

cele brat ing





the hues of cement

At OCL, we think of cement as not just a binder but harbinger of progress in the country's progress that touches upon the economic, cultural, social and inclusive aspects. We are not just making cement. We are adding hues of positivity to it so that every structure it is used in the making of becomes the symbol of country's economic, social and cultural progress. From Hirakud Dam to Shri Jagannath Temple to Vidyasagar Setu to Gandhi Sagar Bridge and many other significant structures across the country have a part of us in it. A part that is perhaps minute but pivotal. The strength and sturdiness of these structures is for all to see. But what is more important to us is the thought that our cement has become an enabler of value creation for our multiple stakeholders. Therefore, we are happy to be **celebrating the hues of cement.**

CORPORATE INFORMATION

PRESIDENTS

Mr. M. H. Dalmia
Mr. R. H. Dalmia

DIRECTORS

Mr. Pradip Kumar Khaitan – Chairman
Mr. Gaurav Dalmia – Managing Director
Mr. D. N. Davar
Dr. S. R. Jain
Dr. Ramesh C. Vaish
Mr. Puneet Yadu Dalmia
Mr. V. P. Sood
Mr. D. D. Atal – Whole Time Director & CEO

BANKERS / FINANCIAL INSTITUTIONS

United Bank of India
State Bank of India
Punjab National Bank
UCO Bank
AXIS Bank Ltd.
International Finance Corporation
Export-Import Bank of India Ltd.
Yes Bank Ltd.

AUDITORS

V. Sankar Aiyar & Co.
Chartered Accountants

CEMENT AND REFRACTORY WORKS & REGISTERED OFFICE

Rajgangpur-770 017 (Odisha)

KAPILAS CEMENT WORKS

Cuttack-753 004 (Odisha)

DELHI OFFICE

17th, Floor, Narain Manzil, 23 Barakhamba Road,
New Delhi-110 001

CONTENTS

Management Reports		Financial Statements	
Notice	02	Standalone Financial Statements	35
Directors' Report	06	Consolidated Financial Statements	65
Management Discussion and Analysis	09		
Corporate Governance Report	26		

NOTICE

Notice is hereby given that Sixty Third Annual General Meeting of the Company will be held at the Company's Rest House at Rajgangpur - 770017 (District Sundargarh, Odisha State) on Saturday, the 14th day of September, 2013 at 4.30 p.m. to transact the following business:

ORDINARY BUSINESS:

(1) To consider and adopt the audited Profit and Loss Account of the Company for the Financial Year 2012-13 and the Balance Sheet as at the 31st day of March, 2013 together with the Reports of the Auditors' and the Directors' thereon.

(2) To declare dividend on equity shares and to consider and, if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the recommendation made by the Board of Directors of the Company, a dividend at the rate of ₹1.50 per paid up equity share of ₹2/- each to the equity shareholders of the Company whose names appear in the Register of Members as on September 14, 2013 be and is hereby declared out of the current profits of the Company for the Financial Year ended March 31, 2013 and the same be in addition to the interim dividend of ₹2.50 per paid up equity share of ₹2/-each, declared and distributed by the Company in the month of February 2013.

RESOLVED FURTHER THAT dividend be paid through ECS/ NECS/any other electronic mode to the shareholders whose particulars are available with the Company/Registrar and Share Transfer Agent/Depository Participant and to others by posting the dividend warrants within 30 days hereof to all the shareholders who are entitled to receive the payment."

(3) To appoint a Director in place of Dr. S. R. Jain who is retiring by rotation and being eligible offers himself for re-appointment.

(4) To appoint a Director in place of Shri Puneet Yadu Dalmia who is retiring by rotation and being eligible offers himself for re-appointment.

(5) To appoint Auditors and fix their remuneration and in this regard to consider and, if though fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT the Auditors of the Company, M/s. V. Sankar Aiyar & Co., Chartered Accountants, New Delhi, who retire at this meeting, being eligible and willing to act as Auditors, be and are hereby appointed Auditors of the Company to hold office till the conclusion of the next Annual General Meeting

of the Company at a remuneration of ₹16,00,000/- (Rupees Sixteen Lacs only) plus such out of pocket expenses, as may be incurred by them in connection with the audit of Company."

SPECIAL BUSINESS:

(6) To consider and if thought fit to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to Section 309(7) of the Companies Act, 1956, approval given at the Annual general Meeting held on June 06, 1969 for payment of commission @1% (one percent) of the net yearly profits of the Company to the Non-Whole Time Directors be and is hereby renewed for a further period of five years commencing from the Financial Year to be ended on March 31, 2014 upto and including the Financial Year of the Company ending as on March 31, 2018 and that such commission be divided among the Non-Whole Time Directors of the Company in manner to be decided by the Board from time to time."

(7) To consider and if thought fit to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of section 17(1) read with Section 192A of Companies Act, 1956, the Objects Clause of Memorandum of Association of the Company, i.e., clause III, be and is hereby altered by deletion of present Sub Clause (2 I) and substitution thereof by the following new Sub Clause (2 I):

"To carry on in India or elsewhere the business of developing, constructing, establishing, commissioning, setting up, operating and maintaining electric power generating stations based on conventional/ non-conventional resources by using wind, solar, water, coal, naptha, fuel oil, furnace oil, natural gas, liquefied natural gas, biomass including bagasse or any other carbohydrate available above the earth or by from offshore or onshore sites in India or outside India for transmission, distribution and marketing the power generated/transmitted in India or outside India at such voltages as required by the customers and invest in research & development of power from conventional or non-conventional or renewable energy sources for generation and also to offer consultancy for power transmission, distribution and power marketing to any customer".

RESOLVED FURTHER THAT Mr. D. D. Atal, CEO and Whole Time Director and Ms. Rachna Goria, Company Secretary, be and are hereby authorized severally to take all the necessary steps and/ or actions and to do such things and deeds as may be necessary

to give effect to this Resolution and also to sub-delegate this authority to any other person which they deem fit.”

- (8) To consider and if thought fit to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of section 149(2A) of the Companies Act, 1956, approval be and is hereby accorded for commencement by the Company of all or any of the businesses specified in Sub Clause (2 I) of Clause III (Objects Clause) of the Memorandum of Association of the Company as they appear after their insertion in the Objects Clause and become effective.

RESOLVED FURTHER THAT Mr. D. D. Atal, Whole Time Director and Ms. Rachna Gorla, Company Secretary, be and are hereby authorized severally to take all the necessary steps and/or actions and to do such things and deeds as may be necessary to give effect to this resolution and also to sub-delegate this authority to any other person which they deem fit.”

By Order of the Board of Directors
for **OCL INDIA LIMITED**

Place: New Delhi

(Rachna Gorla)

Dated: May 29, 2013

Company Secretary

NOTES:

- (1) Special Resolutions at Sl. Nos. 7 and 8 require consent of Shareholders through Postal Ballot.
- (2) EVERY MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIM/HER AND SUCH PROXY NEED NOT BE A MEMBER. The proxies should, however, be deposited at Registered Office of the Company not less than 48 hours before the time of the meeting.
- (3) Corporate members are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the meeting.
- (4) Members/proxies should fill in the attendance slip for attending the meeting.
- (5) The Register of Members will remain closed from September 06, 2013 to September 14, 2013 (both days inclusive).
- (6) C B Management Services (P) Limited, P-22 Bondel Road, Kolkata - 700 019 are the Registrars & Share Transfer Agents of the Company to handle share transfers both in physical and electronic segments and other shares related matters. The

shareholders are requested to correspond with the Registrars at the above address.

- (7) You are requested to quote Folio number and in case your shares are dematerialized quote your Client ID Number and your DP ID Number in all your correspondence with the Company/Registrars for facilitating quick disposal of the letters.
- (8) Shareholders holding shares in electronic form are required to file their nomination forms with their Depository participants. Shareholders holding shares in physical form can submit their nomination forms to the Registrars at Kolkata. Nomination forms can be obtained from the Company or its Registrars at Kolkata.
- (9) In view of the green initiative of the Ministry of Corporate Affairs, shareholders holding shares in physical mode/ electronic mode are requested to please register their e-mail address and changes therein from time to time with the company/the Registrars and Share Transfer Agent of the Company, C. B. Management Services Private Limited at www.cbmsl.com/green.php and/or with the concerned depository participant and also to mention their e-mail address in all correspondence with the company so as to expedite the response and also to enable the Company send the notices of Annual General Meeting, Annual Reports and other communications/documents electronically through e-mail, if not advised otherwise.
- (10) In terms of the SEBI Circular No.CIR/MRD/DP/10/2013 dated March 21, 2013, the Company is required to use any RBI (Reserve Bank of India) approved electronic mode of payment such as ECS [LECS (Local ECS)/RECS (Regional ECS)/NECS (National ECS)], NEFT, etc. for making cash payments to the investors.

Accordingly, to enable the Company comply with the above circular, you are advised to send your correct Bank account particulars (including MICR Number, IFSC Code, Account Type, etc.) to your Depository Participant (if you are holding shares in demat form) or to the Registrar and Share Transfer Agent alongwith a cancelled cheque (if you are holding shares in physical form).

In the absence of above particulars, the Company will use physical payment instruments for making cash payments and shall print your available bank account details on such payment instruments.

The Shareholders, who are still holding shares in physical

form are requested to take immediate action to demat their shares to avail easy liquidity.

- (11) Explanatory Statement and reasons for the proposed resolutions under serial nos. 6, 7 and 8 above, pursuant to Section 173(2) read with Section 192A(2) of the Companies Act, 1956 are given hereinbelow.
- (12) The Board of Directors of your Company at its meeting held on May 29, 2013 has appointed Mr. Mohan Ram Goenka, Partner, MR & Associates, Company Secretaries, as the Scrutinizer for conducting the Postal Ballot process.
- (13) This notice is being sent to all the members whose name appear in the Register of Members/Record of Depositories as on July 12, 2013.
- (14) A member desiring to exercise vote by Postal Ballot may complete the enclosed Postal Ballot Form and send it to the Scrutinizer in the enclosed self-addressed Business Reply Envelope so as to reach the Scrutinizer on or before the close of working hours on August 24, 2013. Postage will be borne and paid by the Company. However, envelopes containing Postal Ballots, if sent by Courier or by Registered Post at the expense of the registered member, will also be accepted.
- (15) The result of the Postal Ballot shall be announced by the Chairman, or in his absence by any other person so authorized by the Chairman, at the Annual General Meeting on September 14, 2013 at 4.30 p.m. at the Company's Rest House at Rajgangpur – 770017, Odisha, India and the resolution will be taken as passed effective from the date of announcement of the result, if the result of the Postal Ballots indicate that the requisite majority of the shareholders had assented to the resolution. Members who wish to be present at the time of declaration of result may do so at the said venue. The result of the postal ballot shall be displayed on the notice board at the Registered Office and shall also be announced at the website of the Company www.oclindia ltd.in.
- (16) Members are requested to carefully read the instructions printed on the backside of the Postal Ballot Form before exercising their vote.
- (17) All relevant documents/papers are open for inspection at the Registered Office/Corporate Office of the Company on all working days, except holidays, between 11.00 A.M. to 1.00 P.M. upto the date of Annual General Meeting.
- (18) As per the requirement of Clause No. 49 of the listing agreement on Corporate Governance, particulars of the Directors who are

eligible to be re-appointed/appointed are given below:

Sheo Raj Jain

Dr. S. R. Jain is a Mechanical Engineer from Pilani Institute. He is the former Chairman of India's largest steel producing company, i.e., Steel Authority of India. He was also Chairman of Coal India Limited and Heavy Engineering Corporation Limited. He was Managing Director of Bhilai Steel Plant. He has variety of experience in the business arena with specialty in steel and heavy industry. He holds directorship in the following companies:

	DIRECTORSHIP IN OTHER COMPANIES	MEMBERSHIP IN COMMITTEES
1.	CONSTEEL INDIA (P) LIMITED	
2.	NEELACHAL ISPAT NIGAM LIMITED	MEMBER - AUDIT COMMITTEE
3.	UNIVERSAL CABLES LIMITED	CHAIRMAN - AUDIT COMMITTEE

He holds Nil shares in the Company.

Puneet Yadu Dalmia

He holds B. Tech degree from the Indian Institute of Technology, Delhi and is a gold medalist from the Indian Institute of Management, Bangalore in strategy and marketing. He has sixteen years of experience in the industry having started his career as the co-founder and Chairman of one of the most profitable e-recruitment websites in India, JobsAhead.com, which was later acquired by Monster.com, a Nasdaq listed multinational company.

	DIRECTORSHIP IN OTHER COMPANIES	MEMBERSHIP IN COMMITTEES
1.	Ankita Pratisthan Limited	
2.	Dalmia Cement (Bharat) Limited	
3.	Dalmia Cement Ventures Limited	Member – Audit Committee
4.	Dalmia Bharat Limited	
5.	Dalmia Bharat Sugar and Industries Ltd.	Member - Shareholders'/ Investors' Grievance Committee
6.	TVS Capital Funds Limited	
7.	Rama Investment Co. Pvt. Ltd.	
8.	ZipAhead.Com Limited	

He holds Nil shares in the Company.

EXPLANATORY STATEMENT

(Pursuant to Section 173(2) of the Companies Act, 1956)

Item No. 6

At the annual general meeting held on 6th June 1969, the shareholders had passed a special resolution for payment of 1% commission to Non Whole Time Directors from the accounting year

ended December 31, 1969 and had authorized the Board to divide the commission at its discretion. As per the provisions of Section 309(7) of the Companies Act, 1956, the above resolution is being renewed from time to time for a period of five years at one time. Keeping in view the services rendered by the Non Whole Time Directors, it is proposed to renew the resolution for another five years by passing a Special Resolution.

All the Non Whole Time Directors are concerned or interested in this resolution.

Item No. 7

In view of various opportunities available in solar power generation and other avenues of power generation, it was in the interest of the Company to enlarge the scope of the Objects Clause of the Memorandum of Association. The Board of Directors had, accordingly, at its meeting held on February 02, 2013 resolved to amend the Objects Clause of the Memorandum of Association by substituting the existing sub-clause (2 I) with a new sub-clause (2 I). The amendment in the Objects Clause of the Memorandum of Association requires a Special Resolution of the shareholders in terms of Section 17(1) of the Companies Act, 1956.

Further, in terms of Section 192A of the Companies Act, 1956, amendment in the Objects Clause of the Memorandum of Association requires the Resolution to be passed through postal ballot. The Special Resolution under Section 17(1) of the Companies Act, 1956 is accordingly recommended to be passed by the members through Postal Ballot.

None of the Directors is interested in the proposed Special Resolution.

Item No. 8

A Special Resolution is required to be passed in terms of Section 149 (2A) of the Companies Act, 1956 before commencement of any new business proposed in Sub-Clause (2 I) of Clause III of the Memorandum of Association. The Special Resolution under Section 149(2A) of the Companies Act, 1956 is accordingly recommended to be passed by the members through Postal Ballot.

None of the Directors is interested in the proposed Special Resolution.

By Order of the Board of Directors
for **OCL INDIA LIMITED**

Place: New Delhi
Dated: May 29, 2013

(Rachna Goria)
Company Secretary

Registered Office:

OCL India Limited
AT/P.O. Rajgangpur 770 017
District Sundergarh
Odisha, India

Corporate Office:

OCL India Limited
17th Floor, Narain Manzil
23, Barakhamba Road
New Delhi – 110 001

DIRECTORS' REPORT

For The Year Ended March 31, 2013

The Directors of your Company are pleased to present their Sixty Third Annual Report together with the audited accounts of the Company for the year ended March 31, 2013.

1. WORKING RESULTS

	(₹ Lakhs)	
	2012-13	2011-12
Net Sales	1,80,883.30	1,45,856.25
Operating Profit	44,191.51	24,049.28
Less: Interest	7,704.09	7,493.50
Depreciation	13,843.39	12,758.07
Profit before Taxation	22,644.03	3,797.71
Provision for Taxation		
Current tax	5,900.00	500.00
Tax for previous Year	200.00	611.35
Deferred tax	905.44	-
MAT Credit available for set off	-	494.65
Profit after taxation	15,638.59	3,181.01
Add: Brought forward from previous year	19,570.91	19,186.17
	35,209.50	22,367.18
Transfer to General Reserve	12,000.00	1,200.00
Transfer to Debenture Redemption Reserve	123.67	273.65
Proposed Dividend	853.50	1,138.01
Tax on Dividend	145.05	184.61
Interim Dividend	1,422.50	
Tax on Interim Dividend	230.77	
Surplus carried to Balance Sheet	20,434.01	19,570.91
	35,209.50	22,367.18

2. DIVIDEND

The Directors recommend payment of final dividend for the Financial Year ended March 31, 2013 of ₹1.50 per paid up equity share of ₹2/- each in addition to the interim dividend of ₹2.50 per paid up equity share of ₹2/-each, declared and distributed by the Company in the month of February 2013. The total dividend for the year ended March 31, 2013 would accordingly be ₹4/- per paid up equity share of ₹2/-each.

3. APPROPRIATIONS

It is proposed to transfer ₹120 Crore to the General Reserve while ₹204.34 Crore are proposed to be retained in the Profit and Loss Account and carried to the Balance Sheet.

4. OPERATIONS

The operational results of the current year vis a vis the previous year have registered an increase of 24% in net sales and 84% and 122% in the operating profits and profit before depreciation and tax, respectively.

5. EXPANSION AND FUTURE PLANS

Your Company has been progressing well with the project of setting up a 1.35 MnTPA cement manufacturing unit in West Bengal. Civil construction work has been progressing well and erection work is planned to be started shortly. The target for commissioning is set for March, 2014.

Your Company is also setting up a 2.5 MW Solar Power Plant for use of green energy and to trade in power market to harness Solar certificate. The plant is expected to be commissioned by December, 2013.

Your Company is also in the process of setting up 4.2 MW Waste Heat Recovery Power Plant at Rajgangpur, attached to Line-II clinkerisation plant, to generate power from waste heat of the cement unit. Order is likely to be placed by June, 2013. This cogeneration plant will meet cogeneration obligation of our 2x27 MW Captive Power Plant. All the formalities in this regard are being completed.

Your Company is identifying the opportunities for manufacturing special refractories with the use of Japanese Technology for supplying the same to the Indian Steel Industry. Your company has also started working in the area of raw material security by exploring various possibilities, e.g., mining and manufacturing of synthetic raw materials.

6. PROGRESS UPON CAPTIVE COAL BLOCK

Radhikapur (West) Coal Mining Private Limited, the joint venture company incorporated for development of coal block at Radhikapur, District Angul, Odisha along with Rungta Mines Limited and Ocean Ispat Private Limited, the Joint Venture partners, is in the process of obtaining statutory clearances like Environmental and Forest Clearance. The process of issuance of TOR and Forest Right Acts formalities have already been completed. The land acquisition process is yet to start by Odisha Industrial Infrastructure Development Corporation for which Company has already deposited the necessary advance money. The process of statutory clearance is slow due to the reasons beyond control.

7. DIRECTORS

Dr. S.R. Jain and Shri Puneet Yadu Dalmia, Directors of the Company, shall retire by rotation at the forthcoming Annual General Meeting in accordance with the provisions of the Companies Act, 1956 and Company's Articles of Association and being eligible, offer themselves for re-appointment.

8. LISTING OF THE COMPANY'S SHARES

The Company's equity shares continue to be listed on the

Bombay Stock Exchange Limited and the National Stock Exchange of India Limited.

9. DIRECTORS RESPONSIBILITY STATEMENT

In terms of provisions of Section 217 (2AA) of the Companies Act, 1956, your Directors 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, wherever applicable;
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company as on March 31, 2013 and of the Profit of the Company for the year ended on that date;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) The Directors have prepared the annual accounts of the Company on a going concern basis.

10. SUBSIDIARIES

OCL Global Limited, a Company incorporated in Mauritius and engaged in international trading of refractory products has become Wholly Owned Subsidiary of the Company with effect from January 01, 2013.

Also, OCL China Limited, a Company incorporated in China and engaged in manufacturing, processing and selling different kinds of refractory products, with 90% of its share capital being held by OCL Global Limited, has become a step down subsidiary of the Company with effect from January 01, 2013.

The Annual Reports of OCL Global Limited and OCL China Limited ("Subsidiary Companies") for the Financial Year ended March 31, 2013 are not being attached with this Annual Report of the Company in terms of Ministry of Corporate Affairs' General circular number 2/2011 dated February 08, 2011 read with Section 212 of the Companies Act, 1956. The annual accounts and the related information of the Subsidiary Companies shall however be available to the shareholders of the Company and shareholders of Subsidiary Companies, seeking such information at any point of time. The annual accounts of the Subsidiary Companies shall also be open for inspection by any shareholder(s) at the Registered Office of the Company and of the Subsidiary Companies concerned.

11. CONSOLIDATED FINANCIAL STATEMENTS

In compliance with the Accounting Standard 21 on Consolidated Financial Statements, this Annual Report also includes Consolidated Financial Statements for the Financial Year 2012-13.

12. MANAGEMENT RELATIONS WITH EMPLOYEES AND LABOUR

Relations of the Management with Employees and Labour remained cordial during the year under review and the industrial peace and harmony was maintained in the organization.

13. FIXED DEPOSITS

As on March 31, 2013 there were 22 fixed deposits aggregating ₹15.32 Lacs which remained unclaimed beyond due dates, out of which deposits aggregating ₹5.89 Lacs have since been renewed/repaid.

14. PARTICULARS OF EMPLOYEES

The particulars of the employees as required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are set out in Annexure-I to the Directors Report.

However, having regard to the provisions of Section 219(1) (b) (iv) of the said Act, the Annual Report excluding the aforesaid information is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company at its registered office.

15. RESUME OF HEALTH, ENVIRONMENT AND SAFETY PERFORMANCE

Your Company is conscious of the importance of environmentally clean and safe operations to ensure safety of all concerned, compliance with statutory and industrial requirements for environment protection and conservation of natural resources to the extent possible.

Your Company has, during the current year, planted about 14000 additional trees making a total plantation of 473,771 trees so far at plant, colony and mines at Rajgangpur and Lanjiberna, respectively.

To create environment awareness among school children who are citizen of tomorrow, your Company has initiated "Environment Awareness Campaign" at various schools in and around Rajgangpur. The "World Environment Day" was celebrated on the June 5, 2012. On the December 11, 2012 - the Founder's day, a cycle rally by students of Dalmia Private Industrial Training Institute (DITI) and few employees carrying placards on environment went through Rajgangpur town. The "National Safety Day" was celebrated on the March 4, 2013 to refresh Safety awareness among the employees in the plant.

Your Company has received CER credit from UNFCCC for 93,700 Tonnes of CO₂ till March, 2007 under CDM (Clean Development Mechanism) Project "Substitution of clinker by slag for manufacture of Portland slag cement (PSC)"

Refractory Division of your Company had unique achievement with calendar year 2012 being ACCIDENT FREE YEAR. The Division has surpassed its previous record of 5,11,960 man days accident free and as on December 31, 2012 it has achieved 8,95,227 man days being accident free. As on March 31, 2013 it has crossed 11,00,000 mark. As an awareness to the Rajgangpur colony residents and employees, the Division took out a rally during early hours on January 01, 2013 through colony, Cement Works and Refractory Works. All the workers of Refractory Division were felicitated on the occasion by the Whole Time Director.

16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO, ETC.

Information required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors), Rules, 1988 with regard to conservation of energy, technology absorption and foreign exchange earnings and outgo are given in **Annexure-II**, which forms part of this report.

17. CORPORATE GOVERNANCE

As per Clause No. 49 of the Listing Agreement, report on Corporate Governance is given in **Annexure-III**, which forms part of this Report.

18. UNCLAIMED SUSPENSE ACCOUNT

In terms of clause 5A of the Listing Agreement, the Company is in the process of opening the demat account in the name and style of "OCL India Limited - Unclaimed Suspense Account" and transferring the shareholders' unclaimed shares to the said account.

19. CORPORATE SOCIAL RESPONSIBILITY

As a responsible corporate citizen, your Company has been undertaking various developmental activities in peripheral areas of its plant and captive mines to improve the socio-economic condition of people on a sustainable basis. The developmental activities are mainly focused on the areas like health, education, drinking water, infrastructure development, livelihood training, games and sports, plantation etc.

Your Company provides free health care services to people at its dispensary in Lanjiberna. It has also been operating a mobile medical unit to provide health care services to senior citizens in about 40 villages of its periphery at their door step. Your Company has constructed first floor of a Girl's Hostel in St. Marry Girls High School for accommodating tribal girls who are pursuing higher studies in Rajgangpur during 2012-13. Your Company is operating 45 one teacher schools (Ekal Vidyalay) in villages to provide preschool education to

students. Your Company has provided desks, constructed toilet blocks in schools during 2012-13. It has been providing livelihood training like tailoring, driving-cum-mechanic, etc. to unemployed youths to make them employable.

20. AUDITORS AND AUDITORS REPORT

M/s V. Sankar Aiyar & Co., Chartered Accountants, Statutory Auditors of the Company, holds office until the conclusion of the forthcoming Annual General Meeting and is eligible for re-appointment.

The Company has received certificate from M/s V. Sankar Aiyar & Co., Chartered Accountants, New Delhi, to the effect that their re-appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for such re-appointment within the meaning of Section 226 of the said Act.

The notes to accounts referred to in Auditors' Report are self explanatory and, therefore, do not call for any further comments.

21. COST AUDIT

The Company has received certificate from M/s R. J. Goal & Co., Cost Accountants, having office at 31, Community Center, Ashok Vihar, Phase – I, New Delhi – 110 052 and having firm registration no. 00026, to the effect that their re-appointment, if made, would be within the prescribed limits under Section 224(1B) read with Section 233B(2) of the Companies Act, 1956 and that they are not subject to disqualifications specified in Section 226 of the said Act. The Cost Auditors have further certified that they are independent firm of Cost Accountants and are at arms length relationship with the Company.

The due date for filing of Cost Audit Report by the Cost Auditor in XBRL format was January 31, 2013 and the same was filed on January 19, 2013

22. ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation of the support provided by your Company's Bankers and Financial Institutions.

Your Directors acknowledge the dedication and commitments of the employees at all levels and also take this opportunity to thank all the valued customers who have appreciated the Company's products and have patronized them.

Your Directors convey their grateful thanks to the Government Authorities (Central & States), shareholders, distributors and dealers for their continued assistance, co-operation and patronage.

For & on Behalf of the Board

Place: New Delhi
Date: May 29, 2013

Gaurav Dalmia
Managing Director

D. N. Davar
Director