

*45<sup>th</sup>*  
*Annual Report*  
*2015-16*



ORIENT ABRASIVES LIMITED

## MANAGEMENT

### BOARD OF DIRECTORS

(as on 9 August, 2016)

Mr. Pundarik Sanyal - Chairman, Non Executive Independent Director  
Mr. S G Rajgarhia - Director  
Mr. Hemul Shah - Director  
Mr. Mihir H Devani - Whole Time Director & CEO  
Mrs. Sangeeta Bohra - Non Executive Independent Director

### BANKERS

State Bank of India

### REGISTRAR & TRANSFER AGENT

Skyline Financial Services Pvt. Ltd.  
D-153/A, 1st Floor  
Okhla Industrial Area, Phase - I  
New Delhi - 110 020

### GENERAL MANAGER (FINANCE & ACCOUNTS)

Mr. Hari Swaroop Goyal

### STATUTORY AUDITORS

S.R. Batliboi & Co. LLP

### REGISTERED OFFICE

GIDC Industrial Area,  
Porbandar - 360 577  
Gujarat  
Telephone : 0286 - 2221788-9  
Fax : 0286 - 2222719  
e-mail : investor@oalmail.co.in  
website : www.orientabrasives.com  
CIN : L24299GJ1971PLC093248

### WORKS

GIDC Industrial Area,  
Porbandar - 360 577  
Gujarat

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## NOTICE

Notice is hereby given that the FORTY FIFTH Annual General Meeting of the members of Orient Abrasives Limited will be held at Hotel Lords Eco Inn Porbandar (A Unit of Delite Enterprises), Near Circuit House, Chaupati, Porbandar – 360575 on Wednesday, 28<sup>th</sup> September, 2016 at 10.00 A.M. to transact the following business:

### ORDINARY BUSINESS :

1. To consider and adopt the Audited Financial Statements of the Company including Cash Flow Statements, Balance Sheet and Profit and Loss Account including various schedules thereupon alongwith the Director's and Auditor's Report thereon for the year ended 31<sup>st</sup> March, 2016.
2. To declare final dividend on equity shares for FY 2015-16.
3. To appoint a Director in place of Mr. Hemul Shah (DIN-00058558), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s SRBC & Co. LLP, Chartered Accountants (having registration no. 324982E), as Auditors from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting.

### SPECIAL BUSINESS

5. To consider and, if thought fit, to give your assent or dissent to the following resolution proposed to be passed as an Ordinary Resolution for regularisation of Additional Director, Mrs. Sangeeta Bohra (DIN-02036626) :-

**"RESOLVED THAT** Mrs. Sangeeta Bohra, who was appointed as an Additional Director with effect from 29<sup>th</sup> September, 2015 on the Board of the Company in terms of Section 161 of the Companies Act, 2013 and Articles of Association of the Company and who holds office up to the date of this Annual General Meeting, and in respect of whom a notice has been received from a member in writing under Section 160 of the Companies Act, 2013 along with requisite deposit, proposing her candidature for the office of Director, be and is hereby appointed as Director of the Company."

6. To consider and, if thought fit, to give your assent or dissent to the following resolution proposed to be passed as an Ordinary Resolution for Appointment and Ratification of Cost Auditors Remuneration :-

**"RESOLVED THAT** pursuant to provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, consent of the members of the Company be and is hereby accorded by way of ratification as to appointment of M/s. S.K.Rajani & Co. (Firm Registration No. 101113), Cost Accountants for conducting audit of Cost Accounts and Records for the Financial Year 2016-2017 of:-

Abrasives Grains and Power Division of the Company, pursuant to rule 3 & 4 of Companies (Cost Records and Audit) Rules, 2014 and further amendment if any, issued by Ministry of Corporate Affairs, at a fee of ₹ 1,00,000/- plus applicable taxes and various out of pocket expenses to be incurred therein, as may be determined, recommended by Audit Committee and finalized by Board of Directors in consultation with Cost Auditors."

For and on behalf of the Board

Sd/-

Mihir H Devani

Whole Time Director and CEO

(DIN-07238089)

Place: Mumbai

Date: 09.08.2016

The Notice of the meeting containing the business to be transacted, is enclosed. As per Section 108 of the Companies Act, 2013, read with related rules and regulation 44 of the SEBI (Listing Obligations and Disclosure) Requirements 2015, the Company is pleased to provide its members the facility to cast their votes by electronic means on all resolutions set forth in the notice as aforesaid. The instructions for e-voting are enclosed herewith.

### Enclosures:

Instructions for e-voting  
Proxy form  
Attendance slip

**NOTES**

1. i *A Member entitled to attend and vote at the Annual General Meeting (AGM) is entitled to appoint a proxy to attend and vote instead of him / her behalf and the proxy need not be a Member of the Company.*  
***The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the meeting i.e. on or before 26<sup>th</sup> September, 2016 before 10.00 a.m. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.***  
***Proxy shall carry his / her identity proof (any one of PAN Card, Voter ID Card, AADHAR Card, Driving License, Passport) at the venue of Annual General Meeting.***  
*During the period beginning 24 hrs before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.*
- ii The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice. A route map giving directions to reach the venue of the 45th Annual General Meeting is given at the end of the Notice.
- iii The Register of Members and Transfer Books of the Company will be closed from Tuesday, 20<sup>th</sup> day of September, 2016 to Wednesday, 28<sup>th</sup> day of September 2016, (both days inclusive). If the dividend as recommended by the Board of Directors is approved at the Annual General Meeting, payment of such dividend will be made on or after September 30, 2016 as under:
  - i. To all Beneficial Owners in respect of shares held in electronic form, as per the data made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), as of the close of business hours on Monday, 19<sup>th</sup> September, 2016
  - ii. To all Members in respect of shares held in physical form, after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on Monday, 19<sup>th</sup> September, 2016, being the cut-off date.

Additional information, pursuant to Regulation 36 of the SEBI (LODR) Regulations, 2015 read with Section 152 of the Companies Act, 2013, as to details of Directors proposed to be appointed re-appointed alongwith Secretarial Standards on General Meeting issued by the Institute of Company Secretaries of India (ICSI) are stated in this notice and also provided in the Report on Corporate Governance forming part of the Annual Report.
- iv Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details for payment of dividend etc., National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, to provide efficient and better services. Members holding shares in physical form are requested to opt for dematerialization of shares and intimate changes as aforesaid, if any, to the Company's Registrar & Transfer Agents.
- v Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company's Registrar & Transfer Agents for assistance in this regard.
- vi Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such Member after making requisite changes thereon.
- vii In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will only be entitled to vote.
- viii To support the 'Green Initiative', the Members who have not registered their e-mail addresses are requested to register same with RTA/Depositories.

2. Members desiring any information as regards the accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready at the meeting.
3. For security reasons and for proper conduct of the Meeting, entry to the place of the Meeting will be regulated by the Attendance Slip, which is annexed to the Proxy Form. Members/ Proxies are requested to bring their Attendance Slip complete in all respects and signed at the place provided there at and hand it over at the entrance of the venue.
4. Pursuant to Sections 205A and 205C and other applicable provisions, if any, of the Companies Act, 1956, all unclaimed / unpaid dividends, remaining unclaimed / unpaid for a period of seven years from the date they became due for payment, have been transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. No claim shall lie against the IEPF or the Company for the amounts so transferred nor shall any payment be made in respect of such claim.

**Updation of Members' Details:**

The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Companies Act, 2013 requires the Company / Share Registrars and Transfer Agents to record additional details of Members, including their PAN details, email address, bank details for payment of dividend, etc. A form for capturing the additional details is appended at the end of this Annual Report. Members holding shares in physical form are requested to submit the filled in form to the Company or its Share Registrars and Transfer Agents. Members holding shares in electronic form are requested to submit the details to their respective Depository Participants.

**Details of Unclaimed Dividend on Website:**

In order to help Members to ascertain the status of Unclaimed Dividends, the Company has uploaded the information in respect of Unclaimed Dividends for the financial year ended 31st March, 2009 and subsequent years on the Website of Investor Education and Protection Fund, [www.iepf.gov.in](http://www.iepf.gov.in) and under "Investor Relations" Section on the website of the Company, [www.orientabrasives.com](http://www.orientabrasives.com). The Company has also instructed our Registrar & Transfer Agents to approach its members requesting them to claim dividend on/or prior to transfer to IEPF.

5. Members, who have not yet encashed their dividend warrant for the financial years 2008-09 and onwards, are requested to make their claims without any delay to the Company. Members' attention is particularly drawn to the "Corporate Governance" section of the annual report in respect of unclaimed dividend.
6. In accordance with the provisions of Section 101 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, this Notice and the Annual Report of the Company for the financial year 2015-16 are being sent by e-mail to those Members who have registered their e-mail address with the Company (in respect of shares held in physical form) or with their DP (in respect of shares held in electronic form) and made available to the Company by the Depositories. The Company requests those Members who have not yet registered their e-mail address, to register the same directly with their DP, in case shares are held in electronic form or with the Company, in case shares are held in physical form.
7. As per the provisions of Section 72 of the Companies Act, 2013, facility for making nomination is available for the Members in respect of the shares held by them. Members holding shares in single name and who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record fresh nomination, he may submit the same in Form No. SH-14. Both Forms are appended at the end of the Annual Report. Members holding shares in physical form are requested to submit the forms to the Company's Share Registrars and Transfer Agents. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant.
8. Hard copy of Annual Report is being sent to the members, who have not registered their e-mail ID with their depositories. Any member who has registered their e-mail ID, who is also interested in obtaining a physical copy of the Annual Report, may write to the company or to the Registrar and Share Transfer Agent of the Company.
9. The Notice of the 45th Annual General Meeting and instructions for e-voting, along with the Attendance Slip, Ballot Form, Proxy Form and the Annual Report 2015-16, is being sent by electronic mode to all members whose email addresses are registered with the Registrar and Share Transfer Agent of the Company / Depository Participant(s) unless a member has requested for a hard copy of the same.
10. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Registrar and Share Transfer Agent of the Company / Depository Participant(s) of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

11. Members may also note that the Notice of the 45th Annual General Meeting and the Annual Report for the year 2015-16 will also be available on the Company's website [www.orientabrasives.com] for their download. The physical copies of the aforesaid documents and documents referred to in the notice will be available at the Company's Registered Office for inspection during 11:00 A.M. to 1:00 P.M. on all working days up to the date of the Annual General Meeting. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [investor@oalmail.co.in].

#### **E-voting**

In compliance with Section 108 and other applicable provisions of the Companies Act, 2013 (the Act) if any, read together with the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification or re-enactment thereof for the time being in force and any other rules, regulations, notifications etc. (in force / brought in force after issuance of present notice), the Company is pleased to provide to the Members the facility to exercise their right to vote at the 45th Annual General Meeting ('AGM') by electronic means and the business may be transacted through the e-voting services provided by National Securities Depository Ltd. ('NSDL').

The facility for voting through ballot paper will also be made available at the AGM and members attending the AGM, who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be able to cast their votes again. The instructions for e voting are annexed to the notice.

E-voting facility is available at the link [www.evoting.nsdl.com](http://www.evoting.nsdl.com)

#### **The Detailed procedure / instructions for e-voting is as follows:-**

- a) **For Members whose email addresses are registered with the Company / Depository Participant(s)**  
The members who receive email form NSDL should open the PDF file attached with the email. The said PDF file contains his / her user ID / Password for e-voting. Please note that the password is an Initial Password.
- b) **For Members whose email addresses are not registered with the Company / Depository Participant(s)**  
In case of Members whose email addresses are not registered with the Company / Depository Participants, their User ID and initial password / PIN is provided on the Attendance Slip sent with the AGM Notice. Please follow all steps from Sr. No. (ii) to (xi) as mentioned in a above, to cast your vote.
- c) In case, any member does not receive 'User-ID' and 'Password' as mentioned in Sr. No. (a) and (b), then, they shall contact the NSDL on toll free no. 1800-222-990.
- d) The following steps should be followed for casting the vote through remote e-voting (In both the cases mentioned at Sr. No. (a) and (b) above:
  - (i) Open internet browser and type the following URL: <http://www.evoting.nsdl.com>
  - (ii) Click on Shareholder -- Login.
  - (iii) If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
  - (iv) If you are logging in for the first time, please enter the user ID and password provided through e-mail (as per Sr. No (a) above) or in a letter enclosed with Annual Report (as per Sr. No (b) above), as the case may be.
  - (v) Password change menu will appear on your screen. Change to a new password of your choice; ensure that it contains a minimum of 8 digit or characters or a combination of both. Please keep your password confidential.
  - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active voting cycle.
  - (vii) Select "EVEN" (E-Voting Event Number) of "**Orient Abrasives Limited**".
  - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
  - (ix) The voting rights of the shareholders shall be reckoned in proportion to their shares held in the total paid up equity share capital of the Company as on cut - off date i.e., **19<sup>th</sup> September, 2016**.
  - (x) Cast your vote by selecting appropriate option and click on "Submit" and "Confirm" when prompted.
  - (xi) Upon confirmation, the message "Vote cast successfully" will be displayed.
  - (xii) Once you have voted on the resolution, you will not be allowed to modify your vote.

- (xiii) Corporate / Institutional members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF format) of the Board Resolution / Authority letter, etc. together with attested specimen signature(s) of duly authorized representative (s), to the Scrutinizer through e-mail at [jatinfcs@gmail.com](mailto:jatinfcs@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) and a copy to [investor@oalmail.co.in](mailto:investor@oalmail.co.in) Company Secretary of the company.
- e) The members who have casted their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote.
- f) The remote e-voting period shall commence on **Sunday, 25<sup>th</sup> September, 2016 (9:00 A.M.)** and ends on **Tuesday, 27<sup>th</sup> September, 2016 (5:00 P.M.)**. Thereafter, the remote e-voting facility will be blocked.
- g) Any person who have acquired shares and became members of the Company after the dispatch of the notice of AGM but before the cut-off date of **19<sup>th</sup> September, 2016**, may obtain their user ID and password for e-voting from the Company's Registrar & Share Transfer Agent or NSDL.
- h) In case of any queries, you may refer the Frequently Asked Question (FAQs) – Shareholders and remote e-voting user manual Shareholders, available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
- i) You can also update your mobile number and email ID in the user profile details of the folio which may be used for sending future communication.
- j) Any person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the Depositories / Share transfer agent as on cut-off date only shall be entitled to avail the facility of remote e-voting / voting at the Annual General Meeting through Ballot Paper.
- k) The Company has appointed M/s SPJ & Co., Company Secretaries, as 'Scrutinizer' for conducting and scrutinizing the voting process (Ballot Paper as well as Remote e-voting) in a fair and transparent manner. In terms of Clause 35B of the Listing Agreement, in order to enable its members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, a Ballot Form is annexed. A member desiring to exercise votes by Ballot shall complete the annexed Ballot Form with assent (for) or dissent (against) and send it to M/s SPJ & Co., Company Secretaries, 'Scrutinizer' at 303, Building No. 10159, Padam Singh Road, Karol Bagh, New Delhi - 110005 so as to reach them on or before September 27<sup>th</sup>, 2016 by 5.00 P.M. Any Ballot Form received after the said date shall be treated as if the reply from the member has not been received. The members, who have casted their vote prior to the meeting by e-voting / physical ballot, shall not be entitled to vote again at the Annual General Meeting. Once a vote is cast by a member, he / she shall not be allowed to alter it subsequently.
- l) The Scrutinizer shall immediately after the conclusion of voting at the AGM, will first count the votes cast at the AGM by Ballot Papers and thereafter unlock the votes casted through remote e-voting in the presence of at least two witnesses not in the employment of the Company. The Scrutinizer shall make, within a period not exceeding two days from the conclusion of the AGM; a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman of meeting or a person authorized by him in writing.
- m) The Results of voting along with the report of the Scrutinizer shall be placed on the website of the Company [www.orientabrasives.com](http://www.orientabrasives.com) and on the website of NSDL, immediately after the declaration of result by the Chairman of the meeting or a person authorized by him. The results shall also be forwarded to Stock Exchanges, where the company's equity shares are listed.

For and on behalf of the Board  
Sd/-  
Mihir H Devani  
Whole Time Director and CEO  
(DIN-07238089)

Place: Mumbai  
Date: 09.08.2016

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****ITEM NO. 5**

In accordance with the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company, the following director was appointed as additional director:-

- I. Mrs. Sangeeta Bohra (DIN-02036626), w.e.f. 29<sup>th</sup> September 2015.

Pursuant to Section 161 of the Companies Act, 2013 the above mentioned director holds office up to the date of this Annual General Meeting. In this regard the Company has received request in writing from a member of the company proposing candidature for her appointment as Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013. The Board feels that presence of Mrs. Sangeeta Bohra on the Board would be beneficial to the Company and hence recommend resolution No. 5 for approval and adoption.

None of the Directors or Key Managerial Personnel of the Company or their relatives other than Mrs. Sangeeta Bohra and those mentioned in the respective resolutions and their relatives are in any way concerned or interested, financially or otherwise. The Board recommends resolution under Item No. 5 to be passed as ordinary resolution.

**ITEM NO. 6**

As per recommendation given by the audit committee and further considered by the Board of Directors, the Company has appointed M/s. S. K. Rajani & Co. (Firm Registration No. 101113), Cost Accountants for the financial year 2016-17. However as per provisions of section 148 of the Companies Act, 2013 and rule 3 & 4 of Companies (Cost Records and Audit) Rules, 2014, it is required to approve the professional fees, which has been decided by the Board of Directors for Cost Audit for the financial year 2016-17. During the year the Board has approved the professional fee of ₹ 1,00,000/- plus Service Tax plus out of pocket expenses for cost audit of cost accounts and records maintained by the company.

Accordingly your Board seek approval for authorization to Board so as to pay professional fees of ₹ 1,00,000/- plus Service Tax plus of out of pocket expenses for cost audit by way of an Ordinary Resolution.

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

For and on behalf of the Board

Sd/-  
Mihir H Devani  
Whole Time Director and CEO  
(DIN-07238089)

Place: Mumbai  
Date : 09.08.2016



## DIRECTORS' REPORT

*Dear Members*

Your directors are pleased to submit the **FORTY FIFTH** annual report of the Company along with the audited financial statements for the financial year ended March 31, 2016.

### FINANCIAL RESULTS

	(₹ In Lacs)	
PARTICULARS	2015-2016	2014-2015
Revenue from Operations (Gross)	31,131.15	20,427.24
Less: Excise Duty	2,501.38	2,136.48
<b>Revenue from Operations (Net)</b>	<b>28,629.77</b>	<b>18,290.76</b>
Add:- Other Income	205.64	90.27
<b>Total Revenue</b>	<b>28,835.41</b>	<b>18,381.03</b>
Profit before depreciation, interest and tax	4,944.31	3,048.68
<b>Less:</b> Depreciation	<b>896.22</b>	<b>1,059.07</b>
Interest	340.45	275.71
Profit before Income Tax	3,707.64	1,713.90
<b>Less :</b> Income Tax	<b>1,346.48</b>	<b>482.98</b>
Net Profit for the year	2,361.16	1,230.92
<b>Add:</b> Balance brought forward from the previous year	<b>5,756.76</b>	<b>5,300.79</b>
Amount available for appropriation	8,117.92	6,531.71
<b>Appropriation:</b>		
General Reserve	400.00	400.00
Dividend on Equity Shares	299.10	299.10
Corporate dividend tax	60.89	60.89
CSR Expenses	31.66	14.96
Balance carried forward to balance sheet	7,357.93	5,756.76

### OPERATIONS REVIEW AND FUTURE OUTLOOK

The gross turnover of the Company increased to ₹ 31,131.15 lacs from ₹ 20,427.24 Lacs during previous year i.e. registering an impressive jump of more than 50 %. Accordingly, Profit Before Tax (PBT) and Net Profit were ₹ 3,707.64 Lacs and ₹ 2,361.16 Lacs respectively as compared to ₹ 1,713.90 Lacs and ₹ 1,230.92 Lacs respectively in the previous year.

During the year under review the Company sold Bauxite and its value added products amounting to ₹ 30,464.62 Lacs as compared to ₹ 19,800.28 Lacs in the previous year. The Company has received permission from Gujarat Government for sale of Bauxite. The Market for abrasive grains is marginally showing improvement in current year.

Your Company also runs wind power plants of 11.1 MW in Rajasthan & Karnataka. During the year the gross revenue from sale of power to respective state power distribution companies was ₹ 666.53 Lacs as compare to ₹ 626.96 Lacs in previous year.

Your Company has a total thermal power plant capacity of 18 MW out of which 9 MW is based on coal and 9 MW on furnace oil. The furnace oil based power plant is used as and when required and same has been found viable.

Your directors are hopeful that the company's performance will improve in the coming years.

### CREDIT RATING OF BANK BORROWINGS

For Long Term Bank Facilities A (Single A) rating has been assigned by Credit Analysis & Research Ltd. (CARE). This rating indicates adequate safety and carries low credit risk.

For short term borrowings A1+ (A One Plus) has been assigned by Credit Analysis & Research Ltd. (CARE). This rating indicates very strong degree of safety and lowest credit risk.

### DIVIDEND

Based on the Company's performance, your directors are pleased to recommend a final dividend of ₹ 0.25 per share (i.e. 25%) for the financial year 2015-16 on the capital of 11,96,39,200 equity shares of ₹ 1.00 each, in previous year it was also ₹ 0.25 per share (i.e. 25%).

The final dividend and dividend distributed tax involve the cash out flow of ₹ 359.99 Lacs (Previous Year ₹ 359.99 Lacs), the dividend is subject to approval of members of the Company in the Annual General Meeting.

**SHARE CAPITAL**

Share capital audit, as per the directives of the Securities and Exchange Board of India, is being conducted on a quarterly basis by M/s. Jatin Gupta & Associates, Company Secretaries. The Share Capital Audit Reports are duly forwarded to BSE Limited, the National Stock Exchange of India Limited where the shares of your Company are listed. Furthermore, it is confirmed that during the year under review the Company has neither issued shares in general nor with differential voting rights or granted stock options or sweat equity and does not have any scheme to fund its employees to purchase the shares of the Company. As on 31<sup>st</sup> March, 2016, none of the Directors of the Company hold convertible instruments.

The paid up Share Capital of the Company as on 31<sup>st</sup> March, 2016 was ₹ 1,196.52 Lacs.

**RESERVES**

Your Company, before the declaration of dividend in every financial year, transfers such percentage of its profits for that financial year to the General Reserve as it considers appropriate. Pursuant to the provisions of the Companies Act, 2013, in the year under review, the Company proposes to transfer ₹ 400 Lacs to Reserves.

**PROMOTER CHANGE**

The members are aware that during the year under reference new set of promoters were reined in, consequent upon erstwhile Promoters i.e. Rajgarhia family executing a Share Purchase Agreement with present promoters for change in management and controlling rights in your Company for which due course of Law of Land was followed. Presently Bombay Minerals Limited (BML) are acting as Promoters of the Company.

**HOLDING SUBSIDIARY AND ASSOCIATE COMPANY**

During the current year, w.e.f. 15 July 2015 Bombay Minerals Limited, became the associate company of your Company.

**SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS**

The Company does not have any subsidiary, hence nothing is required to be stated on this count and the results presented before members are standalone results of Orient abrasives Limited only. It is confirmed that same are prepared in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 ('the Act') read with Companies (Accounts) Rules, 2014, form part of Annual Report and are reflected in the Financial Statements of the Company.

The annual financial statements and related detailed information will be kept at the Registered Office of the Company and will be available to investors seeking information at any time.

**FIXED DEPOSIT**

During the year under review, your Company did not accepted any fixed deposits.

There are no unclaimed deposits as on March 31, 2016.

Deposits accepted during the year : NIL

Remained unpaid or unclaimed as at the end of the year : NIL

Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved

(i) at the beginning of the year : NIL

(ii) maximum during the year : NIL

(iii) at the end of the year : NIL

(iv) Non Complied Deposits : NIL

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

During the year, there were no loans, guarantees or investments extended by the Company.

**GOING CONCERN**

During the year, there is no significant and/or material order passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

**AUDITORS****Statutory Auditors:**

The Company's Statutory Auditors M/s SRBC & Co. LLP. (ICAI Firm Registration No. 324982E) Chartered Accountants, retire at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment, and had expressed their willingness to be re-appointed.