Orient Abrasives Ltd

Associate Company of Ashapura Group

www.orientabrasives.com

ANNUAL REPORT
2019 - 2020

Orient Abrasives Limited

Registered Office:

GIDC Industrial Area,
Porbandar- 360577
Gujarat
Tel: 0286-2221788-9
Fax: 0286-2222719
Email: investor@oalmail.co.in
Website: www.orientabrasives.com
CIN: L24299GJ1971PLC093248

Registrar & Share Transfer Agent:

M/s. Skyline Financial Services Pvt. Ltd.
D-153/A, 1st floor, Phase I, Okhla Industrial Area,
New Delhi, Delhi 110020
Tel.: + 011 41044923
Fax: + 91 11 26812682.
E-mail: info@skylinerta.com

Shareholders Information:

The Company's Securities are listed on the following Stock Exchanges:

1. Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400001.

2. National Stock Exchange of India Limited
"Exchange Plaza", Bandra Kurla Complex,
Bandra (East), Mumbai- 400051.

Orient Abrasives Limited

BOARD OF DIRECTORS

Mr. Pundarik Sanyal **(DIN:- 01773295)**	Chairman, Non- Executive, Independent Director
Mr. Manubhai Rathod **(DIN:- 07618837)**	Whole-Time Director & Chief Executive Officer
Mr. Hemul Shah **(DIN:- 00058558)**	Non-Executive, Non-Independent Director
Mr. Harish Motiwalla **(DIN:- 00029835)**	Non-Executive, Independent Director
Mr. Bharatkumar Makhecha **(DIN:- 01351080)**	Non-Executive, Independent Director
Mrs. Chaitali Salot **(DIN:- 02036868)**	Non-Executive, Non-Independent (Woman Director)

Company Secretary
Mr. Bimal Parmar

Chief Financial Officer
Mr. V. Shashidharan
Resigned w.e.f 3rd November, 2020.

Statutory Auditors
M/s. Sanghavi & Co.
Chartered Accountants

Bankers
State Bank of India
Laxmi Vilas Bank

Orient Abrasives Limited

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Orient Abrasives Limited

NOTICE

NOTICE is hereby given that the 49th Annual General Meeting of the Members of ORIENT ABRASIVES LIMITED will be held on Thursday, 3rd December, 2020 at 3.00 p.m. through Video Conferencing / Other Audio Visual Means (VC) in accordance with the applicable provisions of the Companies Act, 2013 read with MCA General Circular No. 20/2020 and 14/2020 dated 5th May, 2020 and 8th April, 2020 respectively to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March 2020, together with the Directors' and Auditors' Reports thereon.

2. To declare dividend @ 15% i.e. Re. 0.15/- per Equity Shares face value of Rs. 1/- each for the Financial Year ended 31st March, 2020.

3. To appoint a Director in place of Mrs. Chaitali Salot (DIN: 02036868), who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

4. Appointment and Payment of remuneration to Cost Auditors:

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

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and the rules framed there under, as amended from time to time and subject to such guidelines and approval as may be required, appointment of M/s. S. K. Rajani & Co., Cost Accountants as Cost Auditors, for conducting audit of the cost accounting records relating to the Company's Products for the Financial Year 2020-2021 at the remuneration of Rs. 1,70,000/- (Rupees One lakh Seventy Thousand Only) per annum plus Goods & Service Tax and out of pocket expenses, as approved by the Board of Directors of the Company, be and is hereby ratified."

5. Re-appointment of Mr. Manubhai Rathod as the Whole-Time Director & Chief Executive Officer of the Company:

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

"RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and in terms of recommendations of the Nomination & Remuneration Committee and approval of the Board of Directors, the Company hereby accords its approval and consent for the re-appointment of Mr. Manubhai Rathod (DIN-07618837) as the Whole-Time Director & Chief Executive Officer of the Company, for a further period of 1 year with effect from 15th June, 2020 to 14th June, 2021, on terms and conditions including remuneration as are set out in the Statement pursuant to section 102 of the Companies Act, 2013 annexed to this Notice and which forms part of the Agreement between the Company & Mr. Manubhai Rathod, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the duly authorised Committee of the Board including the Nomination & Remuneration Committee) to alter and vary the terms and conditions of the said appointment, including the remuneration, subject to ceiling as specified in Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company or any Committee thereof be and is hereby authorized to do all such acts, deeds and things as it may in its absolute discretion think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution and to seek such approval/consent from the concerned/appropriate authorities, as may be required in this regard."

By Order of the Board of Directors

Sd/-
BIMAL PARMAR
COMPANY SECRETARY

Place: Mumbai
Date: 3rd November, 2020

NOTES:

1. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business is annexed hereto.

2. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed.

3. In view of the COVID-19 outbreak and the lock down in the country followed by the restrictions on the movement of people at several places, MCA via General Circular No. 20/2020 dated 5th May, 2020 read with General Circular No. 14/2020 dated 8th April, 2020 and General Circular No. 17/2020 dated 13th April, 2020 and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as "the Circulars"), has permitted companies to conduct Annual General Meeting ('AGM') through VC/OAVM during the calendar year 2020, subject to the compliance of various conditions mentioned therein. In Compliance with the relevant circulars issued by MCA and SEBI, 49th AGM of the Company is being convened and conducted through VC on 3rd December, 2020. Herein after called as "e-AGM".

4. Brief details of the directors, who are seeking appointment/re-appointment, are annexed hereto as per requirements of regulation 36(3) of the SEBI Listing Regulations, 2015 and Secretarial Standards on General Meetings (SS-2), are provided as "Annexure I" to this Notice.

5. The dividend, if declared, at the AGM, will be paid on or after Thursday, 3rd December, 2020, to those Members whose names appears on the register of Members of the Company on close of business hours on Thursday, 26th November, 2020 (Record Date).

6. Pursuant to the provisions of the Act, 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 e-AGM is being held pursuant to the MCA Circulars through VC / OAVM, 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.

7. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the e-AGM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to diptigl@gmail.com with a copy marked to investor@oalmail.co.in.

8. The Company's Transfer Books will remain closed from Friday, 27th November, 2020 to Thursday, 3rd December, 2020. (both days inclusive).

9. ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF ANNUAL REPORT

a. In compliance with the said requirements of the MCA Circulars, electronic copy of the Notice along with the Annual Report for the financial year ended 31st March, 2020 have been sent only to those members whose e-mail id's are registered with the Company or the Registrar and Share Transfer Agent or the Depository Participants(s) through electronic means and no physical copy of the Notice has been sent by the Company to any member.

b. Those shareholders who have not yet registered their email address are requested to get their email addresses registered by following the procedure given below:

Physical Holding	Please Send a request to the Registrar and Transfer Agents of the Company, at admin@skylinerta.comalong with Folio No., Name of shareholder, 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).
Demat Holding	Please contact your Depository Participant (DP) and register your email address and bank account details in your demat account, as per the process advised by your DP.

c. If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Company or its RTA in respect of shares held in physical form and to DPs in respect of shares held in electronic form.

d. The Notice has also been hosted on the website of the Company www.http://www.orientabrasives.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com. The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. www.evotingindia.com.

10. GENERAL INSTRUCTIONS AND PROCEDURE FOR JOINING THE AGM THROUGH VC / OAVM

a. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM/EGM will thus be held through video conferencing (VC) or other audiovisual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.

b. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.

c. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.

d. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

e. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.

f. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.orientabrasives.com . The Notice can also be accessed from the 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. The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. www.evotingindia.com.

g. The AGM/EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

11. THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

I. The voting period begins on <Date and Time> and ends on <Date and Time>. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <Record Date> may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

II. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

III. The shareholders should log on to the e-voting website www.evotingindia.com.

IV. Click on "Shareholders" module.

V. Now enter your User ID

a) For CDSL: 16 digits beneficiary ID,
b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
c) Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at https://www.cdslindia.com from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

VI. Next enter the Image Verification as displayed and Click on Login.

VII. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

VIII. If you are a firsttime user follow the steps given below:

	For Shareholders holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. e.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	• Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

IX. After entering these details appropriately, click on "SUBMIT" tab.

X. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

XI. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

XII. Click on the EVSN for the relevant <Company Name> on which you choose to vote.

XIII. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

XIV. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

XV. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

XVI. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

XVII. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

XVIII. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

XIV. Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

12. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

a. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, 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 Company/RTA email id.

b. For Demat shareholders -, please provide Demat account detials (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), 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 Company/RTA email id.

13. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

i. Shareholder will be provided with a facility to attend the EGM/AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at https://www.evotingindia.com under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.

ii. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

iii. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

iv. Please note that Participants 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.

v. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.

vi. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

14. INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM/EGM ARE AS UNDER:-

i. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for Remote e-voting.

ii. Only those shareholders, who are present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.

iii. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

iv. Shareholders who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.

15. Note for Non - Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; investor@oalmail.co.in (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

- If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

- All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

16. PROCEDURE FOR INSPECTION OF DOCUMENTS:

a. All the documents referred to in the accompanying Notice and Explanatory Statements, shall be available for inspection through electronic mode, basis the request being sent on invesor@oalmail.co.in.

b. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. Members seeking to inspect such documents can send an email to investor@oalmail.co.in.

17. OTHER INSTRUCTIONS:

a. Members, holding shares in physical form, may avail of the facility of nomination in terms of Section 72 of the Act and rules made thereunder, by filing prescribed Form No. SH. 13 (in duplicate) with the Company's Registrar & Share Transfer Agent. In case of shares held in dematerialized form, the nomination has to be lodged with the respective Depository Participants (DP).

During the Financial Year 2018-19, the Securities and Exchange Board of India ('SEBI') and the Ministry of Corporate Affairs ('MCA') has mandated that existing Members of the Company who hold securities in physical form and intend to transfer their securities after April 1, 2019, can do so only in dematerialized form. In view of the above and the inherent benefits of holding shares in electronic form, Members holding shares in physical form are requested to consider converting their shareholding to dematerialised form.

b. The Ministry of Corporate Affairs (MCA) has adopted/implemented "Green Initiative in Corporate Governance" allowing paperless compliances by Companies through electronic mode. The Companies are now permitted to send various notices/documents to its shareholders through electronic mode to the registered email addresses of the shareholders.

To support this green initiative and to receive communication from the Company through electronic mode, members who have not registered their e-mail addresses and holding shares in physical form are requested to contact the Company's Registrar & Share Transfer Agent and register their e-mail ID and Members holding shares in dematerialised form are requested to contact their Depository Participant (DP). Members may please note that notices, annual reports, etc. will also be available on the Company's website viz. www.orientabrasives.com.

c. The Securities and Exchange Board of India (SEBI) vide its Circular No. SEBI/HO/MIRSD/ DOP1/CIR/P/2018/73 dated 20th April, 2018 has mandated the registration of Permanent Account Number (PAN) and Bank Account Details of all their shareholders holding shares in physical mode through their RTA.

Members holding shares in physical form are therefore, requested to submit their PAN and Bank Account Details to the Company's RTA, viz. M/s. Skyline Financial Services Pvt. Ltd., by sending self-attested copy of PAN Card along with self-attested legible copy of Aadhar/passport/utility bill (not older than 3 months) and Original cancelled cheque leaf containing the Bank A/c No., Bank Name, type of account, IFSC Code, MICR Code and the name of the shareholder printed on the cheque leaf.

In cases wherein the cancelled cheque leaf does NOT contain the shareholder's name printed on it, Members are requested to submit the Original cancelled cheque leaf along with legible copy of the bank passbook / bank statement specifying the KYC details of the registered shareholder such as the name, address, bank account number etc. duly attested by the Officer of the same Bank with his signature, name, employee code, designation, bank seal & address stamp, phone no. and date of attestation.

d. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

e. The Scrutinizer shall, immediately after the conclusion of voting at the e-AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.
Ms. Dipti Gohil, Company Secretary, have been appointed as the scrutinizer to scrutinize the voting process in a fair and transparent manner.

f. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.orientabrasives.com and on the website of CDSL www.evotingindia.com immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Bombay Stock Exchange Limited & the National Stock Exchange of India Limited.

g. Pursuant to Finance Act 2020, dividend income will be taxable in the hand of the shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source ('TDS') from dividend paid to the members at prescribed rates in the Income Tax Act, 1961 ("the IT Act"). In general, to enable compliance with TDS requirements, members are requested to complete and/or update their Residential status, PAN, category as per IT Act with their Depository Participants or in case shares are held in Physical Form, with the RTA by sending e-mail at admin@skylinerta.com and investor@oalmail.co.in. The Company has sent individual communication in this regard to all shareholders whose dividend amount exceed Rs. 5,000/-

By Order of the Board of Directors
Sd/-
BIMAL PARMAR
COMPANY SECRETARY

Registered Office:
GIDC Industrial Area, Porbandar,
Gujarat – 360577
CIN: L24299GJ1971PLC093248
Email: investor@oalmail.co.in
Website: www.orientabrasives.com
-E & OE regretted

Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013:

Item No. 4:Appointment and Payment of remuneration of Cost Auditors:

Pursuant to Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is requiredto appoint a Cost Auditor to audit the cost records for applicable products of the Company.

On the recommendation of the Audit Committee, the Board of Directors at its meeting held on 5th August, 2020 considered and approved the appointment of M/s. S. K. Rajani & Co., Cost Accountants as Cost Auditors for the fiscal year 2020-21 at a remuneration of Rs. 1,70,000/- (Rupees One Lakh Seventy Thousand Only) per annum plus Goods & Service Tax.

The Board of Directors recommend the Ordinary Resolution as set out in Item No. 4 of the Notice for the approval of the shareholders.

None of the Directors, Key Managerial Personnel (KMP), or their relatives are, in any way, concerned with or interested in, financially or otherwise, the said resolution.

Item No. 5: Re-appointment of Mr. Manubhai Rathod as the Whole-Time Director & Chief Executive Officer of the Company:

Pursuant to the provisions of section 196, 197, 203 read with Schedule V and other relevant provisions of the Act, the Board of Directors of the Company had appointed Mr. Manubhai Rathod as an Executive Director & CEO of the Company for a period of Three years w.e.f 15th June, 2017, up to 14th June, 2020.

The term of Mr. Manubhai Rathod as Whole- Time Director & CEO was getting over on 14th June, 2020, However, considering the current state of affairs of the Company and given his exposure & expertise in the field of mining, mineral processing, projects, logistics, resource and business development, the Board of Directors of the Company, on recommendation of Nomination and Remuneration Committee, re-appointed Mr. Manubhai Rathod as an Whole-Time Director & CEO of the Company at its meeting held on 18th May, 2020 for a further period of one year with effect from 15th June, 2020 and the same is placed before the Members for approval.

Brief Profile:

Mr. Manubhai Rathod holds a degree in BSC (Chemistry Graduate) from Saurashtra University has experience & expertise of more than a decade in the field of mining & processing (operations) of Bauxite and allied minerals.

Brief resume of Mr. Manubhai Rathod, nature of his expertise in specific functional areas and names of companies in which he holds directorships and memberships / chairmanships of Board Committees, as required under Regulation 36 of the SEBI LODR Regulations and Secretarial Standards are as below:

Name of Director	Mr. Manubhai Rathod
Director Identification Number (DIN)	07618837
Date of Birth (Age)	20/04/1968 (42 Years)
Nationality	Indian
Date of First appointment	15th June, 2017
Qualifications	BSC (Chemistry Graduate)
Expertise in specific functional areas **Terms and conditions of re-appointment**	Extensive experience and expertise in in the field of mining, mineral processing, projects, logistics, resource and business development As per the agreement executed by and between theCompany and Mr. Manubhai Rathod.
Number of Meetings of the Board attended during the yearended 31st March, 2020	Two
Relationship with other Directors / Managers/ KeyManagerial Personnel	Not Applicable
Shareholding in Orient Abrasives Limited	30000
Directorships held in other Companies (excluding foreign, private and section 8 Companies)	Prashansha Ceramics Limited
Chairman/ Member of the Committee of the Board of Directors of other companies in which he is a Director	Membership: Orient Abrasives Limited- SRC
Remuneration details	Rs. 4,302,776/- Per Annum

* Terms of re-appointment including Remuneration:

1. He shall be entitled to encashment of earned leave at the end of his tenure as per Company's Rules/Policies, from time to time.
2. Additionally, he shall be entitled to annual/performance increments/incentives as shall be approved by the Board of Directorsof the Company and which shall be within the limits as prescribed under Schedule V and other applicable provisions, if any, ofthe Act.
3. He shall not be paid any fees for attending meetings of the Board of Directors and/or any Committee thereof.
4. He shallbe liable to retire by rotation.

The terms and conditions of the appointment of Mr. Manubhai Rathod as Whole-Time Director & CEO shall be as stated in the agreement executed by and between the Company and Mr. Manubhai Rathod. The copy of the agreement is available for inspection at the registeredoffice of the Company, on all working days between 11.00 a.m. to 4.00 p.m.,except Saturday, Sunday and Public holidays up to thedate of the AGM.

Mr. Manubhai Rathod, is not disqualified from being re-appointed as a Director in terms of section 164 of the Act and has given his consentto act as an Whole-Time Director & CEO of the Company.

It is proposed to seek the Member's approval for the re-appointment and payment of remuneration to Mr. Manubhai Rathod as an Whole-Time Director & CEO, in terms of the applicable provisions of the Act and the relevant Rules made thereunder.

Except Mr. Manubhai Rathod, being the appointee, none of the Directors and Key Managerial Personnel of the Company or their relatives,are concerned or interested financially or otherwise, in the proposed resolution.

The Board recommends the Ordinary Resolution as set out at Item No. 5 for approval of the Members.

By Order of the Board of Directors
Sd/-
BIMAL PARMAR
COMPANY SECRETARY

Mumbai, 3rd November, 2020

Annexure 'I'

Details of Director seeking re-appointment at the forthcoming Annual General Meeting
(Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and Secretarial Standard-2 on General Meetings

Name of Director	Mrs. Chaitali Salot
DIN	02036868
Date of Birth	15/06/1982
Qualification	Commerce Graduate, Masters in International Marketing- U.K
Brief Profile & Expertise in specific functional areas	Mrs. Chaitali Salot, is a Commerce Graduate and also holds Masters in International Marketing- U.K, has more than 15 years of experience in the field of Minerals processing & export marketing including advanced Refectories Materials.
Directorship in other Public Companies (excluding foreign, private and Section 8 Companies)	Ashapura Perfoclay Limited
Chairmanship / Membership of the Committees of the Board*	Membership: Orient Abrasives Limited- SRC
No. of shares held in the Company as on 31.03.2020	1,11,111 Equity Shares of Rs. 1/- each.
Relationship with other Directors and KMPs	Sibling of Mr. Manan Shah, Board defined Key Managerial Personnel.

*Represents only Membership/Chairmanship of the Audit Committee (AC) and the Stakeholders Relationship Committee (SRC) of Indian Public Limited Companies.

DIRECTORS' REPORT

To

The Members,

Your Directors have pleasure in presenting the 49th Annual Report of the Company together with the Annual Statements of Accounts for the year ended 31st March, 2020.

FINANCIAL PERFORMANCE:

(₹ in Lakhs)

PARTICULARS	2019-2020	2018-2019
Profit/(Loss) before interest, Depreciation Exceptional items and Tax	4651.43	4091.43
Interest	863.50	924.48
Depreciation	1027.86	1094.85
Exceptional item	139.73	-
Profit / (Loss) before Tax	**2620.35**	**2072.10**
Provision for Taxation:		
Current Tax	623.00	509.00
Earlier years' Tax	77.87	11.84
Deferred Tax	(136.43)	(30.21)
Profit / (Loss) after Tax	**2055.91**	**1,581.47**
Prior Period Adjustments	-	(36.00)
Items not be reclassified to profit and loss	63.92	(10.07)
Total Comprehensive Income After Tax	**1991.99**	**1,627.54**
Balance brought forward from the previous year	**10,636.83**	**9,369.87**
Balance Carried to Balance Sheet	**12,268.24**	**10,636.83**

COMPANY PERFORMANCE AND OPERATIONS:

The performance of the Company during Financial Year 2019-2020 is overall good however it also witnessed challenges due to competition from Chinese suppliers, weak global demand and volatile exchange rates in Indian economy. Your Company supplies products to refractory and abrasive industry.

Your Company has reported 10.5% growth in revenue from operations for the year ended 31st March, 2020 and stood at Rs. 34,584.77 Lakhs as against Rs. 31,296.80 Lakhs in the previous year, the Increase in turnover is mainly attributable to optimum capacity utilization and improvement in domestic segment.The Company reported decline in export sales during the year under review and stood at Rs. 7,742.44 Lakhs as against Rs. 8,573.31 Lakhs for the previous year ended 31st March, 2019. The Net Profit after Tax is increased by 22.4% and stood at Rs.1991.99 Lakhs as against Rs.1,627.54 lakhs for the previous year ended 31stMarch, 2019.

Your Company also runs wind power plants of 11.1 Mega Watt (M.W.) in Rajasthan and Karnataka, both the plants are situated in Karnataka and Rajasthan are operating satisfactorily, however generation of power was lower compared to previous year. During the year under review, the gross revenue from the sale of power to respective state power distribution companies stood at Rs. 681.92 Lakhs as compared to Rs. 795.44 Lakhs for the previous year ended 31st March, 2019. Moreover, your Company is also deliberating on measures required to be taken for way forward improvement.

Your Company has a power plant capacity of 18 M.W. out of which 9 M.W. is coal based whereas 9 M.W. is on furnace oil. Due to unaffordable price of furnace oil, the furnace oil based power plant is operated on need based.

During the year, your Company has acquired wind power plant of 1.75 Maga Watt (M.W) in Gujarat for captive consumption at Porbandar plant. The Company has also increased production capacity and installed one more block furnace for fused product production.

Towards the end of the quarter ended March 2020, the Covid-19 pandemic developed rapidly into a global crisisforcing Government of India to enforce nationwide lockdown to contain the outbreak of Covid-19. The Covid-19 pandemic is the defining global health crisis of our time and is spreading very fast across the continents. It is having an unprecedented impact on people and has caused significant disruption and slowdown of economic activities.

Your Company's operations has also impacted due to lockdown, economic slowdown and weak market demand. The Company is taking all necessary measures in terms of mitigating the impact of the challenges being faced in the business and with a view to ensure safety across all areas of operations. Though the long-term directional priorities of the Company remain firm, in light of Covid-19 and its expected impact on the operating environment, the key priorities of the Company would be to closely monitor supply chain, conserve cash and control costs, while continuing to invest in some of the growth areas.

DIVIDEND:

Based on the Company's performance and considering the dividend history of the Company, your Directors are pleased to recommend dividend @ 15% per share, on the face value of Rs.1/- each viz. Re.0.15/- per Equity Share for the financial year ended 31st March, 2020. Payment of dividend is subject to the approval of the shareholders at the ensuing Annual General Meeting.

The Dividend if declared will involve total outflow of Rs. 179.46 Lakhs which will be subject to deduction of tax at source as applicable and shall be payable during Financial Year 2020-21.

The Company has not proposed to transfer any amount to General Reserve.

SHARE CAPITAL

During the financial year 2019-2020, there is no change in the authorized, issued, subscribed and paid-up share capital of the Company. As on 31st March, 2020, the Company is having authorized share capital of Rs. 18,00,00,000/- (Rupees Eighteen Crores only) [consisting of 14,00,00,000 (Fourteen Crores Only) Equity Shares of Re. 1/- each and 4,00,000 (Four Lakhs) 6% Redeemable Cumulative Preference Shares of Rs. 100/- each].

The issued, subscribed and paid-up equity share capital of the Company as on 31st March, 2020 is Rs. 11,96,39,200/- comprising of 11,96,39,200 equity shares of Rs. 1/- each.

During the year under review, the Company has not issued shares with differential rights as to dividend, voting or otherwise or bought back any of its securities. The Company has not issued any sweat equity/bonus shares/employee stock option plan, under any scheme.

PREFERENTIAL ALLOTMENT OF WARRANTS:

Pursuant to the resolution passed by the shareholders of the Company through Postal Ballot process on 19th January, 2018, the Committee of Directors on 2nd February, 2018, allotted 62,96,800 convertible warrants at a price of at a price of Rs. 51.31. The said Convertible Warrants were convertible into Equity Shares in to one or more tranches within a period of 18 months from the date of allotment i.e. on or before 1st August, 2019.

Further, as required under the Listing Regulations, the Warrant Holder had deposited with the Company upfront 25% of total issue size i.e. Rs. 807,72,202 and the balance 75% of issue size i.e. Rs. 2423,16,606 was payable as an when the option to convert is exercised by the Warrant Holder.

However, the Company received a letter from the Warrant Holder for not to exercise the option of convertibility. Hence, as required under SEBI (Issue of Capital Disclosure Requirement) Regulations, 2015 the upfront amount deposited by the Warrant Holder with the Company stands forfeited.

TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, your Company has transferred Rs. 449497/- during the year to the Investor Education and Protection Fund (IEPF). This amount was lying unclaimed/ unpaid with the Company for a period of 7 (Seven) years after declaration of Final Dividend for the Financial Year ended 2011-12.

Further, as required under Section 124 of the Companies Act, 2013, 27,067 equity shares, in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years or more, have been transferred by the Company to IEPF during the year under review. The details of shares transferred have been uploaded on the website of IEPF as well as Company at www.orientabraisves.com, as at 31st March, 2020, a total of 451764 Shares of the Company were lying in the Demat A/c of the IEPF Authority.

The concerned Shareholders may still claim the shares or apply for refund to the IEPF Authority in Web Form No. IEPF-5 available on www.iepf.gov.in.

The voting rights on shares transferred to the IEPF Authority shall remain frozen until the rightful owner claims the shares. The shares held in such DEMAT account shall not be transferred or dealt with in any manner whatsoever except for the purposes of transferring the shares back to the claimant as and when he approaches the Authority. All benefits except rights issue accruing on such shares e.g. bonus shares, split, consolidation, fraction shares etc., shall also be credited to such DEMAT account.

Any further dividend received on such shares shall be credited to the IEPF Fund.

DEPOSITS:

During the year under review, your Company did not accept any deposits within the meaning of provisions of Chapter V – Acceptance of Deposits by Companies of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

SUBSIDIARIES/JOINT VENTURES/ASSOCIATE COMPANY:

The Company does not have Subsidiary/Joint Venture or Associate Company.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN 31st MARCH, 2020 AND 5th AUGUST, 2020 (DATE OF THE REPORT):

COVID-19 and the associated lockdowns across countries have triggered a once-in-a-century crisis for the society and economy since the last week of March, 2020. There has been severe disruption to regular business operations due to lock-down. The Company's operations (including manufacturing at Porbandar) were impacted, due to scaling down / suspending production due to supply chain constraints, shortage of workforce and with a view to ensure safety across all areas of operations. Following the approvals received from the government authorities, the Company has commenced operations w.e.f April 15, 2020

The Company is closely monitoring the situation and operations are being ramped up in a phased manner. Focused efforts are made on cash conservation, cost reduction, collection from debtors and inventory management. There are no liquidity concerns as the Company has sufficient working capital limits available.

Except to the above, there have been no reportable material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report.

SIGNIFICANT AND MATERIAL ORDERS BY THE REGULATIONS:

During the year under review, no significant material orders were passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations save and except as mentioned above.

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

A report on 'Corporate Governance' along with the Certificate from M/s. Sanghavi & Co., Chartered Accountants regarding its compliance and 'Management Discussion and Analysis Report' as stipulated by Regulation 34 of the Listing Regulations are set out separately which form part of this Annual Report.

DIRECTOR'S RESPONSIBILITY STATEMENT:

In pursuance of Section 134(5) of the Companies Act, 2013, the Directors hereby confirm that:

(a) in the preparation of the annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;

(b) the Directors had 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 at the end of the financial year and of the PROFIT of the Company for that period;

(c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the Directors had prepared the annual accounts on a going concern basis;

(e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively and

(f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The following persons are the Key Managerial Personnel of the Company as per the provisions of Section 203 of the Companies Act, 2013.

- Mr. Manubhai Rathod, Whole-time director & CEO

- Mr. Bimal Parmar, Company Secretary
- Mr. V. Shashidharan- Chief Financial Officer

The Board of Directors on the recommendation of the Nomination & Remuneration Committee recognized Mr. Manan Shah, President of the Company as Key Managerial Personnel of the Company.

Mr. V. Shashidharan, Chief Financial Officer of the Company, has resigned w.e.f closing business hours on 3rd November, 2020. The Board of Directors wish to place on record their sincere appreciation towards valuable services rendered and contribution made by him during his tenure as Chief Financial Officer of the Company.

Pursuant to Section 134(3)(q) read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Remuneration and other details of Key Managerial Personnel and other employees for the year ended 31st March, 2020 are annexed to this report.

Director retiring by rotation:

I. In accordance with the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Articles of Association of yourCompany, Mrs. Chaitali Salot,Director, retires by rotation at the ensuing Annual General Meeting and being eligible has offered herself for re-appointment.

The brief particulars and expertise of the aforesaid Director appointed/re-appointed and regularisation as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 forms part of the notice convening the ensuing Annual General Meeting.

Re-appointment of Mr. Manubhai Rathod as a Whole-time Director & CEO:

II. Mr. Manubhai Rathod was appointed as the Whole Time Director & Chief Executive Officer of the Company for a period of 3 years w.e.f. 15th June, 2017, on agreed terms & conditions as stated in the original agreement, accordingly, Mr. Manubhai Rathod's present term of office expires on 14th June, 2020.

However, considering the current state of affairs of the Company and given his exposure & expertise in the field of mining, mineral processing, projects, logistics, resource and business development, the Board of Directors on the recommendation of Nomination and Remuneration Committee, decided to re-appoint Mr. Manubhai Rathod as a Whole-Time Director & Chief Executive Officer for a further period of 1 year from the expiry of his current term, i.e. 15th June, 2020, on the same terms & conditions that forms part of the original agreement which is subject to the approval of the Members of the Company.

Accordingly, pursuant to provisions of Section 196 of the Companies Act, 2013, resolution seeking approval of the shareholders for his re-appointment as a Whole Time Director & Chief Executive Officer of the Company forms part of Notice convening Annual General Meeting.

Declaration by Independent Directors:

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence in accordance with the provisions of the Companies Act, 2013and the Listing Regulations.

PERFORMANCE EVALUATION:

The Board of Directors adopted the performance evaluation policy with an objective of evaluating the performance of the each and every Director of the Board, Committees of the Board including the performance of the Board as a whole, which would contribute significantly to performance improvements at all the three levels i.e. the organizational, the board and the individual director level, which in turn would help in increased accountability, better decision making, enhanced communication and more efficient Board operations.

Accordingly, pursuant to the provisions of Companies Act, 2013, Listing Regulations and Performance Evaluation Policy of the Company, the Board of Directors, in consultation with the Nomination & Remuneration Committee and Independent Directors, carried out & analysed the annual performance evaluation of all the Directors, the Board as a whole and its Committees.

The annual performance evaluation was carried out based on detailed questionnaires drafted in accordance with the guidance note issued by SEBI. The performance of the individual Directors was evaluated after seeking inputs from all the Directors other than the one who is being evaluated. The evaluation was based on the criteria such as Director's knowledge and understanding of their role, Company's vision and mission, Director's Commitment, qualification, skill and experience, assertiveness in communication, etc.

The performance of the Board was evaluated on the basis of various criteria such as composition of the Board, information flow to the board, matters addressed in the meeting, strategic issues, roles and functions of the Board, relationship with the management, engagement with the Board and external stakeholders and other development areas.

The performance of the Committees was evaluated after seeking the inputs of committee members on the criteria such as understanding the terms of reference, Committee composition, Independence, contributions to Board decisions etc.

Further, the performance of Chairman & Executive Director were evaluated on certain additional parameters depending upon their roles and responsibilities such as leadership, relationship with stakeholders, execution of business plans, risk management, development of plans and policies in alignment with the vision and mission of the Company, etc.

Similarly, criteria for evaluation of Independent Directors include effective deployment of knowledge and expertise, willingness to devote time and efforts towards his/her role, high ethical standards, adherence to applicable codes and policies, effective participation, etc.

During the year the Independent Directors had met separately and discussed, inter-alia, the performance of Non-Executive Chairman, Whole-Time Director & Chief Executive Officer of the Company and the Board as a whole. The Nomination and Remuneration Committee has also carried out evaluation of every Director's performance.
The Board evaluation report on performance of each individual Director and the Board as a whole was placed before the Board of Directors for appropriate analysis and confirmation.

Based on the annual performance evaluation, the Board expressed its satisfaction with the performance evaluation process.

NOMINATION & REMUNERATION POLICY:

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, the Board of Directors, based on the recommendations of the Nomination & Remuneration Committee, adopted a Policy for selection and appointment of Directors, Key Managerial Personnel & Senior Management and for determining their remunerations, qualifications, positive attributes and independence of Directors. The policy also ensures that the relationship of remuneration to performance is clear so as to meet appropriate performance benchmark.

The Policy on Nomination & Remuneration is available on the website of the Company viz. www.orientabrasives.com The details about the Nomination & Remuneration Committee and payment of remuneration to the Directors are provided in the Report on Corporate Governance which forms part of this Annual Report.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

The information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors/ employees of your Company is set out in “Annexure A” to this Report.

MEETINGS OF THE BOARD:

During the year under review, the Board of Directors met Four (4) times. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the Listing Regulations. The dates of the meetings along with the attendance of the Directors therein have been disclosed in the Corporate Governance Report.

AUDIT COMMITTEE:

The Company has an Audit Committee of the Board of Directors in place. The terms of reference of the Audit Committee are in line with Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 18 of the Listing Regulations. Detailed information pertaining to the Audit Committee including its composition has been provided in the Corporate Governance Report, which forms part of this Annual Report.

AUDITORS AND AUDITORS' REPORT:

Statutory Auditors:

M/s. Sanghavi & Co., Chartered Accountants (FRN:109099W)were appointed as statutory auditors of the Company at the 46th AGM held on 16th September, 2017 for a period of five years from the conclusion of the 46th AGMuntil the conclusion of the 51st AGM to be held in the year 2022, subject to ratification by members of the Company at every AGM to be held thereafter. However, pursuant to notification issued by the Ministry of Corporate Affairs on 7th May, 2018 amending Section 139 of the Companies Act, 2013 and the rules framed thereunder, the mandatory requirement for ratification of appointment of auditors by the members at every AGM has been omitted and accordingly, the Company is not proposing ratification of appointment of auditors at this AGM.

The Auditor's Report for the Financial Year ended 31st March, 2020 does not contain any qualification, reservation or adverse remark.

Cost Auditors:

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Board of Directors has, on recommendation of the Audit Committee, appointed M/s. S. K. Rajani & Co., Cost Accountants as the

Cost Auditors of the Company to conduct audit of the Company's Cost Accounting Records in respect of the products of the Company for the financial year 2020-2021 at the remuneration of Rs. 1,70,000/- (Rupees One lakh Seventy Thousand Only) per annum plus Goods & Service Tax and out of pocket expenses.

Your Company has received consent from M/s. S. K. Rajani & Co., Cost Accountants, to act as the Cost Auditors of your Company for the financial year 2020-2021 along with a certificate confirming their independence.As per the provisions of the Companies Act, 2013, a resolution seeking approval of the Members for the remuneration payable to the Cost Auditors forms part of the Notice convening Annual General Meeting.

Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rule 2014, the Company has appointed Ms. Dipti Gohil, Practicing Company Secretary to undertake the Secretarial Audit of the Company for the Financial Year ended 31stMarch, 2020.

The Secretarial Audit Report in Form MR-3 is annexed herewith as “Annexure B”.

Secretarial Auditors observations:

The Secretarial Auditors report contained the following qualification, reservation or adverse remarks:

(1) The composition of the 'Audit Committee' of the Company was not in accordance with the provisions of Regulation 18 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the December, 2018 & March, 2019 Quarters.

(2) The Company, pursuant to Regulation 17 of LODR w.e.f. 1st April, 2020 , is required to appoint an Independent Woman Director, with which it is yet to comply. [This observation does not fall within the year under review, but falls within the period of the date of this Report and hence is mentioned here].

Board explanation/comments on above remarks:

1. Consequent to resignation of Mrs. Sangeeta Bohra and appointment of Mrs. Chaitali Salot as an Audit Committee Member, the composition of the Audit committee was disturbed as the number of Independent Directors fell below the requirement of Regulation 18 (1) of Listing Regulations i.e. 2/3rd of the committee members shall be Independent.

   The Board Members considered the provisions of SEBI (LODR), Regulations, 2015 and were of the opinion that since the Audit Committee is comprising of 2 (Two) Independent Directors both with immense financial/accounting expertise & having a good grip over the decision making process, the Company has principally complied with the spirit of the provisions of the Regulation 18 (1) of Listing Regulations.

   Subsequently, Mrs. Chaitali Salot Non-Executive Woman Director, understanding the framework of the Regulations & considering her other professional commitments offered to renounce her position and step down as a Member of Audit Committee.

   The Board Members appreciated the gesture and placed on record their deep regret while stating that just to technically adhere to the Regulations a willing & able Member of the Board and its Audit Committee some time has to compromise on her ability to participate & contribute at the Audit Committee and share her expertise and wisdom in the best interest of the Company.

   The Board Members acknowledged the kind gesture of Mrs. Salot and decided to re-constitute the Audit Committee just to technically fit into framework as prescribed under Regulation 18 (1) of Listing Regulations.

   In view of the above, the Company was levied penalty by the Bombay Stock Exchange and the National Stock Exchange of India which was duly paid by the Company 'Under Protest'.

   The Company made its representations vide letters addressed to the Exchanges and also through personal hearing held at the Exchanges, wherein it also requested to waive off the fine imposed. However, the said representations were not accepted by the Exchanges.

2. The Company is looking for suitable person to induct on the Board of the Company as an Independent Director and to comply with the provisions of Regulation 17of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

INTERNAL CONTROL SYSTEM & THIER ADEQUACY:

The Company has an adequate Internal Control System commensurate with the size, scale and nature of its operation. The Audit Committee reviews the adequacy and effectiveness of Internal Control System.

The Company appointed M/s. Atul HMV & Associates LLP, Chartered Accountants as its Internal Auditors for Financial Year 2019-2020 which carries out the periodic audit as per the Scope of Work approved by the Audit Committee. The Audit Committee of the Board of Directors of the Company periodically reviews the Internal Audit Reports submitted by the Internal Auditors. Internal Audit observations and corrective action taken by the Management are presented to the Audit Committee. The status of implementation of the recommendations are reviewed by the Audit Committee on a regular basis and concerns, if any, are reported to the Board. The Company is taking due action to ensure that the Internal Control is strengthened in all the areas of operations!

Besides this, the Company has also implemented 'SAP' Systems, an advanced IT business solution platform, to achieve standardized operations that ensures seamless data and information flow. This would further ensure ease in working environment & style and shall enable the Company to be in line with the best global practices.

CORPORATE SOCIAL RESPONSIBILITY:

Your Company embraces responsibility for impact of its operations and actions on all stakeholders including society and community at large. As per requirements of Companies Act, 2013, the Company had duly constituted Corporate Social Responsibility Committee. The brief outline of the Corporate Social Responsibility (CSR) policy of the Company and the initiative undertaken by the Company on CSR activities during the year are set out in “Annexure C” of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The details of composition of CSR Committee etc. are provided under the Corporate Governance Report.

VIGIL MECHANISM- WHISTLE BLOWER POLICY:

The Company has vigil mechanism named a Whistle Blower Policy, in compliance with the provisions of Section 177 of the Companies Act, 2013 and Listing Regulations, wherein the employees/directors can report the instances of unethical behavior, actual or suspected fraud, mismanagement or any violation of the Code of Conduct and/or laws applicable to the Company and seek redressal. This mechanism provides appropriate protection to a genuine Whistle.

The said Policy is available on the website of the Company viz. www.orientabrasives.com. During the year under review, no compliant has been received under the Whistle Blower Policy (Vigil Mechanism).

RISK MANAGEMENT POLICY:

Your Company has laid down a Risk Management Policy for the Company that identifies elements of risks inherent to the business and have entrusted the Audit Committee with the responsibility of reviewing the said policy.

RELATED PARTY TRANSACTIONS:

All contracts/arrangements/transactions entered by the Company during the financial year under review with the Related Partieswere in the ordinary course of business and on an arm's length basis. During the year, the Company had notentered into any contract/arrangement/transactionwith the Related Parties which could be considered as material inaccordance with the Company's Policy on Related Party Transactions. In view thereof, the disclosure in Form AOC-2 is not required to be provided.

The Company places all Related Party Transactions before the Audit Committee and also before the Board of Directors for approval on quarterly basis. The omnibus approval was obtained from the Audit Committee in respect of transactions which are repetitive in nature in accordance with the Company's Policy on Related Party Transactions. The Audit Committee also reviewed the details of such Related Party Transactions entered into by the Company pursuant to each of the omnibus approval given on a quarterly basis.

The Policy on Related Party Transactions as approved by the Board of Directors of the Company is available on the website of the Company viz. www.orientabrasives.com.

Your Directors draw attention of the members to Note no. 31 to the financial statements which sets out related party disclosures.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED:

During the year under review no loans given, investments made, guaranteesgiven and securities provided in accordance with the provisions of Section 186 of the Companies Act, 2013.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Companies Act, 2013, are provided in “Annexure D” to this Report.

EXTRACT OF ANNUAL RETURN:

The Extract of Annual Return of the Company in Form MGT-9 as provided under Section 92(3) of the Companies Act, 2013 is annexed herewith as "Annexure E" to this Report.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE:

The Company has zero tolerance for sexual harassment of women at workplace and has adopted a Policy for prevention, prohibition and redressal of sexual harassment at workplace, in terms of provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder and constituted Internal Complaint Committee (ICC) for safe working environment where all employees treat each other with courtesy, dignity and respect, irrespective of their gender, race, caste, creed, religion, place of origin, sexual orientation, disability, economic status or position in the hierarchy.

The ICC which has been constituted as per the policy in this regards, provides a forum to employees to lodge Complaints, if any, therewith for appropriate redressal.

During the year, no complaint was lodged with the ICC nor any such instance was reported and the management is happy to take the same on record. The said Policy is available on the website of the Company viz. www. orientabasives.com.

REPORTING OF FRAUDS:

There was no instance of fraud during the year under review, which required the Statutory Auditor to report the Audit Committee and/or Board under section 143(12) of the Act and Rules framed thereunder.

ACKNOWLEDGEMENT:

Your Directors wish to express their appreciation for the assistance and co-operation received from the financial institutions, banks, employees, investors, customers, Government& Government agencies, Members & Shareholders and all other business associates for the continuous support given by them to the Company and their confidence in its management during the year under review and look forward for their contributed support in future.

For and on Behalf of the Board of Directors

Sd/-	**Sd/-**
MANUBHAI RATHOD **WHOLE TIME DIRECTOR & CEO** **(DIN: 07618837)**	**HEMUL SHAH** **DIRECTOR** **(DIN: 00058558)**

Place : Mumbai
Date : 3rd November, 2020

- E & OE are regretted

Annexure- A

DISCLOSURE ON THE REMUNERATION OF THE MANAGERIAL PERSONNEL

a) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year; 11.21 times*

(NOTE: I) "median" means the numerical value separating the higher half of a population from the lower half and the median of a finite list of numbers may be found by arranging all the observations from lowest value to highest value and picking the middle one

ii) If there is an even number of observations, the median shall be the average of the two middle values

b) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year; 9.11 % (Company Secretary)

c) the percentage increase in the median remuneration of employees in the financial year :14.209%

d) the number of permanent employees on the rolls of company : 279(Previous year 251)

e) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

Overall Increased in salary	: 25.24%%
Increased in salary for Managerial person	: 4.24%
Increased in salary for other than Managerial person	: 27.15%%

" Increase in salary for Key Managerial Personnel (KMP) as on 31.03.2020 is due to increase in number of employees to 279 in March 2020 from 251 in March 2019 & Annual increment

f) affirmation that the remuneration is as per the remuneration policy of the company.It is affirmed that the remuneration paid to the Directors, KMP and other employees is as per the remuneration policy of the company

(2) Considering the provision of Section 136 of the Companies Act, 2013, the annual report, excluding the remuneration paid to top ten employee is being sent to shareholders of the company. The said details of remuneration paid to top ten employees is available for inspection of members at the registered office of the company during working hours up to the date of Annual General Meeting and shall be made available to any shareholder on request.

Annexure-B

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2020
[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 Abrasives Limited (The Company)
CIN : L24299GJ1971PLC093248
GIDC Industrial Area Porbandar,
Gujarat - 360577.

I have conducted the Secretarial Audit of compliance of applicable statutory provisions and adherence to corporate practices by Orient Abrasives Limited (hereinafter referred to as 'the Company'). Secretarial Audit was conducted in a manner that provides me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Owing to the COVID-19 Pandemic , it was not possible to personally visit the Office premises of the Company. Therefore, details were called for online and based on the said limited online verification of the books, papers, minutes, statutory registers, Records, 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, I hereby report that in my opinion, the Company during the audit period covering the financial year 1st April, 2019 to 31st March, 2020, has prima facie complied with the statutory provisions listed hereunder:

i. The Companies Act, 2013 (hereinafter referred as 'Act') and Rules made there under and various allied acts warranting compliance; as also Secretarial Standards 1 & 2 Issued by the Institute of Company Secretaries of India.

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye - Laws framed thereunder ;

iv. Foreign Exchange Management Act, 1999 & the Rules & Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment & External Commercial Borrowings, as may be applicable ;

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

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ;
b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,2015;
c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations, 2009;
d) 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;

Though the following laws are prescribed in the format of Secretarial Audit Report by the Authority(ies) , the same were not applicable to the Company for the financial year ended 31st March, 2020:-

a) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
b) The Securities & Exchange Board of India (Issue & listing of Debt Securities) Regulations, 2008 (Not applicable during the audit period);
c) The Securities & Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable during the audit period);
d) The Securities & Exchange Board of India (Buyback of Securities) Regulations,1998;

(v) Further based on the discussion had with and Reports obtained from the Management, the concerned Departmental Heads and the Management Representation Letter furnished, the Company has inter-alia complied with the following laws:

(a) Industrial Disputes Act, 1947
(b) The Payment of Wages Act, 1936
(c) The Minimum Wages Act, 1948
(d) The Employees Provident Fund & Miscellaneous Provisions Act, 1952
(e) The Payment Of Bonus Act, 1965

(f) The Payment of Gratuity Act, 1972
(g) The Contract Labour (Regulations & Abolition) Act, 1970
(h) Mines Act, 1952
(i) Metalliferous Mines Regulations, 1961
(j) Water (Prevention & Control) of Pollution Act, 1974
(k) Air (Prevention & Control) of Pollution Act, 1981
(l) Customs Act, 1962
(m) Hazardous Wastes (M&H) Rules
(n) Environment Protection Rules, 1986
(o) Mineral Conservation & Development Rules, 1988
nservation & Development Rules, 1988

(vi) I have also examined online compliance with the applicable clauses of the following:

a. The Listing Agreements entered into by the Company with Stock Exchange read with Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 [Hereinafter referred to as ' LODR']

b. Secretarial Standards 1 & 2 Issued by the Institute of Company Secretaries of India.

I report the following observations made by me during the Audit:

(1) The composition of the 'Audit Committee' of the Company was not in accordance with the provisions of Regulation 18 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the December, 2018 & March, 2019 Quarters.

The number of Independent Directors fell below the requirement of said Regulation which requires that 2/3rd of the committee members shall be Independent. The ratio of Independent and Non Independent Director was 2 : 2. The Company w.e.f. 14th May, 2019, has taken the requisite steps in order to comply with the requirement of aforesaid Regulation with a Non-Independent Director stepping down as a Member of the Audit Committee.

As a result of the said lapse, the Company was levied penalty by the Bombay Stock Exchange and the National Stock Exchange of India which was duly-paid by the Company 'Under Protest'. The Company made its representations vide letters addressed to the Exchanges and also through personal hearing held at the Exchanges, wherein it also requested to waive off the fine imposed. However, the said representations were not accepted by the Exchanges.

(2) The Company, pursuant to Regulation 17 of LODR w.e.f. 1st April, 2020 , is required to appoint an Independent Woman Director, with which it is yet to comply. [This observation does not fall within the year under review, but falls within the period of the date of this Report and hence is mentioned here].

Hence my Report is qualified to the extent.

I further report that I have relied on the Statutory Auditor's Reports in relation to the financial statements and accuracy of financial figures for Sales Tax, Wealth Tax, Value Added Tax, Related Party Transactions, Provident Fund, ESIC, etc. as disclosed under financial statements, Accounting Standard 18 & note on foreign currency transactions during the audit period and I have not verified the correctness and appropriateness of the books of accounts of the Company.

I further report that:

i. the Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings and directorships in other Companies and interest in other entities;
ii. the Company has obtained all necessary approvals under various provisions of the Act where necessary;
iii. there was no prosecution initiated against or show cause notice received by the Company during the year under review under the Companies Act and rules, regulations and guidelines under these Acts.

I further report that there are prima facie adequate systems & processes in the Company commensurate with the size & operations of the Company to monitor & ensure compliance with applicable laws, rules, regulations & guidelines.

Further, the Management is responsible for compliances of all business laws. This responsibility includes maintenance of statutory registers/records required by the concerned authorities and internal control of the concerned department.

I further report that :

(i) During February, 2018, the Company had issued and allotted 62,96,800 Convertible Warrants on Preferential basis to one of the Promoter Group Member and obtained all the necessary permissions / approvals for the same. The said Warrants were convertible into Equity Shares within 18 months of the date of allotment as prescribed under SEBI (Issue of Capital Disclosure Requirements)

Regulations, 2009.i.e. on or before 1st August, 2019. However, the Warrant Holder communicated to the Company in June, 2019 that he was not interested in converting the said Warrants into Equity Shares . Therefore, vide a Board Resolution passed, the upfront amount deposited by the Warrant Holder was forfeited in accordance with the SEBI Regulations , application was made for extinguishment of the ISIN, Exchanges were notified and all necessary action was taken under applicable laws to give effect to the same.

No other specific events like Public/Right issue of shares/debentures/sweat equity, etc. took place.

(ii) vide Board Resolution passed on 3rd February, 2020 and approval / consent of Members obtained vide Postal Ballot On 19th March, 2020, The Company has resolved to shift its Registered Office from Porbandar in State of Gujarat to Mumbai in the State of Maharashtra. The necessary compliances have been initiated by the Company in this respect such as giving Newspaper Advertisement and filing of the requisite application with the Regional Director, Ahmedabad, in Gujarat. Approval from the Registrar of Companies, Gujarat has been received as on the date of this Report.

I further report that during the year:

The status of the Company has been a widely held listed Company (listed on BSE and NSE) and I am informed that Company is regular in complying with applicable provisions. The Compliance to that effect has been made, this fact has been examined from the perusal of various records maintained by the Company and for which a representation certificate too has been issued to me.

(i) The Board of Directors of the Company and the various Committees thereof as required under the Companies Act, 2013, and the LODR are duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors and various Committees that took place during the period under review are carried out in compliance with the provisions of the said Act / Regulations. Except in the case of Composition of Audit Committee for the 31st December, 2018 and 31st March, 2019 Quarters as stated herein above

(ii) Adequate notices are given to all Directors in respect of the Board Meetings and/ or Committee Meetings alongwith the agenda and detailed notes. The said documents are sent at least seven days in advance, 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.

I further report that:-

1. Maintenance of Secretarial Records is the responsibility of the Management of the Company. My responsibility is to express an opinion on these Secretarial Records based on the audit.
2. I 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 the Secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. Where ever required, I have obtained the Management Representation about the compliance of Laws, Rules and Regulations and happening of events etc.
4. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of compliances / processes on test basis.
5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

Place: Mumbai
Date: 31st July, 2020

Sd/-
Dipti Gohil
Practicing Company Secretary

CP No.: 11029
ACS No.: 14736
UDIN - A014736B000542221

Annexure-C

DETAILS OF CSR ACTIVITIES FOR THE FY 2018-2019

1.	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs	The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. During the year under review, your Company undertook CSR activities for promotion of education and establishment of museum for protection of national heritage, art & culture as set out below.
2.	The Composition of the CSR Committee	1. Mr. Pundarik Sanyal - Chairman 2. Mr. Hemul Shah - Member 3. Mr. Manubhai Rathod - Member 4. Mr. Harish Motiwalla - Member
3.	Average net profit of the company for last 3 financial years	Rs. 1,833.43 Lakhs
4.	Prescribed CSR Expenditure (2% of the amount as in item 3 above)	Rs. 37.67 Lakhs
5.	**Details of CSR spent during the financial year:** (1) Total amount to be spent for the F.Y. (2) Amount unspent, if any (3) Manner in which the amount spent during the financial year	 Rs. 49.42 Lakhs NA The manner in which the amount is spent is detailed below

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	**CSR project or activity identified**	**Sector in which the project is covered**	**Projects or programs 1) Local area or other 2) Specify the state and district where projects or programs was undertaken**	**Amount outlay (budget) project or programs wise**	**Amount spent on the projects or programs 1) Direct Expenditure on projects or programs 2) Overhead**	**Cumulative Expenditure up to the reporting period**	**Amount spent: Direct or through implementing agency**
1.	Promoting Education	promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;	Porbandar-Gujarat	Rs. 8.01 Lakhs	Rs. 8.01 Lakhs	Rs. 8.01 Lakhs	Direct
2.	Establishment of Museum for protection of national heritage, art and culture and expenses towards protection of culture.	Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries, promotion and development of traditional arts and handicrafts;	Bhuj –Kutch	Rs. 39 Lakhs	Rs. 39 Lakhs	Rs. 39 Lakhs	Implementing Agency

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	**CSR project or activity identified**	**Sector in which the project is covered**	**Projects or programs 1) Local area or other 2) Specify the state and district where projects or programs was undertaken**	**Amount outlay (budget) project or programs wise**	**Amount spent on the projects or programs 1) Direct Expenditure on projects or programs 2) Overhead**	**Cumulative Expenditure up to the reporting period**	**Amount spent: Direct or through implementing agency**
3	Donation to Govt's Sujalam Sufalam Jal Abhiyan	Ensuring Environmental Sustainability	Porbandar-Gujarat	Rs. 1 Lakh	Rs. 1 Lakh	Rs. 1 Lakh	Direct
4	Donation to Govt's Sujalam Sufalam Jal Abhiyan	Ensuring Environmental Sustainability	Khambhaliya -Gujarat	Rs. 1.13 Lakhs	Rs. 1.13 Lakhs	Rs. 1.13 Lakhs	Direct
5	Promoting health care including preventive health care	Eradicating hunger, poverty and malnutrition and sanitation, promoting health care including preventive health care and making available safe drinking water	Khambhaliya -Gujarat	Rs. 0.28 Lakhs	Rs. 0.28 Lakhs	Rs. 0.28 Lakhs	Direct
		Total		**Rs. 49.42Lakhs**	**Rs. 49.42Lakhs**	**Rs. 49.42Lakhs**	

Details of implementing agency:

Kutch Navnirman Trust

6. **In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.– NA**

7. **A responsibility statement of the CSR committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.**

   We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company.

For and on Behalf of the Board of Directors

Sd/-

MANUBHAI RATHOD
WHOLE TIME DIRECTOR & CEO
(DIN: 07618837)

Sd/-

HEMUL SHAH
DIRECTOR
(DIN: 00058558)

Place : Mumbai
Date : 3rd November, 2020

Annexure – D

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A. CONSERVATION OF ENERGY:

In its endeavour to promote 'green living', your Company initiated several energy conservation measures coupled with concentrated efforts to prevent water and air pollution at all locations and department of the Plant. The Company is making continuous efforts on ongoing basis for energy conservation by adopting innovative measures to reduce wastage and optimise consumption. To fulfil its statutory RPO obligations, the Company has also given advance to buy wind farms for captive consumption thereby resulting promotion of green energy.The particulars as required under the provisions of Section 134(3)(m) of the Companies Act 2013 read with Rule 8 of the Companies (Accounts) Rules 2014 in respect of conservation of energy technology absorption foreign exchange earnings and outgo forms an integral part of this report.

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

Your Company focused its R&D efforts on process improvement of its existing products, recovery of products from pollutants and process development of new products and formulations. The R&D departments also helped in troubleshooting in manufacturing departments.

Efforts in brief, made towards technology absorption, adaptation and innovation:

a) The Company upgraded many of its processes and operations by imbibing new technology, using more efficient equipment and incorporating automation.

b) Benefits derived as a result of the above efforts, for example, product improvement, cost reduction, product development and import substitution:

The above efforts have resulted in improvement in quality, increase in yields, increase in throughput and decrease in manpower.The Company did not import any technology

During the year, your Company has incurred expenditure of Rs 25 Lakhs on research and development as against Nil expenses in the previous year. However, your Company would carry out research and development activities in the future based on the radical business outlook.

C. EXPENDITURE ON RESEARCH & DEVELOPMENT

(Rs. In Lakhs)

Particulars	**2019-2020**	2018-2019
a) Capital	—	—
b) Recurring	—	25.00
c) Total	—	25.00
d) Total R & D Expenditure as a Percentage of total turnover	**0.00 %**	0.08 %

D. FOREIGN EXCHANGE EARNING OUTGO:

(Rs. In Lakhs)

Particulars	**2019-2020**	2018-2019
Foreign Exchange earned in terms of actual inflows during the year (F.O.B.)	**7,118.49**	8,706.39
Foreign Exchange outgo during the year in terms of actual outflows	**1,129.40**	1,596.85

For and on Behalf of the Board of Directors

Sd/-
MANUBHAI RATHOD
WHOLE TIME DIRECTOR & CEO
(DIN: 07618837)

Sd/-
HEMUL SHAH
DIRECTOR
(DIN: 00058558)

Place : Mumbai
Date : 3rd November, 2020

Annexure – E

Form No. MGT-9
EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2020
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L24299GJ1971PLC093248
ii)	Registration Date	12/11/1971
iii)	Name of the Company	Orient Abrasives Limited
iv)	Category / Sub-Category of the Company	Company Limited by Shares/Indian-Non Government Company
v)	Address of the Registered office and contact details	GIDC Industrial Area, Porbandar, 360577, Gujarat Tel. No.: 0286- 2221788 Email Id: investor@oalmail.co.in
vi)	Whether listed company Yes / No	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any: -	M/s. Skyline Financial Services Pvt. Ltd. D-153A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi110020. Tel: 011-41044923, Fax: +91 11 26812682 Web: www.skylinerta.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:-

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products/services	NIC Code of the Product/Services	% to total turnover of the Company
1	Fused Grains	2391	40.84 %
2	Monolithics	2391	10.18 %
3	Calcined Products	2391	44.11 %

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:- N.A

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

S.No.	Category of Shareholders	Shares Held at begining of the Year 31/03/2019				Shares Held at the End of the Year 31/03/2020				% Change During The Year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A	**Promoters**									
1	**Indian**									
a)	Individual Huf	4451120	0	4451120	3.72	7011367	0	7011367	5.86	2.14
b)	Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c)	State Government	0	0	0	0.00	0	0	0	0.00	0.00
d)	Bodies Corporate	43074953	0	43074953	36.00	37999953	0	37999953	31.76	-4.24
e)	Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
f)	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (A)(1)	**47526073**	**0**	**47526073**	**39.72**	**45011320**	**0**	**45011320**	**37.62**	**-2.10**
2	**Foreign**									
a)	NRI Individuals	165315	0	165315	0.14	165315	0	165315	0.14	0.00
b)	Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d)	Banks /FI	0	0	0	0.00	0	0	0	0.00	0.00
e)	Any Other	28389494	0	28389494	23.73	28389494	0	28389494	23.73	0.00
	Sub-Total (A)(2)	**28554809**	**0**	**28554809**	**23.87**	**28554809**	**0**	**28554809**	**23.87**	**0.00**
	Total Shareholding of Promoters(A)	**76080882**	**0**	**76080882**	**63.59**	**73566129**	**0**	**73566129**	**61.49**	**-2.10**
B	**Public Shareholding**									
1	**Institutions**									

a)	Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b)	Banks/FI	2150	5000	7150	0.01	2000	5000	7000	0.01	0.00
c)	Central Government	0	0	0	0.00	0	0	0	0.00	0.00
d)	State Government	0	0	0	0.00	0	0	0	0.00	0.00
e)	Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
f)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g)	FIIs	0	0	0	0.00	0	0	0	0.00	0.00
h)	Foreign Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
i)	Any Other Foreign	8851024	0	8851024	7.40	13184182	0	13184182	11.02	3.62
j)	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (B)(1)	**8853174**	**5000**	**8858174**	**7.40**	**13186182**	**5000**	**13191182**	**11.03**	**3.63**
2	**Non-Institutions**									
a)	**Bodies Corporate**									
1)	Indian	3715038	16240	3731278	3.12	3859845	240	3860085	3.23	0.11
2)	Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b)	**Individuals**									
1)	Individual shares holders having nominal share capital upto Rs. 1,00,000	15567367	1568425	17135792	14.32	16196574	1332675	17529249	14.65	0.33
2)	Individual shares holders having nominal share capital Excess of Rs. 1,00,000	4454996	0	4454996	3.72	3968233	0	3968233	3.32	-0.40
c)	**Others**									
a)	HUF	1142661	0	1142661	0.96	1237550	0	1237550	1.03	0.07
b)	Non Resident Indian	572814	2000	574814	0.48	621919	2000	623919	0.52	0.04
c)	Foreign National	0	0	0	0.00	0	0	0	0.00	0.00
d)	Clearing Members	412011	0	412011	0.34	2569237	0	2569237	2.15	1.81
e)	Trust	2000	0	2000	0.00	2000	0	2000	0.00	0.00
f)	Foreing Bodies-DR	6973010	0	6973010	5.83	2639852	0	2639852	2.21	-3.62
g)	NBFC Registered With RBI	2888	0	2888	0.00	0	0	0	0.00	0.00
	Sub-Total (B)(2)	**32842785**	**1586665**	**34429450**	**28.78**	**31095210**	**1334915**	**32430125**	**27.11**	**-1.67**
	Total Public Shareholding (B)	**41695959**	**1591665**	**43287624**	**36.18**	**44281392**	**1339915**	**45621307**	**38.13**	**1.95**
C)	**Shares Held By Custodian for GDRs & ADRs**	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
D)	**IEPF**	**270694**	**0**	**270694**	**0.23**	**451764**	**0**	**451764**	**0.38**	**0.15**
	Grand Total	**118047535**	**1591665**	**119639200**	**100.00**	**118299285**	**1339915**	**119639200**	**100.00**	**0.00**

ii) Shareholding of Promoter

S.No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change During The Year
		No.of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No.of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Bombay Minerals Limited	43074953	36.00	0.00	37999953	31.76	0.00	4.24
2	Cura Global Holdings Limited	28389494	23.73	0.00	28389494	23.73	0.00	0.00
3	Chetan Navnitlal Shah	78860	0.07	0.00	78860	0.07	0.00	0.00
4	Himani Chetan Shah	165315	0.14	0.00	165315	0.14	0.00	0.00
5	Chaitali Chetan Shah	111000	0.09	0.00	111000	0.09	0.00	0.00
6	Manan Chetan Shah	4261260	3.56	0.00	6821507	5.70	0.00	2.14

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

S.No.	Name of the Shareholders	Shareholding at the beginning of the year					Cumulative Shareholding during the year	Shareholding at the end of the year
		No. of shares	% of total shares	Transaction Date	Increase/ Decrease	Reason		
1	Bombay Minerals Limited	43074953	36.00	30-08-2019	-2000000	Sale	41074953	37.60
				27-09-2019	-1675000	Sale	39399953	36.85
				30-09-2019	-1400000	Sale	37999953	36.00
	At the end of the year (31.03.2020)						**37999953**	**36.00**
2	Manan Chetan Shah	4261260	3.56	06-09-2019	3700	Purchase	6241117	0.44
				27-09-2019	12353	Purchase	7916117	0.45
				04-10-2019	25000	Purchase	9317719	0.47
				31-03-2020	-3700	Sale	6821507	0.47
	At the end of the year (31.03.2020)						**6821507**	**5.70**

iv) Shareholding Pattern of top ten Shareholders:
Other than Directors,Promoters and Holder of GDR and ADRs)

Sr.No.	Name of Shareholder	No.of shares at the beginning of the year	% of Total Shares	Changes during the year			Cummulative Share Holding during the year	
				Date	No.of Shares	Reason	No.of Shares	% of total Shares
1	ORIENT ABRASIVES LTD UNCLAIMED SHARES DEMAT SUSPENSE ACCOUNT	2860250	2.39	05-04-2019	-40000	Sale	2820250	2.36
				26-04-2019	-500	Sale	2819750	2.36
				28-06-2019	-1000	Sale	2818750	2.36
				26-07-2019	-2000	Sale	2816750	2.35
				20-09-2019	-1000	Sale	2815750	2.35
				27-09-2019	-2000	Sale	2813750	2.35
				13-12-2019	-59300	Sale	2754450	2.30
				31-12-2019	-1000	Sale	2753450	2.30
				10-01-2020	-1000	Sale	2752450	2.30
				17-01-2020	-1000	Sale	2751450	2.30
				14-02-2020	-2000	Sale	2749450	2.30
	At the end of the year (31.03.2020)						**2749450**	**2.30**
2	SUSHIL FINANCIAL SERVICES PVT. LTD.	228807	0.19	05-04-2019	13558	Purchase	242365	0.20
				12-04-2019	-858	Sale	241507	0.20
				19-04-2019	17232	Purchase	258739	0.22
				03-05-2019	250	Purchase	258989	0.22
				10-05-2019	-177	Sale	258812	0.22
				17-05-2019	4227	Purchase	263039	0.22
				24-05-2019	4288	Purchase	267327	0.22

				31-05-2019	648	Purchase	267975	0.22
				07-06-2019	6964	Purchase	274939	0.23
				14-06-2019	85	Purchase	275024	0.23
				21-06-2019	3113	Purchase	278137	0.23
				28-06-2019	9882	Purchase	288019	0.24
				05-07-2019	8021	Purchase	296040	0.25
				12-07-2019	-200	Sale	295840	0.25
				19-07-2019	5800	Purchase	301640	0.25
				26-07-2019	3450	Purchase	305090	0.26
				02-08-2019	9450	Purchase	314540	0.26
				09-08-2019	10	Purchase	314550	0.26
				16-08-2019	8400	Purchase	322950	0.27
				23-08-2019	90	Purchase	323040	0.27
				20-09-2019	9800	Purchase	332840	0.28
				30-09-2019	115	Purchase	332955	0.28
				11-10-2019	1064	Purchase	334019	0.28
				18-10-2019	9036	Purchase	343055	0.29
				01-11-2019	200	Purchase	343255	0.29
				08-11-2019	9500	Purchase	352755	0.29
				15-11-2019	4000	Purchase	356755	0.30
				22-11-2019	-3975	Sale	352780	0.29
				29-11-2019	9978	Purchase	362758	0.30
				06-12-2019	-803	Sale	361955	0.30
				13-12-2019	5200	Purchase	367155	0.31
				20-12-2019	7900	Purchase	375055	0.31
				27-12-2019	13800	Purchase	388855	0.33
				31-12-2019	600	Purchase	389455	0.33
				03-01-2020	13400	Purchase	402855	0.34
				10-01-2020	2010	Purchase	404865	0.34
				17-01-2020	-3318	Sale	401547	0.34
				24-01-2020	11308	Purchase	412855	0.35
				31-01-2020	-2000	Sale	410855	0.34
				07-02-2020	-500	Sale	410355	0.34
				14-02-2020	51	Purchase	410406	0.34
				21-02-2020	11949	Purchase	422355	0.35
				06-03-2020	17800	Purchase	440155	0.37
				13-03-2020	385	Purchase	440540	0.37
				20-03-2020	12356	Purchase	452896	0.38
				27-03-2020	2374	Purchase	455270	0.38
				31-03-2020	-6070	Sale	449200	0.38
	At the end of the year (31.03.2020)						**449200**	**0.38**
3	CHOPRA NARPATKUMAR KEWALCHAND HUF	307723	0.26	-	-	-	-	-
	At the end of the year (31.03.2020)						**307723**	**0.26**
4	AXIS SECURITIES LIMITED	0	0.00	05-04-2019	1350	Purchase	1350	**0.00**
				19-04-2019	-890	Sale	460	**0.00**
				24-05-2019	-120	Sale	340	**0.00**
				31-05-2019	81	Purchase	421	**0.00**
				07-06-2019	-391	Sale	30	**0.00**
				05-07-2019	5	Purchase	35	**0.00**
				26-07-2019	565	Purchase	600	**0.00**
				23-08-2019	-500	Sale	100	**0.00**
				30-08-2019	-90	Sale	10	**0.00**
				13-09-2019	1081	Purchase	1091	**0.00**

				18-10-2019	1909	Purchase	3000	**0.00**
				25-10-2019	-2000	Sale	1000	**0.00**
				29-11-2019	-710	Sale	290	**0.00**
				13-12-2019	310	Purchase	600	**0.00**
				27-12-2019	2450	Purchase	3050	**0.00**
				31-12-2019	-1350	Sale	1700	**0.00**
				03-01-2020	-1300	Sale	400	**0.00**
				10-01-2020	100	Purchase	500	**0.00**
				17-01-2020	1000	Purchase	1500	**0.00**
				31-01-2020	-1300	Sale	200	**0.00**
				07-02-2020	3300	Purchase	3500	**0.00**
				28-02-2020	270	Purchase	3770	**0.00**
				20-03-2020	-3420	Sale	350	**0.00**
				27-03-2020	8680	Purchase	9030	**0.01**
				31-03-2020	2488988	Purchase	2498018	**2.09**
	At the end of the year (31.03.2020)						**2498018**	**2.09**
5	New Leaina Investments Limited	4333158	3.62	-	-	-	4333158	3.62
	At the end of the year (31.03.2020)						**4333158**	**3.62**
6	LTS Investment Fund Ltd	3264273	2.73	-	-	-	3264273	2.73
	At the end of the year (31.03.2020)						3264273	2.73
7	LGOF Global Opportunities Limited	2639852	2.21	-	-	-	2639852	2.21
	At the end of the year (31.03.2020)						**2639852**	**2.21**
8	THE GREAT INTERNATIONAL TUSKER FUND	5558146	4.65	-	-	-	5558146	4.65
	At the end of the year (31.03.2020)						**5558146**	**4.65**
9	VISHNU VITHALDAS GUJARATHI	310221	0.26	-	-	-	310221	0.26
	At the end of the year (31.03.2020)						**310221**	**0.26**
10	Alok Kumar Rajgarhia	1557543	1.30	24-05-2019	-17446	Sale	1540097	1.29
				31-05-2019	-10300	Sale	1529797	1.28
				07-06-2019	-2435	Sale	1527362	1.28
				14-06-2019	-21278	Sale	1506084	1.26
				21-06-2019	-34212	Sale	1471872	1.23
				28-06-2019	-16370	Sale	1455502	1.22
				05-07-2019	-15000	Sale	1440502	1.20
				12-07-2019	-10000	Sale	1430502	1.20
				02-08-2019	-10000	Sale	1420502	1.19
				16-08-2019	-19250	Sale	1401252	1.17
				30-08-2019	-5000	Sale	1396252	1.17
				31-08-2019	-1105077	Sale	291175	0.24
				06-09-2019	1095077	Purchase	1386252	1.16
				13-09-2019	-71318	Sale	1314934	1.10
				20-09-2019	-1000	Sale	1313934	1.10

				18-10-2019	-5000	Sale	1308934	1.09
				08-11-2019	-15542	Sale	1293392	1.08
				29-11-2019	-14506	Sale	1278886	1.07
				06-12-2019	-10000	Sale	1268886	**1.30**
				10-01-2020	-41051	Sale	1227835	0.38
				17-01-2020	-125930	Sale	1101905	0.36
				24-01-2020	-5832	Sale	1096073	0.35
				31-01-2020	-20001	Sale	1076072	0.35
				07-02-2020	-18979	Sale	1057093	0.36
				21-02-2020	-1738	Sale	1055355	0.37
				28-02-2020	-13294	Sale	1042061	0.36
				06-03-2020	-17967	Sale	1024094	0.37
	At the end of the year (31.03.2020)						**1024094**	**0.37**
11	ASHOK KUMAR RAJGARHIA	1237470	1.03	-	-	-	1237470	1.03
	At the end of the year (31.03.2020)						**1237470**	**1.03**
12	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS	270694	0.23	01-11-2019	-4000	Sale	266694	0.22
				13-12-2019	185070	Purchase	451764	0.38
	At the end of the year (31.03.2020)						**451764**	**0.38**

(v) Shareholding of Directors and Key Managerial Personnel:

Sr.No.	Name of Shareholder	No.of shares at the beginning of the year	% of Total Shares	Changes during the year			Cummulative Share Holding during the year	
				Date	No.of Shares	Reason	No.of Shares	% of total Shares
1	Rathod Manubhai Somabhai	30000	0.03	-	-	-	-	-
	At the end of the year (31.03.2020)						**30000**	**0.03**
2	Hemul Shah	38256	0.03	-	5000	Purchase	**43256**	0.04
	At the end of the year (31.03.2020)						**43256**	**0.04**
3	Bharatkumar Prabhudas Makhecha	2500	0.00	-	-	-	-	-
	At the end of the year (31.03.2020)						**2500**	**0.00**
4	Manan Chetan Shah	4261260	3.56	06-09-2019	3700	Purchase	6241117	0.44
				27-09-2019	12353	Purchase	7916117	0.45
				04-10-2019	25000	Purchase	9317719	0.47
				31-03-2020	-3700	Sale	6821507	0.47
	At the end of the year (31.03.2020)						6821507	**0.47**
5	Chaitali Chetan Shah	111000	0.09	-	-	-	-	-
	At the end of the year (31.03.2020)						**111000**	**0.09**
6	Shashidharan Velayudhan	1000	0.00	-	-	-	-	-
	At the end of the year (31.03.2020)						**1000**	**0.00**

VI. INDEBTEDNESS:- Indebtness of the Company including interest outstanding, accrued but not due for payment

(Rs. in Lakhs)

Particulars	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year				
i. Principal amount	7,182.63	433.51	-	7,616.14
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	27.61	-		27.61
Total (i + ii + iii)	7,210.24	433.51	-	7,643.75
Changes in Indebtedness during the financial year				
• Addition	9.29	-		9.29
• Reduction	1,808.93	433.51		2,242.44
Net Change	-1,799.64	-433.51	-	-2,233.15
Indebtedness at the end of the Financial Year				
i. Principal amount	5,401.31	-		5,401.31
ii. Interest due but not paid	-	-		-
iii. Interest accrued but not due	9.29	-		9.29
Total (i + ii + iii)	5,410.60	-	-	5,410.60

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :

A. Remuneration to Managing Director, Whole-time Director and/or Manager:

During the year under review, Mr. Manubhai Rathod, Whole Time Director & Chief Executive Officer was paid remuneration of Rupees Rs. 4,302,776 /- only. (TDS as applicable was deducted).

B. Remuneration to other directors:

During the year under review, the Non-Executive Independent Directors were paid sitting fees Rs. 15,000/- and Rs. 25,000/- respectively, for attending the every meeting of the Board of Directors and Audit Committee.

C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD:

During the year under review, Remuneration paid to the Company Secretary and other Whole Time Key Managerial Personnel (as recognized by the Board of Directors) aggregates to approximately Rupees Rs.10,144,633/-.

VIII. PENALTIES/PUNISHMENT/COMPOUNDINGOFOFFENCES:

The Company had received a letter from Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) with regards to non-compliance with requirement of Regulation 18 of the Listing Regulations for composition of Audit Committee as the number of Independent Directors fell below the requirement of the Listing Regulations thereby levied the fine of Rs. Rs. 3,,61,080/- by BSE & NSE each. In this regard, Company had submitted its clarifications to the Stock Exchanges and paid the requisite fine “UNDER PROTEST”

For and on behalf of the Board of Directors

Sd/-	**Sd/-**
MANUBHAI RATHOD **WHOLE TIME DIRECTOR & CEO** **(DIN:- 07618837)**	**HEMUL SHAH** **DIRECTOR** **(DIN:- 00058558)**

PlaceMumbai
Date:**3rd November, 2020**

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

Corporate Governance continues to be a strong focus area for the Company. At Orient, we believe that good Corporate Governance strengthens the investors trust and ensures long term relationship with its other stakeholders which helps the Company to achieve its objectives.

Your Company believes that adherence to Corporate Governance stems not only from the letter of law but also from its inherent belief in doing business the right way. The Corporate Governance framework at Orient is followed seriously and in spirit. It ensures timely disclosures of all mandatory & reportable events, based on performance/activities undertaken by the Management under the guidance of the Board of Directors of the Company and is committed to meet the aspirations of all the Stakeholders be it Shareholders, Employees, Suppliers, Customers, Investors, Banks, Government and Community at large.

2. BOARD OF DIRECTORS:

A. Composition and category of Board of Directors:

During the year under review, the Board of Directors had optimum combination of Executive, Non-Executive and Independent Directors.

The composition of the Board is in conformity with the provisions of Section 149 of the Companies Act, 2013 and Regulation 17 of the SEBI (LODR), Regulations, 2015 ("Listing Regulations"), as on 31st March, 2020, the Board of Directors of the Company comprised of Six (6) Directors, including One (1) Executive Director, Three (3) Non-Executive Independent Directors and Two (2) Non-Executive Directors.

The Company has obtained the requisite disclosures from the Directors in respect of their Directorships in other Public Limited Companies and their Memberships in Committees of other Public Limited Companies.

The Composition of the Board of Directors and their attendance at the Board Meetings during the year and at the previous Annual General Meeting asalso number of Directorships/Memberships of committees of other Companies are as under:

Name of Directors	Category	No. of Board Meetings Attended	Attendance at last AGM Held on 27th September, 2019	No. of Directorships in other companies as on 31st March, 2020[2]	No. of Committee Positions held including Orient Abrasives Ltd. as on 31st March, 2020[3]		Directorship in other listed entity (Category of Directorship)
					Member	Chairman	
Mr. Manubhai Rathod (DIN : 07618837)	Whole Time Director & Chief Executive Officer (CEO)	2	Yes	1	-	-	NIL
Mr. Hemul Shah (DIN : 00058558)	Non - Executive Director	4	Yes	7	1	2	NIL

Name of Directors	Category	No. of Board Meetings Attended	Attendance at last AGM Held on 27th September, 2019	No. of Directorships in other companies as on 31st March, 2020[2]	No. of Committee Positions held including Orient Abrasives Ltd. as on 31st March, 2020[3]		Directorship in other listed entity (Category of Directorship)
					Member	Chairman	
Mr. Pundarik Sanyal (DIN : 01773295)	Non-Executive, Independent Director	4	Yes	3	5	1	1.AshapuraMinechem Limited-(Independent Director, Non-Executive) 2.AshapuraPerfocaly Limited (Independent Director, Non-Executive) 3.Ashapura International Limited- (Independent Director, Non-Executive) 4.Asit C Mehta Financial Services Limited- (Independent Director, Non-Executive)
Mr. Bharatkumar Makhecha (DIN : 01351080)	Non - Executive, Independent Director	4	Yes	-	-	-	NIL
Mr. Harish Motiwalla (DIN : 00029835)	Non - Executive, Independent Director	4	Yes	6	5	4	1.Excel Industries Ltd.-(Independent Director, Non-Executive) 2.Hitech Corporation Ltd.-(Independent Director, Non-Executive) 3.AshapuraMinechem Ltd.-(Independent Director, Non-Executive) 4.Multibase India Ltd.-(Independent Director, Non-Executive) 5.Balkrishna Paper Mills Ltd.- (Independent Director, Non-Executive) 6.Ashapura International Limited-(Independent Director, Non-Executive) 7.Ashapura Perfoclay Limited- (Independent Director, Non-Executive)
Mrs. Chaitali Salot (DIN : 02036868)	Non - Executive Director	4	Yes	1	-	1	NIL

1. Mr. Manubhai Rathod has been re-appointed as a Whole-Time Director & CEO for further period of one year w.e.f 15th June, 2020.

2. Exclude directorships in Private Limited Companies, Foreign Companies, Companies incorporated under Section 8 of the Companies Act, 2013 and Alternate Directorships.

3. Represents only Membership/Chairmanship of the Audit Committee and the Stakeholders' Relationship Committee of Indian Public Companies.

B. Inter-se relationships among Directors:

None of the Directors of the Company have any inter-se relationships.

C. Number of shares held by Non-ExecutiveDirectors:

The details of number of shares held by the Non-Executive Directors as on 31st March,2020 is given below:

Name of Director	Designation	Number of Shares Held
Mr. Pundarik Sanyal	Non-Executive, Independent	-
Mr. Hemul Shah	Non-Executive, Non- Independent	43256
Mr. Harish Motiwalla	Non-Executive, Independent	-
Mr. Bharatkumar Makhecha	Non-Executive, Independent	2500
Mrs. Chaitali Salot	Non-Executive, Non- Independent	111000

D. Number of Meetings held during Financial Year 2019-2020:

During the Financial Year 2019-2020, the Board of Directors of the Company met Four (4) times on 14thMay, 2019, 12thAugust, 2019, 1st November, 2019 and 3rd February, 2020and that the time elapsed between any two consecutive meetings never exceeded 120 days. The necessary quorum was present for all the meeting.

E. Core Skills / Expertise / Competencies:

The Board's core skills / expertise / competencies as identified in the context of its business and sector for it to function effectively and those actually available with the Board of Directors are Mining expertise; Industry Experience; Business Management/Strategy; Leadership/ entrepreneurship, Sales and Marketing, Financial Management; law and governance; Risk Management; Global Business Development; Human Resource Management.

F. Independent Directors:

a. The Company has received necessary declarations from the Independent Directors of the Company, confirming that they meet the criteria of independence as prescribed.

b. During the year, the Independent Directors separately met on 3rd February, 2020 without the attendance of Non-Independent Directors and Management Personnel of the Company. The meeting was held with the objective of reviewing the performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company. The Independent directors also assessed 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.

c. Whenever any new Independent Director is appointed, he/she is made familiar to the business and its operations through familiarization programs enabling them to familiarize and get acquainted with operational performance and forward going business formulations/strategies, so as to gain a better understanding of their roles, rights and responsibilities for the purpose of providing appropriate assistance, counselling & directions in order to achieve growth of the Company, the details of which are available on the website of the Company at www.ashapura.com.

As a part of such program, the Independent Directors have an opportunity to interact with Management Personnel and are provided with all the relevant information and documents required and/or sought by them enabling them to have a good understanding of the Company, its business model and various operations.

G. CEO/CFO Certification:

A Compliance Certificate, pursuant to the provisions of Regulation 17(8) of the Listing Regulations read with Part B of Schedule II thereunder, duly signed by Mr. Manubhai Rathod, Whole-Time Director & CEO & Mr. V. Shashidharan, CFO in respect of the financial year ended 31st March, 2019 was taken on record by the Board of Directors of the Company.

H. Code of Conduct:

The Company has adopted Orient's Code of Conduct for the Board Members, Senior Management and all employees in and above Officers level and the same is posted on the website of the Company.

A declaration from the Whole-Time Director& CEO that all Board Members and senior management personnel have affirmed compliance with the Code of Conduct for the Financial Year ended 31st March, 2020 forms part of the Annual Report.

The Company is in due compliance of all the provisions of Regulation 17 of the Listing Regulations for the Financial Year 2019-2020.

3. COMMITTEES OF BOARD OF DIRECTORS:

Currently, there are Five Committees of the Board such as Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee and Executive Committee. The terms of reference to the Board Committees are determined by the Board from time to time. Meetings of each Board Committee are convened by the respective Committee Chairman. The minutes of the Board Committees meetings are placed for ratification of the Board.

A. AUDIT COMMITTEE:

The Board has constituted a qualified and independent Audit Committeein line with the provisions of Regulation 18 of Listing Regulations, read with Section 177 of the Companies Act, 2013 and is in due compliance of all the provisions stated therein.

a. Terms of Reference:

The terms of reference of the Audit Committee are in line with the regulatory requirements which among other are specified herein below:

- Oversight of the Company's financial reporting process and disclosure ofits financial information to ensure that the financial statement is correct, sufficient and credible.
- Reviewing with the management, the quarterly/halfyearly/annual financial statements before submission to the Board and wherever required necessary recommendations are made to comply with applicable legislations.
- Approving or subsequently modifying transactions of the Company with related parties and to grant omnibus approval after confirming that they satisfy the requirement of law.
- Reviewing the adequacy of internal audit function, reporting structure,coverage and frequency of internal audit.
- Discussion with auditors before the audit commences on natureand scope of audit as well as post-audit discussion to ascertain any area of concern.
- Overseeing/Reviewing the Vigil (Whistle Blower) Mechanism.
- Recommending appointment, removal and terms of remuneration of Auditors.
- Reviewing statement of deviations, if any.
- To review all other information as requested by the Board of Directors and/or are required under Listing Regulations.

b. Composition:

As on 31st March, 2020, the Audit Committee comprised of Three (3) Directors. The composition of the Audit Committee and the details of meetings attended by its members are given below:

Name	Category	Number of meetings during the F.Y. 2019-2020	
		Held	Attended
Mr. Pundarik Sanyal **(Chairman)**	Independent, Non-Executive	4	4
Mr. Harish Motiwalla	Independent, Non-Executive	4	4
Mr. Hemul Shah	Non-Independent, Non-Executive	4	4

Mr. Pundarik Sanyal, Chairman of the Audit Committee was present at the 48th Annual General Meeting of the Company held on 27th September, 2019.

The Whole-Time Director & CEO, the representative of Statutory Auditors and the Internal Auditors are permanent invitees to the Audit Committee Meetings.

Mr. Bimal Parmar, Company Secretary acts as the Secretary of the Audit Committee.

c. Meetings:

During the Financial Year 2019-2020, the members of the Audit Committee met Four (4) times on 14th May, 2019, 12th August, 2019, 11th November, 2019 and 3rd February, 2020 and that time elapsed between any two consecutive meetings never exceeded 120 days. The necessary quorum was present for all the meetings.

B. NOMINATION AND REMUNERATION COMMITTEE:

The Board has constituted the Nomination and Remuneration Committee in line with the provisions of Regulation 19 of Listing Regulations, read with Section 178 of the Companies Act, 2013 and is in compliance of all the provisions stated therein.

a. Terms of Reference:

The terms of reference of the Nomination and Remuneration Committee are in line with the regulatory requirements which among other are specified herein below:

- To form criteria/policy for appointment/remuneration/removal of Directors including Whole-Time Director / Managing Director, if any and Senior Management Executives.
- To identify deserving candidates for Directorships & senior management positions.
- To form policy for performance evaluation of Directors/CEO/Committee of Directors and to alter and modify the same to be in line with Companies Act, 2013 and Listing Regulations.
- To devise guidelines for Diversity of Board of Directors of the Company.
- To recommend extension/termination of the term of appointment of the Independent Directors, on the basis of the report of performance evaluation of the Independent Directors.

b. Composition:

As on 31st March, 2020, the Nomination & Remuneration Committee comprised of Three (3) Directors. The composition of Nomination & Remuneration Committee and the details of meetings attended by its members are given below:

Name	Category	Number of meetings during the F.Y. 2019-2020	
		Held	Attended
Mr. Harish Motiwalla **(Chairman)**	Independent, Non-Executive	3	3
Mr. Pundarik Sanyal	Independent, Non-Executive	3	3
Mr. Hemul Shah	Non- Independent, Non-Executive	3	3

c. Meetings:

During the Financial Year 2019-2020, the members of the Nomination & Remuneration Committee metThree (3) times on14th May, 2019, 29th September, 2019 and 3rd February, 2020.

d. Remuneration of Directors:

The Non-Executive Directors have no pecuniary relationships or transactions with the Company in their personal capacity except that the Sitting Fees is paid for attending the Board Meetings and Audit Committee Meetings (detailed herein below)as recommended by the Board pursuant to the provisions of the Companies Act, 2013 and rules framed thereunder.

The details of sitting fees paid to Non-Executive Directors for the year ended 31st March, 2020 are as under:

Name of the Directors	Sitting fees paid for Board Meetings (Rs.)	Sitting Fees paid for Audit Committee Meetings (Rs.)
Mr. Hemul Shah	1,00,000/-	60,000/-
Mr. Pundarik Sanyal	1,00,000/-	60,000/-
Mr. Harish Motiwalla	1,00,000/-	60,000/-
Mr. Bharatkumar Makhecha#	1,00,000/-	N.A
Mrs. Chaitali Salot@	75,000/-	N.A

Thedetails of Remuneration paid to Executive Director for the year ended 31st March, 2020 are as under:

Name of the Directors	Salaries & Perquisites including allowance	Tenure as per agreement upto
Mr. Manubhai Rathod	Rs. 4,302,776/-^	Re-appointed for a further period of one yearw.e.f 15th June, 2020.

^ Terms of re-appointment including Remuneration:

1. He shall be entitled to encashment of earned leave at the end of his tenure as per Company's Rules/Policies, from time to time.
2. Additionally, he shall be entitled to annual/performance increments/incentives as shall be approved by the Board of Directors of the Company and which shall be within the limits as prescribed under Schedule V and other applicable provisions, if any, of the Act.
3. He shall not be paid any fees for attending meetings of the Board of Directors and/or any Committee thereof.
4. He shall be liable to retire by rotation.

e. Performance Evaluation:

Pursuant to applicable provisions of the Companies Act, 2013 and the Listing Regulations, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a policy containing, inter-alia, the process, format, attributes and criteria for performance evaluation of the entire Board of the Company, its Committees and Individual Directors, including Independent Directors.

As a part of the said policy, a structured questionnaire covering various aspects has been framed depending on the category of Director, Board & Committee, whose performance is to be evaluated. Accordingly, the annual performance evaluation of the Board, its Committees and each Director was carried out for the financial year 2019-2020 by Independent Directors at their separate Meeting as also by the Nomination & Remuneration Committee and the same was analyzed & confirmed by the Board of Directors.

Details of methodology adopted for performance evaluation of Directors including that of the Board as a whole and its Committee have been provided in the Board's Report.

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Board has constituted the Stakeholders' Relationship Committee in line with the provisions of Regulation 20 of the Listing Regulations, read with Section 178 of the Companies Act, 2013 and is in due compliance of all the provisions stated therein.

a. Terms of Reference:

The terms of reference of the Stakeholders' Relationship Committee are in line with the regulatory requirements which among other are specified herein below:

- Issue of Duplicate Share Certificates.
- Matters connected with transfer/credit of securities/transmission.
- Redressal of Shareholders'/Investors' complaints related to non-receipt of declared dividend, transfer of shares, non-receipt of annual reports, non receipt of duplicate share certificates, etc.
- To review the periodicity and effectiveness of the share transfer process, statutory certifications, depository related issues and activities of the Registrar and Share Transfer Agent.
- Any other function as may be stipulated by the Companies Act, 2013, SEBI, Stock Exchange or any other regulatory authorities from time to time.

b. Composition:

As on 31st March, 2020, the Stakeholders' Relationship Committee comprised of Four (4) Directors. The composition of the Stakeholders' Relationship Committee and the details of meetings attended by its members are given below:

Name	Category	Number of meetings during the F.Y. 2019-2020	
		Held	Attended
Mr. Hemul Shah **(Chairman)**	Non- Independent- Non-Executive	8	8
Mr. Pundarik Sanyal	Independent, Non Executive	8	4
Mr. Manubhai Rathod	Whole time Director & CEO	8	4
Mrs. Chailtali Salot	Non-Independent, Non-Executive	8	8

c. Meetings:

During the Financial Year 2019-2020, the members of the Stakeholders' Relationship Committee met Eight (8) times on20th April, 2019, 30th May, 2019, 20th June, 2019, 7th August, 2019, 28th September, 2019, 8th November, 2019, 31st December, 2019 and 4th February, 2020.

d. Compliance Officer:

Mr. Bimal Parmar, Company Secretary acts as the Compliance Officer for ensuring compliance with the regulatory requirements of Securities Laws and Listing Regulations.

Compliance officer may be reached at the following address;

Jeevan Udyog Building,3rd Floor, 278, D.N. Road,
Fort, Mumbai- 400001
Tel:-+91 22 66651700;
Email- investor@oalmail.co.in

e. Stakeholder's Grievance Redressal

The Secretarial Department and the Registrar & Share Transfer Agents attend to all grievances received from the shareholders either directly or through SEBI and Stock Exchanges. Efforts are made to ensure that all the grievances of the shareholders are redressed expeditiously and satisfactory. The details of the complaints received from the shareholders and redressed upto their satisfaction during the Financial Year 2019-2020 are as follows:

No. of complaints pending at the beginning of the financial year i.e. April 1, 2019	NIL
No. of complaints received during the financial year	2
No. of complaints resolved during the financial year	2
Complaints pending at the end of the financial year i.e. March 31, 2020	NIL

A separate e-mail ID, investor@oalmail.co.in, has been designated by the Company for the shareholders to lodge their complaints/queries.

D. EXECUTIVECOMMITTEE OF DIRECTORS:

a. Terms of Reference:

The terms of reference of the Committee of Directors are as follows:

- To open/close bank account(s) in the name of the Company & avail such other facilities as may be provided by the bank and to review & revive the signatories authorised to operate the bank account(s).
- To authorise executives/officers/representatives to do all such acts, deeds and things for & on behalf of the Company as also to present the Company before various authorities.
- To acquire/give property/assets for/of the Company on lease/leave & license basis.
- To issue power of attorney in favour of executives/officers/representatives for carrying out business affairs of the Company. ¢ To consider setting-up/closure of units/branches for the business affairs of the Company and for said purpose to verify and take on record the project report as may be tabled before the Committee meetings;
- To consider registering of the Company with Financial/other Institutions;
- To participate in tender/bid for the business of the Company;
- To make application to government/semi-government authorities/registrars/local bodies/corporations and to receive requisite permissions / registrations / orders for the business of the Company;
- To initiate/defend legal/other proceedings for & on behalf of and in the name of the Company.

b. Composition and Meetings:

During the year under review, Three (3) meetings of the Executive Committee of Directors were held on the dates mentioned below:

6th May, 2019, 8th July, 2019 and 28th August, 2019

The Composition of the Executive Committee of Board of Directors and the particulars of attendance of the Executive Committee Members are as follows:

Name of Directors	Category	No. of Meetings during the F.Y. 2019 - 2020	
		Held	Attended
Mr. Hemul Shah (**Chairman**)	Non-Independent, Non-Executive	3	3
Mr. Bharatkumar Makhecha	Non-Independent, Non-Executive	3	2
Mr. Manubhai Rathod	Executive, Whole time Director	3	0
Mrs. Chaitali Salot	Non-Independent, Non-Executive,	3	3

E. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Corporate Social Responsibility (CSR) Committee of the Company is constituted in line with the provisions of Section 135 of the Companies Act, 2013 and is in due compliance of all the provisions stated therein.

The terms and reference of CSR Committee is as follows:

- Formulate and recommend to the Board, a CSR Policy indicating the activities to be undertaken by the Company after taking into consideration Schedule VII of the Act.
- Recommend the amount of expenditure to be incurred on the activities referred above.
- Monitor the CSR activities of the Company from time to time.
- To finalize the budget for CSR expenditure and recommend the same to the Board for approval considering the applicable rules/regulations.

During the year under review, Two (2) meetings of the CSR Committee were held on 27th September, 2019, and 3rd February, 2020.

The composition of the CSR Committee and details of the meeting attended by its members are given below:

Name of Directors	Category	No. of Meetings during the FY 2019-2020	
		Held	Attended
Mr. Pundarik Sanyal **(Chairman)**	Non-Executive, Independent	2	2
Mr. Hemul Shah	Non-Executive, Non-Independent	2	2
Mr. Manubhai Rathod	Executive, Whole Time Director & CEO	2	1
Mr. Harish Motiwalla	Non-Executive, Independent	2	2

Financial Year	Date	Time	Location	Special resolution Passed
2016-2017	16th September, 2017	10.30 a.m.	Hotel Lords Eco Inn), Near Circuit House, Chaupati, Porbandar-360575	No
2017-2018	26th September, 2018	3.30 a.m.		No 1. Re-appointment of Mr. Pundarik Sanyal as a Non-Executive, Independent Director of the Company for second term. 2. Re-appointment of Mrs. Sangeeta Bohra as a Non-Executive, Independent Director of the Company for second term
2018-2019	27th September, 2019	3.00 p.m.		1. Continuation of Directorship of Mr. Harish Motiwalla.

Postal Ballot

During the year under Financial Year 2019-2020 the Company has not passed any Special Resolution through Postal Ballot. However, the during the Financial year 2017-2018, the Company has passed one Special Resolution through Postal Ballot for Issue of Convertible Warrants on preferential basis to Promoter/Promoter Group Members through Postal Ballot pursuant to the provision of Section 110 of the Companies ACT, 2013 read with the Companies (Management and Administration) Rules, 2014. The details are as under:

Date of Postal Ballot Notice:- 12th December, 2017
Voting Period:-Thursday, 21st December, 2017 to Friday, 19th January, 2018
Date of Declaration of results:-25th January, 2018

Name of Resolution	Type of Resolution	No. votes polled	Votes cast in favour	Votes casts against
Issue of Convertible Warrants on preferential basis to Promoter/Promoter Group Members	Special Resolution	281191	96.19%	3.81%

Ms. Dipti Gohil, Practicing Company Secretary was appointed as the scrutinizer for carrying out Postal Ballot process in fair and transparent manner.

Procedure for Postal Ballot:

Pursuant to the Provisions of Section 108, 110 and other applicable provisions of the Companies Act, 2013 read with applicable Rules, the Company has provided electronic voting (e-voting) facility to its members in addition to the physical ballot, to all its members. For this purpose, the Company availed the services provided by National Securities Depository Limited (NSDL).

The Postal Ballot notice and forms were dispatched along with postage-prepaid business reply envelop to registered address of the members/beneficiaries. The Company also published the newspaper advertisement providing details and requirement as mandated as per the Companies Act, 2013 and Rules made thereunder.

Voting rights were reckoned on the paid-up capital value of shares registered in the name of member as on the cut-of date. Members who intended to exercise vote by postal ballot were requested to turn the complete form to scrutinizer on or before the close of voting period. Those who were voting through e-voting were requested to vote before the close of business hours on the last day of e-voting.

All the Postal Ballot forms and voting done through e-voting were scrutinized and a report was submitted to Chairman. The result of the Postal Ballot is uploaded on the website of the Company and published in newspapers.

5. MEANS OF COMMUNICATION:

Pursuant to Listing Regulations, 2015 the announcement of Quarterly, Half-Yearly and Yearly Financial Results will be made within the statutory period as per the regulations. The Company from time to time has provided information as required under Listing Regulations to Stock Exchanges and the same has been updated on the website of the Company at www.orientabrasives.com.

The Quarterly, Half-Yearly and Yearly Financial Results are published in Business Standard (English) and Pulchab (Gujarati) newspaper.

A separate section under 'Investor Relations' on the Company's website gives information on various announcements made by the Company, Quarterly/ Half Yearly Results and Annual Financial Results of the Company.

The Company has also separate email id- investor@oalmail.co.in for investor grievance.

The Company has not made any presentation to any institutional investor or to any analyst during the year under review.

Annual Reports and any other communication will be sent to email ids of members whose emails are available with the Company. For other a copy of Annual Report would be dispatched at the registered address of the shareholder with the Company.

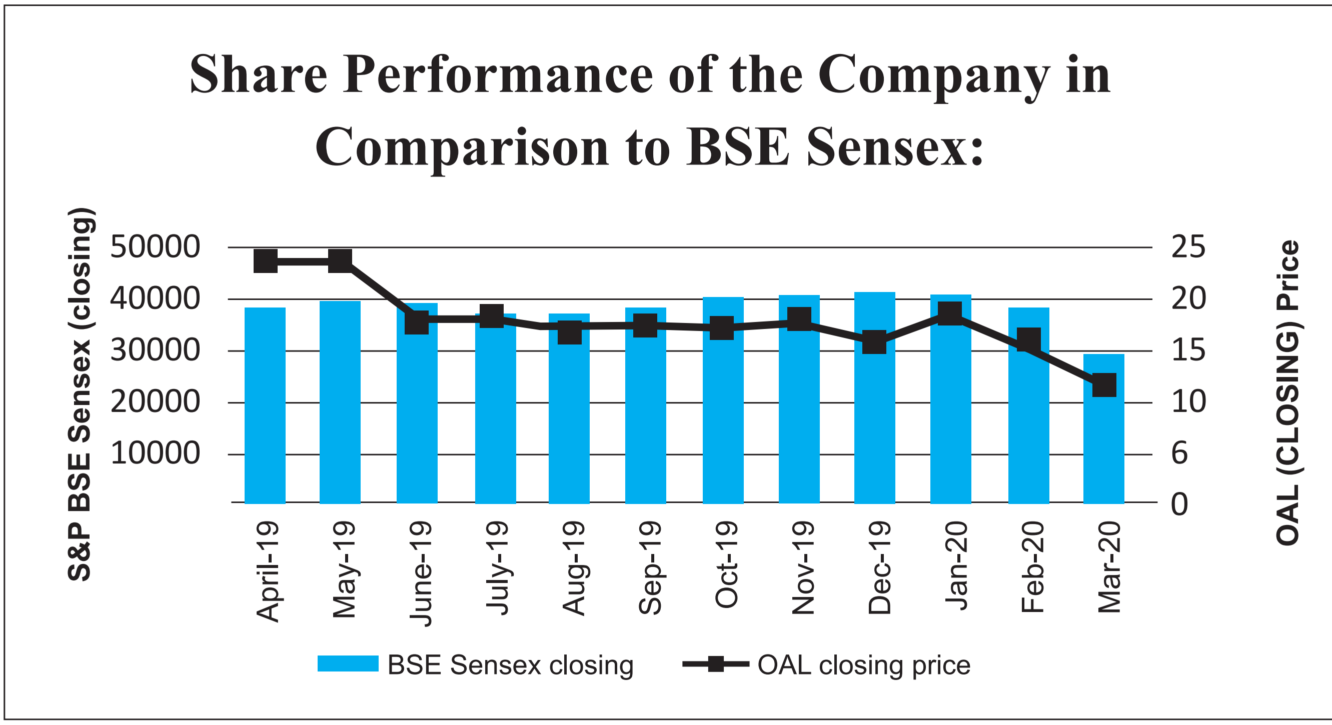
6. GENERAL SHAREHOLDER INFORMATION:

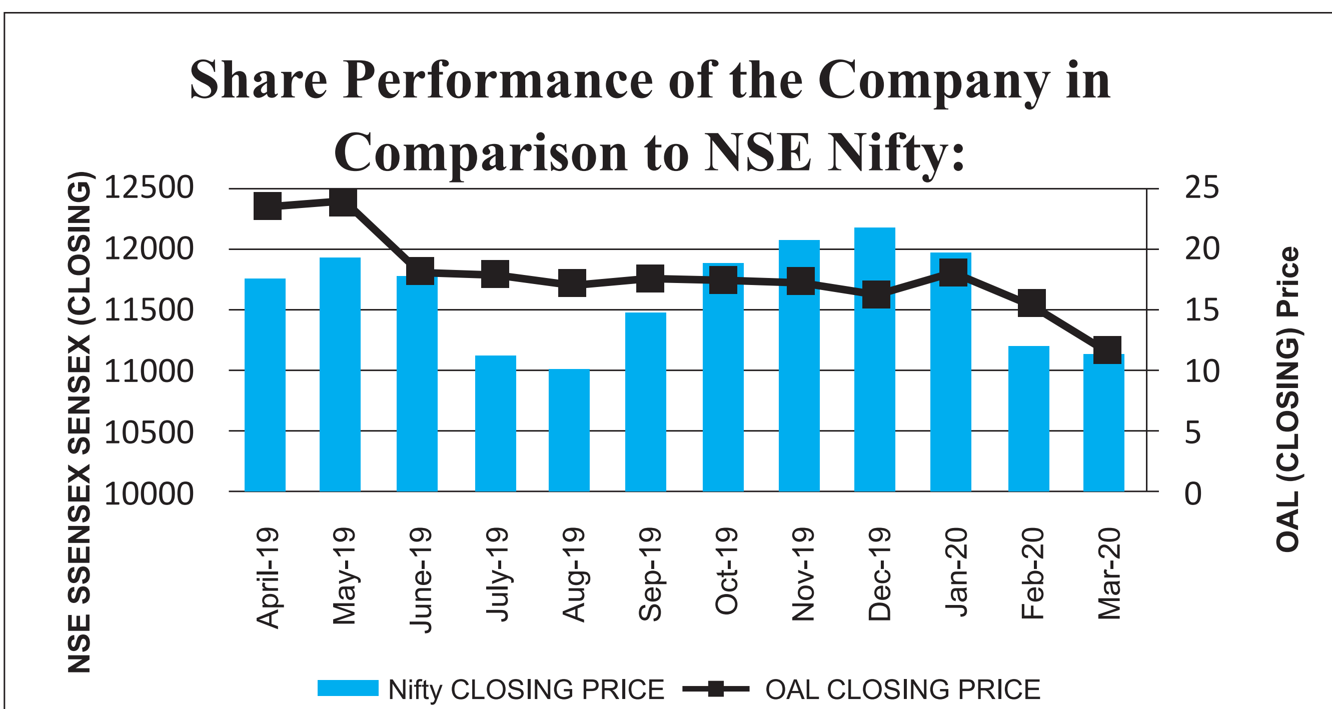
Annual General Meeting:	Day & Date : Thursday 3rd December, 2020 Time : 3.00 p.m.
Financial Year	The Financial year of the Company starts from 3rd December, 2020 and ends on 31st March 2021.
Date of Book Closure:	Friday 27th November, 2020 to Thursday 3rd December, 2020 (Both days inclusive)
Dividend Payment Date:	Credit/Dispatch of dividend warrants on or after Thursday 3rd December, 20202020
Listing Details:	Equity Shares are listed on the following Stock Exchanges: 1. Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. 2. National Stock Exchange of India Limited, “Exchange Plaza”, Bandra Kurla Complex, Bandra (East), Mumbai – 400051. The Annual Listing Fees for the year 2018-2019 have been paid to the said Stock Exchanges.
Stock Code:	Bombay Stock Exchange Ltd. 504879 National Stock Exchange of India Ltd. ORIENTABRA
ISIN Number:	INE569C01020
Corporate Identification Number (CIN):	L24299GJ1971PLC093248

Market Price Data:

Period	Bombay Stock Exchange Limited				National Stock Exchange Limited			
	Sensex (Rs.)		OAL Share price (Rs.)		Nifty (Rs.)		OAL Share price (Rs.)	
	High	Low	High	Low	High	Low	High	Low
Apr-19	39487.45	38460.25	27.95	23.30	11856.15	11549.10	28.90	23.05
May-19	40124.96	36956.1	25.00	21.05	12041.15	11108.30	26.35	21.00
Jun-19	40312.07	38870.96	23.00	16.90	12103.05	11625.10	23.50	16.80
Jul-19	40032.41	37128.26	19.85	16.15	11981.75	10999.40	19.95	16.25
Aug-19	37807.55	36102.35	19.50	16.05	11181.45	10637.15	19.45	15.65
Sep-19	39441.12	35987.8	23.10	16.25	11694.85	10670.25	19.95	16.20
Oct-19	40392.22	37415.83	19.75	16.10	11945.00	11090.15	17.90	15.80
Nov-19	41163.79	40014.23	20.70	15.75	12158.80	11802.65	21.35	16.25
Dec-19	41809.96	40135.37	17.20	14.35	12293.90	11832.30	17.50	14.30
Jan-20	42273.87	40476.55	20.00	15.25	12430.50	11929.60	20.20	15.30
Feb-20	41709.3	38219.97	18.80	15.20	12246.70	11175.05	18.90	15.25
Mar-20	39083.17	25638.9	15.95	10.10	11433.00	7511.10	17.60	10.00

Share Performance of the Company in comparison to BSE Sensex:





<table>
<tr><td>Registrar and Share Transfer Agent:</td><td>M/s. Skyline Financial Services Pvt. Ltd.
D-153/A, 1st floor, Phase I, Okhla Industrial Area, New Delhi - 110020.</td></tr>
<tr><td>Share Transfer System:</td><td>The Company’s shares are traded on the Stock Exchanges in Demat Mode as well as in Physical Mode.

In Demat Mode, the transfers are effected through National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Majority of the share transfers take place in this mode.

In Physical Mode, the share transfer are normally processed within the stipulated time i.e. within 15 days as mentioned in the Listing Regulations, from the date of receipt, subject to documents being valid and complete in all respects. The Company also need to obtain half yearly certificate from Company Secretary in Practice to the effect that all certificates have been issued within 30 days of the date of lodgment of the transfer, sub division, consolidation and renewal as required under Regulation 40 (9) of the Listing Regulations and filed copy of the said certificate with the Stock Exchanges.</td></tr>
<tr><td>Distribution of Shareholding & Category-wise distribution:</td><td>Refer Table A & B</td></tr>
<tr><td>Dematerialization of shares and liquidity:</td><td>As on 31st March, 2020 , 98.30 % of the paid up share capital (face value of Equity Shares of Rs. 1 each) is held in Demat form with NSDL and CDSL.

<table>
<tr><th>Mode</th><th>No. of equity shares</th><th>% to the Total Share Capital</th></tr>
<tr><td>Physical</td><td>1339915</td><td>1.12%</td></tr>
<tr><td>Electronic:
(A) NSDL
(B) CDSL</td><td>
110516196
7783089</td><td>
92.37%
6.51%</td></tr>
<tr><td>TOTAL</td><td>119639200</td><td>100.00%</td></tr>
</table>
</td></tr>
<tr><td>Outstanding GDR / ADR / Warrants or any Convertible Instruments and their likely impact on Equity:</td><td>The total outstanding convertible warrants as on 31st March, 2019 is 62,96,800 and the said warrants can be convertible into equity shares of the company within the period of 18 months from the date of allotment i.e. 2nd February, 2018. However, the Warrant Holder chose not to exercise the convertibility. Hence there is no impact on Equity Capital of the Company.</td></tr>
<tr><td>Plant Locations:</td><td>GIDC Industrial Area, Porbandar, Gujarat – 360 577.</td></tr>
<tr><td>Address for Correspondence:</td><td>The Company’s Registrar and Share Transfer Agent viz. M/s Skyline Financial Services Pvt. Ltd. provides all shareholder related services.
Any query relating to shares and requests for transactions such as transfers, transmissions and nomination facilities, duplicate share certificates, change of address and also dematerialization of shares may please be taken up with:
M/s. Skyline Financial Services Pvt. Ltd.
D-153/A, 1st floor, Phase I, Okhla Industrial Area, New Delhi - 110020
Tel.: +011 3085 7575 Fax: +91 11 26812682 .
E-mail: info@skylinerta.com</td></tr>
</table>

7. OTHER DISCLOSURES:

a. All transactions entered into with Related Parties as defined under Regulation 23 of Listing Regulations during the financial year were in the ordinary course of business and on an arm's length pricing basis and approved by the Audit Committee. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website. The web link is at http://www.orientabrasives.com/startpage/Company-Policy.aspx

b. The Company has in place a policy (uploaded and available on the Company's website - www.orientabrasives.com) on Related Party Transactions approved by the Board of Directors to deal with the related party transactions entered into by the Company. The Board of Directors has entrusted responsibility on the Audit Committee to grant omnibus approval for the transactions which are repetitive in nature and to confirm that they meet the criteria of having entered into ordinary course of business and at arm's length basis. Related party transactions have been disclosed under Note 31 to the Accounts for the year under review. A Statement in summary form of transactions with related parties in the ordinary course of business are placed periodically before the Audit Committee/Board for review and approval.

c. During the year under review, the Company paid penalty to Stock Exchanges for Non-Compliance of Regulation 18 of the Listing Regulations for composition of Audit Committee as the number of Independent Directors fell below the requirement of Listing Regulations. However, Company had submitted its clarifications to the stock exchanges and paid the requisite fine.

The Company has complied with various rules and regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India or any other statutory authority relating to the capital markets during the last 3 years. No penalties or strictures have been imposed by them on the Company.

d. A Vigil Mechanism/Whistle Blower Policy has been established for Directors and employees to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The mechanism provides for adequate safeguard against victimization of Director(s)/employee(s) who avail of the mechanism and provides for direct access to the Chairman of the Audit Committee in exceptional cases. No person has been denied access to the Chairman of the Audit Committee.The Policy is available on the Company's website www.orientabrasives.com.

e. The Company has formulated a Code of Fair Disclosure and Conduct (For Regulating, Monitoring and Reporting of Trading by Insiders) ('Code') in accordance with provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 with a view to regulate trading in securities by the Directors and Designated Employees of the Company.

Mr. Bimal Parmar, Company Secretary as the Compliance Officer of the Company is responsible for complying with the procedures, monitoring, adherence to the rules for the preservation of price sensitive information, pre-clearance of trade, monitoring of trades and implementation of the Code of Conduct under the overall supervision of the Board.

The Code requires pre-clearance for dealing in the Company's shares and prohibits purchase and/or sale of the Company's shares by the Directors and Designated Employees while in possession of unpublished price sensitive information in relation to the Company.

f. The Company does not have any material subsidiary whose income or net worth exceeds 10% of the consolidated income and net worth respectively of the holding company in immediately preceding accounting year. A policy on material subsidiaries has been formulated by the Company and posted on website of the Company at the link http://www.orientabrasives.com/startpage/Company-Policy.aspx

g. Certificate from Company Secretary in Practice on Non-Disqualification of Directors of the Company:

A Certificate has been received from Ms. Dipti Gohil, Practicing Company Secretary, that 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 Securities and Exchange Board of India, Ministry of Corporate Affairs or any such Statutory Authority.

h. Fees Paid to Statutory Auditors:

The details of fees paid by the Company to the statutory auditor is mentioned in Note No. 27 of the Financial Statements.

i. Disclosures in Relation to Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013:

The details have been disclosed in the Directors Report forming part of this Annual Report.

8. COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS:

The Company has complied with all the mandatory requirements as contained in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

9. Unclaimed Suspense Demat Account:

In accordance with the Regulation 39 of the Listing Regulations, the Company has Unclaimed Suspense Demat Account with Stock Holding Corporation of India Limited and wherever any request for said unclaimed shares were received, equity shares either in electronic or physical forms is issued to the claimant concerned after debiting said Demat Account.

Particulars	No. of Shareholders	No. of Shares
Aggregate number of Shareholders and the outstanding Shares credited to Unclaimed Suspense Demat Account during the Financial Year	0	0
Number of Shareholders who approached issuer for transfer of Shares from Suspense Account during the Financial Year	25	52430
Number of Shareholders to whom Shares were transferred from Suspense Account during the Financial Year	25	52430
Aggregate number of Shareholders and the outstanding Shares in the Suspense Account lying at the end of the Financial year	1435	2860250

10. Transfer of unclaimed/unpaid amounts to the Investor Education and Protection Fund:

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF").

Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

In the interest of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends/shares to IEPF Authority. Notices in this regard are also published in the newspapers and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website at www.orientabrasives.com.

In light of the aforesaid provisions, the Company has during the year under review, transferred to IEPF the unclaimed dividends, outstanding for 7 consecutive years, of the Company. Further, shares of the Company, in respect of which dividend has not been claimed for 7 consecutive years or more from the date of transfer to unpaid dividend account, have also been transferred to the demat account of IEPF Authority.

The details of unclaimed dividends and shares transferred to IEPF during the year are as follows:

Financial Year	Amount of unclaimed dividend amount transferred to IEPF	Number of shares transferred to IEPF
2011-12	**4,49,497**	**185070**

The members who have a claim on above dividends and shares may claim the same from IEPF Authority by submitting an online application in the prescribed Form No. IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in the Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend/shares so transferred. The Members/Claimants can file only one consolidated claim in a financial year as per the IEPF Rules.

"TABLE A"

DISTRIBUTION OF SHAREHOLDING AS ON 31st MARCH, 2020

No. of Equity Shares held	No. of Shareholders	% of Shareholders	Shares			Total Shares	% age
			Physical	NSDL	CDSL		
1-500	9355	61.94	36615	957433	767699	1761747	1.47
501-1000	2240	14.83	199140	1035316	732424	1966880	1.64
1001-2000	1706	11.30	403460	1669956	882015	2955431	2.47
2001-3000	436	2.89	65140	687098	410345	1162583	0.97
3001-4000	423	2.80	247100	982574	381850	1611524	1.35
4001-5000	199	1.32	14920	570705	363127	948752	0.79
5001-10000	444	2.94	267040	2029449	1064401	3360890	2.81
10001 & above	300	1.99	106500	102583665	3181228	105871393	88.49
Total	**15103**	**100.00**	**1339915**	**110516196**	**7783089.00**	**119639200**	**100.00**

"TABLE B"

CATEGORY-WISE DISTRIBUTION AS ON 31ST MARCH, 2020

Name of Shareholders	Total No. of Shares	% of Holdings
A) **Promoters Holding**		
Individuals	7176682	6.00
Bodies Corporate	66389447	55.49
Total (A) ..	**73566129**	**61.49**
B) **Public Holding**		
i) **Institutions**		
Foreign Portfolio Investor	15824034	13.23
Foreign Institutions/Bank	7000	0.01
Total (B)(i)	**15824034**	**13.24**
iI) **Non-Institutions**		
Individual Shareholders holding Nominal Share Capital Up to 2 Lacs	18715047	15.64
Individual Shareholders holding Nominal Share Capital Above 2 Lacs	2782435	2.33
Any others		
Bodies Corporate	3860085	3.23
Non Resident Indian	623919	0.52
Resident Indian Huf	1237550	1.03
Clearing Members/House	2569237	2.15
Others	2000	0.00
IEPF	451764	0.38
Total (B)(ii)	**30242037**	**25.28**
Total (B)(i) + (B)(ii)	**46073071**	**38.51**
Grand Total (A) + (B)(i) + (B)(ii)	**119639200**	**100.00**

For and on behalf of the Board of Directors

Sd/-
MANUBHAI RATHOD
WHOLE TIME DIRECTOR & CEO
(DIN: 07618837)

Sd/-
HEMUL SHAH
DIRECTOR
(DIN: 00058558)

Date: 3rd November, 2020
Place: Mumbai

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
ORIENT ABRASIVES LIMITED

We have examined the compliance of conditions of Corporate Governance byOrient AbrasivesLimited("the Company") for the year ended 31st March, 2020 as stipulated inregulations 17 to 27 and clause (b) to (i) of regulation 46 (2) and para C and D of schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 ("Listing Regulations").

Managements' Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditors' Responsibility

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

4. We have examined the books of account and relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India ("the ICAI") and Standards on Auditing specified under section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Qualified Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representation provided by the Management, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31st March, 2020except for non-compliance under regulation 18 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 ("Listing Regulations") regarding composition of audit committee between 1st April, 2019 and 13th May, 2019.

8. We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For SANGHAVI & COMPANY
Chartered Accountants
FRN: 109099W

Sd/-

MANOJ GANATRA
Partner
Membership No. 043485

Place : Mumbai :
Date :3rd November, 2020

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that Company has adopted a Code of Conduct for all the Board Members, Senior Management and all employees in and above Officer Level. These Codes are available on the Company's website.

I further confirm that the Company has in respect of the financial year ended on 31st March, 2020, received from all the Board Members and Senior Management Personnel of the Company, a declaration of compliance with the Code of Conduct as applicable to them.

For and on behalf of the Board,

Sd/-

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Manubhai Rathod
Whole-time Director & CEO
(DIN: 07618837)

Date: 3rd November, 2020
Place: Mumbai

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Cautionary Statement:

Statements made in this report describing the Company's objective, projections, estimates and expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Important factors that could make a difference to the Company operations include, among others, economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in government regulations, tax laws and other statutes and incidental factors.

Although the expectations are based on reasonable assumptions, the actual results might differ.

Industry structure and developments:

The global Fused Alumina markets continue to bank on the large capacities in China and raw material resources. The Company is largely a local player with customers based in India, Europe and Middle East. The year 2019-20 has been tumultuous for the global economy. The domestic market saw a revival of demand from the Refractory customers, while the Abrasive segment was flat or down due to poor performance of Auto industries since second quarter of FY 2019-20. Amidst unrelenting headwinds and macro uncertainties such as, the US-China trade war, rising protectionism, tighter monetary policies and a downturn due to economy slowdown, the global growth pegged at a subdued 2.9 per cent vis-a-vis compared to 3.6% in the previous year 2018-19. Overall, measures of investment and industrial production remained weak across economies. However, the US-China trade tensions continued to impedetrade at the Global Level resulting slowed down of 0.9 % in volume terms as compared to 3.7% in the corresponding year before. In addition to increasing protectionism, technological changes necessitated by tighter emission norms, emerging trends (Electric and Autonomous vehicles) and behavioural changes (dubbed the 'Peak Car' phenomenon) have adversely impacted the global Automotive industry. The International Monetary Fund (IMF) estimates China's growth at 6.1 per cent in 2019, over 6.7 per cent the previous year. Growth in the Euro region slowed to 1.2 per cent from1.9 per cent the previous year. Some respite came towards the end of the year, as US-China trade negotiations progressed, and advanced economies eased monetary policies. Manufacturing and trade indicators showed early signs of recovery and the IMF, as late as January 2020 forecasts global growth at 3.3 per cent.

With a production capacity of 1.5 million tonnes, the Indian Refractory Industry is an integral part of the Country's steel eco system as well as other thermally intensive industries such as Cement and Glass. Refractories are used as vital input materials in steel production process, without which the commodity cannot be made.

However, with the onset of the Covid-19 crisis, IMF's growth narrative changed diametrically - as of April 2020, it expects a 3 per cent contraction in global GDP growth. On this lower base for year 2020, global growth is projected to reach 5.8 per cent by year 2021, aided by monetary and fiscal policies across the World. The institution pegs India's annual growth rate at 1.9 per cent in FY 2020 and 7.4 per cent in FY 2021. China's annual growth rate is forecast to be 1.2 per cent in 2020 and 9.2 per cent the year after. The IMF forecasts the annual growth rate in Euro region to decline to 7.5 per cent in 2020 and grow to 4.7 per cent in 2021.

The nationwide lockdown has disrupted the production of all refractory manufacturers. Despite the disruption and curtailments in steel production, there is demand of refractory material. Indianrefractory manufacturers are dependent on China for key raw materials like Bauxite and Magnesia. Clogged logistical network and lack of transportation facilities are taking toll on timely delivery of raw material. Due to Corona the supply is erratic from China. It is very difficult to comment on forecast for 2020-2021, even to comment on short term outlook is difficult because of Government's action which are changing the situation on day to daybasis.

India continues to be one of the fastest growing major economies in the world and is expected to be among the world's top three economic powers in the next 10-15 years. However, the current COVID pandemic has put India back by nearly 5-7 years in terms of growth.

Opportunity and Threats:

The wide product portfolios and technological advantages gives the Company an edge over its domestic competitors. Apart from the domestic players, imported products mainly from China have a visible share in the Indian market.

The Company has ongoing programs for improving efficiency and effectiveness of its manufacturing processes, raw material cost, energy conservation, control over working capital and to produce refractory raw material at low cost so as to add maximum value to the customers. Energy efficient installations have been made at the factory. Best in class safety measures and processes have been put in place and improved upon at the factory and all working sites.

Threats:

The Indian steel industry has a good chance to seize the opportunity as the steel mills are gearing up for an increase in demand from overseas buyers as the pandemic has choked the supplies from China. The movement at Chinese Port is blocked, supply gap will emerge in south east countries, which is a big market for China. India per Capita Steel Consumption is 60 Kg. as compared world average of 250 Kg. So, we have an opportunity gap to release. National Steel Policy 2017 states that India's objective is to increase the per Capita Steel Consumption from 60 Kg. to 160 Kg. by 2030-31, this in turn would have 300 tonne capacity.

Also, to achieve 5 trillion USD economy by fiscal year 2025, India needs to spend 1.4 trillion USD on infrastructure.

Orient Abrasives Ltd. continues to be India's leading manufacturer of quality refractory materials. A nascent yet heartening realisation in the refractory industry in using quality refractory materials to achieve efficiencies bodes well for your company. Access to copious reserves of Bauxite at its captive resource base at Porbandar accords the company a headstart both in cost & quality.

The Company has ongoing programs for improving efficiency and effectiveness of its manufacturing processes, raw material cost, energy conservation, control over working capital and to produce special refractories at low cost so as to add maximum value to the customers. Energy efficient installations have been made at the factory. Best in class safety measures and processes have been put in place and improved upon at the factory and all working sites.

The Company's revenues largely depend on the steel and grinding wheel industry. A continuing focus on infrastructure and housing in India is expected to accelerate steel consumption. The National Steel Policy envisages India's steel capacity and the concomitant consumption to increase at a CAGR of over 6% to 300 million tons from the current 138 million tons, in the next 10 years. Your company is well placed to garner this growth.

Outlook, Risks and Concerns:

As stated in the Economic Overview section, India is expected to grow.

1.9 per cent in FY 2021 and 7.4 per cent in FY 2022. This would make India the fastest growing major economy in FY 2021 with even many advanced economies being forecast with a decline in growth. IMF has warned the pandemic "worst recession since the Great Depression" likely to dwarf the economic damage caused by the global financial crisis a decade back. India and China have been identified the only two major economies likely to register growth, with all others contracting. However, the recovery forecast for 2021 depends critically on the pandemic being brought under control in the second half of 2020, allowing containment efforts to be gradually scaled back and restoring consumer and investor confidence.

Concerns and Future Outlook:

The Govt. of India's `20 trillion economic stimulus package (Aatmanirbhar Initiative) is expected to kick-start economic activity in the country again with focus on Make in India. Interventions under the scheme aimed at MSMEs, NBFCs, DISCOMs and the Mining sector are expected to provide a boost to Industrial activity. Specifically, positive effects on Infrastructure (through MNREGA allocations); Construction (by improving liquidity to NBFCs and Welfare funds); Mining (reducing the import dependency in Coal) are expected to have positive effects on our businesses. Notwithstanding the same, the Company continues to explore and identify alternate and new opportunities for its various product segments across all its businesses in sectors

The Company has a robust business risk management process to identify, evaluate and mitigate risks impacting business including those which may threaten the existence of the Company. The framework has different risk models which help in identifying risk trends, exposure and potential impact analysis at a Company level as also separately for the business segments. Risk management also forms an integral part of the Company's business Plan.

The Company operates across various technology platforms and product verticals built over the years. Relative advantages and disadvantages of such technologies are studied and advances are tracked. Any new technology may impact the performance of the Company in the long run. The Company seeks to address these technology gaps through continuous benchmarking of the existing manufacturing processes with developments in the industry and in this connection has made arrangements with technical research institutions and technology consultants.

While the long-term demand for steel and thereby its ancillary industries in India remains on a firm footing, macroeconomic factors could cause undulations in growth in the short-term.

Internal Controls systems and their adequacy:

Structured assessment forms were used in the overall Board evaluation comprising various aspects of the Board's functioning in terms of structure, its meetings, strategy, governance and other dynamics of its functioning besides the financial reporting process, internal controls and risk management. Governance essentially involves aligning the interests of various stakeholders in a company and encompasses practically every sphere of management, from action plans, internal controls to performance measurement and corporate disclosures. The purpose is to facilitate an effective and prudent management essential for the long-term success of a company.

The Board recognises that governance expectations are constantly evolving and is committed to keeping its governance standards under continuous review to meet both letter and spirit of the law and its own demanding levels of business ethics. Your Company, considers Corporate Governance as the cornerstone for sustained superior performance and for serving all its stakeholders.

The Company has always believed in and practices the highest standards of Corporate Governance since its inception and considers that sound governance practices are crucial for its smooth and efficient operations as well as its ability to attract investments, balancing the interests of all its stakeholders and providing shareholder value. The behaviour and ethics of an organisation are considered to be two defining characteristics of any company critical to not only successful leadership but also in ensuring long term sustainability. Even during challenging times as these, the Management continues to rededicate itself to simple principles of behavioural ethics, standing by its conviction of purpose and sustainability.

The Company's internal Auditors operate under the aegis of the Audit Committee; internal audit reports along with the action taken reports are reviewed by the Audit Committee on the quarterly basis. The approved Budgets are in place well in advance for monitoring the Capital and revenue expenditures in comparison with the actuals. The Audit Committee reviews the overall functioning of Internal Audit on a periodical basis. The Committee also discusses with the Auditors periodically on their views on the financial statements including the financial reporting system, compliance with accounting policies & procedures, adequacy.

As per Section 134 of the Companies Act, 2013, the term 'Internal Financial Controls' (IFC) means the policies and procedures adopted by the Company for ensuring:

(a) orderly and efficient conduct of its business, including adherence to company's policies;
(b) safeguarding of its assets;
(c) prevention and detection off rauds and errors;
(d) accuracy and completeness of thea ccounting records; and
(e) timely preparation of reliable financial information.

The three key components of IFC followed by the Company are
I. Entity Level controls.
ii. Process Level controls (PLC),
iii. General IT Controls

The adequacy of Internal Financial Controls is ensured by:

- Documentation of the risks and controls associated with the major processes;
- Validation and classification of existing controls to mitigate risks;
- Identification of improvements and upgrades to the controls;
- Improving the effectiveness of controls on residuary risks through data analytics;
- Performing testing of controls by the independent Internal Audit;
- Implementation of sustainable solutions to Audit observations

Segment:

Segment performance is evaluated and monitored based on profit or loss and is measured consistently with the statement of profit or loss Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108. The chief operational decision maker monitors the operating results of its business segment separately for the purpose of making decision about resource allocation and performance assessment.

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker.

The Board of Directors of the Company has authorised its Managing Director & CEO along with the KMPs to assess the financial performance and position of the Company, and make decisions in normal course of business operations. For key strategic decisions, the Board of Directors take decisions after evaluating the possible options and recommendations given by the management.

Segment revenue and results:

Unallocable expenditure which are not directly attributable to any business segment are shown net of allocable income.

Segment assets and Liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipment, trade receivables, inventories and other operating assets. Segment liabilities primarily includes trade payable and other liabilities. Common assets and liabilities which cannot be allocated to any of the business segment are shown as unallocable assets / liabilities.

Inter segment transfer:

There is no change in the nature of business of the Company during the year under review. The Company has two major business segments in terms of the nature of output (i) Fused Aluminium Oxide Grains including Calcined Products and Refractories Monolithic and (ii) Electricity (Power Division). Inter segment revenues are recognised at sales price. The same is based on market price and business risks.

Profit or loss on inter segment transfer are eliminated at the group level.

Core Strength:

Company has been in the dominance since last 4 decades in the abrasive Grain segment.

Raw bauxite and calcined alumina are the basic raw materials used for the manufacture of abrasive grains. Raw bauxite is procured from mines owned by the Company and others and calcined alumina is purchased from global aluminium majors including Hindalco Industries Limited being prominent amongst them. These products are used in the manufacture of refractories and grinding wheels & coated abrasives. The Company manufactures refractory castables & monolithics used in the cement & steel industries. The Company has also positioned itself well in the road surfacing segment. It caters mainly the US market and achieved a substantial share in the same.

Financial Highlights & Accounting Treatment:

The Financial Statements for the year ended 31st March, 2020, have been prepared in accordance with the Companies (Indian Accounting Standards) Rule, 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.

During the year under review the revenues of the Company was Rs.34,584.770 Lakhs and gross profit & net profit were Rs. 2,620.35 Lakhs & Rs. 2072.10 lakhs respectively. (In comparison to previous financial year, the profit before tax increased marginally vis-a-vis compared to previous financial year, reasons being the continuous efforts in cost efficiency and supply of superior quality products in the existing market. Through technical expertise going forward the Company expects to focus on the manufacturing facility and value-added products vis-à-vis minimal focus on mining business. During the year under review gross revenue for sale of power (wind energy) was Rs. 179.46 Lakhs.

Dividend:

The Board has recommended dividend of Rs.0.15/- per equity share for the Financial Year ended on 31st March, 2020, payable subject to approval of the Members at the ensuing Annual General Meeting. This will result in a total outflow of Rs. 179.46 Lakhs

The Company believes in maintaining a fair balance between dividend distribution and cash retention. The cash retention is required for future growth, probable acquisitions and to meet any unforeseen contingencies.

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 of three types of risks: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits,Market risk exposures are measured using sensitivity analysis. There has been no change to the Company's exposure to market risks or the manner in which these risks are being measured and managed.

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Foreign exchange rate exposures are managed within policy parameters developed under guidelines of the treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommend risk management objectives and policies, which are approved by Senior Management and the Audit Committee. Management of cash resources, implementing hedging strategies for foreign currency exposures, borrowing strategies and ensuring compliance with market risk limits and policies are the primary objectives and deliverables of the Treasury Dept.The changes in the market interest rates fluctuates in line with the changes in the market conditions, hence the risk that the fair value of future cash flows of the financial instruments l highly depend on these factors. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

SIGNIFICANT CHANGES RELATED TO FINANCIAL RATIOS

Particulars		For the year 2019 - 20	For the year 2018 - 19
Debtors Turnover	Ratio	3.06	3.78
Inventory Turnover	Ratio	2.63	2.17
Current Ratio	CR	2.20	1.83
Debt Equity Ratio	Ratio	0.49	0.33
Operating Profit Margin	Ratio	13%	13%
Net Profit Margin	Ratio	6%	5%

The average Debtors ratio has marginally escalated downwards owing to the market synergies. The Company envisages to endeavour its initiatives to improvise the ratio from the inventory perspective. The liquidation of inventory has been earmarked as the prime target by the Management and aggressive steps has also been chalked out. The current y ratio has slightly moved upwards owing to the effective control over its Current Assets over its Current Liabilities vis-a-vis compared to previous year. The ratio from the perspective of operating has improved owing to the continuous efforts in cost reduction.

HUMAN RESOURCE/INDUSTRIAL RELATION DEVELOPMENT:

Your Company believed, success cannot be eminent without a team of highly calibre professionals on all fronts namely production,marketing,projects, finance and accounts. Y. In addition to the sourcing of bauxite, your company has appointed Mr.Saurabh Jain who has 15 years of rich experience in operations. The entire operations and marketing team has achieved the milestone of enhances productivity across its product portfolio. The Finance not only plays a role of managing the funds but also involves it strategic placement of its funding resources for achieving financial goals in as disciplined manner through continuous and consistent efforts. The Exports has substantially achieved growth inspite of economy slowdown vis-a-vis compared to previous market conditions.

Your Company has diligently succeeded in implementing various Sops, Policies related to HR,Industrial Relations, Production, Marketing, etc in a subtle manner. Moreover, the Company relates the success of the same to its entire Managerial Staff and its workforce.

During the year the Company emerged successful in maintained a harmonious environment across the Departments thereby strengthening the relations between the Management and the labour force. Through its continuous efforts it has managed to rationalise contract based manpower.

Overall the Management has eventually succeeded in absorbing adequate talent with all the technical expertise for development and research of value added products.

Statutory Compliance:

The Whole-time Director makes a declaration at each Board Meeting in quarterly basis, regarding the compliance with provisions of various statutes after obtaining confirmation from all the unit heads of the company. The Company Secretary also ensures compliance with the provisions of Companies Act, 2013 and SEBI Listing Regulations.

INDEPENDENT AUDITORS' REPORT

To
The Members of
ORIENT ABRASIVES LIMITED

Report on the Audit ofthe Financial Statements

Opinion

We have audited the accompanying financial statements of **Orient Abrasives Limited** ("the Company") which comprise the Balance Sheet as at 31 st March 2020, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS") and the other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 st March 2020, its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 ("the ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Emphasis of matter

We draw your attention to Note 43 to financial statements which explains the uncertainties and the management's assessment of the financial impact due to lock-down and other restrictions and condition related to the COVID-19 pandemic situation, for which definitive assessment of the impact in the subsequent period is highly dependent upon the circumstances as they evolve.
Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters which, 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 our forming our opinion thereon, and we do not provide a separate opinion on these matters. We have the matters described below to be the key audit matters to be communicated in our report:

Key audit matters	How our audit addressed the key audit matter
1. Overdue statutory payables – Royalty, contribution to District Mineral Fund (DMF) and Contribution to National Mineral Exploration Trust (NMET)	
The Company has royalty liability on dispatch of extracted material from its mines. The Company is also required to make contribution to District Mineral Fund (DMF) and National Mineral Exploration Trust (NMET) as per various government notification in this regard. As at year end, the Company is carrying liability in its books of ` 631.15 lacs in respect of royalty and other contributions against which there is an advance payment of ` 160.07 lacs as at March 31, 2020. The liability amount includes contribution pending for past 1-4 years. Since the royalty and other contributions are payable upon dispatch of material from mines, the pending liability has	Our audit procedures included the following: • We have verified the arithmetical accuracy of the recognition of the royalty, DMF and NMET liabilities in the book based on dispatch of goods from mines as per the records maintained by the Company; • We have verified measurement and completeness of the Company's obligation with respect of Royalty, NMET and DMF; • We have discussed the Company's policy regarding deposit of Royalty, NMET and DMF dues and as per management representation, the royalty is deposited in advance at the rate prescribed by Commissioner of Geology and Mining (CGM),

Key audit matters	How our audit addressed the key audit matter
been considered as key audit matter in terms of various government notification	whereas the royalty payable in the books of accounts is on account of difference between the rates prescribed by CGM and Indian Bureau of Mines (IBM). • With respect to deposit to DMF and NMET, the company has deposited the amount based on intimation from the regional mines officer as government has not set up the system for the periodic contribution to such funds. We have ensured completeness of liabilities and relied on management representation as regards compliance of
2. Advance given to mining contractors pending adjustment	
The Company extracts raw bauxite from its mines which are taken on lease. The company get the raw bauxite extracted through various sub-contractors which includes extraction, sizing, sorting, truck loading activities, etc. at various mines. The Company accounts for the inventories of raw bauxite in the books when all the activities of the sub-contractors gets completed and material is readily usable. As at March 31, 2020, the extracted stock of raw bauxite which remain to be sorted and weighment thereof is not recorded in the books. Against the contracted activities which are currently in progress, the Company has outstanding advance of ` 711.94 lacs as at reporting date paid to sub-contractors towards various activities at mines. Treatment of amount paid to sub-contractor as an advance pending adjustment, was determined to be key matter in our audit of the Ind AS financial statements.	Our audit procedures included the following: • We have reviewed the Company's internal control as regards accounting of advance to sub-contractors and accounting of purchase of material. • We have obtained the confirmation received from the sub-contractors for the balance outstanding as at March 31, 2020 which also mentions mining activities are in progress. • Per contractors confirmation and management representation, at the reporting year end, as mining activities are in progress and hence, the amount paid to the contractors are treated as advances since the mining services obligations are not yet completed. • We have also verified the amount of advance settled during the year based on receipt of raw bauxite and details of additional advance paid during the year.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Corporate Governance Report, Shareholder's Information, but does not include the financial statements and auditor's report thereon. The Board's Report and other information are expected to be made available to us after the date of this auditor's report.

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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the aforesaid reports and information, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Ind AS and accounting principles generally accepted in India. 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concerns and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibility 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 high level of assurance, but is not a guarantee that 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 misstatements 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 the internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as 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 disclosure, 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.

Report on Other Legal and Regulatory Requirements

1 As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India terms of sub-section (11) of section 143 of the Act, we give in the Annexure – A, a statement on the matters specified in clause 3 and 4 of the Order, to the extent applicable.

2. As required by section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

e) On the basis of written representations received from the directors as on 31st March 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2020, from being appointed as a director in terms section 164(2) of the Act;

f) With respect to the adequacy of internal financial controls over financial reporting of the Company and operating effectiveness of such controls, our separate report in annexure – B may be referred;

g) In our opinion and to the best of our information and according to the explanations given to us, remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;

ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;

iii. There has been no delay in transferring the amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For SANGHAVI & CO.
Chartered Accountants
FRN: 109099W

Bhavnagar
May 18, 2020

MANOJ GANATRA
Partner
Membership No. 043485
UDIN: 20043485AAAAER3955

ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT

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

On the basis of such checks as we considered appropriate and in terms of information and explanations given to us, we state that:

1 In respect of fixed assets:

a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

b. All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification of property, plant and equipment over the period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

c. The title deeds of immovable properties are held in the name of the Company.

2 The inventories were physically verified by the management at reasonable intervals during the year. No material discrepancies were noticed on such physical verification carried out by the Company.

3 The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company.

4 There are no loans, investments, guarantees and securities in respect of which provisions of section 185 and 186 of the Act are applicable.

5 The Company has not accepted any deposits within the meaning of the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder with regard to the deposits accepted from the public. Accordingly, the provisions of clause 3(v) of the Order are not applicable.

6 We have broadly reviewed the cost records maintained by the Company pursuant to Section 148(1) of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

7 In respect of statutory and other dues:

a. The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Cess, Goods & Service Tax and other material statutory dues, to the extent applicable, with the appropriate authorities during the year except for a few cases related to income-tax and provident fund.

b. Undisputed dues in respect of following liabilities were outstanding at the year end for a period of more than six months from the date they became payable:

Name of the statute	Nature of dues	₹ In lacs	Period to which the amount relates
Mines and Minerals (Development and Regulation) (Amendment) Act, 2015	Payment of Royalty	148.81	Various Years
Mines and Minerals (Contribution to District Mineral Foundation) Rules, 2015	Contribution to District Mineral Foundation	299.48	2015-16 to 2018-19
Mines and Minerals (Development and Regulation) (Amendment) Act, 2015	Contribution to National Mineral Exploration Trust	22.78	2015-16 to 2018-19

c. There are no statutory dues, which have not been deposited on account of dispute except for the followings:

Name of the statute	Nature of dues	₹ In lacs	Forum where dispute is pending
Customs Act, 1962	Custom Duty	54.51	Commissioner of Customs (Appeals)
Customs Act, 1962	Custom Duty	1.59	Additional Commissioner of Customs
Income Tax Act, 1961	Income Tax	429.60	The High Court of Gujarat
Income Tax Act, 1961	Income Tax	367.12	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	191.07	Commissioner of Income Tax (Appeals)

8 The Company has not defaulted in repayment of loans or borrowing to banks. The Company has not obtained any borrowings from any financial institutions or government or by way of debentures.

9 Terms loans obtained by the Company have been applied for the purpose for which they were obtained. The Company has not raised any money, during the year, by way of public offer (including debt instruments).

10 To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company or on the Company by its officers or employees was noticed or reported during the year.

11 Managerial remuneration paid or provided by the Company during the year is in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

12 Since the Company is not a Nidhi Company, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

13 All transactions with the related parties are in compliance with Section 177 and 188 of the Act and the details have been disclosed in the financial statements as required by the applicable accounting standards.

14 The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.

15 The Company has not entered into any non-cash transactions during the year with directors or persons concerned with him.

16 The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For SANGHAVI & CO.
Chartered Accountants
FRN: 109099W

Bhavnagar
May 18, 2020

MANOJ GANATRA
Partner
Membership No. 043485
UDIN: 20043485AAAAER3955

ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of **Orient Abrasives Limited** ("the Company") as of 31st March, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI and prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that -

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized 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 Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For SANGHAVI & CO.
Chartered Accountants
FRN: 109099W

Bhavnagar
May 18, 2020

MANOJ GANATRA
Partner
Membership No. 043485
UDIN: 20043485AAAAER3955

Orient Abrasives Limited

BALANCE SHEET AS AT MARCH 31, 2020

(₹ in Lakhs)

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
ASSETS			
I. Non-Current Assets			
(a) Property, plant and equipment	3	12,733.11	12,498.31
(b) Capital work-in-progress	3	77.09	269.18
(c) Right-of-use assets	4	83.87	-
(d) Intangible assets	5	80.19	108.26
(e) Financial assets			
(i) Other financial assets	9	214.33	100.86
(f) Other non-current assets	10	65.06	178.02
Total Non-Current Assets		13,253.64	13,154.63
II. Current Assets			
(a) Inventories	11	8,318.64	11,167.90
(b) Financial assets			
(i) Trade receivables	6	9,309.68	8,190.98
(ii) Cash and cash equivalents	7	100.38	505.94
(iii) Bank balance other than (ii) above	8	923.81	732.37
(iv) Other financial assets	9	195.58	290.37
(c) Other current assets	10	2,285.59	1,755.17
(d) Tax assets (net)	28	394.30	279.81
Total Current Assets		21,527.98	22,922.53
Total Assets		34,781.62	36,077.16
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	12	1,196.52	1,196.52
Other equity	13	22,055.41	20,423.99
Total Equity		23,251.93	21,620.52
LIABILITIES			
I. Non-Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	14	732.95	1,136.06
(ii) Other financial liabilities	16	49.52	15.17
(b) Provisions	17	191.05	131.67
(c) Deferred tax liabilities (net)	28	919.43	833.25
Total Non-Current Liabilities		1,892.95	2,116.15
II.Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	14	4,275.48	6,087.20
(ii) Trade payables			
Total outstanding dues of micro and small enterprises	15	22.23	91.97
Total outstanding dues of creditors other than micro and small enterprises	15	3,335.83	3,865.18
(iii) Other financial liabilities	16	594.16	512.58
(b) Other current liabilities	18	1,146.60	1,408.25
(c) Provisions	17	103.42	66.29
(d) Current tax liabilities (net)	19	159.02	309.02
Total Current Liabilities		9,636.74	12,340.50
Total Equity and Liabilities		34,781.62	36,077.16
Summary of Significant Accounting Policies	2		

The accompanying notes are an integral part of these financial statements.

As per our report of even date

For Sanghavi & Co.
Chartered Accountants

Manoj Ganatra
Partner

Place : Bhavnagar
Date : May 18, 2020

For and on behalf of the Board of Directors of Orient Abrasives Limited

Manubhai Rathod
Whole-Time Director & CEO
DIN: 07618837

Hemul Shah
Director
DIN: 00058558

Bimal Parmar
Company Secretary

V. Shashidharan
Chief Financial Officer

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

(₹ In Lakhs)

Particulars	Notes	For Year ended March 31, 2020	For Year ended March 31, 2019
Income			
Revenue from operations	20	34,584.77	31,296.80
Other income	21	372.52	162.36
Total Income (I)		34,957.29	31,459.16
Expenses			
Cost of materials consumed	22	8,713.20	8,297.63
Purchase of traded goods		6,255.18	5,225.81
Changes in inventories of finished goods, work-in-progress and stock-in-trade	23	38.88	(1,370.33)
Employee benefits expense	24	3,256.49	2,621.37
Finance costs	25	863.50	924.48
Depreciation and amortisation expense	26	1,027.86	1,094.85
Other expenses	27	12,279.92	12,663.99
Foreign exchange (gain)/loss (net)		(237.82)	(70.74)
Total Expenses (II)		32,197.21	29,387.06
Profit before exceptional items and tax (III) = (I-II)		2,760.08	2,072.10
Exceptional items (IV)	42	(139.73)	-
Profit before tax (V) = (III-IV)		2,620.35	2,072.10
Tax expense	28		
(i) Current tax		623.00	509.00
(ii) Earlier years' tax		77.87	11.84
(iii) Deferred tax, credit		(136.43)	(30.21)
Less: MAT credit entitlement		-	(36.00)
Total tax expense (VI)		564.44	454.63
Profit for the year (VII) = (V-VI)		2,055.91	1,617.47
Other comprehensive income			
Items that will not be reclassified to profit and loss			
Re-measurement (loss)/gain on the defined benefit plans		(90.18)	14.20
Income tax effect credit/(charge)		26.26	(4.14)
Total other comprehensive income (net of tax) (VIII)		(63.92)	10.07
Total comprehensive income for the year (VII+VIII)		1,991.99	1,627.54
Basic earning per share (₹)	33	1.72	1.35
Diluted earning per share (₹)	33	1.72	1.33
Face value per share (₹)		1.00	1.00
Summary of Significant Accounting Policies	2		

The accompanying notes are an integral part of these financial statements.

As per our report of even date

For Sanghavi & Co.
Chartered Accountants

Manoj Ganatra
Partner

Place : Bhavnagar
Date : May 18, 2020

For and on behalf of the Board of Directors of
Orient Abrasives Limited

Manubhai Rathod
Whole-Time Director & CEO
DIN: 07618837

Hemul Shah
Director
DIN: 00058558

Bimal Parmar
Company Secretary

V. Shashidharan
Chief Financial Officer

Orient Abrasives Limited

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020

(₹ in Lakhs)

Particulars	2019-20	2018-19
A Cash Flow from Operating Activities		
Profit before tax as per statement of profit and loss	2,620.35	2,072.10
Adjustments for:		
Depreciation and Amortisation Expenses of Property, Plant & Equipment, Intangible assets and right-of-use assets	1,027.86	1,094.85
Loss on sale/discard of property, plant and equipment	8.85	68.57
Unrealised foreign exchange (gain)/loss (net)	(114.19)	40.17
Amortisation of government grants	(31.89)	(5.28)
Interest expenses	776.34	770.24
Interest income	(52.01)	(34.40)
Liabilities/provisions no longer required, written back	-	(50.65)
Bad debts and miscellaneous balances written off	24.03	149.83
Allowances for Doubtful receivables, deposits and advances (net)	373.56	275.48
Operating Profit before Working Capital Changes	4,632.89	4,380.90
Working Capital Changes:		
(Decrease) in trade payables, provisions and other liabilities	(848.46)	(2,636.56)
(Increase) in trade receivables	(1,352.24)	(251.40)
Decrease / (Increase) in inventories	2,849.25	(712.86)
(Increase) / decrease in other assets	(469.32)	538.28
Cash Generated from Operations	4,812.13	1,318.36
Direct Taxes paid (Net of Income Tax refund)	(716.49)	(330.66)
Net Cash inflow from Operating Activities	4,095.64	987.70
B Cash Flow from Investing Activities		
Purchase of property, plant and equipment (including CWIP and capital advances)	(902.47)	(963.80)
Proceeds from sale of property, plant and equipment	25.35	260.41
Margin Money / Fixed Deposits made with bank	(1,339.46)	(1,868.04)
Proceeds from redemption of Margin Money / Fixed Deposits with bank	1,038.41	1,579.59
Interest received	46.88	32.00
Net cash flow (used in) Investing Activities	(1,131.29)	(959.84)
C Cash Flow from Financing Activities		
Proceeds from long term borrowings	-	176.80
Repayment of long term borrowings	(403.10)	(352.28)
Changes in working capital loans (net)	(1,378.21)	2,762.52
Proceeds from bill discounting	-	8.51
Repayment of bill discounting	(8.51)	-
Repayment of loan from body corporate	(425.00)	(1,075.00)
Dividend paid (including dividend distribution tax)	(360.58)	(360.58)
Interest paid	(794.66)	(766.00)
Net Cash flow (outflow) / Inflow from Financing Activities	(3,370.07)	393.98
Net (Decrease) / Increase in cash & cash equivalents	(405.71)	421.84
Net foreign exchange difference	0.15	(23.93)
Cash & Cash equivalent at the beginning of the period	505.94	108.03
Cash & Cash equivalent at the end of the period	100.38	505.94

Component of Cash and Cash Equivalents (also refer note 6)

Particulars	As at March 31, 2020	As at March 31, 2019
Cash and cash equivalents comprise of:		
Cash on Hand	5.42	5.11
Balances with Banks	94.96	500.83
Cash and cash equivalents at the end of the year	100.38	505.94

Notes:

1. The Cash flow statement has been prepared under the indirect method as set out in Ind AS 7 on Cash flow statement notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Indian Accounting Standard) Rules, 2015 (as amended).
2. Ind AS 7 requires to provide disclosure of changes in liabilities arising from financing activities, includes both changes arising from cash flows and non-cash changes. During the current year as well as previous year, there has been no other changes in liabilities arising from financing activities apart from changes arising from cash flow statement as mentioned.
3. Cash flow from operating activities includes payment for short-term lease and lease of low value assets not included in the measurement of lease liability amounts to ₹ 60.37 lacs.

The accompanying notes are an integral part of these financial statements.

As per our report of even date

For Sanghavi & Co.
Chartered Accountants

Manoj Ganatra
Partner

Place : Bhavnagar
Date : May 18, 2020

For and on behalf of the Board of Directors of Orient Abrasives Limited

Manubhai Rathod
Whole-Time Director & CEO
DIN: 07618837

Hemul Shah
Director
DIN: 00058558

Bimal Parmar
Company Secretary

V. Shashidharan
Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

A. Equity share capital

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the reporting year	1,196.52	1,196.52
Changes in Equity share capital during the year	-	-
Balance at the end of the reporting year	1,196.52	1,196.52

B. Other equity

(₹ in Lakhs)

Particulars	Reserves and Surplus			Other Comprehensive Income Remeasurements of defined benefits plans	Share warrants	Total Equity
	General Reserve	Capital Reserve	Retained Earnings			
	Note 13	Note 13	Note 13	Note 13	Note 13	
Balance as at April 1, 2018	8,979.44	-	9,462.63	(92.76)	807.72	19,157.03
	-	-			-	
Profit for the year	-	-	1,617.47	-	-	1,617.47
Other comprehensive income/(loss) for the year	-	-	-	10.07	-	10.07
Total Comprehensive Income for the year	-	-	1,617.47	10.07	-	1,627.54
Dividend and distribution tax thereon	-	-	(360.58)	-	-	(360.58)
Balance as at March 31, 2019	8,979.44	-	10,719.53	(82.69)	807.72	20,423.99
Profit for the year	-	-	2,055.91	-	-	2,055.91
Other comprehensive income/(loss) for the year	-	-	-	(63.92)	-	(63.92)
Total Comprehensive Income for the year	-	-	2,055.91	(63.92)	-	1,991.99
Forfeiture of share warrant (refer note 40)	-	807.72			(807.72)	-
Dividend and distribution tax thereon	-	-	(360.58)	-	-	(360.58)
Balance as at March 31, 2020	8,979.44	807.72	12,414.86	(146.61)	-	22,055.41

Summary of Significant Accounting Policies - refer note 2

The accompanying notes are an integral part of these financial statements.

As per our report of even date

For Sanghavi & Co.
Chartered Accountants

Manoj Ganatra
Partner

Place : Bhavnagar
Date : May 18, 2020

For and on behalf of the Board of Directors of Orient Abrasives Limited

Manubhai Rathod
Whole-Time Director & CEO
DIN: 07618837

Hemul Shah
Director
DIN: 00058558

Bimal Parmar
Company Secretary

V. Shashidharan
Chief Financial Officer

Notes to the Financial Statements for the year ended March 31, 2020

1. Corporate Information:

Orient Abrasives Limited (the Company) is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on National Stock Exchange (NSE) as well as Bombay Stock Exchange (BSE) in India. The registered office of the Company is located at GIDC Industrial Area, Porbandar 360577, Gujarat, India.

The Company is principally engaged in the business of production and trading of aluminum refractories and monolithics products, mining of bauxite ores and generation of power (including windmill facilities). The Company's manufacturing facilities are located at Porbandar (Gujarat) alongwith thermal power generation, bauxite mines located at various sites in Gujarat and windmill facilities in the state of Rajasthan and Karnataka.

The financial statements were authorised for issue in accordance with a resolution of the directors on May 18, 2020.

2. Significant accounting policies:

2.1 Basis of preparation:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirement of Division II of schedule III to the Companies Act, 2013 (Ind AS compliant Schedule III), as applicable.

The financial statements have been prepared and presented under the historical cost convention, except for certain financial assets and liabilities measured at fair value at the end of each reporting period, as explained in the accounting policies below. The accounting policies adopted in the preparation of financial statements are consistent for all the period presented.These financial statements are presented in INR and all values are rounded to the nearest lacs, except when otherwise indicated.

2.2 Summary of significant accounting policies:

a. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current /non-current classification.
An asset is treatedas current when it is:-

-Expected to be realised or intended to be sold or consumed in normal operating cycle

-Held primarily for the purpose of trading

-Expected to be realised within twelve months after the reporting period, or

-Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when it is:-

- Expected to be settled in normal operating cycle
- 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, for the purpose of current / non-current classification of assets and liabilities.

b. Property, plant and equipment

Under the previous GAAP (Indian GAAP), fixed assets are stated at cost net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price, borrowing costs (if capitalisation criteria are met) and other cost directly attributable to bringing the asset to its working condition for the intended use. The Company has elected to regard previous GAAP carrying values of property as deemed cost at the date of transition to Ind AS.

Capital work in progress is stated at cost, net of impairment loss, if any. Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use and the present value of the expected cost for the decommissioning of an asset after its use, if the recognition criteria for a provision are met. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.The company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

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. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

c. Depreciation on property, plant and equipment

Depreciation on property plant and equipment is provided on a straight-line basis using useful lives of the assets as prescribed under Part C of Schedule II of the Companies Act 2013 except for the assets mentioned below for which useful lives estimated by the management based on technical assessment made by technical expert:

- Leasehold land is amortized on a straight line basis over the period of lease.
- Building - 15 / 30 / 60 years
- Plant and equipment - 5 / 15 / 25 years
- Thermal power plant and windmill - 25 years

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 identified components are depreciated over their useful lives. The remaining components are depreciated over the life of the principal assets.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial yearend and adjusted prospectively, if appropriate.

d. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets comprise of computer software which is amortised over a period of 6 years.

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. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

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 or loss when the asset is derecognised.

The company has elected to continue with the carrying value for all of its intangible asset as recognized in its Indian GAAP financial statements as deemed cost at the transition date, viz., 1 April 2016.

e. Foreign currencies

The Company's financial statements are presented in INR which is also the Company's functional currency. The Company determines the functional currency and items included in the financial statements are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at its functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.
In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.

f. 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 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.

i) 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, as follows:

- Land – Over the remaining period of the lease agreement varied from 10 years to 79 years

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 (p) Impairment of non-financial assets.

ii) 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. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

iii) 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 office equipment that are considered to be 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 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.

g. Inventories

Inventories are valued as follows:

- Raw materials, stores and spares: At lower of cost and net realizable value. Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

- Finished goods and work in progress: At lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity. Cost is determined on weighted average basis.

- Bauxite Ore: At lower of cost and net realizable value. Cost includes excavation cost and other direct costs to bring the inventories to their present location and condition. Cost is determined on weighted average basis.

- Waste: At net realizable value

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

Obsolete, slow moving and defective inventories are written off/valued at net realisable value during the year as per policy consistently followed by the Company.

h. Revenue from Contracts with Customers

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.

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. The Company collected Goods and Services Tax (GST) on behalf of the government and, therefore, these are not economic consideration to which the Company is entitled to. Hence, they are excluded from revenue.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 2.2 (v).

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, generally on delivery of the goods. The normal credit term is 60 to 150 days upon the delivery.

The Company considers whether there are other promises in the sale of goods that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Power generation income

Revenue from sale of power is recognised on accrual basis in accordance with the provisions of the agreements with the respective state governments/organization.

Contract balances

- **Trade receivables**
  A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (s) Financial instruments – initial recognition and subsequent measurement.

- **Contract liabilities**
  A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Company performs under the contract.

i. Other Operating Income / Other Income

i. Interest
Interest income from debt instruments is recognised using the effective interest rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest

income is included in other income in the statement of profit and loss.

ii. Export incentives

Income from Material Exports from India Scheme ('MEIS') incentives under Government's Foreign Trade Policy 2015-20 on the sales of goods income are classified as 'Other Income' and is recognised based on effective rate of incentive under the scheme, provided no significant uncertainty exists for the measurability, realisation and utilisation of the credit under the scheme. The receivables related to MEIS licenses are classified as 'Other Financial Assets'.

iii. Duty drawback

Income on duty draw-back is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

j. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

k. Taxes

The tax expenses comprise of current income tax and deferred tax:

Current income tax

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

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly 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

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 liabilities are recognised for all taxable temporary differences and 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 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 Company is entitled to a tax holiday under section 80-IA the Income-tax Act, 1961 in respect of certain income, no deferred tax (asset or liability) is recognized in respect of timing differences which reverse during the tax holiday period, to the extent the Company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The company reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

l. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The Company has taken an insurance policy under the Group Gratuity Scheme with the Life Insurance Corporation of India (LIC).

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, 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 OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short term employee benefits. The Company measures the expected cost of such absence as the additional amount that is expected to pay as a result of the unused estimate that has accumulated at the reporting date.

The company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. The company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where company has the unconditional legal and contractual right to defer the settlement for a 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.

m. Financial instruments

A financial instrument is any contract which give rise to a financial asset of one entity and financial liability or equity instrument of another entity.

Financial assets: Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through profit or loss and fair value through other comprehensive income (OCI).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (h) Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement:

For the purpose of subsequent measurement, financial assets are classified in the below categories:
i. Financial assets at amortised cost (debt instruments)
ii. Financial assets at fair value through profit or loss

i. Financial assets at amortised cost (debt instruments)

A 'Financial Asset' is measured at the amortized cost if both the following conditions are met:
a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This Category is most relevant to the Company.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

ii. Financial assets at fair value through profit or loss(FVTPL)

FVTPL is a residual category for Debt Instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Financial Assets included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit & loss. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

-The rights to receive cash flows from the asset have expired, or
-The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On derecognisition of a financial asset in its entirety, the difference between the carrying amounts measured at the date of derecognisition and consideration received is recognised in the statement of profit and loss.

i. Financial liabilities - Initial recognition and measurement:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as payables, as appropriate. The company's financial liabilities include trade and other payables, loans and borrowings. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The subsequent measurement of financial liabilities depends on their classification, which is describedbelow.

i. Financial liabilities at amortized cost

Financial liabilities are subsequently carried at amortized cost using the effective interest ('EIR') method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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.

For the purpose of fair value disclosure, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics, and risks of the assets or liabilities and the level of the fair value hierarchy as explained above. In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The method used to determine fair value includes discounted cash flow, available quoted market prices and quotes. All method of assessing fair value results from general approximation of value and the same may differ from the actual realised value.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The company's senior management determines changes in the business model as a result of external or internal changes which are significant to the company's operations such changes are evident to external parties. If the company reclassifies financial assets, it applies the reclassification prospectively, from the reclassification date. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

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

n. Impairment

Financial assets

Further disclosures relating to impairment of financial assets are also provided in the following notes:

- Disclosures for significant assumptions – see Note 36
- Trade receivables and contract assets – see Note 9

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The information about the ECLs on the Company's trade receivables and contract assets is disclosed in Note 38.

The Company considers a financial asset in default when contractual payments are 180-360 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statementof profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss and presented in the balance sheet as an allowance that reduces the gross carrying amount.

The balance sheet presentation for various financial instruments is described below:
- Financial assets measured as at amortised cost, contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

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. 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. When 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 fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

o. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

p. Provisions and contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a 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.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

q. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on 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.

For the purpose of the financial statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts, if any, as they are considered an integral part of the Company's cash management.

r. Cash dividend to equity holders of the Company

The Company recognises a liability to make cash or non-cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

s. Segment reporting

Identification of segments

Business Segment

The chief operational decision maker (CODM) monitors the operating results of its business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements, Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Intersegment Transfers

The Company generally accounts for intersegment sales and transfers as if the sales or transfers were to third parties at current market prices.

Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Segment Policies

The Company prepares segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

t. Earnings Per Share

Basic earnings per share is 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. For the purpose of calculating diluted earnings per share, 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.

u. Significant accounting judgements, estimates and assumptions

The preparation of the Company's 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, and the disclosure of contingent liabilities. 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.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Evaluation of arrangements containing a lease

The Company has assessed applicability of Ind AS 116 “Lease” with respect to its power purchase agreement (PPA) for its power generation plants. In assessing the applicability, the Company have exercised judgement in relation to the provisions of the Electricity Act, 2003, terms of its Power Purchase Agreement, etc. Based on such assessment, it has concluded that Ind AS 116 is not applicable.

Estimates and assumptions

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 for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of 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. Based on the assessment by the management, it is not probable that the Company will have sufficient taxable profit in future against which, the Company will be able to set off the MAT. Accordingly, the Company has not recognised deferred tax assets in the form of MAT credit entitlement. Refer note 28.

Provision for cost of mines restoration

In determining the fair value of the provision, assumptions and estimates are made in relation to discount rates, the expected cost of mines restoration and the expected timing of those costs. Refer note 14 for the carrying amount of the provision.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. Based on management's assessment, there has been no indication of impairment in non-financial assets.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity 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, a defined benefit obligation is highly sensitive to changes in these assumptions. 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 where remaining maturity of such bond correspond to expected term of defined benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations are given in Note 31.

2.3 New Standards, Interpretations and amendments adopted by the company

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended March 31, 2019, except for the adoption of new standards effective as of April 1, 2019.

The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective. The Company applies, for the first time, Ind AS 116 Leases using the modified retrospective method of adoption.

Several other amendments and interpretations apply for the first time in April 1, 2019, but do not have material impact on the financial statements of the Company.

a. Ind AS 116 Leases

nd AS 116 supersedes Ind AS 17 Leases including its appendices (Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease, Appendix A of Ind AS 17 Operating Leases-Incentives and Appendix B of Ind AS 17 Evaluating the Substance of Transactions Involving the Legal Form of a Lease). The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the Company is the lessor.

The Company adopted Ind AS 116 using the modified retrospective method of adoption and applied the Standard to its leases on a prospective basis. The adoption of the standard did not have any material impact to the financial statements. The Company elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying Ind AS 17 and Appendix C to Ind AS 17 at the date of initial application.

The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option ('short-term leases') and lease contracts for which the underlying asset is of low value (low-value assets).

Nature of the effect of adoption of Ind AS 116:

The Company has various lease contracts for Factory Land, Godowns and office premises. Before the adoption of Ind AS 116, the Company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. A lease was classified as a finance lease if it transferred substantially all of the risks and rewards incidental to ownership of the leased asset to the Company; otherwise it was classified as an operating lease. Finance leases were capitalised at the commencement of the lease at the inception date at fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments were apportioned between interest (recognised as finance costs) and reduction of the lease liability.

In an operating lease, the leased property was not capitalised and the lease payments were recognised as rent expense in profit or loss on a straight-line basis over the lease term. Any prepaid rent and accrued rent were recognised under Prepayments and Trade and other payables, respectively.

Upon adoption of Ind AS 116, the Company applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The standard provides specific transition requirements and practical expedients, which has been applied by the Company.

- **Leases previously classified as finance leases**

The Company did not change the initial carrying amounts of recognised assets and liabilities at the date of initial application for leases previously classified as finance leases (i.e., the right-of-use assets and lease liabilities equal the lease assets and liabilities recognised under Ind AS 17). The requirements of Ind AS 116 were applied to these leases from 1 April 2019.

The Company also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics

- Applied the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application

The effect of adoption Ind AS 116 as at April 01, 2019 on financial position of the Company is not material.

b. Other Amendments:

Apart from aforesaid amendments, below mentioned amendments in Ind AS which did not have any material impact to the Interim condensed financial statements.

i. Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

Ii. Amendment to Ind AS 12, Income Taxes:

iii. Ind AS 19 – Plan Amendment, Curtailment or Settlement

iv. Ind AS 109 – Prepayment Features with Negative Compensation:

v. Ind AS 23 – Borrowing Costs;

vi. Ind AS 28 – Long-term Interests in Associates and Joint Ventures;

vii. Ind AS 103 – Business Combinations and Ind AS 111 - Joint Arrangements;

Notes to the Financial Statements for the year ended March 31, 2020

(Amount in INR lacs, unless stated otherwise)

Note 3 : Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Freehold Land	Lease hold Land	Building	Plant & Machinery	Furni ture & Fix tures	Office Equi pments	Vehicles	Total	CWIP
I. Cost or deemed cost (refer note (I) below)									
Balance as at April 1, 2018	**29.15**	**48.49**	**3,082.35**	**22,535.95**	**59.70**	**175.35**	**297.06**	**26,228.05**	**91.48**
Additions	-	59.30	42.25	436.90	5.50	15.10	53.91	**612.95**	464.27
Disposals / Transfers	-	-	-	(2,038.53)	-	-	(16.54)	**(2,055.07)**	(286.57)
Balance as at March 31, 2019	**29.15**	**107.79**	**3,124.60**	**20,934.32**	**65.19**	**190.45**	**334.44**	**24,785.94**	**269.18**
Reclassified on account of adoption of Ind AS 116 (refer note 4)	-	(107.79)	-	-	-	-	-	**(107.79)**	-
Additions	-	-	78.86	1,233.44	0.96	5.79	33.62	**1,352.66**	**1,120.20**
Disposals / Transfers	-	-	-	(373.60)	-	(0.06)	(9.37)	**(383.03)**	(1,312.29)
Balance as at March 31, 2020	**29.15**	**-**	**3,203.46**	**21,794.16**	**66.15**	**196.17**	**358.69**	**25,647.78**	**77.09**
II. Accumulated Depreciation									
Balance as at April 1, 2018	-	18.44	771.74	11,846.95	17.80	128.51	165.72	**12,949.15**	
Depreciation for the year	-	2.65	104.55	906.67	5.64	17.53	27.51	**1,064.56**	
Disposals / Transfers	-	-	-	(1,715.19)	-	-	(10.90)	**(1,726.09)**	
Balance as at March 31, 2019	**-**	**21.09**	**876.30**	**11,038.43**	**23.44**	**146.04**	**182.33**	**12,287.63**	
Reclassified on account of adoption of Ind AS 116 (refer note 4)	-	(21.09)	-	-	-	-	-	**(21.09)**	
Depreciation for the year	-	-	110.59	832.85	6.19	15.26	32.07	**996.96**	
Disposals / Transfers	-	-	-	(344.09)	-	(0.01)	(4.72)	**(348.83)**	
Balance as at March 31, 2020	**-**	**-**	**986.88**	**11,527.19**	**29.63**	**161.29**	**209.68**	**12,914.67**	
Net block									
As at March 31, 2019	**29.15**	**86.70**	**2,248.31**	**9,895.89**	**41.75**	**44.41**	**152.10**	**12,498.31**	**269.18**
As at March 31, 2020	**29.15**	**-**	**2,216.58**	**10,266.97**	**36.52**	**34.89**	**149.01**	**12,733.11**	**77.09**

Notes:

(i). The Company has elected to consider the carrying value of all its Property, Plant and Equipment as recognised in its previous GAAP financials, as deemed cost at the transition date i.e; April 1, 2016 as per option permitted under Ind AS 101 for the first time adoption of Ind AS.

(ii). For assets given on security to the lender for borrowings availed by the Company, refer note 14.

Note 4
Right-of-use assets

(₹ in Lakhs)

Particulars	Leasehold Land	Total
I. Cost		
As at April 1, 2019	-	-
Reclassified on account of adoption of Ind AS 116 (refer note 3)	**86.70**	**86.70**
Additions	-	-
As at March 31, 2020	**86.70**	**86.70**
II. Accumulated Amortisation		
As at April 1, 2019	-	-
Amortisation for the year	**2.83**	**2.83**
As at March 31, 2020	**2.83**	**2.83**
Net block		
As at March 31, 2020	**83.87**	**83.87**

Leases - Company as a lessee
(a) Set out below, are the carrying amount of the company's right-of-use assets and lease liabilities and the movements during the period:

(₹ in Lakhs)

Particulars	Right-of-use Assets (Leasehold Land)	Lease Liability
As at April 01, 2019	-	-
Reclassified on account of Ind AS 116 (refer note 3)	86.70	-
Amortisation for the year	2.83	-
Interest expense	-	-
Payments	-	-
As at March 31, 2020	**83.87**	-

(b) Set out below, are the amounts recognized in profit and loss:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2020
Amortisation expense of right-of-use assets	2.83
Interest expense on lease liability	-
Lease expense- Short term and lease of low value assets (refer note (ii) below)	60.37
	63.20

Notes:

(I) The Company has entered into various lease contract for land with lease terms between 30-99 years. The Company has option to renew at various time interval. The Company's obligation under its lease are secured by the lessor's title to the leased assets.

(ii) The Company also has certain leases of factories, office premises and equipment with lease term of 12 months or less and also has certain leases with low values. The Company applies the 'Short term leases' and 'Leases of low value assets' recognition exemption for these leases.

Note 5
Intangible Assets

(₹ in Lakhs)

Particulars	Computer Software	Total
I. Cost or deemed cost (refer note (I) below)		
Balance as at April 1, 2018	**174.03**	**174.03**
Additions	3.25	3.25
Disposals / Transfers	-	-
Balance as at March 31, 2019	**177.28**	**177.28**
Additions	-	-
Disposals / Transfers	-	-
Balance as at March 31, 2020	**177.28**	**177.28**
II. Accumulated Amortisation		
Balance as at April 1, 2018	**38.73**	**38.73**
Amortisation for the year	30.29	30.29
Disposals / Transfers	-	-
Balance as at March 31, 2019	**69.02**	**69.02**
Amortisation for the year	28.07	28.07
Disposals / Transfers	-	-
Balance as at March 31, 2020	**97.09**	**97.09**
Net block		
As at March 31, 2019	**108.26**	**108.26**
As at March 31, 2020	**80.19**	**80.19**

Notes:

(I). The Company has elected to consider the carrying value of all its Intangible assets as recognised in its previous GAAP financials, as deemed cost at the transition date i.e; April 1, 2016 as per option permitted under Ind AS 101 for the first time adoption of Ind AS.

Note 6
Trade receivables

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Current		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	8,794.79	7,764.19
Trade receivables which have significant increase in credit risk	514.90	426.79
Trade receivables - credit Impaired	675.59	650.42
Less: Allowances for trade receivables - credit impaired (refer note 38)	(675.59)	(650.42)
Total trade receivables	**9,309.68**	**8,190.98**

Note:

(a) No trade receivables are due from directors or other officers of the company either severally or jointly with any other person.
(b) For terms and conditions relating to related party receivables and trade receivables due from other related parties, refer note 32.
(c) Trade receivables are non-interest bearing and are generally on terms of 60 to 150 days. Further, in case of few customers management extends additional credit period of 60-90 days considering general Industry trends.
(d) Significant increase in credit risk, identified based on ageing of trade receivable.
(e) For Company's risk management processes, refer Note 38.
(f) Movement in the expected credit loss allowances.

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Impairment allowance measured as per simplified approach:		
Loss allowance at the beginning of the year	**650.42**	**374.94**
Add: Additional loss allowance provision during the year	**516.23**	275.48
Less: Reversal against Bad debts	**(318.61)**	-
Less: Reversal against realisation	**(172.45)**	-
Loss allowance at the end of the year	**675.59**	**650.42**

Note 7
Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with banks:		
Current accounts	**94.96**	500.83
Cash on hand	**5.42**	5.11
Total cash and cash equivalents	**100.38**	**505.94**

Note 8
Other Bank balances

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Deposits with original maturity of more than 3 months but less than 12 months (refer note (b) below)	**200.00**	200.00
Unpaid dividend accounts	**72.41**	68.73
Margin money deposit (refer note (b) below)	**651.40**	463.64
Total other bank balances	**923.81**	**732.37**

Notes:

(a) The carrying value of other financial assets as at the reporting date approximate fair value.

(b) Deposits of ₹ 851.4 lacs (2018-19: ₹ 663.64 lacs) given as lien against the bank guarantees given to government authorities, lenders and customers.

Note 9
Other financial assets

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current		
Security deposits (unsecured and good, unless otherwise stated)	30.60	30.43
Margin money deposits with bank (refer note (b) below)	183.72	70.43
	214.33	**100.86**
Current		
Security deposits		
Unsecured, considered good	65.36	87.72
Unsecured, considered credit impaired	21.00	-
Less: Allowances, credit impaired (refer note (d) below)	(21.00)	-
	65.36	87.72
Subsidy receivable	69.89	54.91
Interest accrued on bank deposits and security deposits	22.97	17.83
Insurance claim receivable	-	129.91
Contract assets (refer note (c) below)	37.37	-
	195.58	**290.37**
Total other financial assets	**409.91**	**391.22**

Note:

(a) The carrying value of other financial assets as at the reporting date approximate fair value.

(b) Margin money deposits are given as lien against the bank guarantees given to government authorities, lenders and customers.

(c) Contract assets are right to consideration in exchange of goods transferred to the customer. Upon acceptance by the customer, the amounts are recognised as contract assets are reclassified to Trade receivables.

(d) Movement in expected credit loss:

(₹ in Lakhs)

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Impairment allowance measured as per simplified approach:		
Loss allowance at the beginning of the reporting year	-	-
Changes in loss allowance	**21.00**	-
Loss allowance at the end of the reporting year	**21.00**	-

(e) Also refer note 38 for information about credit risk and market risk.

Note 10
Other assets

(₹ in Lakhs)

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Non-current		
Capital advances		
Unsecured, considered good	24.60	137.70
Unsecured, considered doubtful	5.92	-
Less: Provision for doubtful capital advances	(5.92)	-
	24.60	137.70
Prepaid expenses	40.46	40.32
	65.06	178.02
Current		
Balance with government authorities	15.26	54.04
Prepaid expenses	44.35	65.13
Custom duty recoverable	87.50	87.50
Material Exports from India Scheme (MEIS) receivable (considered good)	1.84	21.25
Advances recoverable in cash or kind		
Unsecured, considered good	2,136.64	1,527.25
Unsecured, considered doubtful	2.26	-
Less: Provision for doubtful advances	(2.26)	-
	2,285.59	1,755.17
Total other asset	**2,350.65**	1,933.19

Note:

(a) No advance or deposit are due from directors or other officers of the Company either severally or jointly with any other person.

(b) For terms and conditions relating to related party advances and advances due from other related parties, refer note 32.

(c) Movement in provision for doubtful advances:

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Provision at the beginning of the year	-	**61.73**
Add: Provision made during the year	**8.18**	(61.73)
Provision at the end of the year	**8.18**	-

Note 11
Inventories (Lower of Cost or Net realisable value)

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Raw materials	845.43	2,992.03
Work-in-progress	2,413.33	2,338.62
Finished goods (goods in transit ₹ 23.10 lacs, previous year ₹ 462.24 lacs)	3,455.01	3,522.08
Bauxite Ore (for trading)	-	4.43
By Product/waste	67.66	109.75
Stores and spares	1,537.21	2,200.98
Total inventories	**8,318.64**	**11,167.90**

Note 12
Equity share capital

(₹ in Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	Amount	No. of Shares	Amount
Authorised share capital				
Equity shares of ₹1 each	**14,00,00,000**	**1,400.00**	14,00,00,000	1,400.00
6% Redeemable cumulative preference shares of ₹ 100/- each	**4,00,000**	**400.00**	4,00,000	400.00
Issued and subscribed share capital				
Equity shares of ₹1 each	**11,96,59,200**	**1,196.59**	11,96,59,200	1,196.59
Subscribed and fully paid up				
Equity shares of ₹1 each	**11,96,39,200**	**1,196.39**	11,96,39,200	1,196.39
Add: Shares forfeited (amount paid up)	**13,044**	**0.13**	13,044	0.13
Total share capital	**11,96,52,244**	**1,196.52**	**11,96,52,244**	**1,196.52**

12.1. Terms/Rights attached to the equity shares

The company has only one class of equity shares having a par value of ₹ 1.00 per share. The holder of each fully paid equity share is entitled to one vote. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

12.2. Reconciliation of shares outstanding at the beginning and at the end of the Reporting period

(₹ in Lakhs)

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the year	**11,96,39,200**	**1,196.39**	11,96,39,200	1,196.39
Issued during the year	-	-	-	-
Forfeiture of shares	-	-	-	-
Shares outstanding at the end of the year	**11,96,39,200**	**1,196.39**	**11,96,39,200**	**1,196.39**

12.3. Number of Shares held by each shareholder holding more than 5% Shares in the company

Name of the Shareholder	As at March 31, 2020		As at March 31, 2019	
	No. of Shares	% of shareholding	No. of Shares	% of shareholding
Bombay Minerals Limited	3,79,99,953	31.76%	4,30,74,953	36.00%
Cura Global holdings Limited	2,83,89,494	23.73%	2,83,89,494	23.73%
Manan Chetan Shah	68,21,507	5.70%	42,61,260	3.56%

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding benefical interest, the above shareholding represents both legal and beneficial ownership of the shares.

Note 13
Other Equity

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
General reserve		
Balance at the beginning of the year	8,979.44	**8,979.44**
Balance at the end of the year	8,979.44	8,979.44
Capital reserve		
Balance at the beginning of the year	-	-
Add: Amount transferred from forfeiture of share warrant (refer note 40)	807.72	-
Balance at the end of the year	807.72	-
Money received against share warrants (refer note 40)		
Balance at the beginning of the year	807.72	807.72
Less: Forfeiture of share warrant	(807.72)	-
Balance at the end of the year	-	807.72
Retained earnings		
Balance at the beginning of the year	10,719.52	9,462.63
Profit for the year	2,055.91	1,617.47
Appropriations		
Dividend on equity shares (refer note (a) below)	(299.10)	(299.10)
Tax on dividend	(61.48)	(61.48)
Balance at the end of the year	**12,414.85**	**10,719.53**
Other component of equity		
Remeasurement of defined benefits plans (net of tax)	**(146.61)**	**(82.69)**
Total Other equity	**22,055.41**	**20,423.99**

(a) Distribution made and proposed:

Particulars	As at March 31, 2020	As at March 31, 2019
Cash dividend on equity share declared and paid during the year ended on March 31, 2020: ₹ 0.25 per share (March 31, 2019: ₹ 0.25 per share)	**(299.10)**	**(299.10)**
Dividend distribution tax	**(61.48)**	**(61.48)**
Total	**(360.58)**	**(360.58)**

Proposed dividends for the year ended March 31, 2020 : ₹ 0.15 per share (March 31, 2019 : ₹ 0.25 per share) including Dividend Distribution Tax of ₹ NIL (March 31, 2019 ₹ 61.48 lacs) on equity shares are subject to approval at the ensuing annual general meeting and are not recognised as a liability as at March 31, 2020.

Nature of Reserves

1. **General Reserves**
   Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

2. **Capital Reserve**
   The Company recognise profit or loss on purchase, sale, issue or cancellation of its own equity instruments to capital reserve. The reserves is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

3. **Retained Earnings**
   The portion of profit not distributed among the shareholders are termed as retained earnings. The Company may utilise the retained earnings for making investments for future growth and expansion plans, for the purpose of generating higher returns for the shareholders, for any other specific purpose, as approved by the Board of Directors of the Company.

Note 14
Borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Long-term Borrowings (Secured)		
Non-current portion		
Term loan from banks	1,125.83	1,528.94
	1,125.83	**1,528.94**
Less: Current maturities		
Term loan from banks	-392.88	(392.88)
Total Long-term Borrowings	**732.95**	**1,136.06**
Short-term Borrowings		
Working capital loans from banks (Secured)	4,275.48	5,653.69
Bill Discounting	-	8.51
Loan from body corporate (Unsecured)	-	425.00
Total Short-term Borrowings	**4,275.48**	**6,087.20**
Total Borrowings	**5,401.31**	**7,616.14**
Aggregate secured loans	**5,401.31**	**7,191.14**
Aggregate unsecured loans	**-**	**425.00**

Terms and repayment of the loans:

(a) Term loans from banks
The loan is secured by first charge on all Property, plant and equipment of company, both present & future, the facilities are secured by equitable mortgage of the following properties: - (i) City Survey ward No. 03, Old survey no. 3480/2 Opp. Collector Bungalow, Lal Palace, Main Road, Porbandar (ii) City Survey ward No. 03, Old survey no. 3481 Lal Palace area, B/h Jadav Pan off. Juri Baug, Main Road, Porbandar. (iii) City Survey ward No. 03, Survey No. 1662 Paiki East Part & West Part Opp. Chopati Cricket Ground, S.T. Depot, New Foundation road Porbandar. (iv) GIDC Plot No. 400. GIDC Main Road GIDC Area Dharampur, Porbandar. These facilities further secured by second charge on entire current assets of the company including hypothecation of raw material, semi finished goods and finished goods including goods in transit, books debts and other current assets of the company.

Term loan amounting to ₹ 949.02 lacs is repayable in remaining 29 monthly equal instalment of ₹ 32.74 lacs along with future interest and term loan amounting to ₹ 176.81 lacs is in 17 quarterly installments commencing from September 2020.

The term carries interest @ 1year MCLR + 1.13% - 4% which is presently ranging between 10.95% to 11.90% p.a.

(b) Working capital loans from bank
The loan is secured by first charge on all current assets of company, both present & future, including stocks of raw materials, stores, spares, stocks in process & finished goods etc. lying in company premises, godowns, elsewhere including those in transit and all present and future

book-debts / receivables of the company. These facilities are further secured by second charge by way of equitable mortgage of the following properties:- (i) City Survey ward No. 03, Old survey no. 3480/2 Opp. Collector Bungalow, Lal Palace, Main Road, Porbandar (ii) City Survey ward No. 03, Old survey no. 3481 Lal Palace area, B/h Jadav Pan off. Juri Baug, Main Road, Porbandar. (iii) City Survey ward No. 03, Survey No. 1662 Paiki East Part & West Part Opp. Chopati Cricket Ground, S.T. Depot, New Foundation road Porbandar. (iv) GIDC Plot No. 400. GIDC Main Road GIDC Area Dharampur, Porbandar.

The working capital loan is repayable on demand and carries interest @ 1year MCLR + 1.55% - 1.95% which is presently ranging between 9.85% to 12.65% p.a.

(c) Loan from body corporate

The loan from body corporate has been repaid during the year and carried interest @ 12% p.a.

Note 15
Trade payables

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Current		
Total outstanding dues of micro enterprises and small enterprises (refer note 42)	**22.23**	91.97
Total outstanding dues of creditors other than Micro enterprises and small enterprises (refer note (a) below)	**3,335.83**	3,865.18
Total	**3,358.06**	**3,957.15**

Note:
(a) Trade payables are non-interest bearing and are normally settled on 30-90 days terms.
(b) The carrying amount of trade payables as at the reporting date approximates fair value. Also, refer note 38 for information about credit risk and market risk.
(c) Dues to related parties included in above (refer note 32).
(d) Out of total trade payables, payables of ₹ 128.61 lacs (prevoious year: ₹ 394.83 lacs) secured against irrevocable letter of credit issued to the vendor for purchase of material and consumables.

Note 16
Other financial liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Non- Current		
Interest free deposits from staff (refer note (a) below)	-	0.17
Interest free deposits from Customers	35.00	15.00
Capital creditors	14.52	
	49.52	**15.17**
Current		
Current maturities of long term borrowings (refer note 14)	392.88	392.88
Interest accrued but not due on borrowings	9.29	27.61
Interest free deposits from staff (refer note (a) below)	-	2.65
Capital creditors	119.55	20.67
Unpaid dividend	72.44	68.76
	594.16	**512.58**
Total other financial liabilities	**643.68**	**527.75**

Note:
(a) Interest free deposits are security from staff against vehicles provided by the Company.
(b) The carrying amount of other financial liabilities as at the reporting date approximates fair value. Also, refer note 38 for information about liquidity risk and market risk.
(c) Dues to related parties included in above (refer note 32).

Note 17
Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Long-term		
Provision for employee benefits (refer note 31)		
Provision for leave encashment	78.98	77.54
Provision for gratuity	57.94	-
Other provisions		
Provision for litigation	37.68	37.68
Provision for cost of mines restoration (Refer note (b) below)	16.45	16.45
	191.05	**131.67**
Short-term		
Provision for employee benefits (refer note 31)		
Provision for leave encashment	5.90	6.44
Provision for gratuity	97.52	59.85
	103.42	**66.29**
Total provisions	**294.47**	**197.96**

The movement in the provisions during the year is as under:

(₹ in Lakhs)

Particulars	Provision for litigation	Provision for mines
Balance as at April 1, 2018	**37.68**	**16.45**
Movement during the period	-	-
Balance as at March 31, 2019	**37.68**	**16.45**
Movement during the period	-	-
Balance as at March 31, 2020	**37.68**	**16.45**

Note:

(a) The Company has received certain demand towards custom duty on account of mis-classification on import of coal, although the Company has availed the benefit of exemption notification and paid custom duty at a lower rate. Matter is in appeal but the Company has decided to make provision for the same of ₹37.68 Lakhs.

(b) The Company has made provision towards mines closure obligations based on estimated outflow of resources based on past experience.

Note 18
Other liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Current		
Deferred income (refer note (a) below)	23.28	9.04
Contract liabilities	73.42	331.81
Statutory dues	765.19	769.09
Other payables	284.71	298.31
	1,146.60	**1,408.25**
Total other liabilities	**1,146.60**	**1,408.25**

(a) Movement of deferred income

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the reporting year	**9.04**	**14.32**
Received during the year	46.12	-
Released to statement of profit and loss	(31.89)	(5.28)
Balance at the end of the reporting year	**23.27**	**9.04**

(b) Dues to related parties included in above (refer note 32).
(c) Contract liabilities includes advances received from customer to deliver goods.
The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities and how much relates to performance obligations that were satisfied in a prior year.

Particulars	As at March 31, 2020	As at March 31, 2019
Revenue recognised out of the contract liability balance	331.81	132.73

Note 19
Current tax liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for tax	159.02	309.02
Total	**159.02**	**309.02**

Note 20
Revenue from operations

(₹ in Lakhs)

Particulars	2019-20	2018-19
Revenue from contracts with customers		
i. Sale of products		
Finished goods	32,486.40	28,421.79
Sale of bauxite ore	-	781.56
ii. Sale of Power	681.92	795.44
iii.Other operating revenue		
Sale of By Products	670.61	708.37
Others	745.84	589.62
Total revenue from operations	**34,584.77**	**31,296.80**

(a) Reconciling the amount of revenue recognised in the statement of profit and loss with contracted price (₹ in Lakhs)

Particulars	2019-2020	2018-2019
Revenue as per contracted price	**34,547.40**	**31,296.80**
Adjustment for:		
Change in value of Contract Assets (refer note 9)	37.37	-
Revenue from contracts with customers	**34,584.77**	**31,296.80**

(b) Performance obligation:
Performance obligation is satisfied upon delivery of goods and payment is generally realisable within 60-150 days after delivery of goods.

Note 21
Other income

(₹ in Lakhs)

Particulars	2019-20	2018-19
Interest income from financial assets measured at amortised cost		
- Bank deposits	**52.01**	34.40
- Others	**54.51**	0.48
Amortisation of government grants (refer note 18.a)	**31.89**	5.28
Subsidy on power generated from windmill	**14.98**	17.23
Liabilities no longer required written back	**-**	50.65
Allowances for Doubtful Debts written back	**172.45**	-
Miscellaneous income	**46.68**	54.32
Total other income	**372.52**	162.36

Note 22
Cost of materials consumed

(₹ in Lakhs)

Particulars	2019-20	2018-19
Inventory at the beginning of the year	2,992.03	3,668.71
Purchases*	6,566.60	7,620.95
Less: Inventory at the end of the year	(845.43)	(2,992.03)
Total cost of materials consumed	**8,713.20**	**8,297.63**

*includes royalty paid on bauxite ores excavated for captive consumption amounting to ₹ NIL (2018-19: ₹ 52.25 lacs)

Note 23
Changes in inventories

(₹ in Lakhs)

Particulars	2019-20	2018-19
Inventories at the end of year		
Finished Goods	3,455.01	3,522.08
Bauxite Ore	-	4.43
Work-In-Progress	2,413.33	2,338.62
Waste	67.66	109.75
	5,936.00	**5,974.88**
Inventories at the beginning of year		
Finished Goods	3,522.08	2,450.16
Bauxite Ore	4.43	4.43
Work-In-Progress	2,338.62	1,837.03
Waste	109.75	312.94
	5,974.88	**4,604.56**
Total changes in inventories	**38.88**	**(1,370.33)**

Note 24
Employee benefits expenses *

(₹ in Lakhs)

Particulars	2019-20	2018-19
Salaries, wages and bonus	2,813.87	2,243.11
Contribution to Provident and Other Funds (refer note 31)	173.91	159.53
Gratuity expense (refer note 31)	56.23	55.14
Staff welfare expenses	212.48	163.60
Total employee benefits expense	**3,256.49**	**2,621.37**

*includes costs relating to sub-contractor's workers, who are entitled to all retirement benefits as per Company's policy

Note 25
Finance costs

(₹ in Lakhs)

Particulars	2019-20	2018-19
Interest:		
- Banks and others	696.42	545.71
- Body corporate	27.81	139.55
- Others	52.11	84.98
Bank charges and commission	87.16	154.24
Total finance costs	**863.50**	**924.48**

Note 26
Depreciation and amortization

(₹ in Lakhs)

Particulars	2019-20	2018-19
Depreciation on property, plant and equipment (refer note 3)	996.96	1,064.56
Amortization on Right-of-use assets (refer note 4)	2.83	-
Amortization on Intangible assets (refer note 5)	28.07	30.29
Total depreciation and amortization	**1,027.86**	**1,094.85**

Note 27
Other expenses

(₹ in Lakhs)

Particulars		2019-20		2018-19
Power and fuel		5,565.80		5,170.07
Consumption of stores and spares		2,254.32		1,987.32
Allowances for Non-Moving Stores & Spares		80.09		-
Royalty and tax levies on export		439.70		1,137.75
Mining charges to contractors		104.97		368.75
Repairs and maintenance				
- Plant and machinery		231.28		293.31
- Buildings		16.54		54.41
- Others		126.05		115.65
Lease expenses (refer note 4)		60.37		69.05
Packing expenses		407.26		373.40
Freight and forwarding expenses		1,627.38		1,948.59
Commission on sales		42.95		39.88
Research & development		-		25.00
Rates and taxes		65.15		37.05
Legal and professional fees		138.45		112.75
Donation expenses		5.62		18.33
Insurance		65.33		60.68
Bad debts written off	333.92		135.51	
Less: Against Provision for Doubtful Debts	(319.22)	14.70	-	135.51
Provision for doubtful receivables, deposits and advances		546.02		275.48
Miscellaneous balances written off		9.32		14.32
Expenditure on Corporate Social Responsibility (CSR) (refer note 34)		103.00		49.42
Travelling and conveyance		166.30		127.47
Loss on sale/discard of property, plant & equipments		8.85		68.57
Auditor's remuneration*		22.33		20.46
Communication expenses		16.09		10.32
Printing and stationery		7.01		5.81
Directors' Sitting Fees		6.55		8.58
Miscellaneous expenses		148.49		136.05
Total		**12,279.92**		**12,663.99**

***Auditors Remuneration**		
Audit fee	16.00	15.00
Limited review	6.00	5.00
Certification fees	-	0.12
Out of pocket expenses	0.33	0.34
Total	**22.33**	**20.46**

Note 28

Income tax

(₹ in Lakhs)

The major components of income tax expense for the period ended March 31, 2020 and March 31, 2019 are :

Particulars	2019-20	2018-19
Statement of Profit and Loss		
Current tax		
Current tax	623.00	509.00
Earlier year's tax	77.87	11.84
Deferred tax		
Deferred tax	(136.43)	(30.21)
Less: Tax (Credit) under Minimum Alternate Tax (MAT)	-	(36.00)
Income tax expense reported in the statement of profit and loss	**564.44**	**454.63**

OCI Section

(₹ in Lakhs)

Particulars	2019-20	2018-19
Deferred tax related to items recognised in OCI during the year		
Net loss/(gain) on actuarial gains and losses	(26.26)	(1.73)
Income tax effect	**(26.26)**	**(1.73)**

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the period ended March 31, 2020 and March 31, 2019:

A) Current tax

(₹ in Lakhs)

Particulars	2019-20	2018-19
Accounting profit before tax from continuing operations	**2,620.35**	**2,072.10**
Tax @ 29.12% (March 31, 2019: 29.12%)	763.04	603.40
Adjustment		
Due to change in tax rate on opening deferred tax liability (29.12% from 34.94%)	(261.53)	-
Tax related to earlier year	77.87	-
Reduction in reversal of temporary difference	55.30	-
Non deductible expenditure	17.36	-
Impact of unutilised exemption U/s 80-IA on Windmill	(120.97)	(158.78)
Others	33.36	10.01
At the effective income tax rate of 20.45% (March 31, 2019: 21.94%)	**564.44**	**454.63**

Tax balances as at reporting date

Particulars	As at March 31, 2020	As at March 31, 2019
Tax assets	394.30	279.81
Current tax liabilities (net)	(159.02)	(309.02)
	235.28	**(29.21)**

B) Deferred tax

(₹ In Lakhs)

Particulars	Balance Sheet As at March 31, 2020	Balance Sheet As at March 31, 2019	Statement of Profit & Loss 2019-20	Statement of Profit & Loss 2018-19
Deferred tax liabilities				
Accelerated depreciation for tax purposes	(1,752.98)	(1,909.47)	156.50	(97.79)
Deferred Tax Asset				
Provision for doubtful debts, advances and recoverables	205.23	227.28	(22.05)	94.70
Employee benefit expenditure debited to the statement of profit and loss but allowable for tax purposes on payment basis	114.98	117.13	(2.15)	38.04
Others	26.26	(4.14)	30.40	(8.88)
MAT credit entitlement	487.07	735.94	-	36.00
Deferred tax (expense)/income				
Net deferred tax assets/(liabilities)	**(919.43)**	**(833.25)**	**162.69**	**62.07**

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Reconciliation of deferred tax assets / (liabilities), net		
Balance at the beginning of the reporting year	**(833.25)**	**(895.32)**
Tax income during the period recognised in profit or loss	136.43	66.21
Tax income/(expense) during the period recognised in OCI	26.26	(4.14)
MAT credit utilisation	(248.87)	-
Balance at the end of the reporting year	**(919.43)**	**(833.25)**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Pursuant to the Finance (2) Act, 2019 which got enacted on August 01,2019, the threshold turnover for applicability of lower tax rate of 25% was increased in term of part III of first Schedule of Finance (2) Act, 2019. During the previous year the Company has made an assessment of the impact of tax rate of 30% and has recognized tax expense based on tax rate enacted as on reporting date as per Ind AS 12 "Income Taxes". The Company has remeasured the outstanding deferred tax balance as at April 1,2019 that needs to be reversed based on tax rate of 25% and ₹ 261.53 lacs have been written back in the statement of profit and loss for the year ended march 31,2020.

During the current year, the Company has recognized tax expense as per normal provision of income tax whereas during the previous year, the Company has recognized tax expenses under MAT as per section 115 JB of the Income Tax Act, 1961 (the "act"). Accordingly in the current year the Company has utilised MAT credit entitlement of ₹ 171 lacs.

The Company has following unutilised MAT Credit under the Income Tax Act,1961 for which deferred tax assets have been recognised in the balance sheet:

Particulars	Amount	Expiry Date
AY 2017-18	139.24	AY 2032-33
AY 2018-19	311.83	AY 2033-34
AY 2019-20	36.00	AY 2034-35
	487.07	

The Company is eligible to avail benefits under section 80IA of the Income Tax Act, 1961 on the taxable income from wind power generation activities w.e.f., FY 2012-13. The Company had recognised tax credit under MAT in previous years and have utilised balance of tax credit under MAT of ₹ 487.07 lacs. The management believes, in the view of business operations of the Company and higher depreciation charge for accounting purpose than the depreciation for income tax purpose in the future period. It is possible that the MAT credit will be utilised post tax holiday period w.e.f., FY 2022-23. As per regulations under section 115JAA of the Income Tax Act, 1961, MAT credit can be utilised upto 15 Assessment years immediately succeeding the assessment year in which tax credit becomes available.

Note 29
Contingent liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Claims against the Company not acknowledged as debt		
a) Power claim matters decided in favour of the Company by the District Court (Civil Court, Senior Division, Porbandar) but Paschim Gujarat Vidyut Company Limited has gone into further appeal before Hon'ble High Court of Gujarat (Refer Note A below)	338.02	338.02
b) Demand (including interest on Tax demand) raised by the Income tax authorities during the assessment process, being disputed by the Company (Refer Note B below)	383.65	362.77
c) Demand from Joint Commissioner Customs for payment of differential customs duty	18.42	18.42
d) Cases pending with Labour Courts (Refer Note C below)	Amount unascertainable	

Note A
In view of decision already in favour of Company by the District Court (Civil Court, Senior Division, Porbandar) and based on discussion with the solicitors, the management believes that the Company has a strong chance and hence no provision there against is considered necessary.

Note B
Demands raised by Income tax authorities (during the assessment process for A.Y 2006-07, 2009-10 to 2015-16) substantially pertains to dispute on determination of inter segment price for claiming tax holiday benefits on sale of power which are disallowed / disputed by such authorities. The management believes that its position is likely to be upheld in the appellate process.

Note C
In view of large number of cases, it is not practicable to disclose individual details of all the cases. On the basis of current status of individual case and as per legal advice obtained by the Company, wherever applicable, the Company is of view that no provision is required in respect of these cases.

Note 30
Capital commitment and other commitments

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advance and capital work in progress)	79.45	610.39

Note 31
Disclosure pursuant to Employee benefits

(a) Defined contribution plans

Amount recognised as expenses and included in Note No. 23 "Employee benefit expense"

(₹ in Lakhs)

Particulars	For the Year ended 2019-20	For the Year ended 2018-19
Contribution to Provident fund	105.67	97.93
	105.67	**97.93**

(b) Defined benefits plans: Gratuity

The Company has following post employment benefits which are in the nature of defined benefit plans:

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

March 31, 2020 : Changes in defined benefit obligation and plan assets

	Gratuity cost charged to statement of profit and loss						Remeasurement gains/(losses) in other comprehensive income						
	April 1, 2019	Transfer In/Out Obligation	Service cost	Net interest (expense)/ income	Sub-total included in statement of profit and loss	Benefit paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contribut ions by employer	March 31, 2020
Gratuity													
Defined benefit obligation	**(499.52)**	-	(51.57)	(38.91)	(90.49)	117.50		-	(57.15)	24.35	(81.50)		(554.01)
Fair value of plan assets	**439.67**	-		34.25	34.25	(117.50)	(8.68)	-		-	(8.68)	50.81	398.55
Total benefit liability	**(59.85)**	**-**			**(56.23)**	**-**					**(90.18)**	**50.81**	**(155.46)**

March 31, 2019 : Changes in defined benefit obligation and plan assets

	Gratuity cost charged to statement of profit and loss						Remeasurement gains/(losses) in other comprehensive income						
	April 1, 2018	Transfer In/Out Obligation	Service cost	Net interest (expense)/ income	Sub-total included in statement of profit and loss	Benefit paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contribut ions by employer	March 31, 2019
Gratuity													
Defined benefit obligation	(478.09)	-	(50.97)	(37.53)	(88.50)	50.36	-	-	(3.45)	20.15	16.70	-	**(499.52)**
Fair value of plan assets	424.94	-	-	33.36	33.36	(50.36)	(2.50)	-	-	-	(2.50)	34.23	**439.67**
Total benefit liability	**(53.15)**				**(55.14)**	**-**					**14.20**	**34.23**	**(59.85)**

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

Particulars	As at March 31, 2020	As at March 31, 2019
Expected return on plan assets	6.86%	7.79%
Discount rate	6.86%	7.79%
Future salary increase	8.00%	8.00%
Employee turnover	2.00%	2.00%
Mortality rate	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

A quantitative sensitivity analysis for significant assumption is as shown below:

(₹ in Lakhs)

		(increase) / decrease in defined benefit obligation (Impact)	
Particulars	**Sensitiviy Level**	**As at March 31, 2020**	**As at March 31, 2019**
Discount rate	1% increase	(61.08)	(52.89)
	1% decrease	73.58	63.52
Salary increase	1% increase	67.83	59.81
	1% decrease	(57.98)	(51.64)
Employee turnover	1% increase	(6.00)	(1.35)
	1% decrease	6.84	1.48

The following are the expected future benefit payments for the defined benefit plan :

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Within the next 12 months (next annual reporting period)	24.98	24.43
Between 2 and 5 years	105.36	97.96
Beyond 5 years	1430.39	1490.91
Total Expected Payments	**1,560.73**	**1,613.30**

The average duration of the defined benefit plan obligation at the end of the reporting period is 16 years (March 31, 2019: 17 years).

Major category of Plan Asset as a % of total Plan Asset

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Investments with insurers	100%	100%

Note 31
Related Party disclosures

As per the Indian Accounting Standard on "Related Party Disclosures" (Ind AS 24), the related parties of the Company are as follows :

(i) Name of related parties and their relationship :

(a) Key Managerial Personnel (KMP)

Name	Relationship
Mr. Pundarik Sanyal	Non-Executive Chairman, Independent Director
Mr. Manubhai Rathod	Whole Time Director & CEO
Mr. Hemul Shah	Non-Executive Director
Mrs. Chaitali Salot	Non-Executive Director
Mr. Harish Motiwala	Independent Director
Mr. Bharat Makhecha	Independent Director
Mrs. Sangeeta Bohra (upto 14th Nov 2018)	Independent Director
Mr. Manan Chetan Shah	President
Mr. V. Shashidharan	Chief Financial Officer
Mr. Bimal Parmar	Company Secretary

(b) Enterprises having significant influence over the company being owned and controlled by principal shareholder, entities owned/controlled by such enterprise and entities in which the relatives of the KMP are interested

Ambica Logistics Private Limited
Ashapura Arcadia Logistics Private Limited
Ashapura Claytech Limited
Ashapura Industrial Finance Limited
Ashapura Minechem Limited
Ashapura International Limited (upto 19th Sep 2018 and from 28th Feb 2020)
Ashapura Perfoclay Limited (upto 19th Sep 2018 and from 28th Feb 2020)
Bombay Minerals Limited

(ii) Related Party Transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

(₹ in Lakhs)

Particulars	Enterprises having Significant influence over the company & entities owned/controlled by such enterprises & entities in which the relatives of the KMP are interested		Key Managerial Personnel and their relatives		Total	
	For Year ended March 31, 2020	For Year ended March 31, 2019	For Year ended March 31, 2020	For Year ended March 31, 2019	For Year ended March 31, 2020	For Year ended March 31, 2019
Sales						
Ashapura Minechem Limited	20.70	749.85	-	-	20.70	749.85
Ashapura Perfoclay Limited	-	4.54	-	-	-	4.54
Bombay Minerals Limited	877.88	818.09	-	-	877.88	818.09
Total	**898.57**	**1,572.48**	-	-	**898.57**	**1,572.48**
Purchases						
Ashapura Minechem Limited	21.80	18.59	-	-	21.80	18.59
Ashapura International Limited	0.81	31.46	-	-	0.81	31.46
Bombay Minerals Limited	6,574.42	7,729.98	-	-	6,574.42	7,729.98
Total	**6,597.03**	**7,780.02**	-	-	**6,597.03**	**7,780.02**
Rent Paid						
Ashapura Minechem Limited	9.07	9.07	-	-	9.07	9.07
Ashapura Perfoclay Limited	-	0.61	-	-	-	0.61
Bombay Minerals Limited	3.24	3.24	-	-	3.24	3.24
Total	**12.31**	**12.92**	-	-	**12.31**	**12.92**
Interest Expenses						
Ashapura Industrial Finance Limited	4.68	42.68	-	-	4.68	42.68
Ashapura Perfoclay Limited	0.61	26.93	-	-	0.61	26.93
Total	**5.28**	**69.61**	-	-	**5.28**	**69.61**
Sitting Fees to Directors	-	-	**6.55**	**8.85**	**6.55**	**8.85**
Purchase of Services						
Ambica Logistics Private Limited	450.44	569.99	-	-	450.44	569.99
Ashapura Minechem Limited	621.08	637.63	-	-	621.08	637.63
Total	**1,071.52**	**1,207.63**	-	-	**1,071.52**	**1,207.63**
Repayment of Unsecured Loan Taken						
Ashapura Industrial Finance Limited	-	425.00	-	-	-	425.00
Ashapura Perfoclay Limited	-	650.00	-	-	-	650.00
Total	-	**1,075.00**	-	-	-	**1,075.00**

(iii) Closing balances of related parties

(₹ in Lakhs)

	Enterprises having Significant influence over the company, entities owned/controlled by such enterprises and entities in which the relatives of the KMP are interested		Key Managerial Personnel and their relatives		Total	
Particulars	**As at March 31, 2020**	**As at March 31, 2019**	**As at March 31, 2020**	**As at March 31, 2019**	**As at March 31, 2020**	**As at March 31, 2019**
Trade Receivables						
Ashapura Perfoclay Limited	4.22	-	-	-	4.22	-
Total	**4.22**	**-**	-	-	**4.22**	**-**
Trade Payables						
Ambica logistics Private Limited	-	10.59	-	-	-	10.59
Ashapura Minechem Limited	317.17	486.53	-	-	317.17	486.53
Ashapura International Limited	1.87	3.58	-	-	1.87	3.58
Total	**319.03**	**500.70**	-	-	**319.03**	**500.70**
Short term Borrowings						
Ashapura Industrial Finance Limited	-	75.00	-	-	-	75.00
Total	**-**	**75.00**	-	-	**-**	**75.00**
Other Payables						
Ashapura Arcadia Logistics Pvt. Ltd.	150.00	175.00	-	-	150.00	175.00
Total	**150.00**	**175.00**	-	-	**150.00**	**175.00**
Interest Accrued						
Ashapura Perfoclay Limited	-	11.92	-	-	-	11.92
Total	**-**	**11.92**	-	-	**-**	**11.92**
Advance Paid						
Ambica logistics Private Limited	10.80	-	-	-	10.80	-
Ashapura Perfoclay Ltd.	-	41.45	-	-	-	41.45
Bombay Minerals Limited	991.04	298.93	-	-	991.04	298.93
Total	**1,001.84**	**340.38**	-	-	**1,001.84**	**340.38**

1) Transaction entered into with related party are made 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.
2) There have been no guarantees provided or received for any related party receivables or payables.

(iv) Compensation of key managerial personnel of the Company:

(₹ in Lakhs)

Particulars	**For the year ended 2019-20**	**For the year ended 2018-19**
Short-term employee benefits	204.25	185.55
Total compensation paid to key management personnel*	**204.25**	**185.55**

*As the liability for gratuity and leave encashment is provided on actuarial basis for the Company as a whole, the amount pertaining to the KMP are not included above.

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel.

Note 33
Earnings per share

Particulars	UNIT	2020-2019	2018-19
Earnings per share (Basic and Diluted)			
Profit attributable to ordinary equity holders	₹ in lakhs	2,055.91	1,617.47
Total no. of equity shares at the end of the year	Nos	11,96,52,244	11,96,52,244
Weighted average number of equity shares			
For basic EPS	Nos	11,96,52,244	11,96,52,244
For diluted EPS	Nos	11,96,52,244	12,12,26,444
Nominal value of equity shares	₹	1.00	1.00
Basic earning per share	₹	1.72	1.35
Diluted earning per share	₹	1.72	1.33
Weighted average number of equity shares for basic EPS	Nos	11,96,52,244	11,96,52,244
Effect of dilution: Share warrants	Nos	-	15,74,200
Weighted average number of equity shares adjusted for the effect of dilution	Nos	11,96,52,244	12,12,26,444

Note 34:
CSR Expenditure

Gross amount required to be spent during the year: ₹ 37.58 lacs (2018-19: ₹ 46.72 lacs)
Amount spent during the year (contribution to NPO, promotion of education, sanitation work and others), paid in cash: ₹ 103.00 lacs (2018-19: ₹ 49.42 lacs)

Note 35: Segment reporting

For management purposes, the Company is organised into business units based on its products and services and has two reportable segments, as follows:

a) **Alumina Refactories & Monolithics products & bauxite ores:** Alumina Refactories & Monolithics products manufactures calcined bauxite, fused aluminium oxide abrasive grains and low cement castables which are mainly consumed in steel plants. Plant grade bauxite ores are captively consumed at the plant and Non plant grade bauxite ores are sold in the market

b) **Power generation:** The Company has a thermal power plant, furnace oil based power plant and windmills. Power generated from thermal power plant and furnace oil based power plant is captively consumed at the plant and power generated from windmills is sold to the respective state power distribution companies

No operating segments have been aggregated to form the above reportable operating segments.

The Executive Management Committee monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. The Company's financing (including finance costs and finance income) and income taxes are managed on a Company basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

(₹ in Lakhs)

Segment Revenues, Results and Other Information Particulars	Alumina Refactories, Monolithics Products & Bauxite Ores		Power Generation		Total	
	For the year ended 2019-20	For the year ended 2018-19	For the year ended 2019-20	For the year ended 2018-19	For the year ended 2019-20	For the year ended 2018-19
REVENUE						
External revenue	33,901.62	30,459.16	683.15	837.64	34,584.77	31,296.80
Inter Segment revenue	-	-	4,916.89	3,602.52	4,916.89	3,602.52
Total	**33,901.62**	**30,459.16**	**5,600.03**	**4,440.16**	**39,501.66**	**34,899.32**
Less: Elimination- Inter Segment revenue	-	-	(4,916.89)	(3,602.52)	(4,916.89)	(3,602.52)
Total revenue	**33,901.62**	**30,459.16**	**683.15**	**837.64**	**34,584.77**	**31,296.80**
SEGMENT RESULTS	2,542.62	2,361.25	1,607.30	1,077.37	4,149.93	3,438.62
Less: Unallocable expenditure/(income) net of unallocable income/expenditure					594.62	521.57
Operating Profit					3,555.31	2,917.05
Less: Exceptional Item					139.73	-
Less: Interest Expenses					795.23	844.96
Profit before tax					2,620.35	2,072.09
Less: Tax expenses					564.44	454.63
Net Profit after tax					**2,055.91**	**1,617.46**

Segment Assets and Liabilities

(₹ in Lakhs)

Particulars	Alumina Refactories, Monolithics Products & Bauxite Ores		Power Generation		Total	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Segment Assets	27,148.78	27,802.99	5,999.07	6,667.34	33,147.85	34,470.34
Unallocated Corporate Assets	-	-	-	-	1,633.77	1,606.83
Total Assets	**27,148.78**	**27,802.99**	**5,999.07**	**6,667.34**	**34,781.62**	**36,077.16**
Segment Liabilities	4,354.09	4,701.41	544.67	841.45	4,898.76	5,542.86
Unallocated Corporate Liabilities					6,630.93	8,913.79
Total Liabilities	**4,354.09**	**4,701.41**	**544.67**	**841.45**	**11,529.69**	**14,456.65**
Capital Expenditure	987.55	679.20	173.02	114.70	1,160.57	793.90
Depreciation	676.86	754.22	351.00	340.63	1,027.86	1,094.85

Revenue From External Customers

(₹ In Lakhs)

Particulars	For the year ended 2019-20	For the year ended 2018-19
India	26,842.33	23,372.93
Outside India	7,742.44	7,923.87
Total revenue as per statement of profit & loss	**34,584.77**	**31,296.80**

The revenue information above is based on the locations of the customers. The Company does not have non current assets located outside India. Revenue from sale of product to one customer is ₹ 4396.21 lacs (31 March 2019: ₹ 3901.07 lacs), arising from sales in the Alumina Refractories, Monolithics Products & Bauxite Ores segment and all other sales is to heterogeneous customers.

Note 36
Fair value disclosures for financial assets and financial liabilities

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonabl approximations of fair values:

(₹ in Lakhs)

Particulars	Carrying amount		Fair value	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Financial Assets:				
Other non-current financial assets	214.33	100.86	214.33	100.86
Total	**214.33**	**100.86**	**214.33**	**100.86**
Financial liabilities				
Borrowings	5,401.31	7,616.14	5,401.31	7,616.14
Other non-current financial liabilities	49.52	15.17	49.52	15.17
Total	**5,450.83**	**7,631.31**	**5,450.83**	**7,631.31**

The management assessed that cash and cash equivalents, trade receivables, trade payables, other current financial asset and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The fair values of long-term variable-rate borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors etc.

Note 37
Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities

Quantitative disclosures fair value measurement hierarchy for financial assets as at March 31, 2020, March 31, 2019

(₹ in Lakhs)

Particulars	Level	As at March 31, 2020	As at March 31, 2019
Assets disclosed at fair value and valued at amortised cost			
Other non-current financial assets	Level - 2	214.33	100.86
Liabilities disclosed at fair value and valued at amortised cost			
Borrowings	Level - 2	5,401.31	7,616.14
Other non-current financial liabilities	Level - 2	49.52	15.17

There have been no transfers between Level 1 and Level 2 during the period.

Note 38 : Financial instruments risk management objectives and policies

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables, and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks and ensures 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.

(a) 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: interest rate risk, currency risk and other price risk, such as commodity risk. Financial instruments affected by market risk include borrowings, receivables and deposits.

The sensitivity analyses in the following sections relate to the position as at March 31, 2020 and March 31, 2019. The sensitivity analysis has been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and the proportion of financial instruments in foreign currencies are all constant. The analysis excludes the impact of movements in market variables on the carrying values of gratuity and other post retirement obligations/provisions.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Interest rate sensitivity:

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ In Lakhs)

Particulars	Increase/decrease in basis points	Effect of profit before tax
March 31, 2020	**+100**	**(54.01)**
	-100	**54.01**
March 31, 2019	+100	(71.83)
	-100	71.83

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company transacts business in local currency and in foreign currency, primarily in USD. The Company has foreign currency trade payables and receivables etc. and is, therefore, exposed to foreign exchange risk

The following table sets forth information relating to foreign currency exposure as at March 31, 2020 and March 31, 2019:

Particulars	As at March 31, 2020		As at March 31, 2019	
	Foreign currency (USD Million)	Amount (₹ Lakhs)	Foreign currency (USD Million)	Amount (₹ Lakhs)
Trade receivables	2.70	2,041.62	2.79	1,927.71
Trade payables	0.29	221.75	0.25	175.81
Other payable	0.18	134.71	0.18	123.30

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(₹ In Lakhs)

Particulars	Change in USD rate	Effect of profit before tax
March 31, 2020	**+5%**	**84.26**
	-5%	**(84.26)**
March 31, 2019	+5%	81.43
	-5%	(81.43)

Commodity price risk

The Company is exposed to the risk of fluctuations in prevailing market commodity prices mainly on coal, furnace oil, bauxite ore and calcined bauxite. The Company's policy is to maintain an inventory level of such commodities based on the demand and price variations in the market. It is impracticable to determine the price sensitivity of these commodities.

(b) 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) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on exchange losses historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in seperate note. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

The maximum exposure and ageing analysis of trade receivables is as follow: **(₹ in Lakhs)**

Trade receivables as at	Not past due	Past due				Total
		1 to 180 days	181 to 365 days	366 to 730 days	Above 730 days	
March 31, 2020						
Gross carrying amount	4,281.42	4,513.37	608.50	306.80	275.19	9,985.27
ECL- simplified approach	-	-	207.89	206.65	261.05	675.59
As on March 31, 2020	**4,281.42**	**4,513.37**	**400.61**	**100.15**	**14.14**	**9,309.68**
March 31, 2019						
Gross carrying amount	3,543.58	4,220.61	333.92	329.14	414.15	8,841.40
ECL- simplified approach	-	-	38.58	214.68	397.16	650.42
As on March 31, 2019	**3,543.58**	**4,220.61**	**295.34**	**114.46**	**16.99**	**8,190.98**

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2020 and March 31, 2019 is the carrying amounts as illustrated in Note 8.

Concentration of trade receivable: At 31 March 2020, the Company had 15 customers (31 March 2019: 16 customers) that owed the Company more than ₹ 100 lacs each and accounted for over 66% (31 March 2019: 81%) of all the receivables outstanding. There were four customers (31 March 2019: five customers) with balances greater than ₹ 300 lacs accounting for approximately 45% (31 March 2019: 59%) of the total amounts receivable. The management continuously monitors the Company's customer base and their outstanding balances.

(c) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing through term loans and working capital loans from domestic banks at an optimised cost.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

(₹ in Lakhs)

Particulars	On demand	Less than 1 year	1 year to 5 years	Total
As at March 31, 2020				
Borrowings*	4,275.48	402.17	732.95	5,410.60
Trade payables	3,358.06	-	-	3,358.06
Other financial liabilities	191.99	-	49.52	241.51
	7,825.53	**402.17**	**782.47**	**9,010.17**
As at March 31, 2019				
Borrowings*	6,087.20	420.49	1,136.06	7,643.75
Trade payables	3,957.15	-	-	3,957.15
Other financial liabilities	92.09	-	15.17	107.27
	10,136.44	420.49	1,151.23	11,708.16

* Includes current maturities of long term borrowings and interest accrued but not due on borrowings.

Note 39
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 or issue new share warrants. 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 (including other bank balances).

(₹ in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Interest-bearing loans and borrowings (including current maturity) (Refer note 14)	5,401.31	7,616.14
Less: cash and cash equivalent (Refer note 7)	(100.38)	(505.94)
Net debt	**5,300.93**	**7,110.20**
Equity share capital (Refer note 12)	1,196.52	1,196.52
Other equity (Refer note 13)	22,055.41	20,423.99
Total capital	**23,251.93**	**21,620.52**
Net debt and total equity	**28,552.86**	**28,730.72**
Gearing ratio	**18.57%**	**24.75%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2020 and March 31, 2019.

Note 40:
Forfeiture of share warrant

During the previous year the Company had allotted 62,96,800 warrants ("Warrants") at ₹ 51.31/- per Warrant for an aggregate consideration of upto ₹ 3,230.89 lacs and entitling the Warrant holder(s), being promoter and promoter group entities, to convert the warrants into equivalent numbers of equity shares in the ratio of one equity share for one share warrant held, within eighteen months from the date of allotment of Warrants i.e., August 01, 2019 in accordance with provisions of Chapter VII of the SEBI ICDR Regulations or subject to other applicable laws and regulations as may be prevailing at the time of allotment of Warrants / conversion of Warrants into Equity Shares ("Preferential Issue").

As at March 31, 2019, money received from warrants of ₹ 807.72 lacs being 25% of exercise price is shown as Money received against share warrants as on balance sheet date.

The Company has received an intimation from the warrant holder that he has decided not to opt for the conversion of the aforesaid warrants and thus conveyed his inability to further exercise his right of conversion of warrants into equity share. As a consequence thereof, the Company forfeited warrant subscription amounting to ₹ 807.72 lacs (₹ 12.83 per warrant on 62,96,800 warrants) paid by the promoter group shareholders.

Note 41

Information required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and Schedule III the Companies Act, 2013 for the year ended March 31, 2020. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by auditors.

(₹ In Lakhs)

	Particulars	As at March 31, 2019	As at March 31, 2018
(a)	Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year. - Principal - Interest	 22.23 Nil	 91.97 Nil
(b)	The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 a long with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
(c)	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 Micro Small and Medium Enterprise Development Act, 2006.	Nil	Nil
(d)	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
(e)	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.	Nil	Nil

Note 42:
Exceptional Item

Exceptional Item represents, the land Transfer Fees of ₹ 139.73 lacs paid by the Company to Gujarat Industrial Development Corporation (GIDC) for its Industrial Plot at Porbandar, in view of change in Company's management control & shareholding in the financial year 2014-15, as per the terms of Lease License Agreement dated July 20, 1973 with GIDC and as per the GIDC Transfer Policy vide Circular dated September 10, 1996 and July 06, 2017. The Company has also submitted Deed of Assignment with GIDC for giving effect of the lease transfer, although GIDC has stalled the transfer process asking Company to provide Registered Deed of Assignment between the existing and erstwhile promoter group shareholders, as per the Rejection Order dated March 17, 2020. The Company has decided to file a petition before the Honourable Gujarat High Court against the Rejection Order dated March 17, 2020 and expensed the amount of ₹ 139.73 lacs deposited with GIDC during the year.

Note 43:
COVID-19 Impact

In the last week of March 2020, an outbreak situation arose in India on account of COVID-2019. The Company has considered such outbreak situation as subsequent event to the Balance Sheet date i.e., March 31, 2020 in terms of Ind AS 10 "Reporting on Event After Balance Sheet Date" and has assessed the operational and financial risk on going forward basis.

In assessing the impact on the recoverability of financial and non-financial assets, the extent to which the COVID-19 pandemic will impact the Company's operations and financial results will depend on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 outbreak and any action to contain its spread or mitigate its impact whether government mandated or elected by the Company.

The impact on the operations and earnings/ cashflows of the Company due to COVID- 2019 outbreak may be assessed only after clarity on the probable relaxation/ policy announced by Government & to have clarity about reopening of Domestic & Export customers manufacturing facility which is still uncertain as on reporting date and lead to impractible for the Company to estimates Projected Revenue from Operations and Earning for the next year and impact thereon due to COVID-19. Though, the management will continue to closely monitor any material changes arising out of future economic conditions and impact on its business.

Note 44:
Events after the reporting date

The Board of Directors at the ensuing meeting dated May 18, 2020, have proposed dividend of ₹ 0.15 per equity share after the balance sheet date which is subject to approval by the shareholders at the annual general meeting. Refer note 13(a) for detail. There have been no other events after the reporting date.

As per our report of even date

For Sanghavi & Co.
Chartered Accountants

Manoj Ganatra
Partner

Place : Bhavnagar
Date : May 18, 2020

For and on behalf of the Board of Directors of
Orient Abrasives Limited

Manubhai Rathod
Whole-Time Director & CEO
DIN: 07618837

Hemul Shah
Director
DIN: 00058558

Bimal Parmar
Company Secretary

V. Shashidharan
Chief Financial Officer

Orient Abrasives Limited

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