OTP based login for casting the votes on the e-voting system of NSDL.
- viii. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- ix. Now, you will have to click on "Login" button.
- x. After you click on the "Login" button, home page of e-voting will open.
- vi. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- vii. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General guidelines for members

- i. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on **https://www.evoting.nsdl.com** to reset the Password.
- ii. In case of any queries related to e-voting, you may refer the Help/Frequently Asked Questions ("Help/FAQs") and e-voting user manual available at the download section of **https://www.evoting.nsdl.com**. For any grievances connected with facility for e-voting, please contact Ms. Sarita Mote, Assistant Manager, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013, e-mail: **evoting@nsdl.co.in**, toll free no: 1800 1020 990/ 1800 224 430.

Details on Step 2 are given below:

How to cast your vote electronically and join AGM on NSDL e-voting system?

- i. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and general meeting is in active status.
- ii. Select "EVEN" of Company, which is 120179 for which you wish to cast your vote during the remote e-voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
- iii. Now you are ready for e-voting as the voting page opens.
- iv. Cast your vote by selecting appropriate options i.e. assent or dissent, verify or modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- v. Upon confirmation, the message "Vote cast successfully" will be displayed and you will receive a confirmation by way of a SMS on your registered mobile number.
- i. In case shares are held in physical mode please provide Folio No., Name of member, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **investors@orientcement.com**.
- ii. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to **investors@orientcement.com**. If you are an Individual member holding securities in demat mode, you are requested to refer to the login method explained above at **Step 1 i.e. Login method for e-Voting and joining virtual meeting for Individual members holding securities in demat mode**.

- iii. Alternatively, member may send a request to **evoting@nsdl.co.in** for procuring user id and password for e-voting by providing above mentioned documents.

B. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- i. Members will be able to attend the AGM through VC/OAVM through the NSDL e-voting system. After successful login, you can see VC/ OAVM link placed under Join meeting menu against the Company name. This link will be enabled 30 minutes before the schedule time of AGM. **You are requested to click on VC/OAVM link placed under "Join Meeting" menu.** Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice. Further, members can also use the OTP based login for logging into the e-voting system of NSDL.
- ii. Members are encouraged to join the AGM through Laptops / computers for better experience and use internet with a good speed to avoid any disturbance during the AGM.
- iii. Please note that members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- iv. Facility of joining the AGM through VC/OAVM shall open 30 minutes before the time scheduled for the AGM.
- v. Members who need assistance before or during the meeting, can contact NSDL on **evoting@nsdl.co.in/** or call at **1800 1020 990 and 1800 224 430**. Contact Person at NSDL: **Ms. Sarita Mote, Assistant Manager, NSDL**.
- vi. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker shareholder by sending request from their registered e-mail address mentioning their name, DP ID and Client ID/ Folio number, PAN, mobile number at **investors@**

orientcement.com between July 25, 2022 (9:00 a.m. IST) and July 27, 2022 (5:00 p.m. IST). Those members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the AGM. The Company reserves the right to restrict the number of speakers and time for speaking, depending on the availability of time for the AGM.

- vii. Further members, who have registered themselves as speaker shareholder, will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

19. The Board of Directors of the Company has appointed Mr. Atul Kumar Labh, a Practicing Company Secretary, (Membership No. FCS 4848/CP 3238), as the Scrutiniser to scrutinise the remote e-voting process before and during the AGM in a fair and transparent manner.
20. The Scrutiniser shall immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-Voting (votes cast during the AGM and votes cast prior to AGM) and make, a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, to the Chairman or any officer of the Company so authorised by the Board.
21. The results shall be declared along with the Scrutiniser's report within 2 working days from the conclusion of AGM and shall be placed on the website of the Company **www.orientcement.com** and on the website of NSDL at **www.evoting.nsdl.com** immediately. The Company shall simultaneously communicate the results to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed. The recorded transcript of the 11th AGM shall also be made available on the website of the Company, **www.orientcement.com** in the Investor's section, as soon as possible after the AGM is over.
22. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of AGM, i.e., Thursday, July 28, 2022.

By order of the Board of Directors

Nidhi Bisaria

Company Secretary
(M.No.FCS-5634)

Place: New Delhi
Date: May 11, 2022

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

Item No. 4

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

On the recommendation of the Audit Committee at its meeting held on May 11, 2022, 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, 2023, required to be audited under the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), at a Cost Audit fees of ₹ 90,000/- (Rupees ninety thousand only) plus applicable taxes and out of pocket expenses.

In accordance with the provisions of section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the Cost Audit fees to be paid to the Cost Auditors of the Company has to be ratified by the shareholders of the Company. Accordingly, the members are requested to ratify the remuneration of the Cost Auditors for the financial year 2022-23 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. 4 of the Notice for the ratification by 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

Name	Mrs. Amita Birla
DIN	00837718
Age	65 years
Qualifications	GCE-A Level
Experience	41 years
Terms and conditions of appointment/ re-appointment including remuneration proposed to be paid	Re-appointment upon retirement by rotation.
Details of last remuneration drawn during FY 2021-22	₹ 25.50 lacs (Sitting fees and commission)
Date of first appointment on the Board	March 27, 2015
Occupation	Industrialist
Expertise in specific functional areas	Expertise in Management and Operation of diverse nature of business
Directorships held in other listed entities in India	1. Birlasoft Limited -Chairman
Memberships/ Chairmanships of Committees of Board in listed entities in India	1. Birlasoft Limited <ul style="list-style-type: none"> Nomination & Remuneration Committee –Member Corporate Social Responsibility Committee- Chairman
Shareholding in the Company	3,88,000 No. of Shares (as on March 31, 2022)
Number of Board Meetings attended during the year 2021-22	4 out of 6 meetings
Names of listed entities from which the person has resigned in the past three years	NIL

Directors' Report

Dear Members,

Your directors are pleased to present the 11th Annual Report on the business and operations of the Company along with the audited financial statements for the financial year ended March 31, 2022.

SUMMARY OF FINANCIAL PERFORMANCE

The financial performance of the Company for the financial year ended March 31, 2022 is summarised below:

Particulars	₹ in Crore)	
	2021-22	2020-21
Revenue from Operations	2725.42	2,324.09
Earnings before interest, depreciation, amortisation & taxation	600.64	569.03
Interest / finance costs	51.43	93.57
Profit before depreciation and taxation	549.21	475.46
Depreciation and amortization expenses	145.21	141.85
Profit before taxation	404.00	333.61
Taxation	140.75	119.42
Net profit	263.25	214.19
Profit brought forward from last year	563.17	375.63
Profit available for appropriations	826.42	589.82
Appropriations		
Other Comprehensive Income	2.37	(1.04)
Dividend on equity shares	46.10	25.61
Balance carried to balance sheet	782.69	563.17
EPS (₹)	12.85	10.45

BUSINESS AND FINANCIAL PERFORMANCE

The financial year 2021-22 may be summed up as a year of two halves. H1 witnessed a relatively high growth over a low base driven by pent-up demand and a progressive improvement in Covid 19 infection rates. The hopes of a sustained rapid return to normalcy quickly petered out in the second half due to excessive and extended rainfall impacting our key markets and unprecedented cost push inflation fuelled by global supply chain dislocations, further exacerbated by the conflict in Ukraine. Due to the inflationary pressure in the economy, consumer sentiment remains muted as consumers defer discretionary spend which is impacting demand. Cement prices are expected to stay firm

and possibly increase to mitigate the increase in cost of fuel and raw material. However, it remains to be seen whether demand growth will lend support towards higher realizations to pass on the increasing input costs.

The industry in the year under review has continued to see capacity addition (+26.4m MT) despite low-capacity utilisation. As per CRISIL data during FY 2021-22, the core sector reported growth of ~11% while the Indian cement sector grew at 7% driven by higher growth in H1 that significantly moderated in H2. Demand in the southern region was supported by infra execution on a low base and urban housing in Tier-2 and Tier-3 cities. The overhang of low capacity utilisation in the South is expected to continue in the medium term.

To address the evolving reality and market specific opportunities and risks, your Company developed a dynamic decision framework to respond to competitive pressures with the required agility and speed. Your Company's relentless focus on fuel flexibility and in particular the increased use of alternate fuels helped cushion the significant increase in fuel costs. The strategy of judiciously improving market and product-mix, in particular growing of premium product "Birla.A1 StrongCrete", to support higher realisations, led to improved overall profitability despite cost and demand pressures.

Your Company has emerged stronger, delivering improvement in both profits and cash generation. During FY 2021-22, net debt was reduced by 61%, strengthening our Balance Sheet and creating comfortable headroom for planned future growth.

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

- Total sales volume for the year stood at 55 lac tons against 51 lac tons in FY21, a growth of ~8%.
- The focus on promotion of blended cement continues in line with your Company's commitment to environmental sustainability. Total blended cement sale was 63% for the year vs 61% in FY 2020-21.
- The overall capacity utilization stood at 66%.
- EBITDA for the year was ₹600.64 crore representing 6% improvement over ₹569.03 crore during last year.
- Net profit for the year improved by 23% vs last year; ₹263.25 crore as compared with ₹214.19 crore in FY 2020-21.

A key priority for your Company throughout FY22 remained the safety and well-being of its employees, the communities within which it operates and its channel partners, vendors and customers. Your Company also extended all assistance and support to the communities around its area of operations to mitigate their hardship, in consultation and in collaboration with the local administration.

DIVIDEND

During the financial year, your Company has paid an interim dividend of ₹0.75/- per equity share (75%) of face value of ₹1/- each, to the shareholders whose names appeared on the register of members as on February 10, 2022, the record date fixed for this purpose. Additionally, your Directors are pleased to recommend a final dividend amounting to ₹1.75/- (175%) per equity share of face value of ₹1/- each for the financial year ended March 31, 2022, as against interim and final dividend of ₹0.50/- (50%) and ₹1.50/- (150%), respectively, per equity share totaling to ₹2.00/- (200%) paid in the immediately preceding year. The payment of final dividend for the financial year 2021-22 is subject to the approval of shareholders at the forthcoming Annual General Meeting.

The Register of Members and Share Transfer Books of the Company will remain closed from Friday, July 22, 2022 to Thursday, July 28, 2022, both days inclusive, for determining the entitlement of the shareholders to the final dividend for financial year 2021-22.

Your Company has been consistently declaring dividends since its inception. Pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**SEBI Listing Regulations**"), the Board has adopted a Dividend Distribution Policy. Dividends declared/recommended by the Company are in accordance with the Dividend Distribution Policy of the Company.

The Dividend Distribution Policy is available on the website of the Company and can be accessed through the web link: <https://www.orientcement.com/wp-content/uploads/2017/02/Dividend-distribution-Policy.pdf>

BOARD OF DIRECTORS, ITS COMMITTEES AND MEETINGS THEREOF

The Company has a professional Board with an optimal composition of executive, non-executive and independent directors including two women directors one of whom is independent. The Board members bring to the fore the right mix of knowledge, skills and expertise and provide strategic guidance and direction to the Company to achieve its business objectives and protect the interest of its stakeholders. The Board is also supported by five Committees of Directors viz. Audit Committee, Nomination & Remuneration cum Compensation Committee,

Corporate Social Responsibility Committee, Stakeholders' Relationship Committee and Risk Management Committee.

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

During the financial year ended March 31, 2022, the Board of Directors met 6 (six) times viz. on May 17, 2021, August 2, 2021, October 25, 2021, December 22, 2021, January 31, 2022 and March 25, 2022. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and SEBI Listing Regulations.

A detailed update on the Board and its Committees' composition, number of meetings held during the financial year 2021-22 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, Mrs. Amita Birla (DIN 00837718), 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 herself for re-appointment. The Board of Directors recommends the resolution for re-appointment of Mrs. Amita Birla, liable to retire by rotation, for the approval of the members of the Company at the ensuing Annual General Meeting.

Based on the recommendation of the Nomination & Remuneration cum Compensation Committee, the Board of Directors in their meeting held on January 31, 2022, approved the re-appointment of Mr. Desh Deepak Khetrpal (DIN 02362633) as the Managing Director of the Company w.e.f. April 1, 2022 for a period of 2 (two) years subject to approval of shareholders at the forthcoming Annual General Meeting. Mr. Khetrpal continues to be the Chief Executive Officer of the Company. The resolution seeking consideration of Mr. Khetrpal's re-appointment for 2 (two) years w.e.f. April 1, 2022 and payment of remuneration for the financial year 2022-23 has been recommended by the Board to be passed by way of Postal Ballot.

Brief profiles and other details relating to the Directors are furnished in the Annual Report.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declarations from each Independent Director under Section 149 of the Act and Regulation 25 of the SEBI Listing Regulations, confirming

that he / she meets the criteria of independence laid down in Section 149 of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations.

The Independent Directors of the Company have got their name included in the data bank of Independent Directors being maintained by the Indian Institute of Corporate Affairs and have also complied with the requirements of proficiency test under Companies (Appointment and Qualification of Directors) Rules, 2014.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations, the Board has carried out annual evaluation of (i) its own performance; (ii) individual Directors' performance; (iii) performance of Chairman of the Board; and (iv) performance of all Committees of Board for the financial year 2021-22.

The performance evaluation was done using individual questionnaires, covering various aspects, including inter-alia the structure of the Board, participation and contribution at the meetings of the Board, receipt of regular inputs and information, skill set, knowledge and expertise of Directors. The Committees of the Board were assessed on, inter-alia, the degree of fulfilment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

The performance of Non-Independent Directors, Board as a whole and the Chairman was evaluated in a separate meeting of Independent Directors. Similar evaluation was also carried out by the Board. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated. The evaluation was carried out in terms of the Nomination and Remuneration Policy of the Company. The Nomination and Remuneration cum Compensation Committee of the Company annually reviews the performance evaluation process.

The evaluation process confirms that the Board and its Committees continue to operate effectively and the performance of the Directors meets expectations.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

A note on the familiarisation programme adopted by the Company for orientation and training of the Directors in compliance with the Listing Regulations is provided in the report on Corporate Governance, which forms part of this Report.

KEY MANAGERIAL PERSONNEL

In terms of the provisions of section 203 of the Companies Act, 2013, Mr. Desh Deepak Khetrapal - Managing Director & CEO (DIN 02362633), Mr. Soumitra Bhattacharyya, Chief Financial

Officer (FCA- A059004) and Mrs. Nidhi Bisaria – Company Secretary (FCS-5634) continue to hold their respective offices during the financial year 2021-22 as Key Managerial Personnel.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

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

The Nomination & Remuneration Policy for Directors, Key Managerial Personnel and Senior Management is placed on the website of the Company and can be accessed through the web link: https://www.orientcement.com/wp-content/uploads/2019/05/NRC_Policy-22_3_2019.pdf.

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM / WHISTLE BLOWER POLICY

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

Adequate safeguards are provided against victimization to those who take recourse to the mechanism. The details of the Whistle Blower Policy are explained in the Corporate Governance Report. The Whistle Blower Policy is available on Company's website and can be accessed through the web link: <https://www.orientcement.com/wp-content/uploads/2016/05/Whistle-Blower-Policy.pdf>.

AUDIT COMMITTEE

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

AWARDS AND RECOGNITIONS

Your Company has been certified as "Great Place to Work" for the third consecutive year in the assessment conducted by Great Place to Work Institute. This certification denotes the "High-Trust, High-Performance Culture" in the organisation.

In recognition of its constant quest for excellence in energy efficiency, environmental protection, safety, growth and innovation, your Company has been honoured and recognised at various forums. The prominent awards earned during FY22 are listed below for your reference:

Devapur Plant:

1. "Excellence in Energy Management 2021" Award as Energy Efficient Unit by CII (Confederation of Indian Industry) at the 22nd National Award Event.
2. Winner of "Greentech Energy Conservation Award 2021" and "Greentech Effective Safety Culture Award 2021" by Greentech Foundation for outstanding achievements in energy conservation and effective safety culture.
3. Platinum awards under "Apex India Green Leaf Award 2021" for Energy Efficiency and Environment Excellence, in the Cement Sector.
4. Gold award by "Telangana State Energy Conservation Awards (TSECA) – 2021", Government of Telangana, Department of Energy; in appreciation of the efforts for energy conservation for the year 2020-21.
5. "11th Exceed Occupational Health Safety and Security Gold Award 2021" by Sustainable Development Foundation for outstanding achievement in Occupational Health & Safety.
6. Devapur Limestone Mine won State Level 2nd prize (in Zone II Group A1) in "36th Mines Safety Week Observance 2021".

Chittapur Plant:

1. Winner position in "Greentech Energy Conservation Award 2021".
2. "Unnatha Suraksha Puraskara" from Director of Factories and Boiler, Govt. of Karnataka.
3. Best "Zero Liquid Discharge Plant Award 2021" from Mission Energy Foundation.
4. Winner for SOx-NOx Control for 2021 from Mission Energy Foundation.
5. 22nd National Award for "Excellence in Energy Management 2021" from CII.
6. First prize in reclamation and rehabilitation category during "Mine Environment and Mineral Conservation" function of Govt. of Karnataka.

7. Platinum award for "Environment Excellence" from Apex India.
8. Winner for "21st Annual Greentech Environment & Sustainability Award 2021" in the environment protection category.
9. Winner for "20th Annual Greentech Safety Award 2021".

Jalgaon Plant:

1. "Apex India Safe Workplace Award 2021" by Apex India Foundation.
2. "Greentech Environment Award 2021" under the green belt development category by Greentech Foundation.
3. "Occupational Health Safety & Security Award 2021" for outstanding achievement under Occupational Health and Safety by Sustainable Development Foundation.

STATUTORY AUDITORS

M/s B S R & Associates LLP, Chartered Accountants (ICAI Firm Registration Number 116231W/W-100024) were appointed as Statutory Auditors of the Company by the shareholders at the Annual General Meeting held on August 5, 2021 to hold office as Statutory Auditors for the term of five years from the conclusion of 10th Annual General Meeting of the Company held in the year 2021 till the conclusion of 15th Annual General Meeting of the Company to be held in the calendar year 2026.

The Auditors' Report for the financial year 2021-22 does not contain any reservation, qualification or adverse remark, on the financial statements of the Company. Auditors' Report is self-explanatory and therefore, does not require further comments and explanation.

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

COST AUDITORS

In terms of the section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, the Company is required to maintain cost accounting records and get them audited every year. The Board has appointed Mr. Somnath Mukherjee, Cost Accountant (M.No.-F5343), as Cost Auditor of the Company for the financial year 2022-23 at a fee of ₹90,000/- (Rupees Ninety thousand only) plus applicable taxes and out of pocket expenses subject to the ratification of the said fees by the shareholders at the ensuing Annual General Meeting.

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

SECRETARIAL AUDITORS

Pursuant to the provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s Ranjeet Pandey and Associates, Company Secretaries (Registration No. FCS-5922/CP No. 6087), were appointed to conduct the Secretarial Audit of the Company for the financial year 2021-22.

The Secretarial Audit Report, annexed to this report as **Annexure '1'**, does not contain any reservation, qualification or adverse remark and is self-explanatory. Therefore, it does not require further comments and explanation.

Pursuant to the provisions of Regulation 24A of the SEBI Listing Regulations read with SEBI Circulars issued in this regard, the Company has undertaken an audit for the financial year 2021-22 for all applicable Securities and Exchange Board of India ("SEBI") compliances. The Annual Secretarial Compliance Report issued by M/s Ranjeet Pandey and Associates, Company Secretaries, (CP No. 6087), for the financial year 2021-22 has been submitted to the Stock Exchanges within the prescribed time limit.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the financial year under review, your Company has invested in 41,624 equity shares of ₹10/- each and 41,233 compulsorily convertible debentures of ₹1,000/- each of AMPSolar Systems Pvt. Ltd. in terms of the Share Purchase, Subscription and Shareholder's Agreement and amendments thereto with AMPSolar Technology Private Limited and AMPSolar Systems Private Limited for acquisition of 26% stake. Please refer note no. 11 of notes to the financial statements of the Company for the financial year 2021-22 for details.

The Company has not given any loan or guarantee and/or provided security 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 arm's length basis and in ordinary course of business. All related party transactions were placed before the Audit Committee and to the Board for approval, wherever required. Omnibus approval of the Audit Committee and Board was obtained for the transactions that were of a foreseen and repetitive nature.

These transactions were reviewed by the Audit Committee on a quarterly basis.

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

For details on related party transactions, members may refer to the notes to the financial statements. The Policy on related party transactions as approved by the Board is available on the Company's website and can be accessed through the web link: <https://www.orientcement.com/wp-content/uploads/2022/04/Related-Party-Transaction-Policy.pdf>.

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 this Report.

CHANGE IN THE NATURE OF BUSINESS

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

MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments, affecting the financial position of the Company have occurred between March 31, 2022 and the date of the report.

RISK MANAGEMENT

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

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

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

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

INTERNAL FINANCIAL CONTROLS AND ITS ADEQUACY

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

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

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

CORPORATE SOCIAL RESPONSIBILITY

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

The Board has constituted a CSR Committee and has a well-defined Policy on CSR as per the requirement of section 135 of the Companies Act, 2013, which covers the activities as prescribed under Schedule VII of the Companies Act, 2013. The details about the CSR Committee are provided in Corporate Governance Report which forms a part of this Report.

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

The CSR Policy of the Company is placed on the website of the Company and can be accessed through the web link: <https://www.orientcement.com/wp-content/uploads/2021/05/corporate-social-responsibility-policy.pdf>.

PARTICULARS OF EMPLOYEES, DIRECTORS AND KEY MANAGERIAL PERSONNEL

The disclosures relating to remuneration and other details as required in terms of the provisions of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in **Annexure '4'**, which forms an integral part of this Report.

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

SHARE CAPITAL

As on March 31, 2022, the issued, subscribed and paid-up Share Capital of the Company was 20,48,68,760 shares of ₹ 1/- each. There was no change in the capital structure of the Company during the financial year ended March 31, 2022.

ANNUAL RETURN

Pursuant to section 134(3)(a) and section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the annual return of the Company as at March 31, 2022 can be accessed through the web link <https://orientcement.com/wp-content/uploads/2022/06/Annual-Return-2021-22.pdf>.

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 2021-22, no options were granted under ESOS-2015. The applicable disclosure under SEBI (Share Based Employee Benefits) Regulations, 2014 ("SEBI Regulations") as at March 31, 2022 has been uploaded on the website of the Company and can be accessed through the web link <https://orientcement.com/wp-content/uploads/2022/06/ESOP-disclosure-2022.pdf>. There is no change in the ESOS scheme of the Company during the financial year.

Certificate from M/s Ranjeet Pandey and Associates, Company Secretaries (Registration No. FCS-5922/CP No. 6087), Secretarial Auditors of the Company confirming that the scheme has been implemented in accordance with the SEBI Regulations, would be placed at the ensuing Annual General Meeting of the Company for inspection by the members.

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

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

During the financial year ended March 31, 2022, the Company has not received any complaint under the aforesaid regulations, nor was any complaint pending resolution from the previous year.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

CORPORATE GOVERNANCE

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

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

The certificate of M/s B S R & Associates LLP (ICAI Firm Registration Number 116231W/W-100024), Chartered Accountants, the Statutory Auditors of the Company certifying

compliance with the conditions of corporate governance as stipulated in the SEBI Listing Regulations is annexed with the Report on Corporate Governance. The Auditors' certificate for financial year 2021-22 does not contain any qualification, reservation or adverse remark.

LISTING WITH STOCK EXCHANGES

The equity shares of the Company continue to be listed on the National Stock Exchange of India Limited and BSE Limited. The annual listing fees for the financial year 2022-23 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, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
2. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2022 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 operating effectively.
6. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

The Company values the significance of conservation of energy and technology absorption and remains conscious about the environmental impact of its business operations. During the financial year, the Company implemented various energy conservation measures, technology absorption and process optimisation measures across all its plants. Judicious use of energy was adopted at all levels of operations by utilizing energy efficient systems and processes and continuous monitoring thereof. As a result of these initiatives, Orient Cement, especially

its integrated cement plant at Chittapur, has one of the lowest specific energy consumption in the Indian cement industry.

Apart from several measures implemented by the Company during the financial year 2021-22 towards conservation of energy and as part of Green Energy initiatives, the Company is setting up Waste Heat Recovery System at Chittapur @10.1 MW and further, the Company has entered into various agreements with AMPSolar Technology Private Limited and AMPSolar Systems Private Limited and has set up a solar power plant with a capacity of 13.5 MW, under the Captive Scheme in Maharashtra. With this arrangement the power requirement of Jalgaon plant will be significantly substituted by solar power thereby reducing carbon footprint by consuming around 50% of the requirement using solar power.

The cement industry is water intensive, and the Company realises its responsibility to reduce water usage within its facilities. The Company strives to save water through advanced monitoring, management, awareness and engineering solutions for water conservation. All our plants are water positive.

The particulars required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 regarding conservation of energy, technology absorption is enclosed as **Annexure '5'** 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 ₹55.22 crore.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

During the financial year 2021-22, the Company had no Subsidiary, Associate or Joint Venture company.

DEPOSITS

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

SIGNIFICANT AND MATERIAL ORDERS

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

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

In terms of amendment to regulation 34(2)(f) of the Listing Regulations vide Gazette notification no. SEBI/LAD-NRO/GN/2021/22 dated May 05, 2021, SEBI has introduced new

reporting requirements on ESG parameters called the Business Responsibility and Sustainability Report (BRSR). In terms of the aforesaid amendment, with effect from the financial year 2022-2023, filing of BRSR shall be mandatory for the top 1000 listed companies (by market capitalization) and shall replace the existing Business Responsibility Report. However, filing of BRSR is voluntary for the financial year 2021-22.

Your Company, being one of such top 1000 listed entities, has voluntarily decided to report as per the new reporting requirements of BRSR. The BRSR has been prepared for financial year 2021-22 and is included as part of this Annual Report.

COMPLIANCE WITH SECRETARIAL STANDARDS

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

OTHER 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. Transfer/ proposed transfer of amount to reserves.
2. Issue of equity shares with differential voting rights or sweat equity or stock options.
3. Application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year along with their status as at the end of the financial year.
4. Difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.

ACKNOWLEDGEMENT

Your Directors take this opportunity to thank all Shareholders, Clients, Vendors, Banks, Ministries and Departments of Government of India and Regulatory Authorities for their continued support. The Directors also place on record their deep appreciation to all the employees for their hard work, dedication and commitment, which enabled the delivery of the improved performance by your Company during a year full of extreme volatility and challenges.

By order of the Board of Directors
For Orient Cement Limited

Place: New Delhi
Date: May 11, 2022

CK. Birla
Chairman
(DIN 00118473)

Annexure-1

Secretarial Audit Report

For the financial year ended on 31st March, 2022

[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, *to the extent possible due to lockdown announced by respective State Governments on account of COVID-19 pandemic*, of **Orient Cement Limited's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives, during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 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, 2022, according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made there under;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed there under;

- iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.

- v) As confirmed by the management, the following legislations specifically applicable to the Company, being Cement manufacturing Company:-

- a) The Atomic Energy Act, 1962 read with Atomic Energy (Radiation Protection) Rules, 2004;
- b) Indian Boilers Act, 1923 read with Andhra Pradesh Boiler Rules, 1967;
- c) The Petroleum Act, 1934;
- d) The Explosive Rules, 2008;
- e) The Static & Mobile Pressure Vessels (Unfired) Rules, 1981;

- f) Cylinder Rules, 2004;
- g) Ammonium Nitrate Rules, 2012;
- h) Mines Act, 1952;
- i) Cement (Quality Control) Order, 2003;
- j) Limestone And Dolomite Mines Labour Welfare Fund Act, 1972;
- k) Mines and Minerals (Development And Regulation) Act, 1957;
- l) Mineral Conservation and Development Rules, 1988;
- m) Metalliferous Mine Regulations, 2012;
- n) The Explosives Act, 2008 read with rules made thereunder.

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

- i) Secretarial Standards issued by the Institute of Company Secretaries of India;
- ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

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/members of the committee, as the case may be, 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 declared and paid dividend and necessary compliances of the Companies Act, 2013 were made.

FOR RANJEET PANDEY & ASSOCIATES
COMPANY SECRETARIES

CS RANJEET PANDEY

Place: NEW DELHI
Date: 11.05.2022

FCS- 5922, CP No.- 6087
UDIN F005922D000255138

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.
7. We have tried to verify the physical records, to the extent possible, for the period under review in order to verify the compliances, however, reliance was also placed on electronic records for verification due to lockdown announced by respective State Governments on account of COVID-19 pandemic.

FOR RANJEET PANDEY & ASSOCIATES
COMPANY SECRETARIES

Place: NEW DELHI
Date: 11.05.2022

CS RANJEET PANDEY
FCS- 5922, CP No.- 6087
UDIN F005922D000255138

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 arrangements or transactions at arm's length basis - NIL

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

By order of the Board of Directors
For Orient Cement Limited

Place: New Delhi
Date: May 11, 2022

CK. Birla
Chairman
(DIN No. 00118473)

Annexure-3

Annual Report on CSR Activities for financial year 2021-22

1. Brief outline on CSR Policy of the Company:

The Company has a CSR Policy ("the Policy") duly approved by the Board of Directors with a view to provide a mechanism for meeting its social responsibility in an effective manner and to provide optimum benefits to various deserving sections of the society. The Policy sets out our commitment to ensure that our activities extend beyond business and include initiatives and endeavours for the benefit and development of the community and society. The Company primarily focuses on education, healthcare, rural development and infrastructure development.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during FY 2021-22	Number of meetings of CSR Committee attended during FY 2021-22
1	Mr. Janat Shah	Chairman-Non-Executive - Independent Director	1	1
2	Mr. Desh Deepak Khetrpal	Member- Executive Director	1	1
3	Mr. Rabindranath Jhunjhunwala	Member-Non-Executive - Independent Director	1	1
4	Mr. I.Y.R. Krishna Rao	Member-Non-Executive - Independent Director	1	1

3. Provide the web-link where composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company.

The composition of CSR committee, CSR Policy and CSR projects approved by the Board for the financial year 2022-23 are disclosed on website of the Company and can be accessed through the weblink: <http://orientcement.com/investor/>

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

Not Applicable.

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

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

6. Average net profit of the Company as per Section 135(5): ₹ 18,092 lacs

7. (a) Two percent of average net profit of the company as per section 135(5): ₹ 361.85 lacs

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

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

(d) Total CSR obligation for the financial year(7a+7b-7c): ₹ 361.85 lacs

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

Total Amount Spent for the Financial Year (in ₹ Lacs)	Amount Unspent (in ₹ lacs)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
433.40			Not Applicable		

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

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

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project.	Amount spent for the project (in ₹ lacs)	Mode of Implementation Direct (Yes/No)	Mode of Implementation-through implementing agency
				State District			Name CSR Registration number
1.	School running expenses	Promoting education	Yes	Telangana Mancherial	355.57*	Yes	- -
2.	Medicine distribution & other medical facility to villagers		Yes	Telangana Mancherial	32.53	Yes	- -
	Providing ambulance facility to villagers	Promoting healthcare including preventive health care	Yes	Telangana Mancherial	2.78	Yes	- -
	Medical camp with medicines for villagers		Yes	Telangana Mancherial	4.41	Yes	- -
	Providing Oxygen concentrator for Covid Centre		Yes	Maharashtra Jalgaon	2.32	Yes	- -
	Donation to Bhoomika Trust for Covid relief		Yes	Delhi Delhi	25.00	Yes	- -
3.	Other Projects						
i.	Grant to Vanvasi Kalyan Parishad		Yes	Telangana Mancherial	1.44	Yes	- -
ii.	Distribution of mass meals to the Adivasi community	Eradicating hunger, poverty and malnutrition	Yes	Telangana Mancherial	2.10	Yes	- -

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the Project.		Amount spent for the project (in ₹ lacs)	Mode of Implementation Direct (Yes/No)	Mode of Implementation-through implementing agency	
				State	District			Name	CSR Registration number
iii.	Maintenance of sulabh complex to maintain hygiene aspects in the community.	Promoting sanitation	Yes	Telangana	Mancherial	2.24	Yes	-	-
iv.	Sustained cleanliness through the Swachhta Pakhwada campaign		Yes	Telangana	Mancherial	0.24	Yes	-	-
v.	Development of common areas, parks, providing benches, dustbins, etc.	Promoting rural development projects	Yes	Telangana	Mancherial	4.50	Yes	-	-
vi.	Development of Tribal village in the vicinity					0.27			
TOTAL						433.40		-	-

*Including provision for gratuity of ₹23.27 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 ₹569.34 lacs on projects related to building rural infrastructure and community development programs which are not covered under section 135 of the Companies Act, 2013.

- (d) Amount spent in Administrative Overheads- **NIL**
- (e) Amount spent on Impact Assessment, if applicable-**NIL**
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e)- **₹ 433.40 lacs**
- (g) Excess amount for set off, if any

Sl. No.	Particulars	Amount (in ₹ lacs)
(i)	Two percent of average net profit of the company as per section 135(5)	361.85
(ii)	Total amount spent for the Financial Year	433.40
(iii)	Excess amount spent for the financial year ((ii)-(i))	71.55
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years ((iii)-(iv))	71.55

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (in ₹)	Amount spent in the reporting financial year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
				NIL			

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

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

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

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

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

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

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

Date: May 11, 2022

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 ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22 and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2021-22:-

Sl. No.	Name of the Director/ KMP and Designation	Ratio of remuneration of each Director/KMP to median remuneration of employees	% Increase/ (Decrease) in remuneration in the financial year 2021-22
1.	Mr. CK. Birla – Chairman	4.55	60%
2.	Mr. Desh Deepak Khetrpal - Managing Director & CEO	89.83	18%
3.	Mrs. Amita Birla - Director	2.56	28.57%
4.	Mr. Rabindranath Jhunjhunwala - Director	2.56	28.57%
5.	Mr. Rajeev Jhawar - Director	2.56	28.57%
6.	Mr. Janat Shah - Director	2.56	28.57%
7.	Mr. Swapan Dasgupta - Director	2.56	28.57%
8.	Mr. I. Y. R. Krishna Rao - Director	2.84	25%
9.	Mrs. Varsha Vasant Purandare – Director	2.56	28.57%
10.	Mr. Soumitra Bhattacharyya - Chief Financial Officer	24.49	12%
11.	Mrs. Nidhi Bisaria - Company Secretary	3.90	17%

- (ii) During the financial year 2021-22, there was an increase of 9% in the median remuneration of employees.
- (iii) There were 858 management staff on the rolls of the Company as on March 31, 2022.
- (iv) Average percentile increase made in the salaries of employees other than the managerial personnel in the financial year 2021-22 was 9.14%. 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%.
- (v) It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.

By order of the Board of Directors
For Orient Cement Limited

Place: New Delhi
Date: May 11, 2022

CK. Birla
Chairman
(DIN No. 00118473)

Annexure-5

Conservation of Energy and Technology Absorption

A) Conservation of energy:	
(i) The steps taken or impact on conservation of energy	<p>Devapur:</p> <ul style="list-style-type: none"> Line - 1 Cooler fan (2B) duct modification resulted in 28 kW savings. High voltage (HT) ESP fan motor at Line 1 kiln replaced with low voltage (LT) motor which provided relevant speed regulation mechanism and resulted in 40 kW savings. Kaizen type modifications and optimizations resulted in saving of 110 kW. Duct modification in economiser to APH tube in boilers has resulted in lower auxiliary units consumption by 1500 kWh/day with improved net Station Heat Rate by 20 kcal in CPP. <p>Chittapur:</p> <ul style="list-style-type: none"> Implementation of digital technologies for plant optimization by utilizing Optimakx software cum analytical tool kit (by M/s Wurth) that is developed on Artificial Intelligence (AI) and Machine Learning (ML) Technologies. Fine-tuning and optimization of closed control loop through digitization technologies to reduce the PC temperature fluctuations. This enabled the ease of operation and helped in increasing alternate fuels. Optimization of process control closed loop in LS Crusher (Secondary Crusher Power Vs Apron Feeder Speed) by utilizing Optimakx tool kit. Optimization of control systems and process control closed loops in Pyro by utilizing digital technologies. Optimization of control systems and process control closed loops in Coal Mill by utilizing digital technologies. Optimization of control systems and process control closed loops in Cement Mills by utilizing digital technologies. Implementation of Mobile App PlanTInsighT, an Industrial IoT 4.0 Solution from AuTloT for plant real-time data monitoring. This helped to improve the plant efficiency as the information is provided at fingertips for relevant restricted persons. Generation of reports, dashboards, and mobile alerts to users for any deviations in critical parameters to address and resolve them within minimum possible time to improvise the plant performance and energy conservation. Installation and commissioning of variable frequency drive for LS Crusher bag filter fan to optimize the power consumption. With this, reduction of 0.04KWH/ton in LS Crusher's specific power is achieved. <p>Chittapur CPP:</p> <ul style="list-style-type: none"> Optimized 87 kWh/day by eliminating the instrument air supply to boiler cyclone Syphon. In boiler cyclone Syphon, partition plate height reduced up to 150mm (700mm to 550mm) as per OEM recommendation to get free flow of cyclone ash from cyclone to furnace and totally eliminated the instrument air supply to Syphon. Optimized 56 kWh/day by eliminating the instrument air supply to boiler furnace flame view glass. Optimized 96 kWh/day by throttling of ACW return header valves (reduced from 30% open to 25% open). Optimized 1.2 tons of coal/day after maintenance of steam traps. Optimized 57 kWh/day by logic modification based on transport pressure in bed ash and cyclone ash handling. Optimized 10 kWh/day by replacing conventional lighting with LED light fittings.

A) Conservation of energy:	
(ii) The steps taken for enhancing alternate sources of fuels	<p>Devapur:</p> <ul style="list-style-type: none"> • Liquid hazardous waste (HW) handling system in Line – 3 kiln introduced in June 21 and consumed 2642 MT of LAFR. • Started firing alternative fuels in both boilers CPP to level up to 15%. • Usage of alternative fuels in all three kilns in plants. <ul style="list-style-type: none"> • Hazardous waste (solid & semi solid) • Liquid HW in Line – 3 • Carbon black • Agro waste like rice husk and cotton stalk • Plastic waste • Coconut fibre • Reduced Derived Fuel (RDF),Municipal Solid Waste (MSW). <p>Chittapur:</p> <ul style="list-style-type: none"> • Implementation of new digital technologies to reduce the fluctuations in process parameters to increase consumption of alternate fuels. • Development of feed forward logics in plant Digital Control System (DCS) to provide added advantage in optimizing the process parameters. <p>Usage of Alternative Fuels in Kiln:</p> <ul style="list-style-type: none"> • Solid and liquid hazardous waste • Agro waste like rice, tur and soya husk • Plastic waste • Carbon black • RDF <p>Usage of Alternative Fuels in CPP:</p> <ul style="list-style-type: none"> • Rise husk
	<p>Devapur:</p> <ul style="list-style-type: none"> • Installation of liquid AFR feeding system in Line-3 kiln commissioned in June, 2021. • Carbon Black dosing system at Line – 1 PC coal grinding circuit. • Installation of higher capacity Rice Handling System in Line – 3 (15TPH) and shifting in progress of present Rice Husk Handling System to Line –1. <p>Chittapur:</p> <ul style="list-style-type: none"> • Replaced 36 nos. of 400W HPSV light fittings with 200W LED light fittings in coal sheds for better illumination and energy saving and saved 63072 kWh/annum. • Replaced 60 nos. of 400W HPSV light fittings in old and new additive shed with 200W LED light fittings for better illumination and energy saving and saved 52,560 kWh/annum. • Replaced existing two pumps by lower capacity pumps in post clinkerisation cooling tower to optimise power consumption.
(B) Technology absorption:	
(i) The efforts made towards technology absorption	<p>Devapur:</p> <ul style="list-style-type: none"> • Upgradation of Cement Mill – 1 (195 TPH to 260 TPH) with latest generation Dynamic Separator. • Installation of advanced version of Roller Press Rollers in Line – 3 Raw Mill. • Installation of precast castable in Line – 3 kiln inlet portion to smoke chamber area. • Coating repellent castable applied in bottom cyclone feed pipes of all three kilns. <p>Chittapur:</p> <ul style="list-style-type: none"> • Implementation of Mobile App solution for material management at mines weigh bridge system so that mines' engineers can have in-hand facilities like online changing of material type, material source and material destination to get material-wise weighment reports. • Implementation of mobile alert system to communicate any type of error observed in mines for unmanned weighbridge to its user department engineers. In case of any errors in these unmanned weigh bridges, system will notify the users for suitable corrective actions. • Automated validation of driver's license, vehicle insurance and tank fitment certificate status for unmanned weigh bridge for entering the plant. • Establishment of auto GRN number print on weighment slips for raw material vehicles by fetching from SAP to facilitate stores team.

(B)	Technology absorption:	<ul style="list-style-type: none"> • Provision of raw mill additive reclaimers at CCR and interlocking them with respective hopper feeding system to avoid manual errors. • Installation of belt joint monitors in critical belt conveyors to remotely monitor the belt joints/damages. • Integration of separator grease lubrication systems of CM-1, CM-2, and Coal Mill with DCS to avoid false trippings and to reduce the breakdown period. • Auto operation of dewatering pumps at clinker loading system by installing level switches to dewater the pits automatically. • Implementation of Cold Fog Dust Suppression system at Wagon Tippler to control fugitive dust emission. Facility has been provided at CCR to operate and monitor this system remotely.
(ii)	The benefits derived like product improvement, cost reduction, product development or import substitution	<p>Devapur:</p> <ul style="list-style-type: none"> • Sinter cast blow bars usage in limestone crusher has helped in prolonged maintenance free life and reduction in safety hazard. <p>Chittapur:</p> <ul style="list-style-type: none"> • Optimization in power consumption. • Reduction in stoppages. • Reduction in breakdown hours. Most of the times, avoid breakdowns. • Fast communication. • Reduction in manual errors.
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):	
(a)	the details of technology imported	Not Applicable
(b)	the year of import	Not Applicable
(c)	whether the technology has been fully absorbed	Not Applicable
(d)	if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	Not Applicable
(iv)	the expenditure incurred on research and development	Not Applicable

By order of the Board of Directors
For Orient Cement Limited

Place: New Delhi
Date: May 11, 2022

CK. Birla
Chairman
(DIN No. 00118473)

Management Discussion and Analysis Report

Indian economic overview

The Indian economy is estimated to have recorded a growth of 8.9% in FY 2021-22 as per the second advance estimates of the National Statistical Office (NSO). India has been one of the few economies in the world to witness growth across five consecutive quarters starting from Q3 of FY 2020-21 post the pandemic-induced contraction. India's broad range of fiscal, monetary and health responses to the crisis and economic reforms have helped mitigate a protracted adverse impact and supported its recovery.

The growth, which is partly attributed to the low base effect in Q1, put India among the fastest-growing major economies of the world. The economy gained further momentum in Q2 with business activities recovering progressively following relaxations in the Covid-related restrictions and accelerated vaccination.

After registering significant growth in H1, the progressive recovery lost the initial momentum with Q3 and Q4 showing fragility across sectors. Headwinds ranging from adverse weather impact, supply chain shocks, high input costs, shortage of coal and power and high crude prices hindered the growth momentum across several sectors during the H2.

However, the government's thrust towards increasing capital expenditure on infrastructure in the Union budget for FY 2022-23 is expected to drive construction-related sectors such as cement and steel to return to pre-pandemic levels, providing a relatively optimistic outlook.

The recent policy direction supports growth orientation with an increasing emphasis on self-reliance. The production-linked incentives (PLI) scheme, and higher capital allocations for infrastructure development are likely to generate a stronger multiplier effect on income and employment and increased efficiency, all of which is expected to accelerate economic growth.

Lower corporate taxes and simplification of the indirect taxes has improved both collections and compliance. The focus on exports and more specifically technology led service exports has led to a significant rise of exports. For the first time, India's service export has achieved the targeted USD 250 billion during April-March 2021-22, registering a growth of 21.3% YoY.¹ The growth in export of services is likely to continue, supported by a global drive towards digitisation and transformation.

While the mid-term outlook on the growth prospects remain robust, recent geopolitical events have introduced significant

immediate volatility with cost push inflationary pressures impacting consumer sentiment. While GDP forecast for FY 2022-23 is still estimated to grow at 8-8.5%, it would critically depend on the country's ability to control inflation and manage its current account deficits with rising energy costs.

Indian cement industry overview

India retains its dominance in the global cement sector as the second largest producer of cement. Despite the impact of the second wave of Covid and unseasonal rains, the industry was able to sustain a moderate volume growth of ~7-8% in FY 2021-22 driven by sustained demand from affordable housing and infrastructure development.

Cement is an essential material in shaping our world, but its production process, even while using globally best technology and equipment, inherently generates considerable CO2 emissions. Thus, global cement industry is a significant contributor to the world's carbon emissions, though the Indian cement industry is relatively better placed against its global peers.

Despite the relatively favourable position, Indian cement manufacturers are taking several steps to cut down emissions further through increasingly relying on circularity, usage of waste and renewable resources. This has led to aggressive addition of Waste Heat Recovery Systems (WHRS) to limit usage of coal-based power. Top players in India have installed over 200 MW of WHRS capacity over the last 3-4 years to mitigate cost increases and lower carbon footprint. Further, the industry has set a TSR (thermal substitution rate) target of 30-35% through the use of AFR by 2030 against 4-5% now. With increasing energy costs, the trend of fossil fuel substitution with AFR and thermal energy substitution with renewable power is likely to continue.

According to ICRA, cement demand is expected to grow by 7-8% to around 382 million MT in FY 2022-23 supported by rural housing and infrastructure. The budget allocation of over ₹9.2 trillion towards agriculture, affordable housing and capital expenditure on roads and railways is expected to provide the much-needed impetus to the sector.²

Growth drivers

Rising urbanisation- India's working population (ages 25-64) will overtake China between 2030 and 2035, making it the world's largest working-age population³. This will help accelerate urbanisation, thus increasing demand for housing and related services, which in turn will boost cement demand.

¹<https://pib.gov.in/PressReleasePage.aspx?PRID=1816577#:~:text=India's%20Services%20exports%20for%20the%20first%20time%20achieved%20the%20targeted,over%20the%20fiscal%202020%2D21.>

²<https://www.icra.in/Media/O+penMedia?Key=ea23e50a-ef1d-4754-8ee5-1bb1038777ae>

³UN Population prospects

Increase in incomes and affordability- The current interest rate for housing loans is at historically low levels. Rising incomes and affordable interest rates on housing loans is likely to support demand for housing.

Increase in rural income- Increasing construction of pucca rural housing fuels a significant portion of growth in cement demand and rise in farmer income is likely to increase cement consumption as the government keeps pushing efforts towards increasing farmers' and rural sector income.

Government support- Owing to significant allocations in the Union Budget 2022-23 for infrastructure and affordable housing programmes, the sector is expected to witness a rise in demand in the near short-term.

Government Policies

Affordable housing- The government has continued its support to ensure momentum by higher allocation to this sector. An allocation of ₹48,000 crore to PM Awas Yojana (with ₹28,000 crore for PMAY Urban and ₹20,000 crore for PMAY Rural) has been made in the Union Budget 2022-23 and 80 lakh houses are expected to be completed in FY 2022-23 under the programme. The Centre and State Governments are coordinating to speed up land acquisition and statutory approvals to promote affordable housing.

PM Gati Shakti- National Master Plan- The PM Gati Shakti-National Master Plan would provide integrated and seamless connectivity for movement of people, goods and services, facilitating last mile connectivity of infrastructure. The total outlay of capex has been stepped up sharply by 35.4% from ₹5.54 lakh crores to ₹7.50 lakh crores in this year's Union Budget. The states have been allocated interest-free long-term loans of ₹1 lakh crore to support these initiatives.

Company overview

Orient Cement is one of the fastest growing mid-sized cement manufacturers in India. The Company started cement production at Devapur (Telangana) in 1982 and added a split grinding unit in 1997 at Jalgaon (Maharashtra).

In 2015, the Company commissioned its integrated manufacturing plant at Chittapur (Karnataka), taking the overall production capacity to 8MTPA. In the year gone by, the Company has further increased its capacity by 0.5MTPA by de-bottlenecking its cement grinding capacity at Devapur. The Company produces Pozzolana Portland Cement (PPC) and Ordinary Portland Cement (OPC) which are suitable for residential, commercial and industrial construction. The Company has market presence majorly in Maharashtra, Telangana, Andhra Pradesh, Karnataka and parts of Madhya Pradesh, Tamil Nadu, Kerala, Gujarat, Goa and Chhattisgarh.

Core competencies

- The Company's customer-centric approach enables it to differentiate its service offering to its channel partners and customers.
- Leveraging its technical know-how and its emphasis on best-in-class product quality, the Company maintains its brand salience through high quality and innovative products.
- Strong distribution network is the key for the Company to widen its reach and ensure deeper penetration in rural markets.
- Deeply embedded culture of continuous improvement and innovation to drive cost leadership and environmental sustainability.
- The Company's manufacturing facilities are strategically located to serve its customers, keeping the freight costs under control. The facilities situated at Devapur and Chittapur help the Company cater to the demand of the South Indian markets and adjoining parts of Maharashtra. The facility located in Jalgaon addresses the demands of Western and Central India.

Financial Performance

During the year under review, your Company has reported revenues of ₹2734.98 crore, a growth of 17% compared to ₹2342.44 crore in the previous year. The capacity utilisation of the Company for the full year under review has been ~66%, an improvement of 5% over the previous year. Total sales volume for the year has grown by 8% to 55 Lakh metric tonnes during the year despite the second wave of Covid19 pandemic in H1 and the demand contraction and supply chain dislocations following global geo-political developments in H2.

The Company's EBITDA stood at ₹600.64 crore in FY 2021-22, an increase of 6% compared to ₹569.03 crore in the previous year, despite significant increase in power and fuel costs. Other costs like repair and maintenance, advertising, and other fixed expenses have also seen increase as the business resumed normal operations post the pronounced impact of Covid-19 in the previous year.

The Company has reported a post-tax profit of ₹263.25 crore in 2021-22, compared to ₹214.19 crore in FY 2020-21, an increase of 23%. In view of improved profits, the Board had declared an interim dividend of ₹0.75/- per equity share worth ₹1/- (fully paid up) for the financial year 2021-2022 and has now proposed a final dividend of ₹1.75/- per equity share worth ₹1/- (fully paid-up) for the financial year 2021-22.

Power and fuel costs have seen unprecedented cost push inflation exacerbated by uncertain and sporadic supply during the year. Reduced international supply, diversion of coal to

power plants due to the increase in domestic power demand and frantic buying of coal by most European nations in the wake of the Russia-Ukraine conflict in the fourth quarter created high uncertainty forcing us to prioritise on domestic energy sources. Your Company has managed to mitigate the impact by improving its operating efficiencies, taking strategic calls on locking fuels ensuring price arbitrage and availability and an overarching thrust on replacement of fossil fuels with alternate fuels. During the year, your Company took several initiatives to enlarge its alternate fuel sources and improve its technical capabilities to handle both hazardous and non-hazardous waste streams including the introduction of alternate fuels for the first time in its captive power generation. This has helped the Company address its twin objectives of responsible cost leadership and environmental sustainability.

Your Company has invested in a solar power plant with AMPSolar Systems Private Limited under Captive Scheme with the objective of substituting ~50% of its power needs at the Grinding Unit at Jalgaon, Maharashtra with renewable power. Your Company has also continued to source renewable power at its Chittapur plant, Karnataka, whenever available and financially viable, through open sources and IEX exchanges. In line with its vision of sustainable cost improvement, your Company has placed orders for a 10.1 MW WHRS plant for its Chittapur plant, which will help in further reductions in power cost and CO₂ emission, once it is commissioned.

Your Company grew its market share in the premium segment leveraging on its best in class quality, improved customer satisfaction and enhanced service to its channel partners. Efforts to further consolidate the B2C channel supported by improved brand salience, value-added services to customers and greater channel partner engagement resulted in higher realizations driven further by higher premiumisation. Using a strategically structured brand architecture, the products continue to stand out in the market and gain trust of customers. Agile management and optimization of working capital improved cash flow generation, while measures taken to secure its B2B credit helped reduce risk as the volatility increased in H2.

As a result of the improved profitability and cash flows, your Company continued to deleverage its Balance Sheet creating adequate headroom for planned expansions. During the year, the Company has refinanced its outstanding term loan through a shorter duration loan, repayable by March 31, 2024 at significantly lower borrowing cost.

Key financial ratios

Particulars	31 st March, 2022	31 st March, 2021	Change (%)
Earnings Per Share (₹)	12.85	10.45	23%
Return on Net Worth*	18.76%	17.58%	7%
Debt Equity Ratio [®]	0.20	0.61	(67%)
Interest Coverage [®]	16.31	6.51	151%

Particulars	31 st March, 2022	31 st March, 2021	Change (%)
Operating Profit Margin	22.04%	24.48%	(10%)
Net Profit Margin	9.75%	9.17%	6%
Debtors' Turnover	21.40	21.09	1%
Inventory Turnover [§]	15.21	11.41	33%
Current Ratio	0.85	1.03	(18%)

Ratio calculation in line with changes in revised schedule III.

*Return on net worth improved due to increase of current year profit.

®Debt equity ratio and interest coverage ratio improved due to repayment of debt in the current year owing to improved cash flows and EBITDA.

§Inventory turnover ratio improved on account of increase in net sales and lower average inventory in current year.

Operations

Your Company's continued thrust on operational excellence, higher efficiency and cost competitiveness helped it soften the impact of volatile demand, constant flux in the availability and costs of fuels and multiple shocks to the supply chain.

Digitally enabled initiatives to support process-optimisation have also delivered further thermal and electrical energy reductions. Other digital initiatives also support in preventative maintenance efforts and in increasing the availability of the plants. Many other processes in mines and material handling are being automated through use of technology.

During the year, the grinding capacity of the Company was enhanced by 0.5 MTPA at its Devapur plant following a debottlenecking process and implemented within 36 days at a modest investment. This takes your Company's total capacity to 8.5 MTPA. This initiative also affords greater flexibility in grinding various grades of cement to service customer requirements and will further improve its truck turnaround time (TAT) at Devapur while its Chittapur and Jalgaon plants have already improved their TAT by improving the logistics infrastructure and further optimising their packing plant operations.

Towards sustainability and cost improvements, 45-50% of the energy consumed at the Jalgaon plant is now being met by renewable solar power since the commissioning of the Group-Captive investment in the later part of the year. The Company's Chittapur plant began utilizing Refuse Derived Fuel (RDF), municipal solid waste, plastic waste and hazardous wastes - solid and liquid in the enlarged basket of alternative fuels. Liquid hazardous waste feeding system installed and commissioned at Devapur has also enabled higher usage of low cost AFR.

The Company has also started feeding agro waste as alternative fuels in its CPP boilers which supports local communities, mitigates fuel price inflation and promotes a circular economy. The power plants at Devapur and Chittapur have made noteworthy efforts and achieved improved net heat rate in FY 2021-22 through agile in-house improvements. These efforts take your Company a step closer towards its espoused objective of carbon neutrality.

The organisation retains its open platform to receive and exchange ideas at all levels which are then prioritised on merit and actioned through a collaborative approach. The Company continues to nurture innovation and a mindset of continuous improvement through senior leadership engagement promoting cross functional collaboration, technical and managerial skill development and digital awareness.

Sales and Distribution

The financial year 2021-22 has been a challenging but rewarding year for the Company. The Company continued to pursue its long-term strategic priorities for brand repositioning, consolidating its customer-base and channel partners and pushing its premium product at a faster pace even while confronted with severe headwinds in the second half of the financial year.

The second wave of Covid-19 in early FY 2021-22 made it imperative for the Company to ensure the safety of its people while focus on achieving business objectives remained unwavering. Your Company's efforts and investments towards digitalization and automation of daily operations with initiatives like Sales Force Automation (BizSmart) developed inhouse, dealer management system, electronic proof of delivery (EPOD) and CRM platform (SFDC) helped the Company navigate through the pandemic and its consequential dislocations. During unlocking of the country and economy, the Company resumed market visits and physical interactions with its channel partners and influencers while maintaining Covid-19 protocols. This greatly helped bridge the gap in personal connect with the channel and build on customer centricity. In addition to regular market visits, dealer and retailer meets were conducted covering circa 5.5k channel partners. Engagement with influencers was conducted through small get-togethers covering around 44k influential individuals. Such relationship building initiatives to improve and enhance the effectiveness of our sales team delivered improvement in volumes and price-realisation across operating markets.

The Company achieved a year-on-year volume growth of 8%, with improved dealer productivity and enhanced activation of retail counters. The Company's premium product, Birla.A1 StrongCrete witnessed an overall YoY growth of 64%. Warehouse network was enhanced to ensure faster and enhanced service to all customers. Furthermore, your Company also took steps to secure its credit to relatively riskier B2B segments, de-risking the business further.

A heartening feature of the performance of the Company during FY 2021-22, has been the steady progress in the repositioning of its flagship brand Birla.A1 widely acknowledged as the highest quality product on all performance parameters and supporting higher price realisation. With better product-mix, optimised customer-mix and channel consolidation, supported by enhanced on-site support and differentiated brand communications, the Company is achieving improved revenues per bag, leading to improved profitability and business health.

Key Initiatives:

- Digitisation and automation through BizSmart (SFA) for Dealers, Trade and Technical Services team.
- Customer engagement initiatives and growth-oriented schemes for channels with a focus on Birla.A1 StrongCrete and Birla.A1 Premium Cement (PPC).
- Restructured go-to-market structure to provide focused attention and service to different segments.
- Improved customer relations enabled through the CRM platform.

Branding and Marketing

The Company strengthened its digital presence as during the pandemic there was surge in the usage of digital mediums, resulting in individuals consuming more information through social media, news, OTT platforms and gaming apps. In times like these, the goal was to connect, engage, raise awareness and establish a presence through the channels where the target audience spends the most time.

Major highlights of FY 2021-22:

- **Brand awareness:** The Company executed a brand awareness campaign showcasing its premium product (Birla.A1 StrongCrete) on popular social media platforms and radio which have received excellent responses. These were also supported by popular news and GDN application platforms like Daily Hunt and Google. The campaign crossed 63 million impressions and 23 million views.
- **Engagement:** The Company has executed another campaign named as StrongCrete Monsoon Cement Campaign on social media platforms and radio to enhance brand saliency and awareness during monsoon season. This campaign re-enforced the brand benefit for usage of the product during monsoon and its advantages. The campaign crossed 10 million impressions and 5 million views.
- **Contest and key digital posts:** To engage and reach customers, channel partners and influencers, the Company executed a contest on occasion of "Father's Day" and around 1 million people interacted through social media. It also executed campaigns on social media during festive occasions.
- **The Good Poetry Project-** The Art to Heart initiative, and the Good Poetry Project within it, has contributed towards expanding our engagement with the society and has helped generate positive sentiments for the Company. Total 46 videos were published in dual languages - English and Hindi. The videos were widely promoted through social media platforms with campaigns on YouTube, LinkedIn and Facebook. These videos have garnered ~76,000 impressions by ~ 11,000 people across all social media platforms.

- **Corporate branding:** To promote its corporate brand, a post was shared welcoming the new campus recruits across all divisions. The recruits included management trainees, graduate engineer trainees and process trainees. They were welcomed by the post to an enriching experience with a wish for a great future.
- **Enquiry generation:** The Company saw 2 times increase in enquiries generated through digital media which were then shared with respective regional heads for conversion into orders.

Product branding

The products of Orient Cement are:

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

Birla.A1 StrongCrete

Almost every head of the family aspires to build a home not just for her/ his immediate use but also for the next generation - what we at Orient Cement call a "forever home". Towards helping the home-builders in fulfilling their wish for the forever home, we have created a "Forever Cement" in Birla.A1 StrongCrete. The core properties of Birla.A1 StrongCrete have been enhanced to make it optimal for long lasting construction. Fineness, particle size distribution and blending of cementitious materials are critical factors giving this superior cement its unique quality. Every home build with Birla.A1 StrongCrete is made stronger by enhancing each of these parameters. After an enthusiastic adoption of Birla.A1 StrongCrete for home building, given the benefits of using this exceptional cement, it has also started getting orders from road construction contractors and some cement-based industries.

Birla.A1 Premium Cement (PPC)

Birla.A1 Premium Cement has established itself as one of the most well-known brands in the blended cement market in South and West India. The significant benefit of this product is improved particle size distribution which aids in achieving higher density with lower porosity in hydrated cement, resulting in increased durability.

The CII-Green Products and Services Council awarded Birla.A1 Premium Cement (PPC) the renowned GreenPro accreditation after a thorough technical study (GPSC). As a result, the Company has successfully established its product as green and environment friendly.

Birla.A1 Premium Cement OPC 53 Grade

With the advent of Orient Gold 53-Grade Cement in 1992, Orient Cement, one of the pioneers of 53-Grade Cement in India,

opened up a whole new dimension in building construction. The phenomenal success of Orient Gold is a testament to the Company's commitment to provide only the premium quality to our customers. The brand has been renamed Birla.A1 Premium Cement – OPC 53 Grade and has been merged under our umbrella brand.

Birla.A1 Premium Cement OPC 43 Grade

It was originally known as Orient 43 Grade Cement and was one of Orient Cement's first breakthroughs, providing an avenue for others to succeed. It attained enormous popularity in a short period of time and made Orient Cement a household name. The brand has been renamed Birla.A1 Premium Cement – OPC 43 Grade and has been merged under the umbrella brand.

Logistics

Logistics, in cement industry, is one of the largest elements of the value chain and constitutes a significant proportion of operating costs. It plays a vital role in balancing the supply and demand of both raw materials and finished goods. The Company constantly tries to optimise its logistics through various dynamic strategies. It has increased direct dispatch to avoid multiple handling and longer routes. Asset utilisation is increased to improve the overall efficiency and minimise the logistics cost. The Company is also optimising routes and depot locations to decrease the travel distance, improve timely availability and savings in fuel costs.

Fuel prices have also increased significantly during the reporting period, which has impacted road freight costs. The Company has a tiered structure to recognise and manage fuel price escalation that is contractually recognised by its vendors to maintain some stability for both the Company and the logistics partners. The Company has also resorted to utilising higher capacity vehicles to lower costs per MT and increased dispatch through rail to optimise freight cost.

The Company has implemented Electronic Proof of Delivery (EPOD) to ensure deliveries to intended locations. The EPOD enables a transparent process by bringing visibility to the last mile delivery through end location capture. This helped in reducing the average billing cycle and introduced automated reconciliation through a fully digitized platform.

Procurement

The year under review was particularly challenging for our procurement teams as the world faced significant supply side constraints and a sharp rise in fuels and raw material prices and transportation costs. The Company managed to significantly mitigate the challenge through diversifying supply sources, increasing domestic sourcing, use of alternative fuels and responsive inventory planning.

Coal and pet coke are primary fuels used for clinker production in kilns and electricity generation in power plants. Production and supply chain of coal experienced multiple domestic and global shocks during the reporting period. The extreme weather

conditions due to the La Nina phenomenon and multiple waves of Covid-19 in the coal-producing nations led to low coal production, thus reducing international supply. The unexpected rise in domestic power demand in the second half of the fiscal year forced collieries to prioritise domestic power plants to meet for the power demand. The fourth quarter saw a rise in demand pressure due to panic buying from European nations in view of the Russia-Ukraine conflict. The impact also spilled over to alternate fuels. To achieve the most optimised production costs, the company remained agile in optimising its fuel and raw material mix to cope with the supply-side challenges. During the year, the Company has procured alternative fuels and raw materials (AFR) like bio-waste, pharma waste, municipal waste, plastic waste, paper waste, tyre waste, and so on to be used in the fuel mix for boilers and kilns.

Similar challenges were faced but managed dynamically for other raw materials like gypsum, bauxite, laterite etc.

Sustainability

Environment

Orient Cement has been committed to the concept and practice of sustainability through a multi-pronged approach towards addressing the issues of carbon emission, climate change and its mitigation initiatives. Being a responsible organisation, the Company strives for climate protection through emission reduction, responsible resource utilisation and efficient energy management. The Company promotes eco-friendly practices through its policies and community engagement initiatives. Orient Cement is a member of the Global Cement and Concrete Association working towards the aim of Net Zero carbon by 2050. All its management systems are upgraded to comply with the latest standards EMS ISO 14001:2015, QMS ISO 9001:2015, OHSMS ISO 45001:2018, Energy ISO 50001:2018 and facility management ISO 41001:2018 standards.

The sustainability key levers of Orient Cement are:

- Increasing the blended cement proportion
- Enhancing the usage of AFR
- Increasing percentage of greener/ cleaner energy
- Process optimization and energy conservation initiatives
- Conservation of mineral resources

Currently, the Company (like the rest of the cement industry) largely relies on non-renewable energy for its operations which by its very nature, is an energy-intensive process. Towards mitigating these inherent challenges, the Company is building renewable and waste heat recovery (RE/WHR) in its energy mix and also aims to reduce its specific energy consumption (SEC) electrical as well as thermal.

Orient Cement recognizes the importance of water management and has put in place several methods to conserve and minimise usage of water. It has implemented several rainwater harvesting initiatives, enhanced monitoring techniques and increased the water table in the surrounding areas, all of which have contributed to continuous water conservation. All its plants are Zero Liquid Discharge facilities as the discharged water is treated through STP and ETP and recycled for appropriate usage. Water usage has been reduced across its facilities and its operations have been made water positive through continuous monitoring, measurement and engineering solutions.

Specific CO₂

	Kg. CO ₂ /T of Cem eq.	
	Gross	Net
2020-21	617	611
2021-22	612	606

The Company continuously monitors its air quality and ensures that the emissions are below the prescribed level. Company is committed to Net Zero Carbon concrete by 2050 and has aligned its strategies and objectives to achieve the target.

The Company strives to reduce waste generation in its facility through stringent policies and by adopting circularity. It uses bio mass waste as an alternate fuel and the internal plastic waste generated is used in kilns. The e-waste, bio-medical waste and other hazardous waste generated are disposed off safely through authorised vendors.

Health and safety

Orient Cement is a people-centric organisation and considers its employees a key asset for sustained business growth and development. The Company's primary focus is on its human capital, thus it considers the health and safety of its employees and stakeholders to be of utmost importance and their well-being is critical to the Company's efficiency and productivity. Therefore, the Company proactively works to ensure emphasis on ensuring the health and safety of all its employees and contract workers. All the plants have implemented ISO 45001-Occupational, Health and Safety management system to ensure the same. The Company has committed to a 'zero harm' policy that ensures safety for all employees.

The Company conducts health and safety training to spread awareness regarding workplace safety. It also has a dedicated team that conducts regular inspections to ensure all safety procedures are followed. The team also interacts with workers to explain hazards and risks involved in allocated work through toolbox talks. Hazard identification and risk assessments are also conducted to identify and mitigate workplace hazards. The Company also assesses its safety procedures through internal and external audits and works towards continuous improvement.

ZERO Fatalities

There have been no fatalities across the operational plants of Orient Cement in the last 4 years. Going forward, the Company aims to consistently achieve zero fatalities and reduce unsafe acts and unsafe conditions.

Human Resources

The Human Resource management went through a paradigm shift owing to the pandemic. Changing work conditions required flexible and innovative processes ensuring productivity while maintaining high morale of team members. As the pandemic started waning, new opportunities and challenges in HR functions became clearly evident in terms of restructuring and strategizing required to implement “back to office” working while ensuring strict conformance and compliance to Covid protocols. Training and development witnessed adoption of new methods and technology for learning. The HR function has been the epicenter of numerous changes implemented to ensure work alignment with the dynamic environment with equal focus on being agile, culture driven and responding to the needs of team members with empathy. The Company facilitates capability building in every team member to help them reach their maximum potential. It has a highly diverse talent pool that is trained through structured learning and development initiatives.

The Company has an open-door policy that provides team members the opportunity to communicate their concerns freely. During the year, the Company undertook a host of initiatives. Some of the key initiatives are mentioned below:

- **Common Learning Programs:** A customized learning plan for Engineering and Production functions was developed with a focus on process, equipment, people and cross-functional learning. 25 high impact programs covering all members of specific functions across 3 plants ensured operational excellence in engineering and manufacturing while also imparting topical awareness and enhanced collaboration.
- **POSH (Prevention of Sexual Harassment):** Your Company believes that every employee should have the opportunity to work in an environment free from any conduct which can be considered as sexual harassment and is committed to treat every employee with dignity and respect. The policy on prevention of sexual harassment has been formulated to ensure safety of its team members at workplace (including while on official work outside base location). A dedicated internal committee has been formed to address any issue(s) raised by any team member. The Company also conducted awareness sessions and launched an e-learning module to offer a better understanding of the policy.
- **Skill Soft E – Learning platform:** A key initiative to bring in a full-fledged E – Learning platform at the Company via Skill Soft, which is one of the pioneers in Online Learning, to provide the team members unlimited access to their learning

material. Around 400 team members are leveraging this platform to learn various topics of their choice.

- **Prayas:** A cross functional learning platform for supply chain management focusing on learning from team members of different functions thereby enhancing functional capabilities, collaboration and an understanding of inter-location processes and activities.
- **CHETNA:** An initiative of the Women, by the Women and for the Women with an objective to bring together women across various departments and locations on a single platform working towards skill development, networking, mentoring, organizational policies, infrastructure, health and safety.
- **Workmen Skill Development Program:** A teaching program conducted by ITI experts in vernacular language with an objective to impart technical expertise to workmen at Chittapur plant. It also focuses on softer skills such as stress management, motivation, anger management, discipline and inter-personal relationships, thereby contributing towards increase in engagement, productivity and performance.

The Company's employee strength stood around 1,200 as on March 31, 2022.

At Orient Cement, team members are encouraged to share their suggestions / ideas that will improve operational efficiencies, productivity, improve working conditions, etc. on a continuous basis. All team members have the opportunity to report grievances. The Company conducts e-Townhall sessions with the Managing Director & CEO at regular intervals for the team members to connect with the top management. Further, programmes such as E-Samridhi and P-connect allow the team members to communicate their concerns with their seniors and HR team. It also enables quick resolution of various issues. To improve the working environment, several committees were formed to further empower team member welfare. In addition to these, Plant Leadership Team and Functional Leadership team had many sessions in small groups to reiterate various principles, Orient Cement 'Values' and policies across levels.

As a result of the consistent human-centric people policies and practices, extensive training to help people to achieve their best potential and an open environment of trust and respect, Orient Cement has been certified a Great Place to Work for the third year in a row based on a survey with all the employees by Great Place to Work Institute. The participation in the latest survey conducted has been universal wherein all our permanent workmen too participated for the first time within the philosophy of Great Place to Work For All (GPTWFORALL). The scores on all parameters are showing encouraging improvement year after year.

Risk Management

Orient Cement Limited is a growing company operating in an increasingly volatile and challenging business environment. The Company's ability to create and sustain value for its stakeholders

is dependent on identifying, monitoring, and effectively addressing key risks within the environment that it operates.

The Company has a Risk Management policy which has been approved by the Board. The policy lists out objectives and principles of risk management along with an overview of the risk management process, procedures and related roles and responsibilities of individuals forming part of the committee. The Board of Directors has delegated the task of overseeing the deployment of the Risk Management Framework to the Risk Management Committee and the Audit Committee. These committees are responsible for the overall direction-setting and reviewing of the Risk Management Framework.

Below is a graphical representation of the Risk Management Framework.



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

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

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

- Excess capacity and increasing competition**



Capacity expansion plans and growth strategies are reviewed regularly by the leadership. In Company's area of operations, especially in Southern India, there is an overhang of structural overcapacity. In addition, markets served by Jalgaon plant have seen intensifying competition with new cement capacities being commissioned in the catchment area of the Jalgaon plant. We continue to work strategically to engage our employees, build our brand and stay competitive against increasing competition.

- Volatility in prices of raw material and fuel**



The ongoing geo-political tensions have had an impact on prices of fuels (pet coke and coal) in global markets, causing a major concern for the cement industry. The shortage in availability of ammonium nitrate, one of the key raw materials for explosives, has impacted mining operations too. Disruptions at ports globally were felt in international supply chains, mandating Company's increased dependence on domestic supplies. However, irregular supply of domestic coal to cement manufacturers continues due to preferential coal allocation to power plants by the coal miners.

To mitigate this risk, efforts have been stepped up to optimise fuel procurement based on arbitrage and availability. Some of the measures include, expanding supplier base for pet coke, increasing usage of AFR leveraging the recently installed handling systems at Devapur and Chittapur plants to reduce the dependence on coal. The Company has also made long term arrangements which will improve the sourcing of fly ash for Chittapur plant. Once the fly ash rake handling system (currently under construction) is operational, new sourcing opportunities will improve availability and cost of fly ash at Chittapur resulting in tangible savings.

- Health and Safety**



Covid-19 has caused unprecedented challenges. The Company prioritized health and safety of all staff (Plants, Offices, Sales, Off-role, Workmen) ensuring full vaccination. All Covid-19 guidelines and SOPs specified by the Crisis Committee are being followed at all plants and office locations.

While safety activities are being monitored on a continuous basis, focus is now on further improving and monitoring safety performance at project sites too.

• **Cyber Security**



To cope up with the increasing size and complexity of its operations and to support various Digital and Analytics projects, the Company is in the process of upgrading its IT backbone. With the proposed migration, the Company also proposes to move the existing Disaster Recovery (DR) setup from “on premise” solutions to Cloud, taking care of associated risks. To strengthen the network and cloud security, Next Gen Firewall and Cloud security features are in the process of phased implementation. Multi-factor authentication will also be enabled for remote users connecting through VPN for critical workloads.

• **Regulatory Non-Compliance**



Our legal team monitors compliances with regulatory requirements on regular basis. This includes assessing and maintaining the legal compliance environment of key jurisdictions in which company operates. Compliance activities are monitored centrally and a system-based compliance monitoring mechanism compliance-tool is in place for regular monitoring.

• **Inefficient distribution and supply chain**



Instances of malpractices like back dropping/diversion leads to revenue leakage, loss of market share and disruption in operations. To ensure transparency and visibility of deliveries, digital solutions like GPS/Electronic proof of delivery (EPOD) with geo-tagging are being progressively adopted.

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

Community Development

During the year under review, the Company spent ₹1002.74 lakhs (including ₹569.34 lakhs towards rehabilitation and resettlement obligations of Chittapur plant) on community development projects. The Company has undertaken several projects for community development around the Company's manufacturing locations, focusing mainly on education, healthcare, learning and training sessions and rural development.

Promoting education

The Company has been running a school in Devapur, offering primary and secondary education in this remote and backward area to more than 1200 students. The School conducts classes in English and Telugu. During the Covid-19 pandemic, classes were conducted online to ensure continuity of education. In October 2021, offline classes resumed with all the necessary

COVID precautions being undertaken. In Chittapur, the Company has established an English medium, CBSE School with facilities for conducting classes till 9th standard. Around 331 students are enrolled with the School.

Fostering healthcare

In our endeavour to provide unique value to society's priorities, we are making active contribution in the field of healthcare for the marginalised section of the society. We have established health centres at our plants, and they serve extensively for villagers in the vicinity of our plants. During pandemic our centres were supporting vaccination drive for nearby villages. The Company contributed financially to Red Cross Society-Kalburgi Branch during the year under review for their multiple projects during this COVID pandemic. We also conducted eye camps at Mogala village with eye screenings for villagers and distributing relevant medicines and spectacles as part of diagnosis. The Company contributed 4 oxygen concentrators to the villages, 2 in Nashirabad Primary Health Center and 2 in Jalgaon Khurd for the Covid emergency. Further, the Company also donated oxygen concentrators worth ₹25 lakhs to Bhoomika Trust for Covid relief.

Supporting learning and development

As part of upskilling the underprivileged, the Company has initiated several training and teaching programmes for the youth and women in the villages proximal to our Chittapur Plant. The training courses included learning of abacus, computer skills, tailoring, spoken English language and motor vehicle learning classes. Literature learning program and high-class tailoring training classes for women and girls were also conducted.

Promoting rural development projects

To help the neighbouring villagers of Diggaon, Orient Cement has taken the initiative for community development by providing borewell pump accessories and essential fittings. The Company has also taken the initiative to repair, service and maintain three RO plants in village Diggaon. The Company assists locals of Itaga village in Nala Trailing/Pitching by removing collected silt for water to be discharged from its mining pit to Nala for smooth flow of the water, allowing the people to use water for various purposes and also increase the replenishment of ground water table in the community.

Encouraging organic farming practices

For the farmers of Mogala Tanda and Itaga village, the Company started to provide training and demonstrations in agricultural activities for organic farming for 60 such farmers. Farmers educated themselves on several topics like organic farming, waste decomposition, seed treatment, seed germination test, information about progressive farm practices, as well as information about agriculture and allied government schemes. Akruti Trust, (an NGO with whom the Company has tied up for executing programmes in nearby villages), has organised agricultural activities for an organic farming training programme with Mr. Ravinda Patil, Retd. Professor of Agriculture University and Mr. Mahesh Bidarkar, Cow Expert and Agriculture Officer from Chittapur.

Internal control systems and their adequacy

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

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

The Company's control environment demonstrates a commitment to integrity and ethical values. The Board of Directors and the Audit Committee demonstrate independence from the Management and exercise oversight on the Company's internal controls' adequacy and effectiveness. The Company and its management have established a well-defined organisation structure, delegation of authority (DOA) and reporting lines with appropriate authorities, responsibilities, and accountabilities in the pursuit of objectives.

The Company specifies objectives with sufficient clarity to enable identification and assessment of risks relating to the objectives.

The Company has put in place control mechanisms that contribute to the mitigation of identified risks. Such controls are deployed through policies, SOPs and Internal Financial Control (IFC) risk and control matrices that cover all business processes across locations and functions.

Digitisation initiatives such as sales force automation for interactions between sales team and customers, transaction flow through electronic proof of delivery (EPOD), invoice upload to customer portal and automating invoice matching, automation of approval workflow as per the approved DOA with SharePoint 2.0 and its integration with SAP transactions have further strengthened the control environment. The Company continues to progress on its digital journey and has laid down a digital roadmap to further strengthen processes around sales and marketing, supply chain and manufacturing. With the increasing use of digital applications and exposure to external network, cyber security assessments and strengthening are being done.

The Company's risk-based audit approach focuses on areas of high risk, importance and value to the organisation. For Q1 FY 2021-22, M/s M. Bhaskara Rao & Co. (MBRC), an audit firm, provided the internal audit services and covered areas like security, safety, dispensary and school operations review, warehouse and sales office reviews and so on.

Ernst & Young (E&Y) has been appointed as the Internal Audit (IA) partner from Q2 FY 2021-22 onwards. This being the first year of the new IA partner, all key business processes were comprehensively audited to understand the operations specific to the Company's business, with standard risk coverage. Focused reviews included e-auction process in procurement, sales force automation application usage and effectiveness in sales, GPS tracking and EPOD process in logistics and plant maintenance orders. Continuous Control Monitoring (CCM) continues to be a part of the scope, to derive value from data

analytics. In subsequent years, the plan is to narrow down the scope to specific areas within sub-processes and with emerging or new risk focus.

The Company also has an in-house Internal Audit department manned by qualified professionals to conduct, coordinate and monitor audit activities and follow-up on compliance and specific actions identified.

The Company's comprehensive Fraud Risk Framework helps detect and prevent fraudulent activities, ensuring effective business-driven fraud risk management. The Company seeks to build strong processes and controls, integrating prevention, detection and response. To add to this, the Company's Whistle Blower policy provides a platform for various stakeholders to report and help the organisation in averting and preventing any suspicious activity or behaviour. The whistle-blower mechanism then investigates allegations of violations in a comprehensive manner. Appropriate recommendations are followed for rigorous implementation. The whistle-blower is provided complete confidentiality and protection against any attempted harassment.

The Company has a mature Internal Financial Controls (IFC) framework wherein process owners self-assess all key controls on a quarterly basis using the Control's Self-Assessment Tool, alongside external assessments by audit partners. Latest practices are updated in the control documents and timely updation of responsibilities in execution of controls is undertaken.

Looking ahead, the Company will leverage data analytics and automation in audit procedures, to appropriately scope and deep dive in identified focus areas. The Company will continue to increase stakeholder awareness of governance, risk and compliance through training, workshops and culture-building.

Cautionary statement

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

By order of the Board of Directors
For Orient Cement Limited

CK. Birla

Chairman

(DIN No. 00118473)

Place: New Delhi

Date: May 11, 2022

Corporate Governance Report

COMPANY'S GOVERNANCE PHILOSOPHY

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

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

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

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

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

key strategic objective which is enshrined in its core vision – 'Build Sustainably to be a Valued Partner in Progress'

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

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

BOARD OF DIRECTORS

Composition

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

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

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

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

As on March 31, 2022, 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 including 2 (two) Women Directors. Amongst the 8 (eight) Non-Executive Directors, 6 (six) are Independent Directors including 1 (one) Woman Independent Director.

The size and composition of the Board conforms to the requirements of Regulation 17 of the SEBI Listing Regulations and the Companies Act, 2013. Other details relating to the Directors as on March 31, 2022 are as follows:

Name of the Director	Position held in the Company	Directorship in Companies@ (including Orient Cement)	Committee Membership in listed and unlisted Companies# (including Orient Cement)	Committee Chairmanship in listed and unlisted Companies# (including Orient Cement)
Mr. Chandrakant Birla (DIN 00118473)	Chairman, Non-Executive, Promoter	8	-	-
Mr. Desh Deepak Khetrpal (DIN 02362633)	Managing Director & CEO-Executive	3	4	-
Mrs. Amita Birla (DIN 00837718)	Non-Executive, Promoter Group	4	1	-
Mr. Rajeev Jhawar (DIN 00086164)	Non-Executive-Independent	3	3	-
Mr. Rabindranath Jhunjhunwala (DIN 00050729)	Non-Executive-Independent	3	2	-
Mr. Janat Shah (DIN 01625535)	Non-Executive-Independent	3	2	-
Mr. Swapan Dasgupta (DIN 07113693)	Non-Executive-Independent	1	2	-
Mr. I.Y.R. Krishna Rao (DIN 00481367)	Non-Executive-Independent	2	2	2
Mrs. Varsha Vasant Purandare (DIN 05288076)	Non-Executive-Independent	10	10	4

@ 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, 2022, in other listed entities:

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

None of the Directors on the Board of the Company is a Director in more than seven listed companies and/or 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/Managing 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 directors are related to each other.

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

Skills / Expertise / Competencies of Board of Directors:

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

- 1. Leadership:** The Board as a whole, encompasses visionary leadership with an ability to steer the goals and objectives of the Company through its effective management, delegation, communication and negotiation skills based on its in-depth knowledge of markets and changing business environments.
- 2. Management and operation of industrial enterprises:** The members of the Board conduct the management and operation of the business with efficacy based on their ability of understanding the multifaceted business operations.
- 3. Knowledge on various laws for compliances oversight:** The Board brings to the table their in-depth knowledge regarding various laws that aid in effective planning and forecasting of the Company's various policies and programs.
- 4. Expertise in operations and strategic planning:** The Board possesses a deeper understanding of the continuously changing business environment and has the expertise to strategically plan the future course of Company's operations.
- 5. Analytical skills:** The Board possesses analytical skills to solve complex matters.
- 6. Experience in administration, economics and financial matters:** The Board brings with it, its experience in administration, economics and financial matters that helps in effective decision making.

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

Appointment or re-appointment of Directors

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

As per the provisions of the Act, Mrs. Amita Birla (DIN 00837718), Director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment. The Board has recommended the re-appointment of Mrs. Amita Birla as a Director liable to retire by rotation in the Notice of ensuing Annual General Meeting.

During the financial year 2021-22, on the recommendation of the Nomination & Remuneration cum Compensation Committee, the Board of Directors in their meeting held on January 31, 2022, approved the re-appointment of Mr. Desh Deepak Khetrpal (DIN 02362633) as the Managing Director of the Company w.e.f. April 1, 2022 for a period of 2 (two) years subject to approval of shareholders by way of Postal Ballot. Mr. Khetrpal is also the Chief Executive Officer of the Company.

A brief profile and other details relating to the Director is 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 an 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, the 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 New 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, they 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 Board 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.

Availability of information to the Board

The Board has unrestricted access to all Company-related information, including that of our employees. At Board meetings, managers and representatives who can provide additional insights into the items being discussed are invited. Information is provided to the Board Members on a continuous basis for their review, inputs and approval. Strategic and operating plans are presented to the Board in addition to the quarterly and annual financial statements. Specific details regarding future expansion plans, important managerial decisions, material positive / negative developments and statutory matters are presented to the committees of the Board and later, with the recommendation of the Committees, to the Board for its approval. As a process, information to Directors is submitted along with the agenda well in advance of Board Meetings. Inputs and feedback of Board Members are taken and considered while preparing the agenda and documents for the Board Meetings. At these meetings, Directors can provide their inputs and suggestions on various strategic and operational matters.

Meetings of Board and attendance during the year

During the financial year under review, 6 (six) Board meetings were held. These were held on May 17, 2021, August 2, 2021, October 25, 2021, December 22, 2021, January 31, 2022 and March 25, 2022.

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 5, 2021.

Name of Director	No. of Board Meetings attended	Attendance at last AGM
Mr. Chandrakant Birla	6	Yes
Mr. Desh Deepak Khetrpal	6	Yes
Mrs. Amita Birla	4	Yes
Mr. Rajeev Jhawar	5	Yes

Name of Director	No. of Board Meetings attended	Attendance at last AGM
Mr. Rabindranath Jhunjhunwala	6	Yes
Mr. Janat Shah	4	No
Mr. Swapan Dasgupta	6	Yes
Mr. I.Y.R. Krishna Rao	6	Yes
Mrs. Varsha Vasant Purandare	6	Yes

COMMITTEES OF DIRECTORS

In terms of the SEBI Listing Regulations and the Act, the Board has constituted 5 (Five) Committees viz. Audit Committee, Nomination & Remuneration cum Compensation Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee. Keeping in view the requirements of the Act as well as the SEBI Listing Regulations, the Board decides the terms of reference of these Committees. The recommendations, if any, of these Committees are submitted to the Board for approval.

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

(a) Audit Committee

Composition

As on March 31, 2022, the Audit Committee comprised of the following members, namely:

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

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.

Terms of reference of the Audit Committee

Primarily, the Audit Committee is responsible for:

1. Overseeing the Company's financial reporting process and disclosure of its financial information, to ensure that the financial statements are correct, sufficient and credible

2. Recommending to the Board, appointment, re-appointment, remuneration and terms of appointment of Auditors of the Company
3. Approval of payment to Statutory Auditors for any other services rendered by them
4. Examining and reviewing with the Management, the financial statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
 - a) Matters required to be included in the Director's Responsibility Statement which is to be included in the Board's Report in terms of section 134(3)(c) of the Companies Act, 2013
 - b) Changes, if any, in accounting policies and practices and reasons for the same
 - c) Major accounting entries involving estimates based on the exercise of judgment by the Management
 - d) Significant adjustments made in the financial statements arising out of audit findings
 - e) Compliance with listing and other legal requirements relating to financial statements
 - f) Disclosure of any related party transactions
 - g) Qualification in the draft Auditor's Report
5. Reviewing with the Management, the quarterly financial statements before submission to the Board for approval
6. Reviewing with the Management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency tracking the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter
7. Reviewing and monitoring the Auditor's independence and performance and effectiveness of the audit process
8. Approval or any subsequent modification of transactions of the Company with related parties,
9. Scrutiny of inter-corporate loans and investments
10. Valuation of undertakings or assets of the Company, wherever it is necessary
11. Evaluation of internal financial controls and risk management systems
12. Reviewing with the Management, performance of statutory and internal auditors and adequacy of the internal control systems
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit
14. Discussion with Internal Auditors on any significant findings and follow up there on
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and report the matter to the Board
16. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area(s) of concern
17. Looking into the reasons of substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors
18. Reviewing the functioning of vigil mechanism
19. Approval of appointment of Chief Financial Officer (i.e., whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate
20. Reviewing of Management Discussion and Analysis of financial condition and results of operations
21. Reviewing of significant related party transactions submitted by Management
22. Reviewing management letters/letters of internal control weaknesses issued by the Statutory Auditors
23. Reviewing internal audit reports relating to internal control weaknesses
24. Reviewing the appointment, removal and terms of remuneration of the Chief Internal Auditor
25. To do such act as specifically prescribed by the Board
26. Carrying out functions, and is empowered to act in terms of Companies Act 2013, read with rules framed there under, Listing Agreement and rules and regulations framed by Securities and Exchange Board of India, including any amendment or modification thereof

27. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments as on the date of coming into force of this provision
28. Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., of the listed entity and its shareholders
29. Reviewing the statement of deviations:
 - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1)
 - (b) annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7).

Meetings of the 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 17, 2021, August 2, 2021, October 25, 2021 and January 31, 2022.

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

Name of the Member	Position	No. of meetings attended
Mr. I. Y. R. Krishna Rao	Chairman	4
Mr. Desh Deepak Khetrapal	Member	4
Mr. Rajeev Jhawar	Member	3
Mr. Rabindranath Jhunjhunwala	Member	4
Mr. Janat Shah	Member	4
Mr. Swapan Dasgupta	Member	4
Mrs. Varsha Vasant Purandare	Member	4

The Chairman of the Audit Committee, who is an Independent Director, was present at the Annual General Meeting of the Company held on August 5, 2021.

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. The Board has accepted all recommendations made by the Audit Committee.

(b) Nomination & Remuneration cum Compensation Committee

Composition

As on March 31, 2022, the Nomination & Remuneration cum Compensation Committee comprised of the following members, namely:

- (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.

Terms of reference

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

1. Identifying candidates who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down
2. Recommending to the Board, appointment and removal of directors and senior management
3. Recommending to the Board, whether to extend or continue the term(s) of appointment of the independent director, based on the report of the performance evaluation of independent directors
4. Formulating the criteria for evaluation of independent directors and the Board and carrying out evaluation of every director's performance
5. 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
6. Devising a policy on Board diversity
7. Recommend to the Board, all remuneration, in whatever form, payable to senior management
8. Evaluating the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the roles and capabilities required on every appointment of an independent director. The candidate recommended to the Board for appointment as an independent director shall have the capabilities identified in such

description. For the purpose of identifying suitable candidates, the Committee may:

- a. use the services of external agencies, if required
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity and
 - c. consider the time commitments of the candidates.
9. To do such act(s) as specifically prescribed by Board and
10. Carrying out functions, and is empowered to act, in terms of Companies Act 2013, read with rules framed thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any amendment or modification thereof.

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

2 (two) meetings of Nomination & Remuneration cum Compensation Committee were held during the financial year ended March 31, 2022. These were held on May 17, 2021 and January 31, 2022.

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

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

(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.

Shareholders may note that the share transfers, dividend payments and all other investor-related activities are attended to and processed at the office of the Company's RTA.

For any grievances / complaints, shareholders may contact the RTA, KFin Technologies Limited (formerly KFin Technologies Private Limited) at einward.ris@kfintech.com. For any escalations, shareholders may write to the Company at investors@orientcement.com and for queries on dividend tax, write to us on investors@orientcement.com.

The addresses and contact details for investor queries, RTA, depositories for equity shares in India and stock exchanges are provided further in the General Shareholder Information Section of this Corporate Governance Report.

Composition

As on March 31, 2022, the Stakeholders' Relationship Committee comprised of the following members, namely:

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

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

Contact details of the Secretary/Compliance Officer:

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

Terms of reference

Primarily, the Stakeholders' Relationship Committee is responsible for:

- Overseeing the performance of the Registrar and Share Transfer Agent of the Company and recommending measures for the overall improvement in the quality of Investor Services
- 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 of 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, rematerialization, 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 and Share Transfer Agent

7. Review of 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
8. Issue of duplicate certificates and new certificates on split/consolidation/renewal
9. Carrying out any other function(s) as specifically prescribed by the Board of Directors, under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013 and the rules and regulations made thereunder, each as and when amended from time to time.

The details of investors' complaints received and resolved during the financial year ended March 31, 2022: -

No. of Investors' complaints received from April 1, 2021 to March 31, 2022	No. of Investors' complaints resolved from April 1, 2021 to March 31, 2022	No. of Investors' complaints pending as at March 31, 2022
1	1	NIL

In the absence of any specific communication on the resolution provided to the investor/ member in relation to the complaints, it is assumed that all the complaints are resolved to the satisfaction of the complainant. Any member / investor, whose grievance has not been resolved satisfactorily, may kindly write to the Company Secretary with a copy of the earlier correspondence.

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, 2022. These were held on May 17, 2021, August 2, 2021, October 25, 2021 and January 31, 2022.

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

Name of the Member	Position	No. of meetings attended
Mrs. Varsha Vasant Purandare	Chairperson	4
Mr. Desh Deepak Khetrapal	Member	4
Mr. Rajeev Jhavar	Member	3
Mr. Swapan Dasgupta	Member	4

(d) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee of the Board has been constituted to oversee the Corporate Social

Responsibility Policy of the Company and to recommend projects/ activities and the expenditure to be incurred on the activities, in accordance with Schedule VII of the Act.

Composition

As on March 31, 2022, the Corporate Social Responsibility Committee comprised of the following members, namely:

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

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

Terms of Reference

Primarily, the Corporate Social Responsibility Committee is responsible for:

- (i) Formulating and recommending the CSR Policy to the Board and suggest changes therein, from time to time
- (ii) Identifying the areas of CSR activities to be taken up by the Company every year in accordance with this Policy
- (iii) Recommending the CSR Budget every year and the projects or activities to be undertaken
- (iv) Formulating and recommending to the Board for its approval, an annual action plan every financial year outlining the following:
 - a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act
 - b) the manner of execution of such projects or programmes
 - c) the modalities of utilisation of funds and implementation schedules for the projects or programmes
 - d) monitoring and reporting mechanism for the projects or programmes and
 - e) details of need and impact assessment, if any, for the projects undertaken by the Company.
- (v) Implementing, overseeing and monitoring the progress of the project or activity rolled out under this policy
- (vi) Providing an update to the Board on all CSR activities undertaken during the financial year and
- (vii) Such other functions and responsibilities, as may be assigned from time to time.

The Corporate Social Responsibility Policy of your Company is available on the Company's website and can be accessed through the web link: <https://www.orientcement.com/wp-content/uploads/2021/05/corporate-social-responsibility-policy.pdf>. The CSR report, as required under the Companies Act, 2013, for the year ended March 31, 2022, is attached as Annexure 3 to the Board's report.

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, 2022, on May 17, 2021.

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	1
Mr. Desh Deepak Khetrapal	Member	1
Mr. Rabindranath Jhunjhunwala	Member	1
Mr. I.Y. R. Krishna Rao	Member	1

(e) Risk Management Committee

As per Regulation 21 of the SEBI Listing Regulations, the Company being one of the top 1000 listed entities, (determined on the basis of market capitalization as at the end of the immediate preceding financial year) has formulated a Risk Management Committee. The details of the same are provided herein below:

Composition

As on March 31, 2022, Risk Management Committee comprised of the following members, namely:

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

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

Terms of reference

Primarily, the Risk Management Committee is responsible for:

1. Formulating a risk management policy of the Company which shall include:
 - A framework for identification of internal and external risks, in particular including financial, operational, sectoral, strategic, compliance, reputational, sustainability (particularly ESG related risks), business continuity plan, information, cyber security risks or any other risk as may be determined by the Committee.
 - Measures for risk mitigation including systems and processes for internal control of identified risks.
2. Reviewing the risk management policy periodically, at least once in two years, by considering the changing industry dynamics and evolving complexities.
3. Ensuring that appropriate methodology, processes, and systems are in place to monitor and evaluate risks associated with the business of the Company.
4. Monitoring and overseeing implementation of the Risk Management Policy, including evaluating the adequacy of risk management systems.
5. Keeping the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken.
6. Appointment, removal and terms of remuneration of the Chief Risk Officer.
7. Ensuring compliance with regulatory requirements and best practices with respect to risk management.
8. Submitting half-yearly report on effectiveness of Risk Management Framework to the Board of Directors and Audit Committee.
9. Such other duties as may be assigned by the Board of Directors from time to time.

The Committee shall co-ordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors. Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

Meetings of Risk Management Committee and attendance during the year

3 (Three) meetings of the Risk Management Committee were held during the financial year under review on May 17, 2021, October 25, 2021 and March 25, 2022.

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

Name of the Member	Position	No. of meetings attended
Mr. I. Y. R. Krishna Rao	Chairman	3
Mr. Desh Deepak Khetrapal	Member	3
Mr. Rajeev Jhavar	Member	2
Mr. Rabindranath Jhunjhunwala	Member	3
Mr. Janat Shah	Member	2
Mr. Swapan Dasgupta	Member	3
Mrs. Varsha Vasant Purandare	Member	3

MANAGEMENT COMMITTEES

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

(a) The Governance Risk and Compliance Committee

The Company has in place a mechanism to inform the Risk Management Committee, Audit Committee and Board members about the risk assessment and mitigation plans and periodical reviews through the Governance Risk and Compliance Committee ("GRCC") to ensure that critical risks are monitored and mitigated by the Management. Business Risk Evaluation and Management is an ongoing process within the Company. The Company has a robust management framework to identify, monitor, mitigate and minimize risks and to 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, 2022, the GRCC comprised of following members, namely:

- i. Chief Executive Officer
- ii. Chief Financial Officer
- iii. Chief HR Officer/ HR Head

- iv. President – Manufacturing
- v. President – Sales & Marketing
- vi. President – Projects
- vii. Chief Risk Officer

The Committee meets as and when required.

Terms of reference

Primarily, the GRCC is responsible for:-

1. Risk identification and prioritization

Review and sign off on the results of risk identification and prioritization.

2. Risk mitigation

Review the mitigation plans developed along with the root causes, risk management and reporting ownerships, timelines, and implementation statuses.

3. Risk monitoring and reporting

Review results of Risk Management as reported by the Functional Heads/Unit Heads or the Executive-in-Charge. Submit the results for review and approval of the CEO.

4. With regard to the Risk Management Framework

- Provide overall guidance related to the Risk Management processes across the Company.
- Review the need for additional Risk Management related activities across the Company and assign responsibilities.
- Review the effectiveness of Risk Management Framework on half-yearly basis.
- Submit the half yearly Risk and Mitigation Plan Assessment Report to the CEO for review and approval.
- Present half yearly Risk and Mitigation Plan Assessment Report to the Risk Management Committee and the Audit Committee and
- Such other duties as may be assigned from time to time by the Risk Management Committee.

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, 2022, the Steering Committee comprised of following members, namely:

- (i) Chief Financial Officer
- (ii) Chief Operating Officer
- (iii) Chief HR Officer/HRHead
- (iv) Chief Compliance Officer
- (v) Company Secretary

The Committee meets as and when required.

Terms of reference

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 and Remuneration Policy of the Company is available on our website, at https://www.orientcement.com/wp-content/uploads/2019/05/NRC_Policy-22_3_2019.pdf.

Succession Planning

The Nomination and Remuneration cum Compensation Committee works with the Board on the leadership succession plan to ensure orderly succession in appointments to the Board and in the senior management. The Company strives to maintain an appropriate balance of skills and experience within

the organization and the Board, in an endeavour to introduce new perspectives while maintaining experience and continuity.

By integrating workforce planning with strategic business planning, the Company puts the necessary financial and human resources in place so that its objectives can be met.

Our Board members bring to the table their broad and diverse skills and viewpoints to aid the Company in advancing its strategy. In addition, promoting senior management within the organization fuels the ambitions of the talent force to earn future leadership roles.

Criteria for selection of Directors

- The Nomination & Remuneration cum Compensation Committee identifies and ascertains the integrity, qualification, expertise and experience of the candidate for appointment as a director and ensures the same.
- The Nomination & Remuneration cum Compensation Committee ensures that the candidate proposed for appointment as director, is compliant with the provisions of the Act and of the SEBI Listing Regulations.
- The candidate's appointment as recommended by the Nomination & Remuneration cum Compensation Committee requires the approval of the Board.
- In case of appointment of Independent Directors, the Nomination & Remuneration cum Compensation Committee satisfies itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its functions 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, 2022 is as follows:

Name	Salary and allowances (₹)*	Annual performance variable pay** (₹) and performance criteria	Perquisite (₹)	Retiral Benefits (₹)	Total (₹)	Stock Options granted	Notice Period	Severance Pay
Mr. Desh Deepak Khetrpal	4,98,04,440/- p.a.	2,44,26,000/- (Managing Director & CEO's performance and Company's performance)	9,78,800/- p.a.	1,29,78,480/- p.a.	8,81,87,720/- p.a.	NIL	Three months	NIL

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

**Annual Performance variable pay is as accrued for the financial year 2021-22.

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

Remuneration of Non-Executive Directors

The Board, while deciding the basis for determining the compensation of the independent directors, takes various things into consideration. These include global board compensation benchmarking, participation of individual directors in Board and committee meetings, other responsibilities, such as membership or chairmanship of committees, time spent in carrying out other duties, roles and functions as prescribed in Schedule IV of the Act, Listing Regulations and such other factors as the Board deems fit.

The shareholders, at the AGM held on September 23, 2017, approved a sum not exceeding 1% of the net profit of the Company per annum, calculated in accordance with the provisions of Section 198 of the Companies Act, 2013, to be paid and distributed among some or all of the Non-Executive Directors of the Company in a manner decided by the Board.

This payment will be made with respect to the profits of the Company for each year.

The amount payable to Independent Directors for the year ended March 31, 2022 is ₹2 crores.

Additionally, Independent Directors are paid sitting fee for attending the Board and Committee meetings and are also reimbursed expenses incurred by them in the performance of their official duties. We confirm that no single Non-Executive Director received remuneration exceeding 50% of the total remuneration paid to all the Non-Executive Directors during the year ended March 31, 2022.

The details of sitting fees and commission paid/payable to Non-Executive Directors for the financial year 2021-22 and their shareholding as on March 31, 2022, are as follows:

S. No.	Name of director	Sitting fees (₹)*	Commission (₹)	Shareholding (Nos.)
1.	Mr. Chandrakant Birla	7,00,000/-	40,00,000	31,53,570
2.	Mrs. Amita Birla	4,00,000/-	22,50,000	3,88,000
3.	Mr. Rajeev Jhawar	11,50,000/-	22,50,000	-
4.	Mr. Rabindranath Jhunjhunwala	13,50,000/-	22,50,000	-
5.	Mr. Janat Shah	11,00,000/-	22,50,000	-
6.	Mr. Swapn Dasgupta	15,00,000/-	22,50,000	-
7.	Mr. I.Y.R. Krishna Rao	12,50,000/-	25,00,000	-
8.	Mrs. Varsha Vasant Purandare	15,00,000/-	22,50,000	-

*For attending the Board Meetings, Audit Committee Meetings, Stakeholders' Relationship Committee Meetings, Corporate Social Responsibility Committee Meeting, Nomination & Remuneration cum Compensation Committee Meetings, Risk Management 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 Non-Executive Director except Mr. Rabindranath Jhunjhunwala, who is a partner with Khaitan & Co., LLP and Khaitan & Co. had any pecuniary relationship with the Company. The transactions entered into with Khaitan & Co. LLP and Khaitan & Co., during the financial year 2021-22 were in ordinary course of business and at arms' length basis.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Act and SEBI Listing Regulations, the Board has carried out the performance evaluation of its own performance, the Directors individually, Chairman as well as the evaluation of the working of its Audit Committee, Nomination & Remuneration cum Compensation Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility

Committee and Risk Management Committee. The performance evaluation was done using questionnaires, covering amongst others, composition of Board, receipt of regular inputs and information, functioning, performance & structure of Board Committees, skill set, knowledge and expertise of directors, contribution at Board Meetings and leadership. The performance evaluation of the respective Committees and that of Independent and Non-independent Directors was done by the Board excluding the Director being evaluated.

It was noted by the Board that the Committees of Board, each Individual Director and the Board as a whole are meeting the criteria and expectations. The Board also noted that the Board as a whole is a coherent and balanced Board with diversified representation of qualified, knowledgeable and well experienced members from various fields. The Board members proactively participate in its meetings and guide the Management in all areas with focus on corporate governance, risk management, ethics, transparency, etc.

INDEPENDENT DIRECTORS' MEETING

1 (One) meeting of the Independent Directors of the Company was held on October 25, 2021 without the attendance of Non-Independent Directors and members of Management. Independent Directors discussed the matters specified in Schedule IV of the Act and SEBI Listing Regulations.

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

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

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

performance evaluation process, the performance evaluation of Non-Independent Directors, the Chairman and the Board was done by the Independent Directors.

The Independent Directors noted that the Chairman has a pragmatic and farsighted view of the Company and its prospects; giving leadership to the Board to improve the standards of governance and long-term view of the Company. The Directors also noted that he is an inspirational leader who is able to carry all the stakeholders together to achieve the Company's and individual goals. They further noted that the Managing Director & CEO has clear vision and understands the business, opportunities and challenges very well. He brings to the table a thorough knowledge of the industry, financial acumen and exemplary leadership driven by passion for performance. The Directors appreciated that he has led the Company with considerable skill during the pandemic, is able to strategize and communicate clearly, delegates and empowers his team to achieve the goals and came to the conclusion that his performance was satisfactory. As regards the performance of Non-Executive Director, Mrs. Amita Birla, the Directors noted that she actively participates in the Board proceedings, contributes and gives valuable inputs during the deliberations which enables the Board to take informed decision on various matters relating to the Company's business.

The Independent Directors noted that at Orient Cement, the Board is a cohesive Board bringing in talent and experience from diverse fields.

GENERAL BODY MEETINGS

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

Financial year	Date	Day	Time	Venue	Special resolutions passed
2018-19	August 1, 2019	Thursday	2:00 P.M.	Unit-VIII, Plot No.7, Bhoinagar, Bhubaneswar-751012, Odisha	(i) Re-appointment of Mr. Janat Shah (DIN 01625535) as an Independent Director (ii) Re-appointment of Mr. Rabindranath Jhunjhunwala (DIN 00050729) as an Independent Director (iii) Re-appointment of Mr. Rajeev Jhavar (DIN 00086164) as an Independent Director (iv) Approval of the terms of remuneration of Mr. Desh Deepak Khetrpal, Managing Director & CEO (DIN 02362633)
2019-20	July 31, 2020	Friday	11:00 A.M.	Unit-VIII, Plot No.7, Bhoinagar, Bhubaneswar-751012, Odisha	(i) Re-appointment of Mr. Swapan Dasgupta (DIN 07113693) as an Independent Director
2020-21	August 5, 2021	Thursday	2:00 P.M.	Unit-VIII, Plot No.7, Bhoinagar, Bhubaneswar-751012, Odisha	(i) Re-appointment of Mr. I.Y.R. Krishna Rao (DIN 00481367) as an Independent Director

(b) Extraordinary General Meeting (EGM)

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

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

During the financial year 2021-22, 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.

(d) Details of resolution proposed to be passed through Postal Ballot and procedure for postal Ballot

As on the date of this report the ordinary resolutions for appointment of Mr. Desh Deepak Khetrpal as the Managing Director of the Company and approval of his remuneration are proposed to be passed through postal ballot, which will be conducted through remote e-voting only as per the provisions of Section 108 and 110 of the Act read with Rule 20, 21 & 22 of the Companies (Management and Administration) Rules, 2014 (as amended from time to time) and in accordance with the terms of General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021 and 20/2021 dated December 8, 2021 issued by the Ministry of Corporate Affairs (collectively referred to as the "MCA Circulars") and Listing Regulations, as amended from time to time.

MEANS OF COMMUNICATION

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

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

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

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

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

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

GENERAL SHAREHOLDER INFORMATION**Financial Year**

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

Financial Calendar

Board Meeting for consideration of unaudited quarterly results	Within forty-five days from the end of the quarter, as stipulated under the SEBI Listing Regulations.
Board Meeting for consideration of audited results	Within sixty days from the end of the last quarter, as stipulated under the SEBI Listing Regulations.
Book Closure date	Friday, July 22, 2022 to Thursday, July 28, 2022 (both days inclusive).
Dividend payment date	On or before August 26, 2022
Day, date, time and venue of Annual General Meeting	Thursday, July 28, 2022 at 3:30 p.m. through video conferencing at Unit -VIII, Plot No. 7, Bhoynagar, Bhubaneswar-751012, (Odisha) in terms of Circular Nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 05, 2020, 02/2021 dated January 13, 2021, 21/2021 dated December 14, 2021 and 3/2022 dated May 5, 2022 issued by Ministry of Corporate Affairs.

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 2021-22, 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 2021-22 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, 2022, the Company has paid the following amounts (excluding applicable taxes) to

the Statutory Auditors of the Company, their affiliate firms and other firms in the network entity of which the Statutory Auditor are a part of, during their respective terms as Statutory Auditors of the Company:

Particulars	(₹ Lacs)	
	M/s S.R. Batliboi & Co. LLP (upto August 5, 2021)	M/s B S R & Associates LLP
Fees for audit and related services	25.00	55.11
Total	25.00	55.11

Market price data Bombay Stock Exchange (BSE) and National Stock Exchange (NSE)

Month	BSE		NSE	
	High Price (₹)	Low Price (₹)	High Price (₹)	Low Price (₹)
April 2021	111.95	96.20	112.00	96.20
May 2021	149.00	102.00	149.00	104.15
June 2021	150.00	125.00	143.05	122.60
July 2021	161.95	135.60	162.00	135.55
August 2021	173.40	141.00	173.50	145.00
September 2021	170.20	149.30	170.40	150.30
October 2021	166.00	145.20	166.00	145.00
November 2021	185.50	149.65	185.55	149.15
December 2021	172.00	152.00	170.35	152.05
January 2022	182.00	156.75	182.25	156.70
February 2022	184.00	135.35	184.15	138.50
March 2022	155.50	122.00	155.40	121.85

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 500 (Closing)
April 2021	105.30	48782.36	105.25	12364.35
May 2021	138.50	51937.44	138.45	13226.35
June 2021	136.65	52482.71	136.80	13473.55
July 2021	159.80	52586.84	159.75	13664.25
August 2021	151.90	57552.39	151.80	14555.90
September 2021	158.85	59126.36	158.95	15052.65
October 2021	162.60	59306.93	162.80	15086.90
November 2021	156.25	57064.87	156.45	14648.35
December 2021	159.55	58253.82	159.50	14996.20
January 2022	167.95	58014.17	167.90	14921.45
February 2022	144.70	56247.28	144.75	14307.95
March 2022	142.40	58568.51	142.30	14894.50

Orient Share Price on BSE vis a vis BSE SENSEX



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



Share Transfer system and other related matters

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

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

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

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

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

Shareholding Pattern as on March 31, 2022

S. No.	Category	Number of shares held	Percentage of shareholding
(A) Shareholding of Promoter and Promoter Group			
1.	Indian	7,65,49,922	37.37
2.	Foreign	-	-
	Total shareholding of Promoter and Promoter Group	7,65,49,922	37.37
(B) Public shareholding			
1.	Institutions	4,37,88,142	21.37
2.	Central Government/State Government(s)/ President of India	-	-
3.	Non-Institutions	8,45,30,696	41.26
	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, 2022

From-To	No. of shares	Percentage of total no. of shares
	Number	%
1-500	82,98,155	4.05
501-1000	38,75,942	1.89
1001-2000	40,21,957	1.96
2001-3000	24,90,703	1.22
3001-4000	15,84,765	0.77
4001-5000	18,56,366	0.91
5001-10000	47,32,968	2.31
10001-50000	1,05,61,633	5.16
50001-100000	44,97,258	2.20
Above 100001	16,29,49,013	79.54
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, 2022, 99.65% of the equity shares of the Company are held by 109352 equity shareholders in

dematerialized form and the balance 0.35% is held by 282 equity shareholders in physical form.

Entire equity shareholding of the Promoters of 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 2021-22.

As on March 31, 2022, a total of 11,06,000 options were outstanding under "Orient Cement Employee Stock Option Scheme 2015". Each option is convertible into one equity share of ₹1 each.

Commodity price risk or foreign exchange risk and hedging activities

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

Plant Locations

The Company's plants are located at:

Devapur:

P.O. Devapur Cement Works
Dist. Mancherial - 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 as detailed below:

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

There is no change in the said ratings during the financial year 2021-22, except for change in outlook from stable to positive.

Registrar and Share Transfer Agent

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

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

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

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

Address for correspondence with the Company

Mrs. Nidhi Bisaria
Company Secretary
Orient Cement Limited
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 address to enable the Members and Investors to correspond with the Company. The e-mail address is investors@orientcement.com.

GO GREEN INITIATIVE

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

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

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

COMMUNICATION BY MEMBERS

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

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

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

CHANGE OF ADDRESS

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

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

DISCLOSURES

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

All the transactions entered into with Related Parties as per the Act and Regulation 23 of the SEBI Listing Regulations during the financial year 2021-22 were in the ordinary course of business and at 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 a regular basis. Suitable disclosures as required by the Accounting Standards have been made in the notes to the Financial Statements.

The Company's policy relating to dealing with Related Party Transactions is uploaded on the website of the Company and can be accessed through the web link: <https://www.orientcement.com/wp-content/uploads/2022/04/Related-Party-Transaction-Policy.pdf>.

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

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

(c) Non-compliance by the Company, penalties, strictures imposed by the Stock Exchange or SEBI or any Statutory

Authority, on any matter related to capital markets during the last three years

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

(d) Whistle Blower and Vigil Mechanism Policy

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

The Whistle Blower Policy is available on Company's website and can be accessed through the web link: <https://www.orientcement.com/wp-content/uploads/2016/05/Whistle-Blower-Policy.pdf>.

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

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

Company Secretary
E-mail address-whistleblower@orientcement.com
Telephone: 011 42092253

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
Email address- whistleblower@orientcement.com
Telephone: 011 42092253

(e) Compliance with mandatory requirements

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

(f) Compliance with non-mandatory provisions

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

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

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

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 information on its website as required under SEBI Listing Regulations, which, inter alia includes:

- Details of its business
- Terms and conditions of appointment of Independent Director
- Composition of various committees of Board of Directors
- Code of conduct of Board of Directors and Senior Management Personnel
- Whistle Blower Policy
- Policy on dealing with related party transactions
- Policy for determination of Materiality of Event
- Archival Policy
- Dividend Distribution Policy
- Nomination & Remuneration policy for Directors, KMPs & Senior Management
- Corporate Social Responsibility Policy
- Code of Practices and Procedures for UPSI
- Details of familiarization programs imparted to the Independent Directors
- Email address for grievance redressal and contact information of Compliance Officer

- Financial information including notice of meeting of Board of Directors to be held for discussion of financial results and annual reports and
- Shareholding pattern

NOMINATION FACILITY

The shareholders holding shares in physical form are mandatorily required to furnish to the Company's Registrar and Share Transfer Agent (RTA), their PAN, KYC details, the details of nomination in hard copy or through electronic mode with e-signature as follows:

- i. Either,
 - Nomination through Form SH-13 as provided in the Rules 19 (1) of Companies (Shares capital and debenture) Rules, 2014 or
 - 'Declaration to Opt-out', as per Form ISR-3
- ii. In case of cancellation of nomination by the holder(s) through Form SH-14, then 'Declaration to Opt-out' shall be provided by the holder(s)
- iii. Securities holder(s) can change their nominee through Form SH-14

Those holding shares in dematerialized form may contact their respective Depository Participant (DP) to avail the Nomination facility.

RECONCILIATION OF SHARE CAPITAL AUDIT

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

DIVIDEND AND OTHER RELATED MATTERS

The Company provides the facility for direct credit of the dividend to the Members' bank account. SEBI Listing Regulations also mandate Companies to credit the dividend to the Members electronically. Members are therefore urged to avail of this facility to ensure safe and speedy credit of their dividend into their bank account through the banks' "Automated Clearing House" mode. Members who hold shares in dematerialized mode should inform their Depository Participant, whereas members holding shares in physical form should inform the Company of the banking account details allotted to them by their bankers. In cases where the banking details are not available, the Company will issue dividend warrants to the members.

Further, the Company is required to transfer dividends which have remained unpaid/unclaimed for a period of seven years from the date the dividend has become due for payment to the Investor Education & Protection Fund (IEPF) established by the Government. Pursuant to the provisions of Sections 124 and 125 of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), as amended, unpaid and/or unclaimed final dividend of ₹9,54,914 pertaining to the financial year ended on March 31, 2014; unpaid and/or unclaimed interim dividend of ₹8,83,841 for the year ended March 31, 2015 were transferred during the year to the Investor Education and Protection Fund ("IEPF").

Further, 20,961 and 5,150 equity shares of face value of ₹1 each, in respect of which dividend was not paid or claimed by the members for seven consecutive years or more, have been transferred by the Company to IEPF during the year. Details of shares transferred have been uploaded on the website of IEPF as well as the Company.

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

UNCLAIMED DIVIDEND & UNCLAIMED SHARES

Section 124 of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules"), as amended, mandates that companies transfer dividend(s) that has/have remained unclaimed / unrealised for a period of seven years from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). Further, the Rules mandate that the shares on which dividend(s) has/have not been claimed/ encashed for seven consecutive years or more be transferred to the IEPF.

The following table provides a list of years for which unclaimed dividends and their corresponding shares would become eligible to be transferred to the IEPF on the dates mentioned below:

Year	Type of Dividend	Dividend per share (₹)	Date of declaration	Due date for transfer	Amount unclaimed as on March 31, 2022 (₹)
2014-15	Final	1.00	25-07-2015	28-08-2022	11,28,886.00
2015-16	Final	1.00	23-07-2016	28-08-2023	11,85,369.00
2016-17	Final	0.50	23-09-2017	25-10-2024	6,91,738.00
2017-18	Final	0.75	17-08-2018	24-09-2025	10,01,859.00
2018-19	Final	0.75	01-08-2019	04-09-2026	9,60,485.25
2019-20	Final	0.75	31-07-2020	02-09-2027	9,71,745.50
2020-21	Interim	0.50	28-01-2021	03-03-2028	2,76,696.50
2020-21	Final	1.50	05-08-2021	07-09-2028	7,89,970.00

In order to educate the shareholders and with an intent to protect their rights, the Company also sends regular reminders to shareholders to claim their unclaimed dividends/shares before it is transferred to IEPF. Shareholders may note that both unclaimed dividends and corresponding shares transferred to IEPF, including all benefits accruing on such shares, if any, can be claimed from IEPF following the procedure prescribed in the Rules. No claim shall lie in respect thereof with the Company.

Dividend remitted to IEPF during the last three years

Fiscal	Type of Dividend	Dividend declared on	Date of transfer to IEPF	Amount transferred to IEPF (₹)
2012-13	Final	07-08-2013	22-09-2020	22,37,280
2013-14	Interim	31-01-2014	18-03-2021	8,66,113
2013-14	Final	09-08-2014	21-09-2021	9,54,914
2014-15	Interim	22-01-2015	09-03-2022	8,83,841

Note: Accordingly, corresponding shares have been transferred to IEPF.

There are no unclaimed shares lying with the Company.

CODE OF CONDUCT

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

All members of the Board and the Senior Management Personnel have affirmed compliance to the Code as on March 31, 2022. A declaration to this effect, signed by the CEO & MD, forms part of the Annual Report.

POLICIES & CODE AS PER SEBI INSIDER TRADING REGULATIONS

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

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

BOARD FAMILIARIZATION PROGRAM

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

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

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

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

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

The details of the number of cases filed under sexual harassment and their disposal, during the financial year 2021-22 is as under:

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

The details of complaints filed, disposed off and pending during the financial year pertaining to sexual harassment are provided in the Business Responsibility and Sustainability Report forming part of this Annual Report.

ADDITIONAL DISCLOSURES

- i The Company is in compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations.
- ii Further, there has been no non-compliance in terms of paras (2) to (10) of Part C of Schedule V of the Listing Regulations.
- iii During the period under review, Company has not raised any funds through preferential allotment or qualified institutions placement.
- iv As noted in the Board's Report, the Company has no subsidiaries and hence, is not required to formulate policy for determining 'material' subsidiaries.

CEO/CFO CERTIFICATION

A certificate signed by the Managing Director & CEO and Chief Financial Officer as stipulated in the Regulation 17(8) of SEBI Listing Regulations and declaration signed by the Chief

Executive Officer as stipulated under Regulation 26(3) of SEBI Listing Regulations, were placed before the Board along with financial statement(s) for the year ended March 31, 2022. The Board reviewed and took the same on record. The certificate and declaration are enclosed with this section as Annexure A.

CERTIFICATION FROM COMPANY SECRETARY IN PRACTICE

M/s Balika Sharma & Associates, Practicing Company Secretaries, have issued a certificate as required under the Listing Regulations, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed with this section as Annexure B.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The Statutory Auditor's certificate on corporate governance is enclosed with this section as Annexure C.

By order of the Board of Directors
For Orient Cement Limited

Place: New Delhi
Date: May 11, 2022

CK. Birla
Chairman
(DIN 00118473)

Annexure A

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, 2022 and that to the best of our knowledge and belief, we state that:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and in compliance with existing accounting standards, applicable laws and regulations.
- (b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- (d) We have indicated, wherever applicable, to the Auditors and the Audit Committee:
 - (i) significant changes, if any, in internal control over financial reporting during the year;
 - (ii) significant changes, if any, in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over the financial reporting.

For Orient Cement Limited

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

Soumitra Bhattacharyya
(Chief Financial Officer)
(FCA- A059004)
Place: Hyderabad

Date: May 11, 2022

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, 2022.

For Orient Cement Limited

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

Date: May 11, 2022
Place: New Delhi

CERTIFICATE

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

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

As on March 31, 2022, 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.

Balika Sharma & Associates

Company Secretaries

FCS No: 4816

C.P. No : 3222

UDIN number F004816D000218183

Place: New Delhi

Date: 27.04.2022

Annexure C

Independent Auditors' Certificate on compliance with the Corporate Governance Requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To

The Members of **Orient Cement Limited**

1. This certificate is issued in accordance with the terms of our engagement letter dated 9 September 2021.
2. We have examined the compliance of conditions of Corporate Governance by Orient Cement Limited ("the Company"), for the year ended 31 March 2022, as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility

3. The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

Auditors' Responsibility

4. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March 2022.
6. We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the "ICAI"),

in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. 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.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

10. The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations 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 for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **B S R & Associates LLP**

Chartered Accountants

ICAI Firm's Registration No: 116231W/W-10024

Vikash Somani

Partner

Place: Hyderabad

Date: 11 May 2022

Membership No: 061272

UDIN: 22061272AITMBF2542

Business Responsibility and Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of listed entity

1.	Corporate Identity Number (CIN) of the Company	L26940OR2011PLC013933
2.	Name of the Company	Orient Cement Limited
3.	Year of Incorporation	2011
4.	Registered Office Address	Unit –VIII, Plot No. 7, Bhoinagar, Bhubaneswar-751012, (Odisha)
5.	Corporate Address	5-9-22/57/D, 2 nd Floor, GP Birla Centre, Adarsh Nagar, Hyderabad, Telangana – 500063
6.	Email Address	soumitro.bhattacharyya@orientcement.com
7.	Telephone	91-40-23688600
8.	Website	www.orientcement.com
9.	Financial Year Reported	April 1, 2021- March 31, 2022
10.	Name of the Stock Exchanges where shares are listed	National Stock Exchange of India Limited BSE Limited
11.	Paid-up Capital	₹20,48,68,760/-
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Soumitra Bhattacharyya, Chief Financial Officer 040-23688788 soumitro.bhattacharyya@orientcement.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone basis as there is no other entity forming part of the financial statements of the Company.

II. Products/Services

14. Details of business activities (accounting for 90% of the turnover)

Sl. No.	Description of Main Activity	Description of Business Activity	% of turnover of the Company
1.	Clinker and Cement Manufacturing	Manufacturing and sale of Cement	99.67%

15. Products/Services sold by the Company (accounting for 90% of the turnover)

Sl. No.	Product/Service	NIC Code	% of total turnover contributed
1.	Clinker and Cement	2394	99.67%

III. Operations

16. Number of locations where plants and/or operations/offices of the Company are situated:

Location	Number of plants	Number of offices	Total
National	3	30	33
International	NIL	NIL	NIL

17. Markets served by the Company

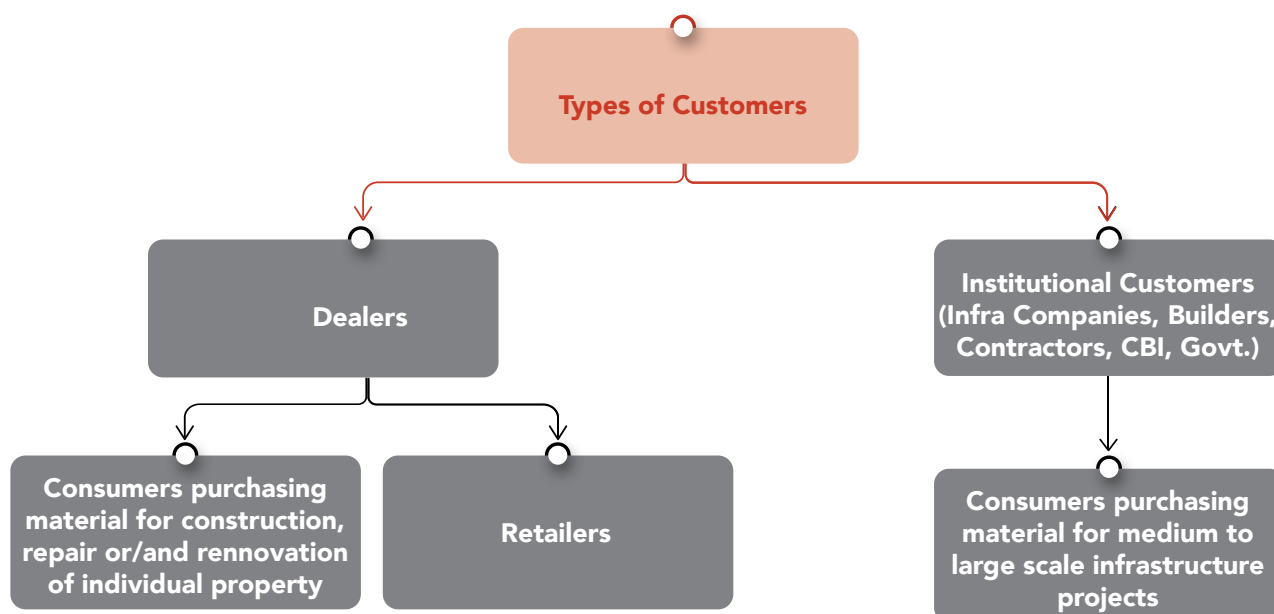
a. Number of locations

Locations	Number
National (No. of States)	10
International (No. of Countries)	NIL

b. What is the contribution of exports as a percentage of the total turnover of the Company?

Nil. The products are sold only in India.

c. Types of customers



IV. Employees

18. Details as at the end of Financial Year, i.e., March 31, 2022:

a. Employees and workers (including differently abled):

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1.	Permanent (D)	858	831	96.85	27	3.14
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total employees (D+E)	858	831	96.85	27	3.14

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
WORKERS						
4.	Permanent (F)	342	330	96.49	12	3.50
5.	Other than Permanent (G)	3270	3143	96.12	127	3.88
6.	Total workers (F+G)	3612	3473	96.15	139	3.85

b. Differently abled Employees and workers:

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	3	3	100	-	-
2.	Other than Permanent (E)	-	-	-	-	-
3.	Total differently abled employees (D+E)	3	3	100	-	-
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	1	1	100	-	-
5.	Other than Permanent (G)	1	0	0	1	100
6.	Total differently abled workers (F+G)	2	1	50	1	50

19. Participation/Inclusion/Representation of Women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	9	2	22
Key Management Personnel	3	1	33

20. Turnover rate for permanent employees and workers (disclose trends for the past 3 years)

	FY 2022			FY2021			FY2020		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	14.45	1.75	16.20	10.36	1.28	11.64	16.09	1.23	17.32
Permanent Workers	4.39	-	4.39	9.77	-	9.77	11.61	-	11.61

Note: This includes employees/workmen who have retired during the year.

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. Name of holding/subsidiary/associate companies/joint ventures

Sl. No.	Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether Holding/Subsidiary/Associate/Joint Venture	% of shares held by the Company	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the Company (Yes/No)
NIL				

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: **(Yes/No)** Yes
 (ii) Turnover (in ₹ Lacs): ₹2,72,541.66 lacs
 (iii) Net worth (in ₹ Lacs): ₹1,52,542.82 lacs

VII. Transparency and Disclosure Compliances

23. Complaints/Grievances on any of the principles (Principle 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place (Yes/No) (If yes, then provide weblink for grievance redressal policy)	FY2022			FY2021		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Communities	Yes	-	-	-	-	-	-
Investors (other than shareholders)	Yes	-	-	-	-	-	-
Shareholders	Yes	1	0	-	24	0	-
Employees and workers	Yes	0	0	-	0	0	-
Customers	https://www.orientcement.com/wp-content/uploads/2016/05/Whistle-Blower-Policy.pdf	4	0	-	8	0	-
Value Chain Partners		1	0	-	2	0	-
Others (Anonymous)		1	0	-	0	0	-

24. Overview of the Company's business conduct, pertaining to environment and social matters that present a risk or an opportunity to the business of the Company, rationale for identifying the same approach to adapt or mitigate the risk along with its financial implications, as per the following format:

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Business Continuity amidst Covid-19	Risk	Due to the lockdown imposed on account of Covid-19 and new regulatory requirements put forward by the Government from time to time, businesses are facing challenges w.r.t continuity of operations, selling and distribution.	<ul style="list-style-type: none"> - Dynamic Business continuity plans have been formulated to prepare against the spread of the infection, back-up for critical roles identified and remote working implemented to maintain isolation, where appropriate. - Wide adoption of virtual communication platforms such as MS Teams, Zoom etc. have enabled employees to work remotely and ensured smooth business operations across the organization. 	During the reporting period, proactive risk management has mitigated health and supply chain risks and adverse financial impact from such dislocations has been averted.

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
				<ul style="list-style-type: none"> - Digitisation initiatives like Radio Frequency Identification (RFID) systems in plants to promote contactless entry/exit. - Electronic proof of delivery and automated invoice uploads and verification through customer portal. - Enhancing customer centricity by upgrading our tools to manage customer interactions, market insights and sales transactions through an integrated mobile based platform. - Audio/Video supports taken from service engineers to avoid physical contacts. 	
2	Health and safety of employees and workers	Risk	Due to the Covid-19 outbreak, significant risk to the health of employees persists.	<ul style="list-style-type: none"> - All staff (Plants, Offices, Sales, Off-role, Workmen) have been vaccinated with both doses. - The Covid-19 Crisis Committee and resumption SOPs were formulated that played a key role in addressing challenges during the second wave and implementing safety protocols across the Company. Safety measures as per instructions from the Government were implemented and communicated to all staff members. - To ensure employee safety, emphasis was given on practicing personal hygiene, social distancing and usage of masks. Hand wash and sanitizers were provided. 	<p>To minimise the risk of infection, flexible work from home facilities were introduced and extended as far as practicable. Wherever required, additional costs were incurred to make the facility and offices equipped with necessary Covid-specific protective facilities. Further, additional cost was also incurred to build a robust IT system to support remote working.</p> <p>The Company took cognizance of the significant and rising hospitalisation costs in the wake of the pandemic and doubled its medical insurance coverage for all employees including COVID coverage from 1st Oct-2020 and the same has been renewed up to Sep-2022.</p>

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
				<ul style="list-style-type: none"> - Regular temperature checks were carried out at the office/plant gate. Use of Arogya Setu App was prioritised, work from home opportunities were created for suitable roles and the use of public transport was minimised. - Incoming trucks to the plants and vehicles carrying staff were sanitised and monitored in every shift. - Oxygen concentrators were provided at plant OHC and at Hyderabad office to tackle any emergency situation. - The Company also collaborated with hospitals to facilitate emergency admissions. Beds for staff who tested Covid positive were also made available on need basis during the second wave of Covid-19. 	
3	Local community involvement and social development	Opportunity	Maintaining healthy relationships with local communities has enabled the Company to effectively contribute to social development and thus create foundation for a sustainable business.	<ul style="list-style-type: none"> - The Company continues to engage in CSR activities at all plants to create deeper bonds with the community at large. - At our Plants, apprenticeship programmes are in practice with an objective to provide the local villagers with vocational skills to improve employability. - Both Devapur and Chittapur provide primary and secondary schooling facilities and medical facilities to the local community. 	Please refer Principle-9 of this report & Annexure 3 'Annual Report on CSR' forming part of the Directors' Report for details of the spend made by the Company.

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	Labour / industrial relations	Risk	<ul style="list-style-type: none"> - Maintaining stable relations with Labour Unions and addressing labour issues. - Action against human rights violation 	<ul style="list-style-type: none"> - The Company has recognised the role of Labour Unions and has fostered harmonious relations with the Union. - It is also taking proactive and timely steps to resolve issues that crop up from time to time. 	No material impact during the period under review.
5	Environmental Compliance	Risk	Ensuring compliance with MOEF and other regulatory requirements.	<ul style="list-style-type: none"> - The Company continues to closely monitor and comply with regulatory requirements and has the necessary infrastructure at all plants to regularly review the process and ensure compliance. - Third party services contracted to ensure compliance. 	Additional expenditure undertaken to build the necessary infrastructure across the operations and professional fees paid to third party to ensure complete and timely compliance.
6	Energy, Fuel and usage of alternative fuels or hazardous wastes	Opportunity and Risk	<u>Risk –</u> <ul style="list-style-type: none"> - High volatility in Coal and Petcoke availability and prices. - Hazardous wastes require specific safety protocols to be maintained right through its life cycle (i.e. transportation, handling and disposal/ usage). - Changes in legislative norms on waste collection and utilisation 	<ul style="list-style-type: none"> - Pollution Control Board (PCB) permission is taken for usage of hazardous wastes. SOPs are defined and continuously monitored to ensure compliance. - The Company has a robust infrastructure to arrest pollution. - Continuous efforts and monitoring mechanisms are in place to address process variability and ensure there is no impact on quality. Investments in digitally enabled monitoring and process optimisation systems during the year are supporting this initiative. 	Additional expenditure incurred to install AFR handling systems at both plants. During FY22, 15.1% of alternative fuels were co-processed in kiln and 6.3% of alternative fuels were consumed in Captive Power Plant, substituting fossil fuels and promoting circularity. Total savings achieved during the year by using AFRs was ~₹35 crores. Additional resources deployed to procure and use locally generated agri-waste to improve thermal substitution, promoting interdependence with local communities.

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
			<ul style="list-style-type: none"> – Process variability caused by variable chemistry of different alternative raw materials/fuels may impact quality. <p><u>Opportunity –</u> AFR including hazardous wastes help mitigate availability, lower cost, promote a circular economy and contribute towards sustainability goals.</p>		
7	Material/Services sourcing	Risk	<p>Surge in the cost of raw materials</p> <ul style="list-style-type: none"> - High dependency on local vendors/ sources. - Increased logistics costs due to rise in fuel price. - Quality and consistency in parameters of raw materials is a challenge. - Service provider's adherence to statutory compliances like labour, SHE etc. 	<ul style="list-style-type: none"> - Optimize fuel procurement based on arbitrage and availability locally as well as globally. - Efforts are ongoing to enlarge supplier base and have long term contracts. - Adoption of Green Logistics Policy i.e., explore and apply reverse logistics wherever possible to minimise dead freight. - Progressive shift from road to rail mode to reduce cost and emissions. 	The availability challenges were successfully met and cost impacts largely mitigated, avoiding any dislocation.

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
				<ul style="list-style-type: none"> - Quality parameters are contractually specified, tracked through our in-house labs and strictly enforced - EHS Policy is an integral part of all service contracts, which is shared with the provider and strictly enforced. 	
8	Water management	Risk	<ul style="list-style-type: none"> - Excessive consumption of water for operations as well as for dust suppression. - Discharge of effluents contaminating soil and ground water. 	<ul style="list-style-type: none"> - Most water requirements to run the plants are fulfilled with available water from mines and rainwater reservoirs. - Close monitoring and management of water consumption to ensure our plants are water positive. - Treated water utilised for dust suppression and green belt development. - Zero liquid discharge. 	<p>Additional expenditure incurred on infrastructure for water conservation and rainwater harvesting initiatives.</p> <p>Despite the fact that we have not been drawing water from nearby rivers, necessary permissions are being retained for any emergency needs.</p>

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether the Company's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes Note 1	Yes	Yes	Yes	Yes	Note 2	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Note 3	No	No	Yes	No	No		Yes	No
c. Weblink of the policies, if available	*	**	-	#	##	***		#	-
2. Whether the Company has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes		Yes	Yes
3. Do the enlisted policies extend to the Company's value chain partners? (Yes/No)	Yes	Yes	No	No	No	Yes		No	Yes
4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by the Company and mapped to each principle.	The policies are based on prescribed principles, Bureau of Indian Standards (BIS), conformance to the spirit of International Standards on, ISO 9001, ISO 14001, ISO 45001, ISO 50001 GRI-standards and ILO principles, GCCA/ WBCSD, PAT (Performance, Achieve Trade) NABL, GPTW (Great Place to Work) wherever applicable.								
5. Specific commitments, goals and targets set by the Company with defined timelines, if any.	The commitments and goals wherever required are set by the Company and have been mentioned in respective principle.								
6. Performance of the Company against the specific commitments, goals and targets along with reasons, in case the same are not met.	NA								

Note-1:- The policy is embedded in the Company's quality, environment, energy, safety policies which, inter alia, relate to safe and sustainable products.

Note-2:- The need for a formal policy was not identified.

Note-3:- 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.

*<http://www.orientcement.com/wp-content/themes/orient/assets/pdfs/Acrobat-Document.pdf>

**<http://www.orientcement.com/sustainability/>

##<https://www.orientcement.com/wp-content/uploads/2021/05/corporate-social-responsibility-policy.pdf>

###<http://www.orientcement.com/wp-content/uploads/2018/03/OCL-Human-Rights-Policy.pdf>

***<http://www.orientcement.com/sustainability/>

Governance, leadership and oversight

7. Statement by Director, responsible for the Business Responsibility Report, highlighting ESG related challenges, targets and achievements (<i>listed entity has flexibility regarding the placement of this disclosure</i>)	Statement by the Managing Director & CEO highlighting the relevance of sustainability to the organisation is mentioned at page nos. 10 to 12 of Annual report FY22. Please refer page nos. 26 to 29 of Annual Report FY 22 for ESG targets and achievements of the Company.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	Mr. Desh Deepak Khetrpal Managing Director & CEO DIN: 02362633								
9. Does the Company have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	The business responsibility performance of the Company is assessed on a regular basis by the Senior Leadership Team comprising the Managing Director & CEO, Chief Financial Officer, Plant Heads, HR Head, Sales and Marketing Head and Procurement Head. Overall performance is assessed at least once in a year by the Board. The targets related to environmental KPI, such as reduction of water usage in operations, use of alternative fuels and raw materials as well as mitigation and management of climate change impacts are part of the KRA of senior management. The Managing Director reviews performance against these KRAs on a quarterly basis. The Board is kept briefed about the progress on these parameters.								

10. Details of review of NGRBCs by the Company:

Subject for review	Indicate whether review was undertaken by Director/Committee of the Board/any other Committee									Frequency (Annually/Half yearly/Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action																		Quarterly
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances																		Quarterly

11.		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	Has the entity carried out independent assessment / evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	Yes, the Company has engaged M/s TUV India Private Limited for conducting the Limited Assurance of this report.								

12. If answer to question (1) above is 'No' i.e. not all Principles are covered by a Policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principle material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

Not Applicable

Section C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

Principle 1: Businesses should conduct and govern themselves with integrity and in a manner that is Ethical, Transparent and Accountable.

Orient Cement has put in place a strong and transparent governance framework to instil and enforce ethical values in the Company's overall culture and protect the interests of all stakeholders. To prevent unlawful practices, the Company's Code of Conduct specifies objectives, duties and guidelines for employees as well as the senior management, which needs to be adhered to by all. It reinforces the Company's commitment to comply with expected standards of ethical behaviour and prepares all employees to inculcate the principles defined by the Code of Conduct in their day-to-day practices. The deviations, if ever, detected/reported, are dealt with the required firm hand and visibility.

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors Key Managerial Personnel	The Board of Directors and KMPs have attended approximately 20 familiarization opportunities around the Board Meetings and other Committee Meetings.	The topics are aligned with the material topics as identified during the stakeholder consultation, including, but not limited to, compliance and governance parameters, Occupational Health and Safety, Business Growth and Strategy, Environment and Sustainability, Regulatory changes and Corporate Social Responsibility, etc.	100%
Employees other than Board of Directors and KMPs	The Employees other than Board of Directors and KMPs have undergone 89 awareness sessions and training programmes.	The topics were aligned with material topics as identified during stakeholder consultation, including, but not limited to, POSH, Water & Energy Conservation, IT Security, Incident Investigation, Productivity, Environment Protection, Digitisation and Fire Safety	80%
Workers	11 Awareness (all Plants) and 9 Skill Development Programmes at Chittapur Plant.	Awareness Programmes on Health & Safety and On-skill Development Programmes	Awareness Programmes were attended by 98% workers and skill development programmes by 69% workers

Open house sessions are conducted time to time by the Managing Director & CEO of the Company on Workplace@facebook.com and/or through Zoom. In the said sessions, the Managing Director & CEO addresses the employees and familiarises them with business updates, developments in the Cement Industry, challenges faced, new initiatives taken on environment and social fronts to address the commitments of the Company, etc. These sessions are attended by the employees in large numbers. Recordings of such sessions are also available for employees to view them at their convenience on the Workplace platform. In addition to these engagements during the financial year, Plant Leadership Team and Functional Leadership team had many sessions in smaller groups to reiterate various principles, values and policies across levels.

Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website)

The Company periodically analyses the regulatory compliance risks pertaining to its business and necessary actions are taken, to mitigate such risks. Its commitment towards regulatory compliance is further confirmed by the online compliance tool 'Kavach'. The tool is administered by the Legal Head of the Company and maps statutory compliances to each area of business activity.

No order or penalty that may adversely impact the Company and its future operations were passed or imposed by any Regulatory authority or Courts on the Company.

2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by Directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year:

(Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/enforcement agencies/judicial institutions
	Not applicable

4. Does the Company have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

The policy related to the prevention of bribery and corruption is embedded in the Company's Codes of Conduct (viz, Code of Conduct for Employees, Code of Conduct for Directors and Senior Management and Supplier Code of Conduct), Whistle Blower Policy and HR policies and practices.

The required steps to ensure proper reporting of incidents are outlined in the Whistle Blower policy. All complaints received from whistle blowers are placed before the Audit Committee and the Board of Directors on a quarterly basis. The Company also creates awareness about the Whistle Blower mechanism and Code of Conduct to ensure proper implementation of the Codes.

The relevant policies can be accessed at <https://orientcement.com/policies/>.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

The Directors, KMPs, employees or workers have not been subjected to any action by law enforcement agencies for charges of bribery/corruption in the current financial year as well as the previous financial year.

6. Details of complaints with regard to conflict of interest

No complaints with regard to the conflict of interest of Directors and KMPs has been received in the current fiscal year as well as the previous year.

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflict of interest.

Not applicable

Leadership Indicators-

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics/principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
20 Unique Programs (conducted at Plant locations multiple times)	Training sessions were conducted for Contractors, (including their supervisors & workmen) covering majorly maintaining inward & outward registers, to verify needful documents for inward & outward-returnable and non-returnable materials, behaviour based safety and avoid unsafe practices, limestone mining practices, types of emergencies & threats, electrical safety awareness, firefighting and maintenance of fire hydrant, etc.	71.80%
12 Unique programs (conducted at multiple locations and times)	Awareness programs for our Channel Partners, Influencers and Customers were conducted with primary objective – Product awareness, construction practices/learnings from the various technical points to strengthen appropriate construction practices, Premium Product awareness –StrongCrete– unique features, benefits and cost saving; value added services provided by the technical team; technical trainings at Plants; health programs for value chain partners and their family members	72.85%

2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/ No) If yes, provide details of the same.

The Company's Code of Conduct for Directors and the senior management requires that they take utmost care while involving themselves in any transaction directly or indirectly in which they have a direct or indirect interest that conflicts, or may conflict, with the interests of the Company. They are expected to:

- avoid conflicts of interest
- not to accept benefits from third parties
- declare interest in a proposed transaction or arrangement (transactional conflicts)
- declare interest in an existing transaction or arrangement

Every member of the Board and senior management is required to submit an affirmation of compliance with the provisions of the Code of Conduct annually.

Principle 2: Business should provide goods and services in a manner that is sustainable and safe

Orient Cement strives to manufacture products that have a minimal impact on the environment and communities in which it operates. Orient Cement's website gives the knowledge required for IHB-Individual House Builders about good construction practices through home building videos, estimating and costing tools of several stages through cost calculator and literature on Vaastu compliance. All these inputs are available at the link: <https://www.birlaa1.com/planning-tool.html> and will help the IHB's in building a sustainable dream home with optimum usage of resources. Our blended cement has been certified as a "Green Product" by CII, Green Products and Services Council since 2019.

Sustainability has always been embedded in the philosophy and operations of the Company through operational and resource efficiency. To fulfil this endeavour, the Company proactively aims to limit its ecological footprint across its business operations and further strengthen responsible practices that make way for sustainable development.

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of products and processes to total R&D and capex investments made by the entity, respectively.**

Segment	FY2022	FY2021	Details of improvements in environmental and social impacts
R&D (Capex)	7.08%	1.50%	<p>Details of projects implemented in FY22</p> <ul style="list-style-type: none"> • Installed LAFR (Liquid Alternative Fuel & Raw material) system at Devapur to enhance % of AFR-HW co-processing in kiln circuit • Increased the capacity of AFR feeding system at Devapur & Chittapur • Lab equipment to support process optimisation and sustain product quality

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes, the Company's sourcing policies and procedures aim at continuously increasing sustainable sourcing. These include vendor selection process, vendor onboarding process, contract negotiation and award process and post contract support for all supply and service contracts. All the vendors'/service providers' expectations are clearly communicated, discussed and aligned for a sustainable journey in the sourcing lifecycle.

- b. **If yes, what percentage of inputs were sourced sustainably?**

Approximately 55% of our vendors/suppliers of input materials (including vendors/suppliers of alternative fuels and raw materials) have confirmed compliance with the requirements of social and environmental standards and are certified by International Organization for Standardization in this regard. The Company has also been increasing its share of transportation of cement and raw materials in favour of railways. The Company also conducts regular safety training sessions for drivers, including those employed by logistics partners.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

Cement is packed in PP (Polypropylene) bags which generates certain quantity of plastic waste depending upon sales. We procure equivalent quantity of plastic waste from multiple sources and co-process it in the kiln circuit including internal plastic wrappers as a fuel in line with plastic waste management guidelines. E-waste and hazardous waste generated is disposed to authorised recycler(s).

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes, EPR is applicable to Orient Cement. The Company has submitted its action plan on plastic waste management to the Central Pollution Control Board (CPCB), in line with the EPR policy.

Leadership Indicators –

1. **Percentage of recycled or reused input material to total material (by value)** used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY2022	FY2021
Fly Ash & Chemical Gypsum	16.51%	16.54%

Note: There is a slight reduction in percentage of recycled material due to higher overall raw material consumption in FY22 although the absolute quantity of recycled material consumption has increased during the reporting period.

2. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

	FY2022			FY2021		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)						
E-waste						
Hazardous waste						
Other waste						

Please refer essential indicator 8 of Principle-6

3. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
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The end product is cement and it is utilised in the form of concrete for construction purposes. Therefore, it cannot be reclaimed. As regard, packaging material, please refer essential indicator 3 above

Principle 3: Business should respect and promote the wellbeing of all employees, including those in their value chains

Orient Cement is a people-centric organisation and believes that employee well-being plays a crucial role in our productivity and success. The Company adopts fair employment practices and provides equal employment opportunities to individuals who are qualified to perform the assigned jobs. The Company pays special attention to the health and safety of employees with a focus to reduce safety hazards through engineering and management solutions.

The commitment to safe and sustainable working conditions is highlighted by the Company's philosophy of "Work Safe-Live Safe" and incorporated in the Corporate operating processes through Company's Environment, Health & Safety (EHS) policy. To ascertain the employees' wellbeing, the Company has stringent safety protocols and procedures which are implemented across all operational sites. These safeguards have been designed in response to the various health risks identified for the cement industry. The Company has mechanised all its mining operations and has SOPs in place for each operation, to avoid workplace accidents. It also ensures the implementation of safety toolbox talks at every site post permit issuance but before a job is undertaken.

The Company has taken proactive steps for the wellbeing of its employees as well as their family members. 24*7 healthcare facilities are provided to employees, their families and the local

villagers in and around the plant vicinity. The Company has tied up with Dr Reddy's and other local hospitals/doctors to conduct online sessions on COVID precautions, managing diabetes, cardio wellness, balanced diet, health and immunity including yoga sessions. It also conducted programmes on breast cancer awareness, PCOS and PCOD, menstruation hygiene and other webinars for women. The Company partnered with YOURDOST to support employees with emotional wellness programmes that were conducted through online webinars and one-on-one sessions.

Programmes have also been conducted to spread awareness about various health and fitness matters for the families of channel partners, drivers etc.

From the day of induction, all employees and workers undergo several modules of training to learn and improve their safety skills. This training is imparted to all employees, including temporary and contractual labourers. Employees first undergo a routine check-up to assess their physical fitness. Upon being inducted into the organization, employees take part in the Safety Induction programme wherein they learn fire, electrical and infrastructure safety protocols to be followed. Behaviour Based Safety Training Program is conducted for the existing employees to refresh their knowledge and practice of safety protocols. Routine safety inspections and audits (internal as well as external) are conducted to ensure proper implementation of safety practices by all employees, from the leadership team to the contractual workforce, security guards and guests.

Essential indicators:**1. a. Details of measures for the wellbeing of employees:**

The Company lays emphasis on ensuring employee wellbeing through various people-centric policies. Along with health and accident insurance policies, non-occupational medical and healthcare services are offered to permanent employees and workers. The details are provided below:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities#	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
	Permanent employees										
Male	831	831	100	831	100	0	0	831	100	0	0
Female	27	27	100	27	100	27	100	0	0	27	100
Total	858	858	100	858	100	27	3.14	831	96.85	27	3.14
	Other than Permanent employees										
Male	-	-	-	-	-	-	-				
Female	-	-	-	-	-	-	-		-		
Total	-	-	-	-	-	-	-				

At Plants, members are covered through facility available at their respective locations. For members based out of office locations (where the number of total employees at each location is very less) we have explored tie-ups with professional facility partners.

b. Details of measures for the wellbeing of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
	Permanent workers										
Male	330	330	100	330	100	0	0		Not Applicable		
Female	12	12	100	12	100	12	100	NA	NA	12	100
Total	342	342	100	342	100	12	100	NA	NA	12	3.50
	Other than Permanent workers										
Male	3143	3143	100	3143	100	0	0		Not Applicable		
Female	127	127	100	127	100	127	100	NA	NA	127	100
Total	3270	3279	100	3270	100	127	3.88	NA	NA	127	3.88

2. Details of retirement benefits, for Current FY and Previous Financial Year.

The Company also offers provisions for PF, Gratuity and ESI to the employees and the details are provided below:

Benefits	FY2022			FY2021		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100	100	Y	100	100	Y
Gratuity	100	100	Y	100	100	Y
ESI*	0.58	100	Y	4.42	100	Y
Others- please specify	-	-	-	-	-	-

*In FY 2021-22 only 5 members were covered under ESI and during FY 2020-21, 38 members were covered under ESI.

3. Accessibility of workplaces

Are the premises/offices of the Company accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the Company in this regard.

Yes, we have made our offices accessible through ramps, lifts, etc., wherever required and the facility of western restrooms is available across operational sites.

4. Does the Company have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

The equal opportunity policy is embedded in the Code of Conduct of the Company which can be accessed at <https://www.orientcement.com/wp-content/themes/orient/assets/pdfs/Acrobat-Document.pdf>. The Code of Conduct is shared with all the employees as a part of their induction programme.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Maternity and paternity benefits are also offered to the employees of Orient Cement. 100% employees of Orient Cement have returned to work after their parental leave. The details are provided below:

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention Rate	Return to work rate	Retention Rate
Male	100%	100%	No permanent worker availed maternity benefit.	
Female	100%	100%		
Total	100%	100%		

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent workers	Yes
Other than permanent workers	Yes
Permanent employees	Yes
Other than permanent employees	Yes

Orient Cement's open-door policy provides opportunities for employees to freely communicate their concerns. Mentioned hereunder are a few initiatives by the Company to ensure a conducive working environment.

- **WE CARE:** This platform enables employees to share their ideas, suggestions, feedback, and grievances. Employees are updated about the progress of the issues forwarded through 'wecare@orientcement.com' from time to time. 27 responses were received on the WE CARE platform during the reporting period and they were resolved within the defined timeline.
- **POSH (Prevention of Sexual Harassment):** The policy on prevention of sexual harassment has been formulated to ensure safety of its team members at workplace (including while on official work outside base location). A dedicated internal committee has been formed to address any issues raised by any team member/s. The Company also conducted awareness sessions and launched an e-learning module to offer a better understanding of the policy.
- **Whistle-blower Policy:** This policy enables internal team members and external stakeholders to raise concerns. The concerns are addressed by the Whistle-Blower Committee headed by the Managing Director & CEO, Chief Financial Officer and the Chief HR Officer. It is also reported to the Audit Committee and the Board of Directors. The Committee investigated all matters reported during the financial year and took necessary action.

Employees and Workmen also have the opportunity to report their grievances or suggestions to respective locational HR SPOC (Single Point of Contact) and functional heads. Respective grievances are addressed as per the defined grievance redressal procedure. The Company also conducts programmes such as E-Samriddhi and P-connect that allow employees to communicate their concerns with team members and the top management. All points that are raised are tracked and updated back to individuals/teams in a transparent manner. It also enables quick resolution of various issues. To improve the working environment, various committees - Canteen Committee, Sports Committee, School Committee, Colony Committee, Welfare and Safety Committee and Workmen Committee - have been formed. A welfare officer is appointed as the convener of each committee and grievances are addressed on a priority basis. Team member(s) can also express their concerns to Manager, Skip Level Manager, HOD, location HR Head, Plant Head/Functional Head, Chief HR Officer as well as the Managing Director & CEO.

7. Membership of employees and workers in association(s) or Unions recognised by the listed entity:

None of the permanent employees are members of any Association(s) or Union(s) recognised by the listed entity. However, the male and female workers at Devapur Plant of the Company are part of a workers' union recognised by an authorised entity. The details of such membership/s are provided below:

Category	FY2022			FY2021		
	Total employees/workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	%(B/A)	Total employees/workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	%(D/C)
Total Permanent Employees	NIL	NIL	NIL	NIL	NIL	NIL
-Male	NIL	NIL	NIL	NIL	NIL	NIL
-Female	NIL	NIL	NIL	NIL	NIL	NIL
Total Permanent Workers	270	270	100	276	276	100
-Male	258	258	100	265	265	100
-Female	12	12	100	11	11	100

8. Details of training given to employees and workers:

Training is an important aspect of talent and skill development and the Company conducts various programmes to meet these requirements throughout the year. The details are provided below:

Category	FY2022					Total (D)	FY2021			
	Total (A)	On health and safety measures		On skill upgradation			On health and safety measures #		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
	Employees									
Male	831	521	63	620	75	827	827	100	598	72
Female	27	11	41	18	67	32	32	100	20	63
Total	858	532	62	638	74	859	859	100	618	72
	Workers									
Male	330	319	97	72	22	337	337	100	0	0
Female	12	12	100	0	0	11	11	100	0	0
Total	342	331	97	72	21	348	348	100	0	

Note: Due to the Covid-19 pandemic, every member was given health and safety training virtually and/or physically.

9. Details of performance and career development reviews of employees and workers:

Performance reviews are conducted twice a year, along with yearly career development reviews. For workmen, performance and development reviews are conducted yearly and rewards are linked to skills and performance. The details are provided below:

Category	FY2022			FY2021		
	Total (A)	No. (B)	%(B/A)	Total (C)	No. (D)	%(D/C)
Employees						
Male	831	831	100	827	827	100
Female	27	27	100	32	32	100
Total	858	858	100	859	859	100
Workers #						
Male	330	178	53.90	337	72	21
Female	12	3	25	11	0	0
Total	342	181	52.92	348	72	20.68

Note: (1) Performance Reviews are conducted for all non-unionised workmen on a yearly basis.

(2) Unionised workmen who have spent at least 5 years in a particular grade/trade are reviewed along with HODs on a yearly basis.

10. Health and Safety Management System:

At Orient Cement, vigilance is incorporated in the way of doing work, to continually ensure the health and safety of all our employees. Our commitment to safe and sustainable working conditions is highlighted by our philosophy of 'Work Safe-Live Safe' and our Corporate Environment, Health & Safety (EHS) Policy. To ascertain our employees' wellbeing, we have stringent safety protocols and procedures which are implemented across all our operational sites.

We also implement safety toolbox talks and awareness sessions at every site before work permit issuance. Our employees have access to detailed information on all safety protocols through our Corporate Safety Manual and safety trainings, which are conducted at various stages. Annual medical examinations are being organised for all employees to monitor health status as per guidelines.

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes, all plants of Orient Cement have implemented ISO 45001 – Occupational, Health and Safety Management System and the scope of certification covers product manufacture and supply.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

To ensure adherence to prescribed safety norms, teams visit workplaces/locations to carry out inspections and assessments of potential hazards that could harm workers. Teams interact with the workmen and explain hazards and risks involved in allocated activities through toolbox talks. The Company also

has a Hazard Identification and Risk Assessment (HIRA) process that involves identification of existing as well as potential routine and non-routine workplace hazards viz., periodic review of risks, determining and implementing hierarchy of controls for safe operations. Hazards related to working at height, working in confined spaces, hot works, conveyor belts, inadequate guarding, maintenance, etc. are covered under the HIRA register.

c. Whether you have processes for workers to report work related hazards and to remove themselves from such risks. (Y/N)

Yes, apart from implementing safety measures, the Company encourages its employees and workmen to report work hazards, near misses, unsafe acts etc. During the daily toolbox talks, work related hazards noticed while performing the activities are shared by workmen with the concerned in-charge and accordingly actions are initiated to mitigate these hazards. The process has been made robust to implement corrective and preventive measures that safeguard employees against potential hazards.

d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, along with health and accident insurance policies and hospital tie-ups, non-occupational medical and healthcare services are offered to permanent employees and workers who are based at the respective plants from our Health Centres. For up country- based team members, in addition to health and accident insurance policies we have hospital tie-ups which support all medical needs.

11. Details of safety related incidents, in the following format:

The Company strives to minimise safety incidents through advanced engineering and management solutions. The details are as provided below:

Safety Incident /Number	Category	FY2022	FY2021
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	0.09	0.43
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	1*	3
No. of fatalities	Employees	Nil	Nil
	Workers	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	Nil	Nil

*1 LTI took place during FY22 at of one of our plant locations to a contract workman and necessary treatment and support has been provided to the injured person.

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The Company implemented the following steps to ensure a safe and healthy workplace:

1. Various safety trainings and awareness programmes are organised across operations, like HIRA (Hazard Identification & Risk Assessment), energy isolation, excavation and scaffolding safety, emergency preparedness, mock drills for fire safety, handling of AFR materials, maintenance of safety data sheet, work at confined spaces and mining safety, etc. Trainings on lifting tools and tackles, power tools, electrical safety, road safety, railway safety and behaviour based safety, work at height safety, are provided by the Company. Cardinal Rules are also shared during these safety trainings and awareness programmes.
2. The Company has designated teams to monitor the activities to ensure all safety protocols are followed.
3. Across the plants of Orient Cement, an 'Applause' programme is followed, wherein employees and workmen are felicitated for sharing the best ideas, the highest number of near-miss incidents, initiatives for environmental improvement and energy efficiency. A reward for 'Safety Employee of the Month' is also given.

13. Number of Complaints on the following made by employees and workers:

The Company received Nil complaints from employees and workers during the current reporting period. The details are provided below:

	FY2022			FY2021		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Working Conditions	Nil	Nil	-	Nil	Nil	-
Health & Safety	Nil	Nil	-	Nil	Nil	-

14. Assessments for the year:

Periodic assessments are conducted on health and safety measures by both internal and external agencies. The ISO certifying agencies – M/s DNV GL (Det Norske Veritas, Germanischer Lloyd) & M/s BSI – British Standards Institution periodically (half/yearly) carry out assessments on health and safety practices across all plants and offices. Visits from statutory authorities are also welcomed by the Company.

	% of plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	Please refer details above.
Working Conditions	

presentation on key lessons to learn is prepared and circulated to all plants, to learn, assess and take necessary corrective and preventive actions. All leading and lagging indicators are captured and accordingly, corrective and preventive actions are planned and implemented across operations.

Further, several activities such as workplace safety inspections, safety toolbox talks, awareness sessions were conducted across the plants. Annual medical examination, free medical treatment, organising of medical camps, awareness programmes on various aspects (COVID, Sanitation, AIDS, Environment, Heat Stress Management, HIRA etc.) are undertaken by the Company.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

The Company extends Group Personal Accident Policy and Employee Deposit-Linked Insurance Policy for any unfortunate event/s to all employees and workers, to support the aggrieved family.

2. Provide the measures undertaken by the entity to ensure payment of statutory dues by the value chain partners.

Contracts executed by the Company with the value chain partners has "Standard Terms and Conditions"

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Various safety protocols and hierarchy of controls are in place to mitigate hazards and ensure safety of workplace and its team members. As a proactive measure, various incidents that have occurred across the cement industry/ other industries, are collated, analysed and a detailed

including, but not limited to payment of "Taxes & Duties", "Compliance with Laws", "Compliance with Statutory Obligations", "Indemnification", "Audit Provisions" etc. which binds the value chain partners to ensure payment of statutory dues. These contractual obligations are reviewed regularly to ensure that the payment of statutory dues such as PF, Gratuity, Insurances, Taxes, etc. are made and complied with by the value chain partners.

3. Provide the number of employees/workers having suffered grave consequences due to work-related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total No. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY2022	FY2021	FY2022	FY2021
Employees	NIL	NIL	NIL	NIL
Workers	NIL	NIL	NIL	NIL

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No) – No

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	80% of our value chain partners are PSU's and OEM's. All these vendors maintain processes and systems to operate in a sustainable manner thereby having minimal impact on the environment and maintain safe working conditions.
Working Conditions	

Principle 4: Business should respect the interests of and be responsive to all its stakeholders

Orient Cement strongly believes in the philosophy of ensuring business success by fulfilling the expectations of its growing fraternity of stakeholders, including customers, suppliers, vendors, government authorities, regulatory agencies, investors and employees. Effective stakeholder engagement allows

the Company to gain precious insight into stakeholders' material concerns and expectations. The Company, therefore remains committed to transparent, continuous dialogue and engagement with all its stakeholders and establishes long-term relationships with stakeholders.

Essential indicators

1. Describe the processes for identifying key stakeholder groups of the Company.

Stakeholder-mapping is undertaken at various levels covering our plant locations, sales locations, central and state regulatory bodies, other Nodal Agencies, key customers and channel partners, shareholders, financiers and investor community. The Company follows a hybrid policy whereby identification and engagement of local stakeholders is largely decentralised but with a level of central oversight by the executive leadership team. On the other hand, stakeholders representing Central and State regulatory bodies and other Nodal Agencies are identified and managed by respective members of the executive team with assistance from the Liaisoning team. Identification and engagement with shareholders, financiers and investors is largely centralised and managed by Investor Relations team under the supervision of the Managing Director & CEO and the Chief Financial Officer. Customer and channel partner relationships are largely handled by the Sales teams duly guided by the President-Sales and Marketing and the Managing Director and CEO.

List stakeholder groups identified as key for the Company and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as vulnerable & marginalised group (Yes/ No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisements, Community Meetings, Notice Board, Website, Others)	Frequency of engagement (Annually, Half yearly, quarterly /others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Regulatory bodies/ Government/ Industry Associations	No	Written and Verbal Communication	As and when required	Compliance related like filing of periodic returns, reports, payment of taxes, etc.
Legal/ Auditors/ Consultants/ other third party	No	Written and Verbal Communication	As and when required	Compliance to legal requirements, advice on business, legal, tax and environment etc related issues.
Investors/ Funders/ Shareholders	No	Quarterly Results publication to Stock Exchange, Annual Report, Quarterly Investor and Analyst presentations, Quarterly Financial Follow up reports, Annual Credit Monitoring Arrangement reports and Annual Covenant compliance to Financiers.	Quarterly	Financial performance and business updates
Vendors/ Suppliers/ Contractors/ Sellers	No	Written and Verbal Communication (Contracts, SOPs, guidelines, training).	As and when required	Communicating mutual expectations and obligations clearly. Ensuring compliance of laws by vendors/suppliers like child labour etc.
Customers	No	Written and Verbal Communication	As and when required	Promote and grow business, educating them about the product, services and new initiatives (if any). Understanding their expectations about products and services and ways to improve them. Fulfil transactions involved for doing business. Brand Satisfaction Survey.
Local communities	Yes*	Verbal Communication (community meetings, survey, grievance redressal)	As and when opportunity is identified	To build community support and focus on community growth.
Employees	No	Written & Verbal Communication (training, issuing guidelines, meetings, email, SMS, Notice Board, Website, Workplace@facebook.com)	Ongoing	Enhancing efficiency and Productivity. Imparting training through regular programs. Increasing awareness of all aspects of the business, codes, values etc. We have established CEO & Chairman circle for grooming future leaders.

Stakeholder Group	Whether identified as vulnerable & marginalised group (Yes/ No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisements, Community Meetings, Notice Board, Website, Others)	Frequency of engagement (Annually, Half yearly, quarterly /others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Management/ Board	No	Written Communication (reports, data submission, policies)	Board Meetings with defined frequency. Regular Monthly Review Meetings.	To meet the highest standards of governance. Guidance on smooth operations, improving efficiency and productivity
Media/NGOs	No	Verbal and written communication (meetings, telephonic, Video, print media)	As and when required	Maintaining quality standards, health, well-being and inclusive growth in the community. Interaction is done with NGO's to do need analysis for the CSR project related to Local Community & communication to local media for awareness.

*Yes, Orient Cement has identified the disadvantaged, vulnerable and marginalised stakeholders in its areas of operation. It includes among others, people affected by its projects, land sellers and local residents. Orient Cement undertakes conscious efforts to engage with such stakeholders, identify their needs/ concerns and address issues appropriately. Based on their needs, the Company engages in initiatives related to healthcare, education, skill development, infrastructure development, provision for safe drinking water and sanitation, sustainable livelihood etc. To achieve these objectives, the Company also has a strong CSR policy.

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

We perform the materiality assessment periodically. Stakeholder assessment was performed by applying the Principles of Global Reporting Initiatives to identify our material economic, environmental and social topics. Inputs from stakeholder engagement process, Global & Sectoral Sustainability trends form the basis for identification of material topics. The elaborate materiality assessment provides sustainability context and helps us prioritize strategies, policies and action plans related to economic, environmental and social impacts. The outcomes of the stakeholder engagement and the associated materiality was shared with the Board.

The Risk Management Committee also reviews the identification and mitigation of material risks which are classified as Risks that Matter (RTM). All RTM are reviewed by this committee and communicated to the Board for effective monitoring and mitigation every quarter. The risk identification process takes into account, environmental, economic and social topics and their evolution to assess whether certain elements should be considered as RTM for appropriate monitoring and mitigation.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

Yes.

Principle 5: Business should respect and promote human rights

Human rights are enshrined in Orient Cement's core value of 'Respect for All' and "Celebrate Diversity", where "All" includes our employees, workers, contractors, suppliers, channel/business partner and the communities where we live and work. We follow a work culture that permits a varied workforce to demonstrate their personal and professional qualities and abilities at workplace, regardless of their gender, age, nationality, region, religion, sexual orientation or disability. Respect to human rights is the fundamental characteristic of the manner we carry out our business activities and treat our people. The Company is committed to work for the well-being of humanity, save the planet and to defend and advance privacy, safety, freedom of opinions and expression and other human rights.

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Training sessions are conducted periodically to make the employees and workers aware of the policies of the Company.

Category	FY2022			FY2021		
	Total (A)	No. of employees /workers covered (B)	% (B/A)	Total (C)	No. of employees /workers covered (D)	% (D/C)
Employees						
Permanent	858	858	100	859	859	100
Other than Permanent	-	-	-	-	-	-
Total Employees	858	858	100	859	859	100
Workers						
Permanent	342	187	54.68	348	-	-
Other than Permanent	3270	1103	33.73	3441	-	-
Total Workers	3612	1290	35.71	3789	-	-

Note: All aspects of Prevention of Sexual Harassment (POSH), Child Labour, legal compliances, customer orientation, diversity and equal opportunities to all our employees in Management Staff were covered. In case of workmen, we have covered on the aspects of Prevention of Sexual Harassment (POSH), Child Labour and other labour related awareness programs as part of regular training sessions. In FY 2021, due to Covid restrictions it was not possible to schedule trainings for workmen.

2. Details of minimum wages paid to employees and workers, in the following format:

The Company follows the minimum wage regulations notified in the area of its operations. During the reporting period, the Company paid more than the minimum wage to 100% of its permanent and non-permanent employees as well as permanent workers. The non-permanent workers are paid an amount equal to the minimum wage applicable in respective states. The details are provided below:

Category	FY2022					FY2021				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
	Employees									
Permanent	858	-	-	858	100	859	-	-	859	100
Male	831	-	-	831	100	827	-	-	827	100
Female	27	-	-	27	100	32	-	-	32	100
Other than Permanent	-	-	-	-	-	-	-	-	-	-
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
	Workers									
Permanent	342	-	-	342	100	345	-	-	345	100
Male	330	-	-	330	100	334	-	-	334	100
Female	12	-	-	12	100	11	-	-	11	100
Other than Permanent	3270	3279	100	-	-	3441	3441	100	-	-
Male	3143	3143	100	-	-	3368	3368	100	-	-
Female	127	127	100	-	-	73	73	100	-	-

3. Details of remuneration/salary/wages, in the following format:

The details are provided below:

	Male		Female	
	Number	Median remuneration/salary/wages of respective category	Number	Median remuneration/salary/wages of respective category
Board of Directors (BoD)	7	Please refer Annexure-4 of Directors' Report for FY22	2	Please refer Annexure-4 of Directors' Report for FY22
Key Managerial Personnel (KMP)	2		1	
Employees other than BoD and KMP	829	881700	26	680220
Workers	330	801564	12	797536

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

The Company takes robust measures to ensure that no human rights violation takes place in its area of influence. Policies on equal opportunity to everyone with no discrimination, zero-tolerance for any instance of child labour or forced/involuntary labour even by contractors, sub-contractors or vendors, care for marginalised sections of the society, encouragement to create and provide opportunities for gainful employment to differently abled individuals are part of the daily routine. The Company has also established a POSH (Prevention of Sexual Harassment) Committee, which is active for larger establishments, including the plants and monitors activities, conducts trainings and carries out investigations to minimise irregularities. Employees are also allowed the opportunity to lodge complaints or grievances via email as per the Whistle Blower policy of the Company and its 'WE CARE' campaign. Human rights concerns within the organisation are addressed at the level of Senior Vice-President, Chief HR Officer and the Managing Director & CEO.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

As stated above, employees have the freedom to lodge complaints or express their concerns/grievances via emails, as per the Whistle Blower policy of the Company and its 'WE CARE' campaign. Human rights concerns within the organisation are addressed by the Chief HR Officer and the Managing Director & CEO.

Detailed mechanism of our Whistle Blower Policy is available at - <https://www.orientcement.com/wp-content/uploads/2016/05/Whistle-Blower-Policy.pdf>

As per the POSH Policy, each complaint of Sexual Harassment is dealt with utmost confidentiality and on priority by the Committee. The Committee maintains a register to endorse the complaint received by it and keeps the contents confidential, if it is so desired, except to use the same for discreet investigation.

6. Number of Complaints on the following made by employees and workers:

The details are provided below:

	FY2022			FY2021		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	Nil	Nil	Nil	1	Nil	Reported, investigated and necessary action taken against accused.
Discrimination at workplace	Nil	Nil	Nil	Nil	Nil	Nil
Child Labour	Nil	Nil	Nil	Nil	Nil	Nil
Forced Labour/Involuntary Labour	Nil	Nil	Nil	Nil	Nil	Nil
Wages	Nil	Nil	Nil	Nil	Nil	Nil
Other Human rights related issues	Nil	Nil	Nil	Nil	Nil	Nil

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Please refer answer of question no. 5 above.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, it is clearly mentioned in all the business agreements and contracts that all the statutory obligations applicable at the place of work have to be followed.

9. Assessment for the year:

	% of the Company's plants and offices that were assessed (by the Company or statutory authorities or third parties)
Child Labour	100
Forced Labour/Involuntary Labour	100
Sexual Harassment	100
Discrimination at workplace	100
Wages	100
Other- please specify	Nil

Note: The Internal Auditors conduct assessments wherever required as per their audit schedule. Additionally, assessments are also carried out by respective Government authorities and the Company has not received any non-compliance certification. Secretarial Auditors also conduct annual audit on above stated laws.

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

No instances or grievances relating to child labour, forced labour/involuntary labour, sexual harassment, discrimination at workplace, wages etc. have been noted/reported. Various awareness sessions and e-learning sessions are organised from time to time to sensitise all employees and workmen.

Principle 6: Business should respect and make efforts to protect and restore the environment

The Company aims to fulfil environmental sustainability goals by adopting innovative and effective methods to protect the environment. Company has identified areas to reduce the carbon footprints and has aligned objectives to achieve Net Zero Carbon emission by 2050.

The Company recognises its symbiotic relationship with the environment and takes various initiatives to reduce its impact and restore the environment. It complies with all the

environmental regulations and has a robust mechanism to mitigate the compliance risks. The Company is committed and contributing to create a circular economy through efforts to pursue by-product synergy and industrial ecology. It has adopted various measures to reduce and mitigate the impacts on environment through its operations and resource efficiency.

Essential indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

As a cement manufacturing Company, Orient Cement consumes energy which is a mix of renewable and non-renewable sources. The details of energy consumption are provided below:

Parameter	FY2022	FY2021
Total electricity consumption (A)	1269.7 TJ	1141.3TJ
Total fuel consumption (B)	17219.0 TJ	15244.8 TJ
Energy consumption through other sources (C)	-	-
Total energy consumption (A+B+C)	18488.7 TJ	16386.2 TJ
Energy intensity per rupee of turnover (TJ/ INR) (Total energy consumption/ turnover in rupees)	0.0000006784	0.0000007051
Energy intensity (optional) – the relevant metric may be selected by the Company	-	-

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, M/s. TUV India Private Limited has conducted the Limited Assurance.

2. Does the Company have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Yes, the sites/facilities of Devapur, Chittapur and Jalgaon plants are Designated Consumers (DCs) under the Perform, Achieve and Trade-PAT Scheme. However, Devapur plant is covered under PAT Cycle 1 and 2 and has already surpassed the targets of PAT Cycle 1 and 2. The Company, at its Devapur Plant has been earning Energy Saving Certificates in each PAT cycle for its exemplary performance in going beyond the targeted specific energy consumption.

3. Provide details of the following disclosures related to water, in the following format:

The cement industry is water intensive, and the Company realises its responsibility to reduce water usage within its facilities. The Company strives to save water through advanced monitoring, management and awareness etc. for water conservation. The Company has developed a rainwater harvesting structure at its mines and has created a reservoir with a capacity of 32 lakh cubic meters at its Devapur plant. A rainwater harvesting structure of capacity 5.6 lakh cubic meters has also been developed at Chittapur plant. We are a Zero Liquid discharge Company in the reporting period, all treated water is utilized within the Company and colony for gardening and dust suppression purpose. These initiatives enable us to fulfil our water requirements and minimise dependency on local water bodies.

Parameter	FY2022	FY2021
Water withdrawal by source (in kilolitres)		
(i) Surface water	1480852	1315698
(ii) Groundwater	16384	24392
(iii) Third party water	Nil	Nil
(iv) Seawater / desalinated water	Nil	Nil
(v) Others	Nil	Nil
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	1497236	1340090
Total volume of water consumption (in kilolitres)	1497236	1340090
Water intensity litre per rupee of turnover (Water consumed / turnover)	0.0549	0.0577
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, M/s. TUV India Private Limited has conducted the Limited Assurance.

4. Has the Company implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, all Orient Cement plants have Zero Liquid Discharge and consequently, no water bodies or habitats were affected due to water discharge/runoff from our operations. Wastewater generated from the operations of CPP is treated at Common Effluent Treatment Plant and the treated waste water is used for dust suppression and developing green belt.

5. Please provide details of air emissions (other than GHG emissions) by the Company, in the following format:

The Company strives to reduce emissions from its areas of operation through mechanisms for continuous monitoring of air quality.

Parameter	Unit	FY2022	FY2021
NOx	MT	2754.6	1806.9
SOx	MT	1037.0	860.1
Particulate matter (PM)	MT	439.8	351.3
Persistent organic pollutants (POP)	Mg/Nm ³	Well within the permissible limits	Well within the permissible limits
Volatile organic compounds (VOC)	Mg/Nm ³	Well within the permissible limits	Well within the permissible limits
Hazardous air pollutants (HAP)	Mg/Nm ³	Well within the permissible limits	Well within the permissible limits
Others – please specify Mercury, Cadmium, Chromium etc.	Mg/Nm ³	Well within the permissible limits	Well within the permissible limits

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, M/s. TUV India Private Limited has conducted the Limited Assurance.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

The details are provided below:

Parameter	Unit	FY2022	FY2021
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	3318102	2994943
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	55118	49340
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric tonnes of CO ₂ / Rupee of turnover	0.000123	0.000130
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	KG CO ₂ /MT of Cementitious material	Gross – 613	Gross – 611

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, M/s. TUV India Private Limited has conducted the Limited Assurance.

7. Does the Company have any project related to reducing Green House Gas emission? If yes, then provide details.

Yes, Orient Cement implemented a Clean Development Mechanism (CDM) Project with the title, "Blended Cement with Increased Blend" at its Devapur and Jalgaon plants in India and registered at UNFCCC on 27th Aug'2006. Refer in principle no. 2 for details.

Further, the Company has implemented various energy efficient initiatives, enhanced usage of various AFRs in its kilns and captive power generation to replace fossil fuels, thus avoiding usage of fossil fuels and also saving circa ₹35 crores for the year.

The Company has invested in a solar power plant with AMP Solar through a group captive arrangement during the later part of the year with the objective of substituting ~50% of its power needs at the Grinding Unit at Jalgaon, Maharashtra with renewable power.

During the financial year 2021-22, setting up of Waste Heat Recovery System at Chittapur has been initiated, which, once commissioned, will provide power without burning any fuel to the extent of 10.1 MW approximately.

Various energy conservation initiatives implemented towards reduction of GHG emissions are mentioned in Annexure-5 of Directors' Report forming part of this Annual Report.

8. Provide details related to waste management by the Company, in the following format:

The Company follows a stringent waste management process to ensure safe disposal and reuse of waste. Waste by-products such as chemical gypsum are procured from external sources for utilization in the cement manufacturing process. The Company judiciously blends sub-grade limestone with Cement Grade limestone in the production of clinker, while ensuring strict adherence to its quality parameters. Plastic waste procured from outside along with internally collected plastic is being co-processed in the Company's kilns. The e-waste and used oil generated are collected, stored in designated places and disposed off to authorised recyclers. The battery waste is disposed off to authorised dealers with buyback option on procurement of new batteries.

The required details are provided below:

Parameter	FY2022	FY2021
Total Waste generated (in metric tonnes)		
Plastic waste (A)	NA	NA
E-waste (B)	3.8	1.1
Bio-medical waste (C)	0.2	0.3
Construction and demolition waste (D)	Nil	Nil
Battery waste (E)	2.3	13.1
Radioactive waste (F)	Nil	Nil
Other Hazardous Waste. Please specify, if any. (G) Waste Oil	39.4	24.8
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	Nil	Nil
Total (A+B+C+D+E+F+G+H)	45.7	39.2

Parameter	FY2022	FY2021
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	19.6	22.7
(ii) Re-used	39.4	24.8
(iii) Other recovery operations	-	-
Total	59.0	47.5
For each category of waste generated, total waste disposed of through disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0.2	0.3
(ii) Landfilling	-	-
(iii) Other disposal operations	-	-
Total	0.2	0.3

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, M/s. TUV India Private Limited has conducted the Limited Assurance.

9. Briefly describe the waste management practices adopted in your establishment. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

We are complying with all regulations concerning the safe and responsible management of waste materials. The waste, including waste oil and grease, electronic waste, battery waste, bio medical waste etc., are disposed off to authorized recyclers. For hazardous waste, the relevant returns are filed with the respective regulatory authorities from time to time. Please refer to the essential Indicator 8 and the relevant disclosure above.

Waste generated from the captive power plant, i.e., Flyash, is completely consumed in cement manufacturing process. While co-processing of Hazardous Waste (HW) material, compliance issues are strictly adhered to. The Company has also received numerous awards for its green & safe practices and also certified for 'GreenPro Certification' by CII – Green Products and Services Council, for PPC grade.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

No, the Company is not operating in ecologically sensitive areas.

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection Act and rules thereunder (Y/N).

Yes, the Company is compliant with applicable environmental law/regulations/guidelines in India.

If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not Applicable				

Leadership Indicators -

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY2022	FY2021
From renewable sources		
Total electricity consumption (A)	107.7 TJ	59.8 TJ
Total fuel consumption (B)	824.1 TJ	533.5 TJ
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	931.8 TJ	593.3 TJ
From non-renewable sources		
Total electricity consumption (D)	1162.0 TJ	1081.5 TJ
Total fuel consumption (E)	16394.9 TJ	14711.3 TJ
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	17556.9 TJ	15792.8 TJ

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, M/s. TUV India Private Limited has conducted the Limited Assurance.

2. Provide the following details related to water discharged:

Company is not discharging any water, hence not applicable.

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

Not applicable, as the Company does not operate in water stressed areas.

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY2022	FY2021
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	39011#	37094#
Total Scope 3 emissions per rupee of turnover	Kg CO ₂ /Rupee turnover	0.001431	0.001596
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Emissions calculated considering only the outbound cement dispatches to the market (outbound transportation).

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, M/s. TUV India Private Limited has conducted the Limited Assurance.

5. With respect to the ecologically sensitive areas reported in Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not Applicable.

6. If the entity provided below taken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
	<p>At Orient Cement, efficient resource consumption is a priority and the Company ensures optimal utilisation of raw materials. Limestone is the primary raw material used for the cement manufacturing process. To ensure conservation of natural resources, the Company consumes even sub-grade limestone through an optimisation process. The Company has consumed 930723 tons of sub-grade limestone during the fiscal year 2021-22, while ensuring that the quality of clinker and cement produced meets the highest quality standards.</p> <p>The Company's Devapur and Chittapur Plants have started to conserve fossil fuels by replacing it with RDF – Refuse Derived Fuel & MSW – Municipal Solid Waste without affecting the production rate and quality of clinker.</p> <p>The Company has also deployed bespoke digital tools, using Artificial Intelligence and Machine Learning technology, to reduce consumption of non-renewable resources and is constantly expanding such efforts.</p>		

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, our Onsite Emergency plan (OEP), is a comprehensive response plan to react to foreseeable emergencies, in accordance with the ISO 14001:2015, ISO 45001:2018 and all applicable requirements. Emergency/Disaster planning is integral management of an incident/event to minimise environmental impact and losses to people, to form a part of the overall loss control program and is essential for smooth operations of the organisation. The objectives of OEP is to ensure protocols in place for emergency preparedness/ response organisation, resources available and response actions applicable to deal with various types of emergencies with shortest response time during an emergency.

Orient Cement considers its suppliers and supply chain vendors as its valued partners and they are vital to its business, playing a significant role for the Company to achieve its business objectives. The Company has a robust mechanism to screen the potential partners and uses a prequalification checklist before enlisting any supplier. This process consists of assessing potential suppliers on their social, environmental and economic performance. Each parameter is weighed appropriately. Suppliers who qualify through the strict assessment are onboarded, signing an undertaking to comply with all applicable environmental and social laws and regulations.

Most of its vendors, by value, are PSU's and large/MNC OEM's, who are expected to be complying and/or certified with the required environmental standards.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

As cement manufacturing process is, by its very nature, energy and resource intensive, the Company remains very conscious of its responsibility to take all possible measures to abate its impact on the environment and actively partners with various stakeholders and experts to find ways to minimise its environmental impact. Amongst various measures undertaken to protect the environment, few are:

- Infrastructural facility was developed to co-process waste materials like HW, Biomass, plastic waste and increase the utilisation of AFR materials.
- Energy efficient initiatives are encouraged at every level, even at the supplier level.

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

The Company stays sensitive to the impact of public policy and regulatory framework on its operations and on the eco-system in which the Company operates. Whenever warranted, the Company assumes responsibility to contribute towards the development of public policy and complement its objectives of ensuring social and environmental stewardship through responsible action. It plays its role in the formulation and development of policies that have a significant impact on the public in a responsible manner, without being limited to its own narrow business objectives. The Company's association with regulatory authorities enables it to perform its duties towards stakeholders including customers, employees, suppliers, vendors and communities in an effective and responsible manner.

Essential indicators**1. a. Number of affiliations with trade and industry chambers/associations.**

Please refer details at point b below.

b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the Company is a member of/affiliated to.

S. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/associations (State/ National)
1	CMA-Cement Manufacturing Association	National
2	GCCA-Global Cement & Concrete Association	International
3	National Safety Council, India	National
4	NCCBM-National Council for Cement and Building Materials	National
5	SICMA-South India Cement Manufacturing Association	Southern Region
6	Development Council for Cement Industry- under the aegis of Department for Promotion of Industry and Internal Trade	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the Company, based on adverse orders from regulatory authorities.

There have been no adverse orders against the Company pertaining to anti-competitive conduct from regulatory bodies.

Name of the authority	Brief of the case	Corrective action taken
Nil	Nil	Nil

Leadership Indicators**1. Details of public policy positions advocated by the Company:**

Company's advocacy efforts are largely routed through collective forums like various industry bodies, associations and committees (CMA, CII, GCCA and DCCI), of which it is a member. The Company participates actively in the policy formulation and approach towards environmental protection, regulatory framework governing mines, pollution control measures, extended producer responsibility (EPR), etc. Through these forums it ensures that proper processes are agreed upon by various stakeholders towards usage of municipal waste and RDF, collective bargaining of workers' wages and facilities, etc.

S. No.	Public Policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/ No)	Frequency of Review by Board (Annually/ Half yearly/Quarterly/Others-please specify)	Web Link, if available
1	Carbon neutral concrete @2050	Seminars, Conferences, Workshops	Yes	As and when required	https://gccassociation.org/concretefuture

Principle 8: Businesses should promote inclusive growth and equitable development

The Company believes in supporting inclusive growth as a pre-requisite for ensuring organisational success. To enable equitable access to development opportunities, the Company continues to undertake efforts for sustainable value creation and serve the interests of the society. Through its dedicated Corporate Social Responsibility programmes, the Company continues to support equitable growth.

Essential Indicators**1. Details of Social Impact Assessments (SIA) of projects undertaken by the Company, based on applicable laws, in the current financial year.**

During the reporting period, the Company was not liable to conduct the Social Impact Assessment (SIA).

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by the Company, in the following format:

The Company is carrying out the Rehabilitation and Resettlement (R&R) programme around its Chittapur plant in Gulbarga, Karnataka in accordance with the guidelines issued by the Ministry of Environment and Forests (MoEF) while granting environmental clearance. A 10-year plan has been finalised and necessary steps are being taken to implement the plan effectively and beneficially for the communities around the plant. The project has not resulted in the displacement of families and has not affected local communities. The project wise details of expenditure made by the Company on R&R activities during FY 2021-22 is as under:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amount sent on R&R activities during FY 2021-22 (In INR)
I	Development Initiatives					
1	Infrastructure development in the villages	Karnataka	Kalaburagi	NA	NA	1,04,74,403
2	Education	Karnataka	Kalaburagi	NA	NA	55,73,499
3	Hygiene and sanitation	Karnataka	Kalaburagi	NA	NA	73,49,410
4	Health	Karnataka	Kalaburagi	NA	NA	1,85,06,082
5	Livelihood Promotion and Capability building	Karnataka	Kalaburagi	NA	NA	55,03,085
6	Heritage, Culture etc. (Local folk-art promotions etc.)	Karnataka	Kalaburagi	NA	NA	7,11,450
II	Programme costs					4,81,17,929
III	Programme administration monitoring and evaluation					88,15,825
	Total project costs (II+III)					5,69,33,754

3. Describe the mechanisms to receive and redress grievances of the community.

Orient Cement has a mechanism for systematically receiving, investigating, responding to and closing out complaints or grievances from affected communities in a timely, fair and consistent manner. Grievances can be expressed verbally or can be written in local languages. The Company has a dedicated email id, info@orientcement.com on which the grievances can be lodged.

Once a grievance is received, the issue raised is examined/investigated by the Company officials and the complainant is responded to in an expeditious manner. Grievances are escalated to the senior management level, if deemed necessary. We strive for our community grievance process to be based on dialogue where a resolution can be found together with the complainant. Remedial action is taken on case-to-case basis keeping in mind the specific issues and related facts of the matter.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY2022	FY2021
Directly sourced from MSMEs/small producers	6.9%	5.2%
Sourced directly within the state	78.3%	77.8%

Leadership Indicators

1. Provide the following information on CSR projects undertaken by the Company in the designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In INR)
There are no designated aspirational districts in the area of operations of the Company.			

2. Details of beneficiaries of CSR Projects:

The Company actively interacts with the community and performs need based assessment for implementation of CSR activities. The details of all CSR activities undertaken by the Company during the financial year 2021-22, can be accessed in the Annual Report on CSR forming part of Directors' Report.

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1	School	1580 students every year	69.55%
2	Dispensary	200+ local villagers per day	More than 50%
3	Health care support	Besides providing primary healthcare to villagers around the plants at its facilities on a regular basis, the Company: 1. Conducted Eye camp for 200 patients at Mogala Village in partnership with Akruti Trust through Sidrameshwar Eye Hospital 2. Distributed 182 pairs of spectacles and medicines to 228 patients of Mogala village and Itaga village. 3. Distributed 2 Oxygen Concentrators each to Nashirabad Primary Health Center and in Jalgaon Khurd for the COVID-19 Emergency	More than 50%
4	Learning & Training sessions	1. Abacus training classes were conducted for Government School children at Mogala village and Diggaon village 2. Computer Training Classes were conducted for Government School Students of Diggaon Village. 3. Literature Learning program was conducted for Women at Mogala Village. 4. English language speaking skill classes were conducted for drop-out students & youth of Diggaon Village.	100%

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

Orient Cement is a consumer-centric Company that engages with its consumers and aligns its business with customer expectations to maximise value creation.

Essential indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company has a defined mechanism to receive and respond to consumer feedback and complaints. Consumers can directly reach out to Company on the customer care number and email address printed on bags or through channel partners. These complaints are allocated to the technical services team which is a dedicated team for addressing the customer complaints and educate them on the right construction practices. These complaints are documented through complaint form capturing the complaint details including the type and nature of the grievance. Technical Services team resolves these complaints by visiting the customer site and escalates to respective officials in case they need any further assistance and are tracked till resolution is provided.

2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

	As per percentage to total turnover
Environmental and social parameters relevant to the product	100% of our cement bags are labelled with all the necessary information as prescribed by the BIS & Legal Metrology Act.
Safe and responsible usage	All necessary information regarding safe and responsible usage of resources and recycling and disposal of waste is disclosed by the Company, as per regulatory requirements.
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY2022			FY2021		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	NIL	NIL	No issues have been reported	NIL	NIL	No issues
Advertising	NIL	NIL		NIL	NIL	have been
Cyber- security	NIL	NIL		NIL	NIL	reported
Delivery of essential services	Not Applicable			Not Applicable		
Restrictive Trade Practices	NIL	NIL	No issues have been reported	NIL	NIL	No issues
Unfair Trade Practices	NIL	NIL		NIL	NIL	have been reported
Other (product related)	70	1	Under investigation	136	2	closed in FY22

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Nil	-
Forced recalls	Nil	-

5. Does the Company have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

The Company has been certified for Information Security Management System Standard: ISO/IEC 27001:2013 and the location scope includes Hyderabad and all 3 manufacturing locations (Devapur, Chittapur and Jalgaon).

The Company has a data privacy policy published on our website www.orientcement.com and the link for the same is shared below.

<https://www.orientcement.com/wp-content/uploads/2019/07/Orient-Cement-Ltd-Privacy-Policy-1.pdf>

As per the IT Security protocols, external audits are conducted to assess cyber security integrity. Vulnerability Assessment and Penetration Testing (VAPT) including red team testing are also part of this protocol. Security patching of all systems is done periodically and proactively. Access to systems is strictly defined by roles.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on safety of products/services.

Not applicable

Leadership Indicators

1. Channels/platforms where information on products and services of the Company can be accessed (provide web-link, if available).

The Company's websites, www.orientcement.com and www.birlaa1.com provides adequate information regarding its products and services.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

To educate all the stakeholders about safe and responsible usage of products and/or services, the Company has invested in a dedicated team to render technical services and with the help of sales team and channel partners, workshops are conducted to educate masons, engineers, architects and project owners. All necessary information about product quality, usage, good construction practices

and service offerings is shared in these forums. Organization has also invested into fully equipped Technical Vans named "Concrete Xpert" which is used to provide on-site value-added services to consumers. Besides this, the Company also uses the digital communication media to educate customers and other stake holders through video & other content on good construction practices.

3. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as whole? (Yes/No)

Product labelling norms are governed by Bureau of Indian standards (BIS) and the Company is complying with same. The Company also conducts consumer surveys to assess consumer satisfaction levels on existing products and receive their feedback across all market operations. The

Company also provides onsite service to its customers, the details of which can be accessed at <https://www.birlaa1.com/on-site-services.html>.

4. Provide the following information relating to data breaches:
- Number of instances of data breaches, along with impact
Nil. Orient Cement is certified for ISO 27001.
 - Percentage of data breaches involving personally identifiable information of customers
Nil.

By order of the Board of Directors
For Orient Cement Limited

D.D. Khetrpal

Managing Director & CEO
(DIN 02362633)

Place: New Delhi
Date: May 11, 2022

Assurance Statement

To the Directors and Management
Orient Cement Limited,
Hyderabad, India

Orient Cement Limited (hereafter 'OCL') commissioned TUV India Private Limited (TUVI) to conduct independent external assurance of non-financial information (*Essential and Leadership Indicators*) disclosed in OCL's Business Responsibility and Sustainability Report (hereinafter 'the BRSR') for the period April 01, 2021 to March 31, 2022. The BRSR is based on the National Guidelines on Responsible Business Conduct (NGRBC), SEBI circular: SEBI/HO/CFD/CMD-2/P/CIR/2021/562, dated 10/05/2021 pertaining to Business Responsibility and Sustainability Reporting (<BRSR>) framework. This assurance engagement was conducted in accordance with ISAE 3000 (Revised)- "Limited Level".

Management's Responsibility

OCL developed the BRSR's content. OCL management is responsible for identifying "Essential and Leadership" indicators, carrying out the collection, analysis, and disclosure of the information presented in the BRSR (web-based and print),

including website maintenance, integrity, and for ensuring its quality and accuracy in accordance with the applied criteria stated in the <BRSR> framework, such that it's free of intended or unintended material misstatements.

Scope and Boundary

The scope of work includes the assurance of the following non-financial performance / Essential and Leadership Indicators disclosed in the BRSR. In particular, the assurance engagement included the following:

- Review of General Disclosure, Management & Process and the disclosures against all 09 BRSR principles submitted by OCL;
- Review of the quality of information;
- Review of evidence (on a sample basis) for identified non-financial indicators.

TUVI has verified the below Essential and Leadership Indicators disclosed in the BRSR

Principles	Essential Indicators	Leadership Indicators
Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.	1,2,3,4,5,6,7	1,2
Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe.	1,2,3,4	3,4,5
Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.	1,2,3,4,5,6,7,8,9,10,11,12,13,14,15	1,2,3,4,5
Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders.	1,2	1,2,3
Principle 5: Businesses should respect and promote human rights.	1,2,3,4,5,6,7,8,9,10	-
Principle 6: Businesses should respect and make efforts to protect and restore the environment.	1,2,3,4,5,6,7,8,9,10,11,12	1,2,3,6,7,8
Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.	1,2	1
Principle 8: Businesses should promote inclusive growth and equitable development.	1,2,3,4	2,6
Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner	1,2,3,4,5,6	1,2,4,5

The onsite verification was conducted at Devapur Cement Plant (March 28, 2022 to March 30, 2022) and Hyderabad Corporate Office (April 18, 2022 to April 20, 2022). The assurance activities were carried out together with a desk review of data of other manufacturing units located at Chittapur, and the grinding unit at Jalgaon as per reporting boundary i.e. OCL India operations as stated above.

Limitations

TUVI did not perform any assurance procedures on the prospective information, such as targets, expectations, and ambitions, disclosed in the BRSR. Consequently, TUVI draws no conclusion on the prospective information. During the assurance process, TUVI did not come across any limitation to the agreed scope of the assurance engagement. TUVI expressly disclaims any liability or co-responsibility for any decision a person or entity would make based on this Assurance Statement.

Our Responsibility

TUVI's responsibility in relation to this engagement was to perform agreed level of assurance and to express a conclusion based on the work performed. This engagement did not include an assessment of the adequacy or the effectiveness of OCL's strategy, management of sustainability-related issues or the sufficiency of the BRSR against principles of SEBI Business Responsibility and Sustainability Reporting (<BRSR>), and ISAE 3000 (revised), other than those mentioned in the scope of the assurance. TUVI's responsibility regarding this verification is in accordance with the agreed scope of work which includes non-financial quantitative and qualitative information disclosed by OCL. This assurance engagement assumes that the data and information provided to us by OCL are complete and true.

Verification Methodology

During the assurance engagement, TUVI adopted a risk-based approach, focusing on verification efforts with respect to disclosures. TUVI has verified the disclosures and assessed the robustness of the underlying data management system, information flows, and controls. In doing so:

- TUVI examined and reviewed the documents, data, and other information made available by OCL for non-financial Essential and Leadership Indicators (non-financial disclosures);
- TUVI conducted interviews with key representatives, including data owners and decision-makers from different functions of OCL;
- TUVI performed sample-based reviews of the mechanisms for implementing the sustainability-related policies and data management (qualitative and qualitative);
- TUVI reviewed the adherence to reporting requirements of "the <BRSR> Framework";

Opportunities for Improvement

The following are the opportunities for improvement reported to OCL. However, they are generally consistent with OCL management's objectives and programs.

- OCL can assess its emission targets following the "Science-Based Targets" methodology (Sectoral de-carbonization approach or Absolute based targets or Economic approach);
- OCL can disclose its principle wise commitments, goals and targets and report the corresponding status of achievements;
- Internal periodic review mechanism of the principle wise BRSR data needs to be established;
- In future, OCL can apply the recognized frameworks like TCFD to evaluate the climate related financial disclosures;

Our Conclusion

In our opinion, based on the scope of this assurance engagement, the disclosures on sustainability performance reported in the BRSR along with the referenced information provides a fair representation of the material topics, related strategies, and meets the general content and quality requirements of the reporting.

Disclosures: TUVI is of the opinion that the reported disclosures generally meet the BRSR reporting requirements. OCL refers to general disclosure to report contextual information about OCL, while the Management & Process disclosures the management approach for each indicator (Essential and Leadership).

Limited Assurance Conclusion: Based on the procedures we have performed; nothing has come to our attention that causes us to believe that the information subject to the limited assurance engagement was not prepared in all material respects. TUVI found the sustainability information to be reliable in all principles, with regards to the reporting criteria of the BRSR.

Report complies with the below requirements

- Governance, leadership and oversight:** The messages of top management, business model to promote inclusive growth and equitable development, action and strategies, focus on products, risk management, protection and restoration of environment, and priorities are disclosed appropriately.
- Connectivity of information:** OCL discloses various principles and their inter-relatedness and dependencies with factors that affect the organization's ability to create value over time.
- Stakeholder responsiveness:** The Report covers mechanisms of communication with key stakeholders to identify major concerns to derive and prioritize the short, medium and long-term strategies. The Report provides

insights into the organization's relationships (nature and quality) with its key stakeholders. In addition, the Report provides a fair representation of the extent to which the organization understands, takes into account and responds to the legitimate needs and interests of key stakeholders.

- D. Materiality:** The materiality assessment process has been carried out already during GRI reporting, based on the requirements of "GRI". The GRI Report reflects how OCL has appropriately identified issues that affect its value creation, have high importance to its stakeholders, linked to strategy and governance considering aspects that are internal and external to the OCL's range of business. The Report fairly brings out the aspects and topics and its respective boundaries of operations. The Report discloses information on material topics that substantively affect OCL's ability to create value over the short, medium and long term.
- E. Conciseness:** The Report reproduces the requisite information and communicates clear information in as few words as possible. The disclosures are expressed briefly and to the point sentences, graphs, pictorial, tabular representation are applied. At the same time, due care is taken to maintain continuity of information flow in the BRSR.
- F. Reliability and completeness:** OCL has established internal data aggregation and evaluation systems to derive the performance. The reported data is duly verified and authenticated by OCL. The majority of the data and information was verified by TUVI's assurance team (*on sample basis*) during the assessment of the BRSR and found to be fairly accurate. All data, is reported transparently, in a neutral tone and without material error.
- G. Consistency and comparability:** The information in the Report is presented on an annual basis in a reliable and complete manner. Thus, the principle of consistency and comparability is established.

This assurance statement has been prepared in accordance with the terms of our engagement and ISAE 3000 (revised) requirements

Independence:

TUVI follows IESBA (International Ethics Standards Board for Accountants) Code which, adopts a threats and safeguards approach to independence. It is confirmed that the assurance team is selected to avoid situations of self-interest, self-review, advocacy and familiarity. The assessment team was safeguarded from any type of intimidation.

Quality control:

The assurance team complies with the code of ethics for professional accountants issued by the IESBA, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. In accordance with International Standard on Quality Control, TUVI maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Assurance Team and Independence

TUVI is an independent, neutral third-party providing sustainability services with qualified environmental and social specialists. TUVI states its independence and impartiality and confirms that there is "no conflict of interest" with regard to this assurance engagement. In the reporting year, TUVI did not work with OCL on any engagement that could compromise the independence or impartiality of our findings, conclusions, and recommendations. TUVI was not involved in the preparation of any content or data included in the BRSR, with the exception of this assurance statement. TUVI maintains complete impartiality towards any individuals interviewed during the assurance engagement.

For and on behalf of TUV India Private Limited



Manojkumar Borekar
Project Manager and Reviewer
Head – Sustainability Assurance Service



Date: 11-05-2022
Place: Mumbai, India
Project Reference No: 8120207839
www.tuv-nord.com/in

Financial Statements

Independent Auditor's Report

To the Members of **Orient Cement Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Orient Cement Limited (the "Company"), which comprise the balance sheet as at 31 March 2022, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows 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 financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act.

Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the 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 obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition - discounts and rebates

The Key Audit Matter	How the matter was addressed in our audit
<p>Refer Note 26 to the financial statements</p> <p>The Company recognises revenues from sale of goods when control of the goods is transferred to the customer at an amount reflecting the consideration to which the Company expects to be entitled in exchange for those goods. In determining the sales consideration, the Company considers the effects of rebates and discounts (variable consideration).</p> <p>The Company's presence across different marketing regions and the competitive business environment makes the assessment of various types of discounts and rebate schemes as complex and judgmental.</p> <p>Therefore, there is a risk of revenue being misstated as a result of incorrect computation of discounts and rebates. Accordingly, revenue recognition - discount and rebates etc. was determined to be a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> We have assessed the compliance of the Company's accounting policies in respect of discounts and rebates with applicable accounting standards. We have assessed the design and implementation and tested the operating effectiveness of Company's general IT controls, key manual and application controls over the IT system including controls over provisions, approvals and disbursements of discounts and rebates. We have performed substantive testing by selecting statistical samples of discounts and rebates recorded during the year by matching the key parameters with the underlying source documents and credit notes issued by the Company. We have assessed the Company's computations for accrual of discounts and rebates, on a statistical sample basis, and compared the year end accruals made with the approved schemes. We have assessed expectation of the discount and rebate recognised during the year and compared this expectation against the actual discounts and rebates recognised during the year and obtained underlying documentation for samples selected statistically. We have tested manual journal entries posted to revenue to identify unusual or irregular items. We have assessed the adequacy of relevant disclosures made within the financial statements.

Litigations and Claims

The Key Audit Matter	How the matter was addressed in our audit
<p>Refer Note 39 to the financial statements</p> <p>There are several pending legal and regulatory cases against the Company across various jurisdictions.</p> <p>The Company applies significant judgement in estimating the likelihood of the future outcome in each case and in determining the provisions or disclosures required for each matter.</p> <p>Resolution of tax and legal proceedings may span over multiple years due to the highly complex nature and magnitude of the legal matters involved and may involve protracted negotiation or litigation.</p> <p>These estimates could change significantly over time as new facts emerge and each legal case progresses.</p> <p>Given the inherent complexity and magnitude of potential exposures and the judgement necessary to estimate the amount of provision required or to determine required disclosures, this is a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • We have understood the processes and evaluated the design and implementation of controls and tested the operating effectiveness of controls over identification and recording of provisions for litigations, potential claims and contingent liabilities. • We have gained an understanding of outstanding litigations against the Company from the Company's in-house legal counsel and other key managerial personnel who have knowledge of these matters. • We have tested the completeness of the litigations and claims by examining the Company's legal expenses and minutes of the board meetings. • We have read the legal opinions obtained by the Company on the possible outcome of litigations for significant matters. We have analysed responses obtained from the Company's advisors who deal with the tax and legal authorities in which the status of proceedings and their expected outcome were described. • We have challenged the Company's estimate of the possible outcome of the disputed cases based on applicable tax laws and legal precedence by involving our tax specialists. • We have assessed the adequacy of the Company's disclosures in respect of contingent liabilities in the financial statements.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. 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.

Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements 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 financial statements, including the disclosures, and whether the 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 financial statements of the current period 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.

Other Matter

The financial statements of the Company for the year ended 31 March 2021 were audited by the predecessor auditor who had expressed an unmodified opinion on 17 May 2021.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a) The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its financial statements - Refer Note 39 to the financial statements.
- b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- d) (i) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 53 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented, that, to the best of its knowledge and belief, as disclosed in Note 53 to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.
- e) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.
- The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.
- As stated in Note 47 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the Members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.
- (C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:
- In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Associates LLP**
Chartered Accountants

ICAI Firm's Registration No. 116231W/W - 100024

Vikash Somani
Partner

Place: Hyderabad
Date: 11 May 2022

Membership No. 061272
ICAI UDIN: 22061272AITMEM8548

Annexure A to the Independent Auditor's Report on the Financial Statements of Orient Cement Limited for the year ended 31 March 2022

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (a) (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification 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 to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

Description of property	Gross carrying value (In Lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Free hold land at Chittapur, Karnataka and Devapur, Telangana	752.08	Orient Paper & Industries Limited	No	Since 2012	Mutation under progress

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except goods-in-transit, has been physically verified by the management during the year. For goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnerships or any other parties during the year. The Company has made investment in a company, in respect of which the requisite information is as below. The Company has not made any investments in firms, limited liability partnership or any other parties.

- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not provided any loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity. Hence, sub-clause (a) of the Order is not applicable.
- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the investment made, are, prima facie, not prejudicial to the interest of the Company.
- (c) The Company has not given any loans or advance in the nature of loan to any party. Hence, sub-clause (c), (d) (e) and (f) of the Order are not applicable.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Sections 185 and 186 of the Companies Act, 2013. In respect of the investment made by the Company, the provisions of Section 186 of the Companies Act, 2013 have been complied with.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013 in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year, since effective 1 July 2017 these statutory dues have been subsumed into Goods and Services Tax ("GST").

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including GST, Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have been regularly deposited by the Company with the appropriate authorities in all cases during the year;

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts

payable in respect of GST, Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to GST, Excise duty, Sales Tax, Value Added Tax, Income-Tax or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (₹ in Lakhs)**	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty and Penalty	565.14	Apr- 2003 to Jul- 2009	High Court of Telangana
Central Excise Act, 1944	Excise Duty	10.51	July 2016 to June 2017	Commissioner (Appeals)
Customs Act, 1962	Customs and Penalty	84.35	July 2012 & November 2012	Commissioner
Customs Act, 1962	Customs and Penalty	15.24	2014-15	Customs Excise and Service Tax Appellate Tribunal
A. P. Sales Tax & Central Sales Tax Act, 1956	Sales Tax and Central Sales Tax	169.16	1990-91, 1993-2002, 2004-05	Assistant Commissioner / Sales Tax Appellate Tribunal / High Court of Telangana
Tamil Nadu / Karnataka / Maharashtra VAT Act	VAT and Penalty	53.61	1996-97, 2004-05 & 2008-09	Joint Commissioner / Assistant Commissioner
Income Tax Act, 1961	Income Tax, Interest and Penalty	1,038.19	2013-14, 2015-16 to 2017-18	Commissioner (Appeals)
Entry tax Act, 2001	Entry tax and Penalty	587.18*	2011-12 to 2017-18 (upto June 2017)	High Court of Telangana / Assistant Commissioner

*Interim stay granted in High court of Telangana.

**The amounts disclosed are net of payments and include interest and penalties, wherever applicable.

As explained to us, the Company did not have any disputed statutory dues on account of Provident fund, Employees State Insurance and Duty of Customs.

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to banks or financial institutions during the year. Further, the Company did not have any outstanding loans or borrowings from any other lender during the year.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under Companies Act, 2013) during the year ended 31 March 2022. Accordingly, clause 3(ix)(e) is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under Companies Act, 2013).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer during the year (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, Clause 3(x)(b) of the Order is not applicable
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) and (b) of the Order is not applicable.

- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company

is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Associates LLP**

Chartered Accountants

ICAI Firm's Registration No. 116231W/W - 100024

Vikash Somani

Partner

(Membership No. 061272)

ICAI UDIN: 22061272AITMEM8548

Place: Hyderabad

Date: 11 May 2022

Annexure B to the Independent Auditors' report on the financial statements of Orient Cement Limited for the year ended 31 March 2022

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

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

Opinion

We have audited the internal financial controls with reference to financial statements of Orient Cement Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform

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

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

Meaning of Internal Financial controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

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

because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Associates LLP**

Chartered Accountants

ICAI Firm's Registration No. 116231W/W – 100024

Vikash Somani

Partner

(Membership No. 061272)

Place: Hyderabad

Date: 11 May 2022

ICAI UDIN: 22061272AITMEM8548

Balance Sheet

as at March 31, 2022

		(₹ in Lacs)	
Particulars	Note	March 31, 2022	March 31, 2021
I) ASSETS			
1) NON-CURRENT ASSETS			
a) Property, Plant and Equipment	3	2,05,024.19	2,14,599.72
b) Capital work-in-progress	5 a.	3,976.85	4,127.70
c) Right of Use assets	5 b.	584.88	125.01
d) Intangible assets	4	5,905.29	6,005.66
e) Financial assets			
(i) Investment	11	416.49	-
(ii) Loans	6	2.81	3.00
(iii) Other financial assets	7	2,172.14	4,116.08
f) Income tax assets (net)	8	120.30	590.34
g) Other non current assets	9	3,466.44	3,095.92
	(A)	2,21,669.39	2,32,663.43
2) CURRENT ASSETS			
a) Inventories	10	18,661.89	17,053.42
b) Financial assets			
(i) Investments	11	1,001.31	11,507.03
(ii) Trade receivables	12	12,733.25	11,017.59
(iii) Cash and cash equivalents	13	4,308.02	3,507.40
(iv) Bank balances other than (iii) above	14	70.07	108.59
(v) Loans	6	2.86	2.83
(vi) Other financial assets	7	1,089.02	1,742.29
c) Other current assets	9	5,427.65	3,603.26
	(B)	43,294.07	48,542.41
TOTAL ASSETS (A)+(B)		2,64,963.46	2,81,205.84
II) EQUITY AND LIABILITIES			
1) EQUITY			
a) Equity Share Capital	15	2,048.69	2,048.69
b) Other Equity	16	1,50,494.13	1,28,541.89
		1,52,542.82	1,30,590.58
LIABILITIES			
2) NON-CURRENT LIABILITIES			
a) Financial Liabilities			
(i) Borrowings	17	14,800.00	78,383.81
(ii) Lease liabilities	18	384.35	-
b) Provisions	19	4,788.74	5,715.93
c) Deferred tax liabilities (net)	20	25,172.22	18,110.54
	(D)	45,145.31	1,02,210.28
3) CURRENT LIABILITIES			
a) Financial Liabilities			
(i) Borrowings	17	16,165.81	1,280.32
(ii) Lease liabilities	21	209.26	134.18
(iii) Trade Payables	22		
- Total Outstanding Dues of Micro Enterprises and Small Enterprises		1,159.90	406.50
- Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		21,937.31	18,038.02
(iv) Other financial liabilities	23	12,544.60	12,971.11
b) Other current liabilities	24	12,030.12	12,261.47
c) Provisions	19	3,135.98	3,313.38
d) Current tax liabilities (net)	25	92.35	-
	(E)	67,275.33	48,404.98
TOTAL LIABILITIES (F) = (D)+(E)		1,12,420.64	1,50,615.26
TOTAL EQUITY AND LIABILITIES (C)+(F)		2,64,963.46	2,81,205.84
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For **B S R & Associates LLP**

Chartered Accountants

ICAI firm registration number: 116231W/W-100024

Vikash Somani

Partner

Membership No.: 061272

Place: Hyderabad

Date: May 11, 2022

For and on behalf of Board of Directors

CK. Birla

Chairman

(DIN 00118473)

Place: New Delhi

S. Bhattacharyya

Chief Financial Officer

(FCA 059004)

Place: Hyderabad

Date: May 11, 2022

D.D. Khetrapal

Managing Director & CEO

(DIN 02362633)

Place: New Delhi

N. Bisaria

Company Secretary

(FCS 5634)

Place: New Delhi

Statement of Profit and Loss

for the year ended March 31, 2022

(₹ in Lacs)

Particulars	Note	March 31, 2022	March 31, 2021
I) INCOME			
Revenue from operations	26	2,72,541.66	2,32,408.70
Other income	27	956.28	1,834.89
Total income (I)		2,73,497.94	2,34,243.59
II) EXPENSES			
Cost of materials consumed	28	36,703.75	30,422.56
Change in inventories of finished goods and work in progress	29	(1,232.96)	2,052.08
Employee benefits expense	30	15,244.40	15,253.66
Finance costs	31	5,142.55	9,357.19
Depreciation and amortisation expenses	32	14,521.36	14,185.44
Power and Fuel		62,439.85	45,063.47
Packing, freight & forwarding charges		71,156.13	60,887.44
Other expenses	33	29,122.83	23,661.29
Total expenses (II)		2,33,097.91	2,00,883.13
III) Profit before tax (I)-(II)		40,400.03	33,360.46
IV) Tax Expense	20		
(1) Current tax			
Current tax relating to current year		8,514.66	5,857.03
Current tax relating to earlier year		-	110.71
(2) Deferred tax charge including MAT credit		5,560.29	5,974.19
		14,074.95	11,941.93
V) Profit for the year (III)-(IV)		26,325.08	21,418.53
VI) Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement gain/(loss) on defined benefit plans		363.85	(159.82)
Income tax relating to remeasurement of defined benefit plans		(127.14)	55.84
Other Comprehensive Income (net of tax)		236.71	(103.98)
VII) Total Comprehensive Income for the year (V)+(VI)		26,561.79	21,314.55
Earnings per equity share (Face value ₹ 1/- per share)	34		
(1) Basic (₹)		12.85	10.45
(2) Diluted (₹)		12.85	10.45
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For **B S R & Associates LLP**

Chartered Accountants

ICAI firm registration number: 116231W/W-100024

Vikash Somani

Partner

Membership No.: 061272

Place: Hyderabad

Date: May 11, 2022

For and on behalf of Board of Directors

CK. Birla

Chairman

(DIN 00118473)

Place: New Delhi

S. Bhattacharyya

Chief Financial Officer

(FCA 059004)

Place: Hyderabad

Date: May 11, 2022

D.D. Khetrapal

Managing Director & CEO

(DIN 02362633)

Place: New Delhi

N. Bisaria

Company Secretary

(FCS 5634)

Place: New Delhi

Statement of Cash Flows

for the year ended March 31, 2022

		(₹ in Lacs)	
Particulars	Note	March 31, 2022	March 31, 2021
(A) OPERATING ACTIVITIES :			
Profit before tax		40,400.03	33,360.46
Adjustments for :			
Depreciation and amortisation expense		14,521.36	14,185.44
Finance costs		5,142.55	9,357.19
(Profit)/Loss on Sale / Retirement of Property, plant and equipment (net)		(19.19)	11.08
Bad debts / advances written off (net of reversals)		34.16	204.97
Provision for doubtful debts, advances and other receivables		73.84	219.76
Unspent liabilities and unclaimed balances adjusted		(396.58)	(1,153.41)
Profit on Sale of Current Investments (net)		(99.04)	(170.64)
Loss/(gain) on Fair Valuation of Investments (net)		6.54	(7.03)
Unrealised gain on Exchange Rate Fluctuations (net)		(0.43)	(0.93)
Interest Income on loans, deposits, others		(142.06)	(325.95)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		59,521.18	55,680.94
Working Capital Adjustments :			
Increase in trade payable and other liabilities		5,076.66	10,075.13
(Decrease)/Increase in provisions		(841.61)	629.08
(Increase)/Decrease in inventories		(1,608.47)	6,607.98
(Increase)/Decrease in trade receivables and other assets		(3,177.83)	4,316.11
CASH GENERATED FROM OPERATIONS:		58,969.93	77,309.24
Income Tax Paid (net of refund)		(6,577.99)	(5,904.02)
NET CASH FLOWS FROM OPERATING ACTIVITIES		52,391.94	71,405.22
(B) INVESTING ACTIVITIES :			
Purchase of Property, Plant and Equipment and Intangibles (including capital work-in-progress)		(5,339.55)	(5,100.07)
Proceeds from sale of Property, plant and equipment		86.13	32.89
Investment in Equity and Debt instruments		(416.49)	-
Redemption / (Purchase) of Current Investments (net)		10,598.22	(11,329.35)
Redemption / (Investment) for term deposits with banks (net)		1,935.15	(67.09)
Interest Received		153.85	308.70
NET CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES		7,017.31	(16,154.92)
(C) FINANCING ACTIVITIES :			
Proceeds from Non-Current Borrowings		39,949.88	-
Repayment of Non-Current Borrowings		(89,048.04)	(43,062.84)
Repayment of Current Borrowings (net)		-	(26.00)
Payments of Lease Liabilities (Note 37)		(247.30)	(245.17)
Interest Paid		(4,653.62)	(9,318.08)
Dividends Paid		(4,609.55)	(2,560.86)
NET CASH FLOWS USED IN FINANCING ACTIVITIES		(58,608.63)	(55,212.95)
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		800.62	37.35
Cash and cash equivalents at the beginning of the year	13	3,507.40	3,470.05
Cash and cash equivalents at the end of the year	13	4,308.02	3,507.40
Statement of cash flows has been prepared under the indirect method as set out in Ind AS - 7 specified under Section 133 of the Act.			
For changes in liabilities arising from financing activities refer note 13			
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For **B S R & Associates LLP**
Chartered Accountants
ICAI firm registration number: 116231W/W-100024

Vikash Somani
Partner
Membership No.: 061272
Place: Hyderabad

Date: May 11, 2022

For and on behalf of Board of Directors

CK. Birla
Chairman
(DIN 00118473)
Place: New Delhi

S. Bhattacharyya
Chief Financial Officer
(FCA 059004)
Place: Hyderabad
Date: May 11, 2022

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

N. Bisaria
Company Secretary
(FCS 5634)
Place: New Delhi

Statement of Changes in Equity

for the year ended March 31, 2022

A) Equity Share Capital

Particulars	No. in Lacs	₹ in Lacs
Equity Shares of ₹ 1 each issued, subscribed and fully paid		
Balance as at April 01, 2020	2,048.69	2,048.69
Changes in equity share capital during 2020-21	-	-
Balance as at March 31, 2021	2,048.69	2,048.69
Changes in equity share capital during 2021-22	-	-
Balance as at March 31, 2022	2,048.69	2,048.69

B) Other Equity

Particulars	Reserves and Surplus			(₹ in Lacs)
	General Reserve	Employee Stock Options Outstanding	Retained Earnings	Total
Balance as at April 01, 2020	71,056.95	1,168.34	37,562.92	1,09,788.21
Profit for the year	-	-	21,418.53	21,418.53
Other Comprehensive Income for the year (Remeasurement loss on defined benefit plans)	-	-	(103.98)	(103.98)
Total comprehensive Income for the year ended March 31, 2021	71,056.95	1,168.34	58,877.47	1,31,102.76
Transactions with owners, recorded directly in equity				
Contributions by and distributions to owners				
Dividends (Note 47)	-	-	2,560.87	2,560.87
Balance as at March 31, 2021	71,056.95	1,168.34	56,316.60	1,28,541.89
Profit for the year	-	-	26,325.08	26,325.08
Other Comprehensive Income for the year (Remeasurement gain on defined benefit plans)	-	-	236.71	236.71
Total comprehensive Income for the year ended March 31, 2022	71,056.95	1,168.34	82,878.39	1,55,103.68
Transactions with owners, recorded directly in equity				
Contributions by and distributions to owners				
Dividends (Note 47)	-	-	4,609.55	4,609.55
Balance as at March 31, 2022	71,056.95	1,168.34	78,268.84	1,50,494.13

Summary of significant accounting policies Note 2.1

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

For **B S R & Associates LLP**

Chartered Accountants

ICAI firm registration number: 116231W/W-100024

Vikash Somani

Partner

Membership No.: 061272

Place: Hyderabad

Date: May 11, 2022

For and on behalf of Board of Directors

CK. Birla

Chairman

(DIN 00118473)

Place: New Delhi

S. Bhattacharyya

Chief Financial Officer

(FCA 059004)

Place: Hyderabad

Date: May 11, 2022

D.D. Khetrpal

Managing Director & CEO

(DIN 02362633)

Place: New Delhi

N. Bisaria

Company Secretary

(FCS 5634)

Place: New Delhi

Notes to the Ind AS Financial Statements

as at and for the year ended March 31, 2022

1. Corporate information

Orient Cement Limited ("the Company") having CIN: L26940OR2011PLC013933 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 May 11, 2022.

2. Basis of preparation

A. Statement of Compliance

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.

B. Functional and Presentation currency

The Ind AS financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lacs (INR 00,000), except when otherwise indicated.

C. Basis of measurement

These Ind AS financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value and net defined benefit (asset)/liability as per actuarial valuation (refer accounting policy regarding financial instruments).

D. Use of estimates and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Taxes

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses including unabsorbed depreciation can be utilised. Significant management estimate and assumptions is required to determine the amount deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Further, details on taxes are disclosed in Note 20.

Notes to the Ind AS Financial Statements (Contd..)

as at and for the year ended March 31, 2022

Provision for Restoration cost and Rehabilitation and resettlement cost obligations relating to mines

In determining the fair value of the Restoration cost and Rehabilitation and resettlement cost obligation relating to mines, assumptions and estimates are made in relation to discount rates, the expected cost to be incurred over the specified period and the expected timing of such costs. Also refer Note 19.

Useful Lives of Property, Plant & Equipment

The Company uses technical expertise along with historical and industry trends for determining the economic life of an certain asset/component of an asset. The useful lives are reviewed by management yearly and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

Defined benefit plans

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 35.

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 36.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing off the asset. The value in use calculation is based on a DCF model. The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the recoverable amounts of cash-generating units have been determined based on value in use calculations. These calculations require the use of estimates such as discount rates and growth rates.

2.1 Summary of significant accounting policies

(a) Property, plant and equipment (PPE)

Property, plant and equipment (including capital work in progress) is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major overhaul is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 – Property, Plant and Equipment.

Notes to the Ind AS Financial Statements (Contd..)

as at and for the year ended March 31, 2022

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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 recognised in the Statement of Profit and Loss when the asset is derecognised.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company and the subsequent expenditure can be measured reliably.

Depreciation is provided under straight line basis using the estimated useful lives of the assets as follows -

Class of Asset	Useful Lives estimated by the management
Freehold Land	No depreciation except on freehold mining land. Freehold mining land is depreciation over the period of respective mining agreement (42-44 years).
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	8 to 10 years

Depreciation on property, plant and equipment added / disposed-off during the year is provided on pro-rata basis with reference to the date of addition/disposal. The management has estimated, supported by technical assessment by experts, the useful lives of certain plant and equipment as 5 to 25 years. These lives are lower than those indicated in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The residual values, useful lives, and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Production stripping costs

Production stripping costs are incurred to extract the ore in the form of inventories and/or to improve access to an additional component of an ore body or deeper levels of material.

The Company recognises a stripping activity asset in the production phase if, and only if, all of the following are met: it is probable that the future economic benefit (improved access to the ore body) associated with the stripping activity will flow to the Company, the Company can identify the component of the ore body for which access has been improved and the costs relating to the improved access to that component can be measured reliably.

Notes to the Ind AS Financial Statements (Contd..)

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Such costs are presented within mining assets. After initial recognition, stripping activity assets are carried at cost less accumulated amortisation and impairment. The expected useful life of the identified component of the ore body is used to depreciate or amortise the stripping asset.

(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.

Cost of an item of intangible assets comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of preparing the asset for its intended use.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

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.

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)

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

(c) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Notes to the Ind AS Financial Statements (Contd..)

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A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

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

(d) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (f) Impairment of non-financial assets.

Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset (refer Note 18 and Note 21).

Notes to the Ind AS Financial Statements (Contd..)

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Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of offices, godowns, equipment, etc. that are of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

(e) Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds.

(f) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Company's cash-generating units to which the individual assets are allocated. Impairment losses of continuing operations, including impairment on inventories, are recognised in the Statement of Profit and Loss.

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.

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(g) Government grants and subsidies

Grants and subsidies from the government are recognised 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 recognised as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is deducted while calculating carrying amount of the asset. The grant is recognised in the Statement of Profit and Loss over the life of the depreciable asset as a reduced depreciation expense.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to the Statement of Profit and Loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments. When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities in respect of loans / assistances received subsequent to the date of transition.

(h) Inventories

Raw materials, fuels, stores and spares and packing materials are valued at lower of cost and net realizable value. However, these items are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Cost is determined on weighted average basis which includes expenditure incurred for acquiring inventories like purchase price, import duties, taxes (net of tax credit) and other costs incurred in bringing the inventories to their present location and condition.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of such inventories is computed on annual weighted average basis.

Saleable scrap, whose cost is not identifiable, is valued at net realisable value.

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

(i) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

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 and is measured at the fair value of consideration received or receivable. 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.

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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. It is estimated at contract inception considering the terms of various schemes with customers and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. It is reassessed at end of each reporting period.

(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 recognised in the Statement of Profit and Loss in the period in which they arise.

(k) Retirement and other employee benefits

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

Defined contribution plans

Retirement benefit in the form of Provident Fund, Employees State Insurance Corporation (ESIC) and Superannuation Schemes are defined contribution schemes. The Company has no obligation, other than the contribution payable to the respective funds. The Company recognises 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 recognised 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 recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit plans

Gratuity liability is a defined benefit obligation and is provided for on the basis of actuarial valuation done on projected unit credit method at the balance sheet date.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income in the period in which they occur. Re-measurements are not reclassified to Statement Profit and Loss in subsequent periods.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined plan when the settlement occurs.

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Other long-term employee benefits

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.

(I) Taxes

Income Tax

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to or recovered from the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside Statement of Profit and Loss is recognised outside Statement of Profit and Loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax relating to items recognised outside Statement of Profit and Loss is recognised outside Statement of Profit and Loss (either in other comprehensive income or in equity).

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised 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.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized except:

- a) When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- b) In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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 recognises MAT credit available as deferred tax asset only when there is convincing evidence 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

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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 originates.

(m) Segment reporting

Identification of segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available. 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. Based on the management approach as defined in Ind AS 108, the CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments. The analysis of geographical segments is based on the areas in which the customers of the Company are located.

(n) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

(o) Provisions

A provision is recognised 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 and Contingent Assets

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 recognised 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 recognised because it cannot be measured reliably. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised. A contingent asset is disclosed, in financial statements, where an inflow of economic benefits is probable.

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(q) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value and are also used for the purpose of Statement of Cash Flows, as these are considered an integral part of the Company's cash management.

(r) Employee stock options

Certain employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. The cost is recognised, together with a corresponding increase in reserves, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value.

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

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and liabilities are recognised are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A Financial asset and liability are initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Financial assets - Classification and subsequent measurement:

- Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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- **Financial assets at fair value through profit or loss**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in the statement of profit and loss.

iii. Financial liabilities - Classification and subsequent measurement:

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities.

- **Financial liabilities at FVTPL**

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Gains or Losses on liabilities held for trading are recognised in the statement of profit and loss.

- **Other financial liabilities**

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

iv. De-recognition of financial instruments

- **Financial asset**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters transaction whereby it transfers assets recognised on its balance sheet but retains either all or substantially all the risks and rewards of the transferred assets, the transferred assets are not derecognised.

- **Financial liability**

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or the same expires.

The Company also derecognise a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the statement of profit and loss.

v. Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the Balance Sheet when, and only when, the Company has a legally enforceable right to set off the amount and intends to settle them on a net basis or to realise the asset and settle the liability simultaneously.

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vi. Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

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

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

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

When the fair values of financial assets and financial liabilities recorded in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgements is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk volatility and discount rates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

vii. Impairment

• Financial assets (other than at fair value)

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses ('ECL') to be measured through a loss allowance. The Company recognises lifetime expected losses for trade receivables and contract assets that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. The Company write-off's the receivables only on completion of the legal proceedings or if it is certain that the balance will not be recoverable.

(t) Statement of Cash Flows

Cash flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

(u) Mines Restoration Provision

An obligation for restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the development or ongoing extraction from mines. Costs arising from restoration at closure of the mines and other site preparation work are provided for based on their discounted net present value, with a corresponding amount being capitalised at the start of each project. The amount provided for is recognised, as soon as the obligation to incur such costs

Notes to the Ind AS Financial Statements (Contd..)

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arises. These costs are charged to the Statement of Profit and Loss over the life of the operation through the depreciation of the asset and the unwinding of the discount on the provision. The costs are reviewed periodically and are adjusted to reflect known developments which may have an impact on the cost or life of operations. The cost of the related asset is adjusted for changes in the provision due to factors such as updated cost estimates, new disturbance and revisions to discount rates. The adjusted cost of the asset is depreciated prospectively over the lives of the assets to which they relate. The unwinding of the discount is shown as a finance cost in the Statement of Profit and Loss.

2.2 Standards issued but not effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification, and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 106 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

Notes to the Ind AS Financial Statements (Contd..)

as at and for the year ended March 31, 2022

3. Property, plant and equipment

(₹ in Lacs)										
Particulars	Freehold Land (a)	Freehold Mining Land (a)	Factory Buildings	Non-Factory Buildings	Railway Sidings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Computers
Cost										
April 01, 2020	5,809.99	9,472.14	6,427.81	26,361.98	6,590.95	2,20,338.82	1,092.18	534.28	445.77	1,013.73
Additions	-	17.13	65.31	272.58	888.03	5,949.76	71.71	0.22	80.06	60.70
Disposals	-	-	-	-	-	53.90	21.09	-	8.28	6.10
March 31, 2021	5,809.99	9,489.27	6,493.12	26,634.56	7,478.98	2,26,234.68	1,142.80	534.50	517.55	1,068.33
Additions	-	133.47	38.02	653.75	2.08	3,348.53	35.75	293.32	54.38	105.96
Disposals	-	-	-	97.02	11.46	111.44	30.24	61.81	10.67	40.38
March 31, 2022	5,809.99	9,622.74	6,531.14	27,191.29	7,469.60	2,29,471.77	1,148.31	766.01	561.26	1,133.91
Depreciation and amortisation										
April 01, 2020	-	204.46	1,005.42	5,287.76	645.80	48,143.47	556.93	274.39	217.82	769.65
Charge for the year	-	204.64	222.01	1,430.43	439.87	11,168.87	78.26	30.48	63.73	105.47
Disposals	-	-	-	-	-	19.67	14.34	-	6.34	5.05
March 31, 2021	-	409.10	1,227.43	6,718.19	1,085.67	59,292.67	620.85	304.87	275.21	870.07
Charge for the year	-	309.70	222.03	1,337.87	472.96	11,451.02	79.05	32.61	77.27	77.31
Disposals	-	-	-	17.70	1.92	60.56	11.76	47.05	5.51	37.55
March 31, 2022	-	718.80	1,449.46	8,038.36	1,556.71	70,683.13	688.14	290.43	346.97	909.83
Net book value										
March 31, 2022	5,809.99	8,903.94	5,081.68	19,152.93	5,912.89	1,58,788.64	460.17	475.58	214.29	224.08
March 31, 2021	5,809.99	9,080.17	5,265.69	19,916.37	6,393.31	1,66,942.01	521.95	229.63	242.34	198.26

- Includes ₹ 752.08 lacs (March 31, 2021: ₹ 752.08 lacs) on account of land transferred under the Business transfer agreement dated July 27, 2012 from Orient Paper & Industries Limited, the mutation whereof is under progress in the government records.
- For charge created on Property, plant and equipment of the Company towards borrowings, refer Note 17.
- For disclosure on capital commitments, refer Note 38.

4. Intangible assets

(₹ in Lacs)			
Particulars	Computer software	Mining Rights	Total
Cost			
April 01, 2020	958.09	7,086.56	8,044.65
Additions	38.80	363.09	401.89
March 31, 2021	996.89	7,449.65	8,446.54
Additions	80.29	151.65	231.94
Adjustment	-	85.32	85.32
March 31, 2022	1,077.18	7,515.98	8,593.16
Amortisation			
April 01, 2020	842.09	1,366.71	2,208.80
Charge for the year	87.80	144.28	232.08
March 31, 2021	929.89	1,510.99	2,440.88
Charge for the year	61.49	185.50	246.99
March 31, 2022	991.38	1,696.49	2,687.87
Net book value			
March 31, 2022	85.80	5,819.49	5,905.29
March 31, 2021	67.00	5,938.66	6,005.66

Notes to the Ind AS Financial Statements (Contd..)

as at and for the year ended March 31, 2022

5 a. Movement of capital work-in-progress

(₹ in Lacs)

Particulars	March 31, 2022	March 31, 2021
Opening balance	4,127.70	6,676.09
Additions during the year	4,746.35	5,259.00
Capitalised during the year	4,897.20	7,807.39
Closing balance	3,976.85	4,127.70

CWIP ageing schedule

(₹ in Lacs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project in progress					
Rajasthan (Shambhupura) Project	7.23	95.88	12.98	847.48	963.57
Others	1,646.52	508.93	634.18	223.65	3,013.28
March 31, 2022	1,653.75	604.81	647.16	1,071.13	3,976.85
Rajasthan (Shambhupura) Project	95.88	12.98	12.50	834.98	956.34
Others	1,074.70	1,885.88	112.06	98.72	3,171.36
March 31, 2021	1,170.58	1,898.86	124.56	933.70	4,127.70

Note - The Company does not have any CWIP which is overdue or has exceeded its cost compared to its original plan and hence CWIP completion schedule is not applicable.

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)

Particulars	March 31, 2022	March 31, 2021
a) Pre-Operative Expenses:		
Rent & Hire Charges	0.60	0.72
Consultancy charges	4.83	93.05
Interest cost	75.83	140.90
Other Borrowing cost	1.80	1.81
Miscellaneous Expenses	0.30	0.30
	83.36	236.78
b) Add: Balance brought forward from previous year	963.16	867.28
c) Less: Allocated to Property, plant and equipment / Capital work-in-progress during the year / Charged to Statement of Profit and Loss	75.83	140.90
d) Balance pending allocation included in Capital work-in-progress (a+b-c)	970.69	963.16

Notes to the Ind AS Financial Statements (Contd..)

as at and for the year ended March 31, 2022

5 b. Right of Use Assets

		(₹ in Lacs)
Particulars		Buildings
Cost		
April 01, 2020		544.21
Additions		-
March 31, 2021		544.21
Additions		674.42
Disposals		544.21
March 31, 2022		674.42
Depreciation		
April 01, 2020		209.60
Charge for the year		209.60
March 31, 2021		419.20
Charge for the year		214.55
Disposals		544.21
March 31, 2022		89.54
Net book value		
March 31, 2022		584.88
March 31, 2021		125.01

Refer Note 37 for the related disclosures

6. Loans

		(₹ in Lacs)
Particulars	March 31, 2022	March 31, 2021
At Amortised Cost		
Non-current		
Unsecured, considered good		
Loans to employees	2.81	3.00
	2.81	3.00
Current		
Unsecured, considered good		
Loans to employees	2.86	2.83
	2.86	2.83
Total Loans	5.67	5.83

7. Other financial assets

		(₹ in Lacs)
Particulars	March 31, 2022	March 31, 2021
Non-current		
Security deposits	1,177.42	1,237.40
Deposit with original maturity for more than 12 months at amortised cost [#]	950.13	2,854.52
Interest accrued on loans, deposits etc.	44.59	24.16
	2,172.14	4,116.08

Notes to the Ind AS Financial Statements (Contd..)

as at and for the year ended March 31, 2022

7. Other financial assets (Contd..)

(₹ in Lacs)

Particulars	March 31, 2022	March 31, 2021
Current		
Interest accrued on loans, deposits etc.	46.67	78.89
Claims & other receivables*	1,054.10	1,675.15
Less: Provision for doubtful receivables	11.75	11.75
	1,042.35	1,663.40
	1,089.02	1,742.29
Total other financial assets	3,261.16	5,858.37

*Receipts for ₹ 950.13 lacs (March 31, 2021: ₹ 2,854.52 lacs) are lodged with Government Departments/Banks as security.

*Includes ₹ 576.75 lacs (March 31, 2021 : ₹ 1,282.18 lacs) receivable towards reimbursement of sales tax under Industrial Investment Promotion Policy (IIPP 2005-2010) Scheme of Andhra Pradesh. Other receivables include REC receivable, discount receivable on fuels, etc.

8. Income tax assets (net)

(₹ in Lacs)

Particulars	March 31, 2022	March 31, 2021
Advance payment of income tax and tax deducted at source (net of provision for taxation)	120.30	590.34
	120.30	590.34

9. Other assets

(₹ in Lacs)

Particulars	March 31, 2022	March 31, 2021
Non-current		
Unsecured, considered good, except where otherwise stated		
Capital advances		
Considered good	371.24	211.68
Considered doubtful	43.27	43.27
	414.51	254.95
Less : Provision for doubtful advances	43.27	43.27
	371.24	211.68
Trade & other deposits	935.00	818.34
Deposits against demand under dispute	1,471.99	1,369.89
Prepaid expenses	616.66	696.01
Excess CSR amount spent, available for carry forward	71.55	-
	3,466.44	3,095.92
Current		
Unsecured, considered good, except where otherwise stated		
Advance to suppliers / service providers		
Considered good	3,717.58	2,164.68
Considered doubtful	167.91	133.05
	3,885.49	2,297.73
Less : Provision for doubtful advances	167.91	133.05
	3,717.58	2,164.68
Prepaid expenses	926.50	793.98
Balances with excise, customs, port trusts and other government authorities	783.57	642.00
Trade & other deposits	-	2.60
	5,427.65	3,603.26
Total other assets	8,894.09	6,699.18

Notes to the Ind AS Financial Statements (Contd..)

as at and for the year ended March 31, 2022

10. Inventories

(₹ in Lacs)		
Particulars	March 31, 2022	March 31, 2021
Valued at Lower of Cost and Net Realisable Value		
Raw materials	2,574.31	1,805.62
Work-in-progress	3,431.32	2,785.42
Finished goods	1,965.63	1,421.10
Packing Material	498.78	424.45
Stores and spares	7,827.02	7,374.10
Fuels	2,179.44	3,099.87
At net realisable value		
Scrap	185.39	142.86
	18,661.89	17,053.42
The above includes stock in transit:		
Raw materials	118.23	-
Work-in-progress	-	213.48
Stores and spares	0.34	4.14
Fuels	535.15	146.26
	653.72	363.88

a. Inventories are pledged against the borrowings of the Company as referred in Note 17.

11. Investments

(₹ in Lacs)					
Particulars	Number		Face Value (₹)	March 31, 2022	March 31, 2021
	March 31, 2022	March 31, 2021			
Non-current Investments					
Investment in Companies at Fair Value through Profit and Loss					
<i>Unquoted, equity securities, fully paid</i>	41,624	-	10	4.16	-
AMPSolar Systems Private Limited (Refer Note 50)					
<i>Unquoted, debt securities, fully paid</i>	41,233	-	1,000	412.33	-
0.01% compulsorily-convertible debentures in AMPSolar Systems Private Limited (Refer Note 50)					
				416.49	-
Current Investments					
<i>Investment in Mutual Funds, fully paid</i>	23,928	-		1,001.31	-
<i>Quoted, valued at Fair Value through Profit and Loss</i>					
HDFC Liquid Fund - Direct Plan - Growth Option					
SBI Liquid Fund - Direct Growth	-	3,57,181		-	11,507.03
				1,001.31	11,507.03
Aggregate amount of Quoted Investments				1,001.31	11,507.03
Aggregate amount of Unquoted Investments				416.49	-
Aggregate amount of Impairment in value of Investments				-	-

Disclosure under Section 186 of Companies Act, 2013 and Regulation 34(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015:

Refer note 50 for purpose of investment in AMPSolar Systems Private Limited. Further, the investment in HDFC mutual fund is a treasury investment.

Notes to the Ind AS Financial Statements (Contd..)

as at and for the year ended March 31, 2022

12. Trade receivables

(₹ in Lacs)

Particulars	March 31, 2022	March 31, 2021
Secured, considered good	3,825.26	3,465.89
Unsecured, considered good	8,907.99	7,551.70
Trade receivables which have significant increase in credit risk	398.37	359.40
	13,131.62	11,376.99
Less : Impairment Allowance (allowance for doubtful debts)	398.37	359.40
	12,733.25	11,017.59

- Trade receivables are pledged against the borrowings of the Company as referred in Note 17.
- For ageing analysis, credit risk and market risk of trade receivables, refer Note 43 & 44.
- No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

13. Cash and cash equivalents

(₹ in Lacs)

Particulars	March 31, 2022	March 31, 2021
Balances with banks	3,686.96	3,132.67
Cheques in hand	618.40	372.07
Cash in hand	2.66	2.66
	4,308.02	3,507.40

Changes in liabilities arising from financing activities

(₹ in Lacs)

Particulars	April 1, 2021	Cash Flows Changes	Others	March 31, 2022
Current maturities of long term loans (excluding items listed below)	-	-	14,800.00	14,800.00
Current maturities of deferred sales tax loan	1,280.32	(1,280.32)	1,365.81	1,365.81
Current lease liabilities	134.18	(247.30)	497.47	384.35
Non-current borrowings (excluding items listed below)	77,018.00	(47,817.83)	(14,400.17)	14,800.00
Non-current portion of deferred sales tax loan	1,365.81	-	(1,365.81)	-
Non-current lease liabilities	-	-	209.26	209.26
	79,798.31	(49,345.45)	1,106.56	31,559.42

(₹ in Lacs)

Particulars	April 1, 2020	Cash Flows Changes	Others	March 31, 2021
Current maturities of long term loans (excluding items listed below)	8,177.93	(8,177.93)	-	-
Current maturities of deferred sales tax loan	918.98	(918.98)	1,280.32	1,280.32
Current lease liabilities	213.84	(245.17)	165.51	134.18
Non-current borrowings (excluding items listed below)	1,10,893.00	(33,991.93)	116.93	77,018.00
Non-current portion of deferred sales tax loan	2,646.13	-	(1,280.32)	1,365.81
Non-current lease liabilities	134.18	-	(134.18)	-
	1,22,984.06	(43,334.01)	148.26	79,798.31

The "Others" column includes the effect of reclassification of non-current portion of borrowings, including deferred sales tax loan to current due to the passage of time.

Notes to the Ind AS Financial Statements (Contd..)

as at and for the year ended March 31, 2022

14. Other bank balances

Particulars	(₹ in Lacs)	
	March 31, 2022	March 31, 2021
Unpaid dividend accounts*	70.07	77.83
Deposits with original maturity for more than 3 months but less than 12 months**	-	30.76
	70.07	108.59

*earmarked for payment of unpaid dividend only.

**Receipts for ₹ Nil (March 31, 2021: ₹ 30.76 lacs) are lodged with Government Departments/Banks as security.

For credit risk and market risk refer Note 43.

15. Equity Share Capital

Particulars	(₹ in Lacs)			
	March 31, 2022		March 31, 2021	
	No. in lacs	₹ in Lacs	No. in lacs	₹ in Lacs
Authorised share capital (Equity Shares of ₹ 1 each)	5,000.00	5,000.00	5,000.00	5,000.00
Issued, subscribed and fully paid-up (Equity Shares of ₹ 1 each 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 March 31, 2022, final dividend of ₹ 1.50 per share (March 31, 2021: ₹ 0.75 per share) and Interim dividend of ₹ 0.75 per share (March 31, 2021: ₹ 0.50 per share) was recognised for distribution to equity shareholders respectively.

The Board of Directors, at its meeting on May 11, 2022, have proposed a final dividend of ₹ 1.75 per equity share for the financial year ended March 31, 2022. The proposal is subject to the approval of shareholders at the forthcoming Annual General Meeting and if approved would result in a cash outflow of approximately ₹ 3,585.20 lacs. Final dividend is accounted for in the year in which it is approved by the shareholders.

During the five years period ended March 31, 2022, no shares have been bought back/ issued for consideration other than Cash and no bonus shares have been issued.

Notes to the Ind AS Financial Statements (Contd..)

as at and for the year ended March 31, 2022

b) Details of shareholders holding more than 5% shares in the Company

(₹ in Lacs)

Particulars	March 31, 2022		March 31, 2021	
	No. in lacs	% holding in the class	No. in lacs	% holding in the class
Equity shares of ₹1 each fully paid				
Central India Industries Limited	491.44	23.99	491.44	23.99
HDFC Trustee Company Limited A/c HDFC Balanced Advantage Fund	23.68	1.16	172.69	8.43
Shekhavati Investments and Traders Limited	123.61	6.03	123.61	6.03
Franklin Templeton Mutual Fund A/c Franklin India Focused Equity Fund	77.00	3.76	160.00	7.81

c) Details of shareholding of the promoters

(₹ in Lacs)

Name of the Promoter	March 31, 2022			March 31, 2021		
	No. in lacs	% holding in the class	% of change during the year	No. in lacs	% holding in the class	% of change during the year
Equity shares of ₹ 1 each fully paid						
Individuals/Hindu Undivided Family						
Amita Birla	3.88	0.19	-	3.88	0.19	-
Nirmala Birla	30.22	1.47	-	30.22	1.47	-7%
Avanti Birla	1.30	0.06	-	1.30	0.06	-
Avani Birla	1.30	0.06	-	1.30	0.06	-
Chandrakant Birla	31.54	1.54	-	31.54	1.54	-
Any Other (Bodies Corporate)						
Amer Investments (Delhi) Limited	14.22	0.69	-	14.22	0.69	-
Hindusthan Discounting Company Limited	22.31	1.09	-	22.31	1.09	-
National Engineering Industries Limited	5.37	0.26	-	5.37	0.26	-
Jaipur Finance and Dairy Products Private Limited	2.08	0.10	-	2.08	0.10	-
India Silica Magnesite Works Limited	2.00	0.10	-	2.00	0.10	-
Universal Trading Company Limited	9.72	0.47	-	9.72	0.47	-
Central India Industries Limited	491.44	23.99	-	491.44	23.99	-
Rajasthan Industries Limited	5.04	0.25	-	5.04	0.25	-
Shekhavati Investments and Traders Limited	123.61	6.03	-	123.61	6.03	2%
Ashok Investment Corporation Limited	3.60	0.18	-	3.60	0.18	5%
Gwalior Finance Corporation Limited	15.93	0.78	-	15.93	0.78	-
Bengal Rubber Company Limited	1.95	0.10	-	1.95	0.10	-

d) For details of shares reserved for issue under the Employee Stock Option Plan (ESOP) of the Company, refer Note 36.

Notes to the Ind AS Financial Statements (Contd..)

as at and for the year ended March 31, 2022

16. Other Equity

(₹ in Lacs)		
Particulars	March 31, 2022	March 31, 2021
General reserve	71,056.95	71,056.95
Employee Stock Options Outstanding (Note 36)		
Balance as per last financial statements	1,168.34	1,168.34
Retained Earnings		
Opening Balance	56,316.60	37,562.92
Add : Profit for the year	26,325.08	21,418.53
Less : Other Comprehensive Income for the year	(236.71)	103.98
Less : Final Dividend	3,073.03	1,536.52
Less : Interim Dividend	1,536.52	1,024.35
Closing Balance	78,268.84	56,316.60
Total	1,50,494.13	1,28,541.89

General Reserve: The General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to the statement of profit and loss. As per Companies Act 2013, transfer of profits to General reserve is not mandatory.

Employee Stock Options Outstanding: The Company has share option schemes under which options to subscribe for the Company's shares have been granted to certain executives and senior employees. The share based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. Refer to Note 36 for further details of these plans.

Retained earnings: Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends paid to shareholders. Retained earnings includes re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss. Retained earnings is a free reserve available to the Company.

17. Borrowings

(₹ in Lacs)		
Particulars	March 31, 2022	March 31, 2021
Non-current borrowings		
Term loans		
From Banks		
Secured bank loans	14,800.00	77,018.00
From other parties		
Deferred sales tax loan (Unsecured)	-	1,365.81
Total non-current borrowings	14,800.00	78,383.81
Current borrowings		
Current maturities of Long term loans	14,800.00	-
Current maturities of Deferred sales tax loan	1,365.81	1,280.32
Total current borrowings	16,165.81	1,280.32

- The loan is secured by way of first charge on entire immovable fixed assets of the Chittapur taluka unit at Gulbarga District both present and future, entire movable fixed assets, both present and future, and second charge on Current Assets of the said unit.

The above loans were repayable in 56 quarterly instalments ranging from 1% to 2.5% of the loan amount and repayment starting from June 30, 2017 and ending on March 31, 2031. The above loans carried coupon interest @ 7.50% to 8.90% p.a. (March 31, 2021: 7.50% to 8.90% p.a.).

Notes to the Ind AS Financial Statements (Contd..)

as at and for the year ended March 31, 2022

During the year ended 31 March 2022, the Company has refinanced the outstanding loan amount by obtaining fresh loan amounting to ₹ 41,500.00 lacs (Drawn as at 31 March 22: ₹ 39,949.89 lacs). These loans are repayable in 8 equal quarterly instalments starting from June 2022 repayable till March 31, 2024. The above loan carry a coupon rate @ 5.65% to 5.94% p.a.

On account of the above refinancing of loan, the Company has charged off the entire amortization cost of the earlier loan.

During the year, the Company has made repayment of term loans amounting to ₹ 47,817.83 lacs which includes prepayment of ₹ Nil lacs in respect of instalments due till March 2022 and additional instalments of ₹ 47,817.83 lacs in respect of loans due in future periods.

- Sales Tax deferrment loan granted under State Investment Promotion Scheme has been considered as a government grant, however the Company has not applied Ind AS 20 "Accounting for Govt. Grants and Disclosure of Govt. Assistance" retrospectively and has used its previous GAAP carrying amount of deferred sales tax loan at the date of transition to Ind AS as carrying amount on deferred sales tax loan in the balance sheet as at 1st April 2015. It is interest free and is payable in 26 unequal instalments, starting from February 2012 and ending on January 2023.

18. Lease liabilities (Non-current)

(₹ in Lacs)

Particulars	March 31, 2022	March 31, 2021
Lease Liability (Note 37)	384.35	-
	384.35	-

19. Provisions

(₹ in Lacs)

Particulars	March 31, 2022	March 31, 2021
Non-current		
Provision for employee benefits		
Provision for gratuity (Note 35)	2,304.50	3,036.43
Provision for others		
Provision for mining restoration costs	722.34	524.27
Provision for rehabilitation & resettlement obligation relating to mines	1,761.90	2,155.23
	4,788.74	5,715.93
Current		
Provision for employee benefits		
Provision for gratuity (Note 35)	184.97	194.41
Provision for compensated absences	1,570.55	1,523.10
Provision for others		
Provision for mining restoration costs	5.70	17.48
Provision for rehabilitation & resettlement obligation relating to mines	1,374.76	1,578.39
	3,135.98	3,313.38

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.

(₹ in Lacs)

Particulars	March 31, 2022	March 31, 2021
Opening balance	541.75	506.36
Add: Arisen during the year	151.65	-
Less: Utilised during the year	8.52	4.59
Add: Unwinding of discount	43.16	39.98
Closing balance	728.04	541.75
Current	5.70	17.48
Non-current	722.34	524.27

Notes to the Ind AS Financial Statements (Contd..)

as at and for the year ended March 31, 2022

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.

	(₹ in Lacs)	
Particulars	March 31, 2022	March 31, 2021
Opening balance	3,733.62	3,906.03
Less: Adjustment	85.32	-
Less: Utilised during the year	569.34	193.67
Add: Unwinding of discount	57.70	21.26
Closing balance	3,136.66	3,733.62
Current	1,374.76	1,578.39
Non-current	1,761.90	2,155.23

20. Income tax

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

	(₹ in Lacs)	
Particulars	March 31, 2022	March 31, 2021
Current tax relating to current year	8,514.66	5,857.03
Current tax relating to earlier year	-	110.71
Deferred tax charge including MAT credit	5,560.29	5,974.19
Income tax expense	14,074.95	11,941.93

Entire deferred / income tax for the year ended March 31, 2022 and March 31, 2021 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 summarised below:

	(₹ in Lacs)	
Particulars	March 31, 2022	March 31, 2021
Profit before Income Tax	40,400.03	33,360.46
Enacted Tax rates in India	34.94%	34.94%
Computed expected tax expense	14,117.39	11,657.48
Effect of non-deductible expenses		
CSR expenses disallowed under the Income tax Act, 1961	126.47	288.47
Charity & Donation	8.74	71.64
Benefit of section 80IA under the Income tax Act, 1961	(395.84)	-
Others	218.19	(75.66)
Income Tax expense	14,074.95	11,941.93

The applicable Indian statutory tax rate for fiscal year 2022 is 34.94% and fiscal year 2021 is 34.94%.

The Company, based on assessment and evaluations carried out by the management, continues to pay income tax under older tax regime during the year ended March 31, 2022. The Company did not opt for lower tax rate of 25.17% (inclusive of surcharge and cess) under section 115BAA of the Income Tax Act, 1961 pursuant to Taxation Law (Amendment) Ordinance, 2019, considering accumulated MAT credit, unabsorbed additional depreciation losses and other benefits under the Income Tax Act, 1961.

Notes to the Ind AS Financial Statements (Contd..)

as at and for the year ended March 31, 2022

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

(₹ in Lacs)

Particulars	March 31, 2022	March 31, 2021	Recognised in Statement of Profit and Loss	Recognised in OCI	Recognised directly in Other Equity
Deferred tax liability					
Property, plant and equipment and Intangible assets: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	38,410.45	38,489.70	(79.25)	-	-
Gross deferred tax liability (a)	38,410.45	38,489.70	(79.25)	-	-
Deferred tax asset					
Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis in future years	1,731.00	1,821.66	36.48	(127.14)	-
Impact of business loss and unabsorbed depreciation	-	5,701.83	(5,701.83)	-	-
Provision for doubtful debts and advances	217.11	191.30	25.81	-	-
Gross deferred tax asset (b)	1,948.11	7,714.79	(5,639.54)	(127.14)	-
Deferred tax liability (a-b)	36,462.34	30,774.91	5,560.29	127.14	-
Less: MAT Credit entitlement	11,290.12	12,664.37			
Net deferred tax liability	25,172.22	18,110.54			

21. Lease liabilities (Current)

(₹ in Lacs)

Particulars	March 31, 2022	March 31, 2021
Lease Liability (Note 37)	209.26	134.18
	209.26	134.18

22. Trade payables

(₹ in Lacs)

Particulars	March 31, 2022	March 31, 2021
Trade payables		
• total outstanding dues of micro enterprises and small enterprises (refer Note 41 for details of dues to micro and small enterprises)	1,159.90	406.50
• total outstanding dues of creditors other than micro enterprises and small enterprises	21,937.31	18,038.02
	23,097.21	18,444.52

a. Refer Note 44 for ageing schedule.

Notes to the Ind AS Financial Statements (Contd..)

as at and for the year ended March 31, 2022

23. Other financial liabilities (Current)

Particulars	(₹ in Lacs)	
	March 31, 2022	March 31, 2021
Interest accrued but not due on borrowings	147.46	115.70
Unpaid dividend	70.07	77.83
Trade & other deposits	9,751.08	9,266.43
Capital creditors	844.40	1,553.23
Employee Benefits payable	1,730.81	1,957.14
Others	0.78	0.78
	12,544.60	12,971.11

24. Other liabilities (Current)

Particulars	(₹ in Lacs)	
	March 31, 2022	March 31, 2021
Advances from customers	3,917.74	3,545.04
Statutory dues payable (GST, TDS & TCS, PF, etc)	8,112.38	8,716.43
	12,030.12	12,261.47

25. Current tax liabilities (net)

Particulars	(₹ in Lacs)	
	March 31, 2022	March 31, 2021
Provision for income tax (net of advance income tax and tax deducted at source)	92.35	-
	92.35	-

26. Revenue from operations

Particulars	(₹ in Lacs)	
	March 31, 2022	March 31, 2021
Sale of products		
Finished goods	3,05,699.09	2,56,515.70
Semi-finished goods	698.31	-
	3,06,397.40	2,56,515.70
Less: Cash discount, rebates, incentives etc.	34,748.37	24,283.59
	2,71,649.03	2,32,232.11
Other operating revenue		
Scrap sales	572.92	158.90
Sale of power	319.71	17.69
	2,72,541.66	2,32,408.70

Disaggregated revenue information

- The Company is primarily in the business of manufacture and sale of cement. The product shelf life being short, all sales are made at a point in time and revenue recognised upon satisfaction of the performance obligations which is typically upon dispatch/delivery. There is no significant financing component in any transaction with the customers.
- The Company does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration.
- The Company does not provide performance warranty for products, therefore there is no liability towards performance warranty.
- The management determines that the segment information reported in Note 42 is sufficient to meet the disclosure objective with respect to disaggregation of revenue under Ind AS 115 Revenue from contract with customers.

Notes to the Ind AS Financial Statements (Contd..)

as at and for the year ended March 31, 2022

Movement in contract liabilities* during the year

Particulars	(₹ in Lacs)	
	March 31, 2022	March 31, 2021
Balance at the beginning of the year	3,545.04	2,676.70
Less: Revenue recognised from above	(3,545.04)	(2,676.70)
Add: Addition during the period/year	3,917.74	3,545.04
Balance at the end of the year	3,917.74	3,545.04

*Contract Liabilities represent Advance from customers

27. Other income

Particulars	(₹ in Lacs)	
	March 31, 2022	March 31, 2021
Interest income on		
Loans, deposits, others etc.	142.06	325.95
Other non-operating income		
Insurance & other claims	-	0.73
Rent & hire charges	18.85	16.10
Unspent liabilities and unclaimed balances adjusted	396.58	1,153.41
Profit on sale of Property, plant and equipment (net)	19.19	-
Gain on exchange rate fluctuations (net)	164.15	61.89
Profit on sale and fair valuation of Investments in Mutual Fund (net)	92.50	177.67
Other miscellaneous income	122.95	99.14
	956.28	1,834.89

28. Cost of materials consumed

Particulars	(₹ in Lacs)	
	March 31, 2022	March 31, 2021
Inventory at the beginning of the year	1,805.62	1,995.75
Add: Purchases	37,472.44	30,232.43
	39,278.06	32,228.18
Less: Inventory at the end of the year	2,574.31	1,805.62
	36,703.75	30,422.56

29. Change in inventories of finished goods and work in progress

Particulars	(₹ in Lacs)	
	March 31, 2022	March 31, 2021
Inventories at the end of the year		
Work-in-progress	3,431.32	2,785.42
Finished goods	1,965.63	1,421.10
Scrap	185.39	142.86
	5,582.34	4,349.38
Inventories at the beginning of the year		
Work-in-progress	2,785.42	3,529.77
Finished goods	1,421.10	2,731.75
Scrap	142.86	139.94
	4,349.38	6,401.46
	(1,232.96)	2,052.08

Notes to the Ind AS Financial Statements (Contd..)

as at and for the year ended March 31, 2022

30. Employee benefits expense

Particulars	(₹ in Lacs)	
	March 31, 2022	March 31, 2021
Salaries, wages and bonus	13,066.51	13,114.24
Contribution to provident and other funds	782.92	745.45
Gratuity expense (Note 35)	704.65	644.71
Compensated absences	276.47	438.34
Staff welfare expenses	413.85	310.92
	15,244.40	15,253.66

31. Finance costs

Particulars	(₹ in Lacs)	
	March 31, 2022	March 31, 2021
Interest on borrowings (at amortised cost)	4,172.72	8,742.73
Interest on Deposits from Dealer	394.45	334.58
Interest Others	44.46	134.93
Other borrowing cost	473.58	193.30
Unwinding of interest on provisions and Lease Liability (Note 19 and Note 37)	133.17	92.55
Less: Transfer to Capital work-in-progress / Property, plant and equipment	75.83	140.90
	5,142.55	9,357.19

32. Depreciation and amortisation expenses

Particulars	(₹ in Lacs)	
	March 31, 2022	March 31, 2021
Depreciation of property, plant and equipment (Note 3)	14,059.82	13,743.76
Amortisation of intangible assets (Note 4)	246.99	232.08
Depreciation of Right of use assets (Note 5 b.)	214.55	209.60
	14,521.36	14,185.44

33. Other expenses

Particulars	(₹ in Lacs)	
	March 31, 2022	March 31, 2021
Consumption of stores and spares	8,456.19	6,022.21
Handling & other charges to contractors	3,027.77	2,455.78
Rent & hire charges (Note 37)	966.63	868.43
Rates and taxes	506.07	438.14
Insurance	830.35	495.64
Repairs and maintenance		
Plant and machinery	4,739.82	3,792.71
Buildings	525.05	578.19
Others	872.32	884.71
CSR expenditure (Note 46)	361.85	825.53

Notes to the Ind AS Financial Statements (Contd..)

as at and for the year ended March 31, 2022

33. Other expenses (Contd..)

(₹ in Lacs)

Particulars	March 31, 2022	March 31, 2021
Advertising and sales promotion	3,399.90	1,940.54
Commission on sales	1,430.20	1,566.09
Payment to auditor		
As Auditor:		
Audit fee	33.00	33.50
Limited review	27.50	28.50
Tax Audit fee	8.00	8.00
In other capacity:		
For certificates & other services	7.50	16.00
Reimbursement of expenses	4.11	1.84
Professional & consultancy charges	1,335.51	1,198.40
Charity & Donations	25.00	205.00
Director's commission	200.00	150.00
Directors' sitting fees	89.50	117.50
Bad debts / advances written off (net of reversals)	34.16	204.97
Provision for doubtful debts, advances & other receivables	73.84	219.76
Loss on sale/discard of Property, plant and equipment (net)	-	11.08
Miscellaneous expenses	2,300.34	1,674.44
Self-Consumption of Cement	(131.78)	(75.67)
	29,122.83	23,661.29

34. Earnings per share (EPS)

The following table reflects the profit and earning per share data used in the basic and diluted EPS computations:

(₹ in Lacs)

Particulars	March 31, 2022	March 31, 2021
Profit after tax	26,325.08	21,418.53
Net Profit for calculation of basic and diluted EPS	26,325.08	21,418.53
Weighted average number of equity shares in calculating basic EPS	20,48,68,760	20,48,68,760
Effect of dilution:		
Weighted average number of equity shares in calculating diluted EPS	20,48,68,760	20,48,68,760
Earnings per equity share [nominal value of share ₹ 1] (March 31, 2021 : ₹ 1)		
Basic (₹)	12.85	10.45
Diluted (₹)	12.85	10.45

35. 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 insurance companies in the form of qualifying insurance policy for own employees and unfunded for contractor and school employees.

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the balance sheet for the plan.

Notes to the Ind AS Financial Statements (Contd..)

as at and for the year ended March 31, 2022

Statement of Profit and Loss

Net employee benefit expense recognised in the employee cost

(₹ in Lacs)

Particulars	Gratuity - Funded		Gratuity - Non Funded	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Service cost	271.55	252.14	248.13	253.83
Net Interest cost on the net defined benefit liability	68.31	46.77	139.93	117.78
Net benefit expense[#]	339.86	298.91	388.06	371.61
Actual return on plan assets	90.29	60.63	-	-

[#] including amount of ₹ 23.27 lacs (March 31, 2021 : ₹ 25.81 lacs) disclosed under CSR expenditure.

Other comprehensive income

(₹ in Lacs)

Particulars	Gratuity - Funded		Gratuity - Non Funded	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Actuarial (gains) / losses				
- change in financial assumptions	(38.87)	90.88	(119.82)	31.94
- experience variance (i.e. Actual experience vs assumptions)	(27.39)	(73.44)	(170.21)	76.01
Return on plan assets, excluding amount recognised in net interest expense	(7.56)	34.43	-	-
Components of defined benefit costs recognised in other comprehensive income	(73.82)	51.87	(290.03)	107.95

Balance sheet

Benefit asset/ liability

(₹ in Lacs)

Particulars	Gratuity - Funded		Gratuity - Non Funded	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Present value of defined benefit obligation	2,503.50	2,343.40	2,163.58	2,170.99
Fair value of plan assets	2,177.61	1,283.55	-	-
Net liability	325.89	1,059.85	2,163.58	2,170.99
Current	15.58	11.39	169.39	183.02
Non Current	310.31	1,048.46	1,994.19	1,987.97

Changes in the present value of the defined benefit obligation are as follows:

(₹ in Lacs)

Particulars	Gratuity - Funded		Gratuity - Non Funded	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Opening defined benefit obligation	2,343.40	2,150.47	2,170.99	1,785.80
Current service cost	271.55	252.14	248.13	253.83
Interest cost	151.04	141.83	139.94	117.78
Remeasurement (or Actuarial) (gain) / loss arising from:				
- change in financial assumptions	(38.87)	90.88	(119.82)	31.94
- experience variance (i.e. Actual experience vs assumptions)	(27.39)	(73.44)	(170.21)	76.01
Benefits paid	(196.23)	(218.48)	(105.45)	(94.37)
Closing defined benefit obligation	2,503.50	2,343.40	2,163.58	2,170.99

Notes to the Ind AS Financial Statements (Contd..)

as at and for the year ended March 31, 2022

Changes in the fair value of plan assets are as follows:

(₹ in Lacs)

Particulars	Gratuity - Funded		Gratuity - Non Funded	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Opening fair value of plan assets	1,283.55	1,441.40	-	-
Expected return / Investment Income	82.73	95.06	-	-
Employers contribution	1,000.00	-	-	-
Benefits paid	(196.23)	(218.48)	-	-
Return on plan assets, excluding amount recognised in net interest expense	7.56	(34.43)	-	-
Closing fair value of plan assets	2,177.61	1,283.55	-	-

The Company expects to contribute ₹ 300.00 lacs (March 31, 2021 : ₹ 500.00 lacs) to gratuity in the next year.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	March 31, 2022	March 31, 2021
Investments with insurer	100%	100%

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	March 31, 2022	March 31, 2021
Discount rate	7.00%	6.45%
Turnover rate		
Upto 30 years	10.00%	10.00%
31 - 45 years	7.00%	7.00%
Above 45 years	2.00%	2.00%
Expected rate of return on assets	7.00%	6.60%
Future salary increases:		
Management staff		
1st year	10.00%	10.00%
Thereafter	7.00%	7.00%
Other than Management staff	7.00%	7.00%
Mortality Rate (% of IALM 2012-14) (March 31, 2021 : % of IALM 2012-14)	100%	100%
Weighted average duration of defined benefit obligation	7 Years	8 Years

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.

Funded

A quantitative sensitivity analysis for significant assumptions is as below:

(₹ in Lacs)

Assumptions	March 31, 2022		March 31, 2021	
	Discount rate		Discount rate	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
(Decrease)/Increase in gratuity defined benefit obligation	(179.66)	207.37	(173.91)	201.65

Notes to the Ind AS Financial Statements (Contd..)

as at and for the year ended March 31, 2022

(₹ in Lacs)

Assumptions	March 31, 2022 Turnover rate		March 31, 2021 Turnover rate	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
(Decrease)/Increase in gratuity defined benefit obligation	(8.01)	8.46	(24.43)	30.72

(₹ in Lacs)

Assumptions	March 31, 2022 Future salary		March 31, 2021 Future salary	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
Increase/(Decrease) in gratuity defined benefit obligation	204.63	(180.64)	197.89	(174.04)

Non-Funded

A quantitative sensitivity analysis for significant assumptions is as below:

(₹ in Lacs)

Assumptions	March 31, 2022 Discount rate		March 31, 2021 Discount rate	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
(Decrease)/Increase in gratuity defined benefit obligation	(192.96)	226.60	(199.20)	235.24

(₹ in Lacs)

Assumptions	March 31, 2022 Turnover rate		March 31, 2021 Turnover rate	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
(Decrease)/Increase in gratuity defined benefit obligation	(9.94)	10.25	(35.30)	46.46

(₹ in Lacs)

Assumptions	March 31, 2022 Future salary		March 31, 2021 Future salary	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
Increase/(Decrease) in gratuity defined benefit obligation	221.33	(194.42)	228.86	(199.36)

Defined Contribution Plan :

(₹ in Lacs)

Particulars	March 31, 2022	March 31, 2021
Contribution to Provident / Pension Funds	688.07	649.93
Contribution to Superannuation Fund	79.62	72.87
	767.69	722.80

36. 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:

Notes to the Ind AS Financial Statements (Contd..)

as at and for the year ended March 31, 2022

On May 8, 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 roll of the Company as on April 01, 2015 as well as new employees who replaces the old eligible employee and joins the employment of the Company before June 30, 2017 and continuing employment till grant date. The other relevant terms of the grant are as below:

Date of Grant	August 04, 2015
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 August 4, 2015 (₹)	183.25

The details of the activity under the scheme are as below:

Particulars	March 31, 2022		March 31, 2021	
	No of options	₹ in Lacs	No of options	₹ in Lacs
Outstanding at the beginning of the year	11,06,000	1,168.34	11,06,000	1,168.34
Outstanding at the end of the year	11,06,000	1,168.34	11,06,000	1,168.34
Exercisable at the end of the year	11,06,000	1,168.34	11,06,000	1,168.34

No option has been exercised as on the year end under the above scheme.

The weighted average fair value of the stock options granted was ₹ 105.64.

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.

37. Leases

The Company has lease contracts for various items of plant, machinery, vehicles and other equipment used in its operations. Leases of plant and machinery, motor vehicles and other equipment generally have lease terms between 1 and 5 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets and some contracts require the Company to maintain certain financial ratios.

The Company also has certain leases of machinery with lease terms of 12 months or less and leases of office equipment with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Company as a lessee

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Particulars	(₹ in Lacs)	
	March 31, 2022	March 31, 2021
Opening balance	125.01	334.61
Additions	674.42	-
Depreciation expense	214.55	209.60
Closing balance	584.88	125.01

Notes to the Ind AS Financial Statements (Contd..)

as at and for the year ended March 31, 2022

Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	(₹ in Lacs)	
	March 31, 2022	March 31, 2021
Opening balance	134.18	348.02
Additions	674.42	-
Accretion of interest	32.31	31.33
Payments	247.30	245.17
Closing balance	593.61	134.18
Current	209.26	134.18
Non-current	384.35	-

The effective interest rate for lease liabilities is 7.5%, with maturity between 2024-2025

The following are the amounts recognised in Statement of Profit and Loss:

Particulars	(₹ in Lacs)	
	March 31, 2022	March 31, 2021
Depreciation expense of right of use assets	214.55	209.60
Interest expense on lease liabilities	32.31	31.33
Expense relating to other leases (included in other expenses)	966.63	868.43
Total amount recognised in Statement of Profit and Loss	1,213.49	1,109.36

Impact on Statement of Cash Flows

Particulars	(₹ in Lacs)	
	March 31, 2022	March 31, 2021
Payment of principal portion of lease liabilities	214.99	213.84
Payment of interest portion of lease liabilities	32.31	31.33
Net cash flows used in financing activities	247.30	245.17

38. Capital Commitments

Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances) ₹ 11,608.04 lacs (March 31, 2021: ₹ 1,525.03 lacs).

39. Contingent liabilities

39. Contingent liabilities

(₹ in Lacs)

Particulars	Brief Description of Matter	March 31, 2022	March 31, 2021
Claims against the Company not acknowledged as debt :			
Excise Duty and Customs	Related to CENVAT credit on Structural Steel and Differential Custom Duty on Steam Coal.	780.15	730.62
Sales Tax (including Entry Tax)	Related to levy of Sales Tax on Debit Note issued to Customers towards Railway Freight Reimbursement and levy of Entry Tax and Penalty thereon on Diesel and Lubricants etc purchased from outside Telangana State which is consumed for other than notified purpose.	1,060.37	1,060.37
Income Tax	Related to income tax appeals on disallowance of ESOP expenses, depreciation and others.	1,137.12	1,137.12
Electricity Duty	Refer note 'a' below.	1,691.31	1,691.31
Others	Related to power fuel surcharge adjustment, deduction of liquidatory damages and others.	1,683.25	1,580.36
		6,352.20	6,199.78

Notes to the Ind AS Financial Statements (Contd..)

as at and for the year ended March 31, 2022

Note :

- The plea by the Company challenging the constitutional validity of Electricity duty demand of ₹ 1,691.31 lacs had been dismissed by the Hon'ble High Court, Hyderabad in an earlier year. The Company, along with other industry members, had appealed the matter before Hon'ble Supreme Court of India by paying a protest money of ₹ 1,005.76 lacs, where the hearing is pending. Based on management's internal assessment and also considering advice of an external legal counsel, the Company believes that the demand shall not sustain under law.
- Based on discussions with the solicitors/ favourable decisions in similar cases/legal opinions taken by the Company, the management believes that the Company has a good chance of success in above-mentioned cases and hence, no provision there against is considered necessary. The timing of outflow of resources is not ascertainable.

40. Related party disclosures

List of members of Board of Directors/key managerial personnel and other related parties

Chairman and Non-Executive Director	Mr. CK. Birla
Managing Director & Chief Executive Officer	Mr. Desh Deepak Khetrpal
	Mrs. Amita Birla
	Mr. Rajeev Jhavar
	Mr. Rabindranath Jhunjhunwala
Other Directors	Mr. Janat Shah
	Mr Swapan Dasgupta
	Mr. I.Y.R Krishna Rao
	Mrs. Varsha Vasant Purandare
	Mrs. Nirmala Birla
Relatives of Directors	Ms. Avanti Birla
	Ms. Avani Birla
Chief Financial Officer	Mr. Soumitra Bhattacharyya
Company Secretary	Mrs. Nidhi Bisaria
Firms in which a director, manager or his relative is a partner	Khaitan & Co LLP
	Khaitan & Co, Mumbai
Public limited companies in which a director or manager is director and holds along with his relatives, more than two percent of its paid-up share capital	Orient Paper & Industries Limited
	Orient Electric Limited
Investing Company	Central India Industries Limited
Entity that is a post-employment benefit plan for the benefit of employees.	Orient Cement Limited Employees Superannuation Fund
	Orient Cement Limited Employees Gratuity Fund
	Birlasoft Limited
	CK Birla Corporate Services Limited
Other related entities	GMMCO Limited
	HIL Limited
	National Engineering Industries Limited

Notes to the Ind AS Financial Statements (Contd..)

as at and for the year ended March 31, 2022

Related party transactions

The details of related parties transactions entered into by the Company for the year ended March 31, 2022 and March 31, 2021, and the details of amounts due to or due from related parties as at March 31, 2022 and March 31, 2021:

(₹ in Lacs)

Particulars	Year Ended	Transaction during the period	Amount owed to related parties
Members of Board of Directors/key managerial personnel			
Non-Executive Directors			
Sitting fees and Commission	31-Mar-22	289.50	200.00
Sitting fees and Commission	31-Mar-21	267.50	150.00
Directors			
Dividend payment	31-Mar-22	79.69	-
Dividend payment	31-Mar-21	44.27	-
Managing Director & Chief Executive Officer			
Salary, bonus and contribution to PF	31-Mar-22	821.54	203.55
Salary, bonus and contribution to PF	31-Mar-21	691.00	121.69
Chief Financial Officer			
Salary, bonus and contribution to PF	31-Mar-22	208.71	42.56
Others	31-Mar-22	4.95	-
Salary, bonus and contribution to PF	31-Mar-21	180.65	38.00
Company Secretary			
Salary, bonus and contribution to PF	31-Mar-22	33.93	3.45
Salary, bonus and contribution to PF	31-Mar-21	28.34	2.95
Relatives of Director			
Dividend payment	31-Mar-22	73.84	-
Dividend payment	31-Mar-21	42.77	-
Firms in which a director, manager or his relative is a partner			
- Khaitan & Co LLP			
Purchase of services	31-Mar-22	10.86	-
Purchase of services	31-Mar-21	25.78	1.39
- Khaitan & Co - Mumbai			
Purchase of services	31-Mar-22	29.08	-
Purchase of services	31-Mar-21	15.38	-
Public limited companies in which a director or manager is a director and holds along with his relatives, more than two percent of its paid-up share capital.			
- Orient Paper & Industries Limited			
Payment of Rent	31-Mar-22	14.16	-
Payment of Rent	31-Mar-21	14.16	-
- Orient Electric Limited			
Purchase of Goods	31-Mar-22	-	-
Purchase of Goods	31-Mar-21	2.24	-
Investing Company			
- Central India Industries Limited			
Dividend payment	31-Mar-22	1,105.73	-
Dividend payment	31-Mar-21	614.30	-

Notes to the Ind AS Financial Statements (Contd..)

as at and for the year ended March 31, 2022

(₹ in Lacs)

Particulars	Year Ended	Transaction during the period	Amount owed to related parties
Entity that is a post-employment benefit plan for the benefit of employees.			
- Orient Cement Limited Employees Superannuation Fund			
Superannuation Fund Contribution	31-Mar-22	79.62	-
Superannuation Fund Contribution	31-Mar-21	71.69	-
- Orient Cement Limited Employees Gratuity Fund			
Gratuity Fund Contribution	31-Mar-22	1,000.00	-
Gratuity Fund Contribution	31-Mar-21	-	-
Other related entities			
- Birlasoft Limited			
Purchase of services	31-Mar-22	14.00	2.88
Purchase of services	31-Mar-21	19.99	4.68
- CK Birla Corporate Services Limited			
Purchase of services	31-Mar-22	952.29	132.87
Purchase of services	31-Mar-21	815.71	184.67
- GMMCO Limited			
Purchase of goods	31-Mar-22	4.39	-
Purchase of services	31-Mar-22	0.51	-
Payment of Rent and office maintenance*	31-Mar-22	27.53	-
Purchase of goods	31-Mar-21	6.66	-
Purchase of services	31-Mar-21	14.07	-
Payment of Rent and office maintenance*	31-Mar-21	27.53	-
- HIL Limited			
Purchase of goods	31-Mar-22	2.48	-
Payment of Rent and office maintenance*	31-Mar-22	81.84	-
Purchase of goods	31-Mar-21	0.38	-
Payment of Rent and office maintenance*	31-Mar-21	81.84	-
- National Engineering Industries Limited			
Purchase of services	31-Mar-22	2.68	0.06
Payment of Rent and office maintenance*	31-Mar-22	56.07	-
Dividend payment	31-Mar-22	12.09	-
Purchase of services	31-Mar-21	2.51	0.05
Payment of Rent and office maintenance*	31-Mar-21	60.53	-
Dividend payment	31-Mar-21	6.72	-

Note: The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole.

* Accounted as per Indian Accounting Standard 116 ('Ind AS 116')

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There has been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2022, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Notes to the Ind AS Financial Statements (Contd.)

as at and for the year ended March 31, 2022

41. Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

Particulars	(₹ in Lacs)	
	March 31, 2022	March 31, 2021
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	1,159.90	406.50
Interest due on above	-	-
	1,159.90	406.50
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	-	-

42. 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 March 31, 2022 and March 31, 2021.

43. Financial risk management objectives and policies

The Company's financial liabilities comprise borrowings, security deposits, and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's financial assets include trade and other receivables, cash and cash equivalents and Investments.

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 March 31, 2022

Commodity Price Risk

The Company is exposed to commodity price risk arising out of fluctuation in prices of raw materials (flyash, gypsum and laterite) and fuel (coal and pet coke). Such price movements, mostly linked to external factors, can affect the production cost of the Company. To manage this risk, the Company take steps such as monitoring of prices, optimising fuel mix and pursue longer and fixed price contracts, where considered necessary. Additionally, processes and policies related to such risks are controlled by central procurement team and reviewed by the senior management.

Interest rate risk

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows.

Particulars	(₹ in Lacs)	
	Increase/ decrease in basis points	Effect on profit before tax
March 31, 2022	50 basis points	334.70
March 31, 2021	50 basis points	537.18

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 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 Company does not have higher concentration of credit risks since no single customer accounted for 10% or more of the Company's net sales.

Expected credit loss assessment

The Company has used a practical expedient by computing the expected loss allowance for financial assets based on historical credit loss experience and adjustments for forward looking information. As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

As per policy receivables are classified into different buckets based on the overdue period ranging from 6 months – one year to more than two years. There are different provisioning norms for each bucket which are ranging from 25% to 100%.

Notes to the Ind AS Financial Statements (Contd..)

as at and for the year ended March 31, 2022

Movement in expected credit loss allowance of trade receivables:

Particulars	(₹ in Lacs)	
	March 31, 2022	March 31, 2021
Balance as at beginning of the year	359.40	190.08
Add: provided during the year	66.03	169.32
Less: reversal of provisions	27.06	-
Balance as at end of the year	398.37	359.40

Financial assets other than trade receivables

Credit Risk on cash and cash equivalent, deposits with the banks / financial institutions is generally low as the said deposits have been made with the banks / financial institutions who have been assigned high credit rating by international and domestic rating agencies. Investments of surplus funds are made only with approved Financial Institutions.

Investments primarily include investment in units of liquid mutual funds (debt market) and fixed deposits with banks having low credit risk.

Total non-current investments (other than subsidiaries and joint arrangements) and investments in liquid mutual funds as on March 31, 2022 are ₹ 416.49 Lacs and ₹ 1,001.31 Lacs (March 31, 2021: ₹ Nil and ₹ 11,507.03 lacs) respectively.

Balances with banks were not past due or impaired as at year end. Other than the details disclosed below, other financial assets are not past due and not impaired, there were no indications of default in repayment as at year end.

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of cash credits, bank loans among others.

Maturity profile of Financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments.

Particulars	(₹ in Lacs)			
	0-1 year	2-5 year	Above 6 year	Total
March 31, 2022				
Borrowings*	17,595.28	15,350.97	-	32,946.25
Trade Payables	23,097.21	-	-	23,097.21
Other financial liabilities	12,544.60	-	-	12,544.60
Total	53,237.09	15,350.97	-	68,588.06
March 31, 2021				
Borrowings*	7,084.32	50,709.18	59,489.47	1,17,282.97
Trade Payables	18,444.52	-	-	18,444.52
Other financial liabilities	12,971.11	-	-	12,971.11
Total	38,499.95	50,709.18	59,489.47	1,48,698.60

*including future interest of ₹ 1,980.44 lacs (March 31, 2021: ₹ 37,219.00 lacs) and gross of unamortised processing fees of ₹ Nil (March 31, 2021 : ₹ 399.84 lacs)

Notes to the Ind AS Financial Statements (Contd..)

as at and for the year ended March 31, 2022

44. Ageing Schedule

Trade receivables ageing schedule

As at March 31, 2022

(₹ in Lacs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables - Considered Good	12,586.08	64.15	22.46	54.49	6.07	12,733.25
Undisputed Trade receivables - which have significant increase in Credit risk	-	-	-	67.23	331.14	398.37
Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
Total	12,586.08	64.15	22.46	121.72	337.21	13,131.62
Less : Impairment Allowance (allowance for doubtful debts)	-	-	-	67.23	331.14	398.37
Total	12,586.08	64.15	22.46	54.49	6.07	12,733.25

As at March 31, 2021

(₹ in Lacs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables - Considered Good	10,667.88	77.10	205.14	56.78	10.69	11,017.59
Undisputed Trade receivables - which have significant increase in Credit risk	-	-	-	19.55	339.85	359.40
Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
Total	10,667.88	77.10	205.14	76.33	350.54	11,376.99
Less : Impairment Allowance (allowance for doubtful debts)	-	-	-	19.55	339.85	359.40
Total	10,667.88	77.10	205.14	56.78	10.69	11,017.59

Trade payables ageing schedule

As at March 31, 2022

(₹ in Lacs)

Particulars	Accrued but not Billed	Billed but not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	528.87	586.61	38.87	-	-	-	1,154.35
Others	15,496.32	4,480.93	1,604.23	53.92	137.76	164.15	21,937.31
Disputed Dues - MSME	-	-	-	-	-	5.55	5.55
Disputed Dues - Others	-	-	-	-	-	-	-
Total	16,025.19	5,067.54	1,643.10	53.92	137.76	169.70	23,097.21

Notes to the Ind AS Financial Statements (Contd..)

as at and for the year ended March 31, 2022

As at March 31, 2021

As at March 31, 2021							(₹ in Lacs)
Particulars	Accrued but not Billed	Billed but not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	87.23	313.72	-	-	-	-	400.95
Others	12,338.31	3,914.43	1,087.75	143.17	448.92	105.44	18,038.02
Disputed Dues - MSME	-	-	-	-	4.75	0.80	5.55
Disputed Dues - Others	-	-	-	-	-	-	-
Total	12,425.54	4,228.15	1,087.75	143.17	453.67	106.24	18,444.52

45. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders and issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

Particulars	(₹ in Lacs)	
	March 31, 2022	March 31, 2021
Interest bearing borrowings (Note 17)	29,600.00	77,018.00
Less : Cash and cash equivalents (Note 13)	(4,308.02)	(3,507.40)
Less : Current Investments (Note 11)	(1,001.31)	(11,507.03)
Net debt (A)	24,290.67	62,003.57
Equity Share Capital (Note 15)	2,048.69	2,048.69
Other Equity (Note 16)	1,50,494.13	1,28,541.89
Total Capital	1,52,542.82	1,30,590.58
Total Capital plus Net debt (B)	1,76,833.49	1,92,594.15
Gearing Ratio ((A)/(B))	0.14	0.32

46. Details of CSR expenditure

Particulars	(₹ in Lacs)	
	March 31, 2022	March 31, 2021
(a) Gross amount required to be spent by the Company during the year	361.85	185.86
(b) Amount approved by the Board to be spent during the year	541.24	825.53
	In cash	Yet to be paid in cash
(c) Amount spent during the year ending on March 31, 2022:		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	410.13	23.27
(d) Amount spent during the year ending on March 31, 2021:		
i) Construction/acquisition of any asset	-	-
ii) On purposes other than (i) above	799.72	25.81

Notes to the Ind AS Financial Statements (Contd..)

as at and for the year ended March 31, 2022

(₹ in Lacs)

Particulars	March 31, 2022	March 31, 2021
(e) Details related to spent obligations:		
i) Promoting education	355.57	382.82
ii) Contribution to PM CARES Fund – COVID -19	-	400.00
iii) Other rural development and socio-economic activities	77.83	42.71
	433.40	825.53
	Opening Balance	Amount required to be spent during the year
	Amount spent during the year	Closing Balance
(f) Details of the excess amount spent:	-	361.85
	433.40	71.55

Note: In view of the ongoing CSR commitments of the Company towards promoting education, healthcare and rural development, vis a vis, the statutory CSR obligations of the Company calculated as per the provisions of Section 135 of the Companies Act, 2013, it is likely that the amount available for set off would be utilised by the Company during the succeeding three financial years.

47. Distribution of Dividend

(₹ in Lacs)

Particulars	March 31, 2022	March 31, 2021
Dividend on equity shares declared and paid :		
Final dividend for the year ended March 31, 2021 : ₹ 1.50 per share (March 31, 2020: ₹ 0.75 per share)	3,073.03	1,536.52
Interim dividend for the year ended March 31, 2022 : ₹ 0.75 per share (March 31, 2021: ₹ 0.50 per share)	1,536.52	1,024.35
	4,609.55	2,560.87
Proposed Dividend on equity shares :		
Proposed dividend on equity shares for the year ended on March 31, 2022 : ₹ 1.75 per share (March 31, 2021 : ₹ 1.50 per share)	3,585.20	3,073.03
	3,585.20	3,073.03

48. Ratios as per the Schedule III requirements

a) Current Ratio = Current Assets divided by Current Liabilities

(₹ in Lacs)

Particulars	March 31, 2022	March 31, 2021
Current Assets	43,294.07	48,542.41
Current Liabilities (excluding current maturities of long term borrowings amounting to ₹ 16,165.81 lacs (March 31, 2021: ₹ 1,280.32 lacs)	51,109.52	47,124.66
Ratio	0.85	1.03
% Change from previous year	-18%	

Notes to the Ind AS Financial Statements (Contd..)

as at and for the year ended March 31, 2022

- b) **Debt Equity Ratio = Total debt divided by Shareholder's equity where total debt refers to sum of current and non-current borrowings**

(₹ in Lacs)		
Particulars	March 31, 2022	March 31, 2021
Total Debt	30,965.81	79,664.13
Shareholder's equity	1,52,542.82	1,30,590.58
Ratio	0.20	0.61
% Change from previous year	-67%	

Debt equity ratio had improved due to repayment of debt in the current year owing to improved EBITDA and Cash flows.

- c) **Debt Service Coverage Ratio = Earnings available for debt services divided by Debt service**

(₹ in Lacs)		
Particulars	March 31, 2022	March 31, 2021
Earnings available for debt service	45,681.21	44,243.56
Debt Service	4,814.47	17,481.16
Ratio	9.49	2.53
% Change from previous year	275%	

In computing Debt service, scheduled repayment of principal in current year was Nil on account of pre-payments of instalments in the previous year. Coverage ratio further improved on account of reduced interest cost.

- d) **Return on Equity Ratio = Profit after tax divided by Average Shareholder's equity**

(₹ in Lacs)		
Particulars	March 31, 2022	March 31, 2021
Profit after OCI	26,561.79	21,314.55
Average Shareholder's equity	1,41,566.70	1,21,213.74
Ratio	18.76%	17.58%
% Change from previous year	7%	

- e) **Inventory Turnover Ratio = Sales divided by Average Inventories**

(₹ in Lacs)		
Particulars	March 31, 2022	March 31, 2021
Sales	2,71,649.03	2,32,232.11
Average Inventories	17,857.66	20,357.41
Ratio	15.21	11.41
% Change from previous year	33%	

Inventory turnover ratio improved on account of higher sales and lower average inventory in current year.

- f) **Trade Receivables Turnover Ratio = Credit sales divided by closing trade receivables**

(₹ in Lacs)		
Particulars	March 31, 2022	March 31, 2021
Revenue from operations	2,72,541.66	2,32,408.70
Trade Receivables	12,733.25	11,017.59
Ratio	21.40	21.09
% Change from previous year	1%	

Notes to the Ind AS Financial Statements (Contd..)

as at and for the year ended March 31, 2022

g) Trade Payables Turnover Ratio = Purchases divided by closing trade payables

(₹ in Lacs)

Particulars	March 31, 2022	March 31, 2021
Purchases and expenses	1,96,120.50	1,59,407.05
Trade Payables	23,097.21	18,444.52
Ratio	8.49	8.64
% Change from previous year	-2%	

h) Net Capital Turnover Ratio = Revenue divided by Net working capital where net working capital = current assets - current liabilities

(₹ in Lacs)

Particulars	March 31, 2022	March 31, 2021
Revenue from operations	2,72,541.66	2,32,408.70
Net working capital	(23,981.26)	137.43
Ratio	(11.36)	1691.13
% Change from previous year	-101%	

Net capital turnover ratio has improved on account of increase in current liabilities due to refinancing of term loan with a shorter duration loan (2 years) at a lower interest cost. As a result there is a net increase of ₹ 14,800 lacs in Current Liability (i.e. Payable within 1 year) compared to previous year.

i) Net Profit Ratio = Profit after tax divided by Sales

(₹ in Lacs)

Particulars	March 31, 2022	March 31, 2021
Profit after tax	26,325.08	21,418.53
Revenue from operations	2,72,541.66	2,32,408.70
Ratio	9.66%	9.22%
% Change from previous year	5%	

j) Return on Capital Employed = EBIT divided by Capital Employed

(₹ in Lacs)

Particulars	March 31, 2022	March 31, 2021
Earnings before interest and taxes (EBIT)	45,542.58	42,717.65
Capital Employed	2,08,680.85	2,28,365.25
Ratio	21.82%	18.71%
% Change from previous year	17%	

Return on capital employed has improved due to increase in profit of current year and reduction in borrowings.

k) Return on Investment = Income generated from Invested funds / Average invested Funds in Treasury Investment

(₹ in Lacs)

Particulars	March 31, 2022	March 31, 2021
Income generated from Invested funds	92.98	316.24
Average invested Funds in Treasury Investment	2,926.40	10,647.91
Ratio	3.18%	2.97%
% Change from previous year	7%	

Notes to the Ind AS Financial Statements (Contd..)

as at and for the year ended March 31, 2022

49. Fair Value

Accounting classification and fair values

Set out below, is the comparison of the fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in an orderly transaction in the principal (or most advantageous) market at measurement date under the current market condition regardless of whether that price is directly observable or estimated using other valuation techniques.

The Company has established the following fair value hierarchy that categorises the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of all bonds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market (For example traded bonds, over the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on company specific estimates. The mutual fund units are valued using the closing Net Asset Value. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

The fair value of the financial assets and liabilities approximates their carrying amounts as at the balance sheet date.

March 31, 2022

Particulars	Carrying amount and Fair value			Fair Value Level
	FVTPL	Other Financial Assets - amortised cost	Other Financial liabilities - amortised cost	
Financial assets measure at fair value				
Investments in mutual funds	1,001.31			Level 2
Investments in equity instruments	4.16			Level 3
Investments in debt instruments	412.33			Level 3
	1,417.80	-	-	
Financial assets not measured at fair value				
Trade receivables		12,733.25		
Cash and cash equivalents		4,308.02		
Bank balances		70.07		
Loans		5.67		
Other financial assets		3,261.16		
	-	20,378.17	-	
Financial liabilities not measured at fair value				
Borrowings			30,965.81	
Lease liabilities			593.61	
Trade Payables			23,097.21	
Other financial liabilities			12,544.60	
	-	-	67,201.23	

Notes to the Ind AS Financial Statements (Contd..)

as at and for the year ended March 31, 2022

March 31, 2021

Particulars	Carrying amount and Fair value			Fair Value Level
	FVTPL	Other Financial Assets - amortised cost	Other Financial liabilities - amortised cost	
Financial assets measure at fair value				
Investments in mutual funds	11,507.03			Level 2
	11,507.03	-	-	
Financial assets not measured at fair value				
Trade receivables		11,017.59		
Cash and cash equivalents		3,507.40		
Bank balances		108.59		
Loans		5.83		
Other financial assets		5,858.37		
	-	20,497.78	-	
Financial liabilities not measured at fair value				
Borrowings			79,664.13	
Lease liabilities			134.18	
Trade Payables			18,444.52	
Other financial liabilities			12,971.11	
	-	-	1,11,213.94	

The fair value of investments in other securities, trade receivables, loans, other financial assets, cash and cash equivalents, other bank balances, borrowings, trade payables, lease liabilities and other financial liabilities approximate their carrying amount largely due to short-term nature of these instruments. Investments in mutual funds, which are classified as FVTPL are measured using net assets value at the reporting date multiplied by the quantity held.

Please refer note 2.1 (s) on Fair Value Measurement for disclosure on Valuation techniques and inputs considered.

50. During the previous year ended 31 March 2021, the Company had entered into Share Purchase, Subscription and Shareholder's Agreement and Options Agreement with AMPSolar Technology Private Limited and AMPSolar Systems Private Limited for acquisition of 26% stake in the share capital of AMPSolar Systems Private Limited through a combination of equity shares and compulsory convertible debentures (CCD) on December 03, 2020, with total cost of acquisition of ₹ 416.49 lacs. The purpose of acquisition was to set up a solar power plant in Maharashtra under Captive Scheme for Company's grinding unit at Jalgaon. As on March 31, 2022, the Company has completed the acquisition of equity share and CCD (Refer note 11).

As per the terms of the agreement and in-line with the guidance under the standards, AMPSolar would not be a subsidiary or associate of the Company. Pursuant to the aforesaid agreement, AMPSolar has completed the set-up of the above mentioned solar power plant and has also started generation and supply of power to the Company at Jalgaon, Maharashtra.

51. COVID 19 impact on business operations of the Company

The Company has considered internal and external sources of information up to the date of approval of the financial statements in evaluating the possible impact that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, intangible assets, inventories, receivables, investments and other financial assets. The Company has applied prudence in arriving at the estimates and assumptions and also performed sensitivity analysis on the assumptions used. The Company is confident about the recoverability of these assets.

However, the impact of the global health pandemic may be different from that estimated as at the date of approval of the above financial results. Considering the continuing uncertainties, the Company will continue to closely monitor any material changes to future economic conditions. The management will be able to meet the liabilities of the Company as and when they fall due.

Notes to the Ind AS Financial Statements (Contd..)

as at and for the year ended March 31, 2022

- 52.** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- 53.** The MCA vide notification dated March 24, 2021 has amended Schedule III to the Companies Act, 2013 in respect of certain disclosures. Amendments are applicable from April 1, 2021. The Company has incorporated the changes as per the said amendment in the financial statements and has also changed comparative numbers wherever applicable. There are no material regroupings in the comparative numbers except for advances from customers which is regrouped from contract liabilities presented under current liabilities of balance sheet to other current liabilities (Refer note 24).

Other Statutory Information:

- i. The Company do not have any Benami property and neither any proceedings have been initiated or is pending against the Company for holding any Benami property.
- ii. The Company do not have any transactions with companies struck off.
- iii. The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iv. The Company has not been declared a wilful defaulter by any bank or financial institution or any other lender during the current period.
- v. The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- vi. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vii. All quarterly returns or statements of current assets are filed by the company with banks or financial institutions and are in agreement with the books of accounts.
- viii. The loan has been utilised for the purpose for which it was obtained and no short term funds have been used for long term purpose.

As per our report of even date attached

For **B S R & Associates LLP**

Chartered Accountants

ICAI firm registration number: 116231W/W-100024

Vikash Somani

Partner

Membership No.: 061272

Place: Hyderabad

Date: May 11, 2022

For and on behalf of Board of Directors

CK. Birla

Chairman

(DIN 00118473)

Place: New Delhi

S. Bhattacharyya

Chief Financial Officer

(FCA 059004)

Place: Hyderabad

Date: May 11, 2022

D.D. Khetrpal

Managing Director & CEO

(DIN 02362633)

Place: New Delhi

N. Bisaria

Company Secretary

(FCS 5634)

Place: New Delhi



Orient Cement Limited

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