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Recapping FY 2021

42%

Y-o-Y EBIDTA growth in FY 2021

147%

Y-o-Y PAT growth in FY 2021

46%

Y-o-Y net-debt reduction as on March 31, 2021

73%

RoCE growth in FY 2021

₹ 10.45

EPS in FY 2021 against ₹ 4.23 in FY 2020

Forward-looking statements

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

Corporate Information

Board of Directors

Mr. Chandrakant Birla, Chairman

Mrs. Amita Birla

Mr. Rajeev Jhawar

Mr. Rabindranath Jhunjhunwala

Mr. Janat Shah

Mr. Swapan Dasgupta

Mr. I.Y.R. Krishna Rao

Mrs. Varsha Vasant Purandare

Mr. Desh Deepak Khetrapal, Managing Director & CEO

Key Managerial Persons

Mr. Desh Deepak Khetrapal, Managing Director & CEO

Mr. Soumitra Bhattacharyya, Chief Financial Officer

Mrs. Nidhi Bisaria. Company Secretary

Statutory Auditors

M/s. S.R. Batliboi & Co., LLP, Chartered Accountants. 22. Camac Street, Block C. 3rd Floor Kolkata-700016

Registered Office

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

Corporate Identification No.

L269400R2011PLC013933

Manufacturing Plants

Devapur:

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

Jalgaon:

Nashirabad, Dist. Jalgaon (Maharashtra)

Chittapur:

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

Registrar & **Share Transfer Agent**

KFin Technologies Private Limited

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

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

Bankers

State Bank of India HDFC Bank Limited Indian Bank ICICI Bank Limited EXIM Bank of India Punjab National Bank

Annual General Meeting

(Through Video Conferencing/Other Audio Visual Means)

Date: 5th day of August, 2021

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

Book Closure for AGM

Friday, 30th day of July, 2021 to Thursday, 5th day of August, 2021 (Both days inclusive)

Website

www.orientcement.com



For the adventurous, it is an invitation to explore what lies beyond.

For us at Orient Cement Limited, every challenge is an invitation to take another bolder step – for we believe in challenging our limits and extending possibilities! We practice 'The Art of Possible'.

Orient Cement has been through its trials and tribulations. But, never have we failed to overcome, succeed and emerge stronger. For we believed in our strengths to redefine our capabilities. We dared to achieve more and never hesitated to learn from our difficulties. Resting on our can-do attitude, we have traversed a long journey, dotted by many highs and a few lows. But, what keeps us enthused to stride further and target higher objectives is our *limitless* curiosity and a relentless attitude to reinvent and redefine our approach to build a stronger, sustainable and customer-centric organisation.

Today, we are stronger and more resilient than before, having learnt from innumerable hardships posed by the global pandemic. At the dawn of a new reality, we are poised to respond to *limitless* opportunities with agility, bold decisiveness and prudence – leading the way for Orient Cement to accomplish *limitless* prospects for sustained growth.

(CK BIRLA GROUP

About the Group

The CK Birla Group is a diversified US \$2.4 billion conglomerate with a global presence and a history of enduring relationships with renowned global companies.

With over 30,000 employees, 44 manufacturing facilities and numerous patents and awards, the Group's businesses are present across five continents. The Group operates in three industry clusters: technology and automotive, home and building, and healthcare and education.

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



004-005

About Orient Cement

Drawing on 40+ years of legacy, Orient Cement Limited is one of the leading cement companies in India today.

Starting it's journey in 1979 at Devapur, Telangana, the Company was demerged from Orient Paper and Industries Limited in 2012. Currently as a fast growing, valueaccretive cement company in India, we have developed a range of cement products.

Currently operating in key markets of Maharashtra, Telangana and Karnataka, we are also setting strong inroads in newer markets of Andhra Pradesh, Madhya Pradesh, Chhattisgarh, Kerala, Uttar Pradesh, Gujarat, Tamil Nadu and Goa. The strength of our business model is supported with two integrated cement manufacturing plants and one split clinker grinding unit.



8 MTPA

Cement manufacturing capacity

5.5 MTPA

Clinker manufacturing capacity

11 States

Market presence

Our vision

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





Collaboration

The Orient Cement way, the *dahi haandi* way



Humility to learn



Walk the talk



Respect for all



Celebrate diversity



Passion to excel



Agility with speed

Chairman's Message

Dear shareholders,

Our resolve to consistently focus on operational excellence enables us to demonstrate a resilient attitude that allows us to successfully tide through any crisis. At Orient Cement, our distinctive approach sets us apart.



FY 2020-21 has been unlike any other witnessed in recent memory. While the pandemic disrupted lives as well as businesses across the world, as a companu with strong fundamentals, we emerged successful with an overarching focus on business continuity. The journey through the last year was not smooth. We started off with zero capacity utilization in the early days of first quarter and managed to exceed our rated capacity in the last few weeks of the year. Your Company demonstrated a strong rebound in revenues and overall profitability, driven by a strong focus on prudent cost and cash management and innovative structural reforms.

To overcome challenges, we focused on optimising costs and maximising cash generation. Your Company achieved this with several measures directed across processes that delivered the results we aspired for. As macroeconomic factors remained beyond the control of the organisation, we strategically planned to leverage our operational strengths.

With noticeable demand upswing in the latter part of the year, fuelled by the short-lived respite from the first wave of Covid-19 as well as resumption of infrastructure projects, demand for cement rebounded.

Your Company serviced the buoyant demand leveraging its strong connect with the customers and channel partners. The team channelised its resources across supply chain network strategically to ensure quickest product delivery.

The demand from rural regions improved substantially and we achieved volume growth for our products towards the end of FY 20-21. Besides, your Company maintained its focus on marketing superior quality cement to create distinct value in the space. Your Company's premium product 'Birla.A1 StrongCrete' has continued to show progressive growth over the years, validating our conviction to create a product with a difference and improve our margin growth.

Your Company also strongly believes in prioritising the health and safety of its people. Not only did the Company look after the overall well-being of its employees during the pandemic, it also took all the necessary measures possible to ensure safety at workplace. As a responsible organisation, your Company also remains deeply committed to fulfil its environmental obligations. Your Company has made significant strides towards its commitment on ESG goals and strengthened its focus on being a sustainable entity.

I am pleased to report that every team member, from our top leadership to our operating workforce identifies with our vision, mission and values and contribute towards their realisation. The Company continues to provide platforms for the holistic development of employees, through innovative collaborations and engagement initiatives that keep people motivated and focused.

The Company is adapting to a 'New Normal', becoming smarter and sharper, to further its competencies as an agile enterprise. We are also optimistic about expanding our capacity to 11.5 million tonnes by FY 24 and further to 14.5 million tonnes soon thereafter. To achieve this objective, we have intensified our focus on deleveraging the business and built a robust balance sheet. We now look forward, with great enthusiasm, to unlock greater value for all our stakeholders and capitalise on opportunities to build Orient Cement of tomorrow.

CK. Birla

Chairman



We are also optimistic about expanding our capacity to

11.5 million

tonnes by FY 24.



The years 2020 and 2021 will be remembered as anything but normal years in the recent history of mankind. The worldwide loss of lives and livelihood caused by the raging Covid-19 pandemic has been beyond imagination. Businesses across the world have faced overwhelming challenges and uncharted waters as they continue to navigate the impact and uncertainties created by the catastrophe. The first few months of FY 2020-21 were challenging for the course of our business, but the year brought out the best in us, enabling us to adjust to the new normal fairly quickly. We marched forth in the midst of adversities and the prevailing uncertainity led anxieties with an unwavering attitude of *limitless*. This approach was exhibited across operations and processes, powering the Company to come out stronger and better.

At Orient Cement, we continue to emphasize our role as part of the cement industry in the development and modernization of the society through enabling construction of infrastructure and housing. We stay mindful of our position and obligation as cement manufacturers to the nation. As a company that strives to be the benefactor to the economy, we have always focused on creating value for stakeholders at all levels. With this distinctive spirit, our annual reports during last few years have showcased the inclusive approach of your Company, touching specifically on the positive impact we create for all stakeholders.

Today, **Birla.A1 StrongCrete** has its noticeable presence in most of our markets, has grown to nearly

10%

of our B2C sales since launch and we remain optimistic to drive its growth further.

Limitless

The Covid-19 pandemic has hit the businesses and humanity at large. For many of us, it is the first time we have witnessed a disaster of this kind in our memory. So how does one counter it? It surely needed a mammoth effort to create balance between business continuity and protecting lives of our employees and other stakeholders.

The *limitless* attitude is the perfect extension of our existing values framework. We stood our ground, adhering to our values framework to be our guiding light during these tough times. I am proud to

say that our team-members have been the true torch bearers and led from the front. They not only embraced the values and culture of Orient Cement but came together collectively as one unit to deliver results that have exceeded everyone's expectations in the true *Dahi Haandi* way!

While every member navigated through the unpredictable times in getting back in quick time, the leadership team and Board came together to take some important strategic calls. A response with speed and agility with *limitless* vision was the need of the hour. And so, we did. One, we booked/renegotiated certain contracts in the early days of the lockdown with beneficial terms

Our Board of Directors



The year will remain memorable for reasons plenty, but one thing that stood out was the commitment and passion of our people.

in the first quarter itself. This de-risked us to a large extent against the cost push that we witnessed in the latter half of FY 2021. Second, we also stepped up our efforts towards fuel and raw material flexibility using process adaptability to appropriate cost arbitrage as inflation drove up prices of all major raw materials. Third, we restructured our distribution network and realigned our channel partner strategy to widen our reach in new markets as well as strengthen our presence in existing markets. These steps enabled us to improve our performance and sustain profitability amidst a challenging year.

We also pushed the boundaries of delivering on our commitments. When we introduced 'Birla.A1 StrongCrete' just over 3 years back as our premium solution for superior construction, and not just a premium brand, naysayers wrote it off, citing who would pay the high price for a commodity like cement? We stood our ground. We knew the qualitative aspects of 'Birla.A1 StrongCrete' and were confident of its market acceptance. Today, Birla.A1 StrongCrete has its noticeable presence in most of our markets, growing to nearly 10% of our B2C sales since launch; and we remain optimistic to drive its growth further.

Our *limitless* approach of agility and scalability paid off well when we effectively countered inflation and cost pressures. Sustained by our industryleading efficiencies in heat consumption and power consumption, our energy costs have actually reduced during the year with optimum fuel-mix, advanced booking of fuels and disciplined bidding strategy.

People at heart of our strategy

The year will remain memorable for reasons plenty, but one thing that stood out was the commitment and passion of our people. As I had mentioned in the previous Annual Report, our hypervigilance for people safety and well-being overrode all strategies, but there were some that stand out. The uncertainty created by Covid-19, with no clear visibility as to how things would shape up was a challenge that faced us, and all businesses alike. However, we could not have been prouder of our team for the way each and every one of them rose to the challenge. We experienced their responsible mindset and resilience, as they accepted our tough calls on control over operating for operating expenses. We confidently applied for the 'Great Place to Work' certification. Not surprisingly to us, this year even more team-members participated in the survey, and we received the accreditation for second year running, with much better scores than last year.

Outlook

Despite the multiple headwinds derailing the course of economy, we managed to sail with excellence during this fiscal. While the outlook continues to be uncertain, we are cautiously optimistic of our response to emerging developments. In our near-term outlook, while the first quarter is seeing the impact of the second wave of the pandemic, we foresee the scenario to be significantly better for the economy and for the cement industry in the second half of FY 2022 as more and more of fellow

citizens gets vaccinated. We will continue our collaborative and concerted efforts to enhance our cost leadership, reinforce our customer-orientation, improve capacity utilization and scale-up our overall competitiveness.

We are grateful to all of our stakeholders for their unified trust and belief in Orient Cement. As we aspire and approach the coming year with renewed vigour and confidence, we look forward to having you by our side.

Stay Safe. Stay Healthy.

Deepak Khetrapal

Managing Director and CEO

Mr. Chandrakant Birla

(Chairman)

Date of appointment: 23rd July, 2011

DIN: 00118473

Qualification: Bachelor of Arts

Occupation: Industrialist

Expertise in specific functional areas:

Industrialist having rich business experience in managing diversified industrial enterprises.

Mr. Janat Shah

(Independent Director)

Date of appointment: 30th April, 2014

DIN: 01625535

Qualification: Fellow of IIMA (equivalent to PhD) in Operations Management, B. Tech (Mechanical) from IIT Mumbai

Occupation: Service

Expertise in specific functional areas:

Operations, strategy and supply chain management.

Mr. Swapan Dasgupta

(Independent Director)

Date of appointment: 4th August, 2015

DIN: 07113693

Qualification: PhD from the School of Oriental & African Studies (London) and a former Fellow of Nuffield College, Oxford

Occupation: Writer, broadcaster, public policy analyst and Member of Parliament

Expertise in specific functional areas: Writing and public policy analysing.

Mr. Desh Deepak Khetrapal

(Managing Director & CEO)

Date of appointment: 2nd April, 2012

DIN: 02362633

Qualification: Honours degree in Business & Economics and Master's degree in Business Administration in Marketing and Finance from the Delhi University

Occupation: Service

Expertise in specific functional areas:

Professional business leader with a track record of leading and transforming large and diversified organizations, across various Industries including services, industrials, consumer and retail businesses.

Mr. Rabindranath Jhunjhunwala

(Independent Director)

Date of appointment: 9th August, 2014

DIN: 00050729

Qualification: B.A., LL. B (Hons) from National Law School of India University, Bangalore

Occupation: Partner in Khaitan & Co.

Expertise in specific functional areas:

Corporate Laws-domestic and cross border mergers & acquisitions, private equity investment, foreign investments advisor (both inbound and outbound).

Mr. I.Y.R Krishna Rao

(Independent Director)

Date of appointment: 5th May, 2017

DIN: 00481367

Qualification: M.A. (Economics)

Occupation: Retired IAS-Chief Secretary, Andhra Pradesh

Expertise in specific functional areas: Administration, economics & finance.

Mrs. Amita Birla

(Non-Executive Director)

Date of appointment: 27th March, 2015

DIN: 00837718

Qualification: GCE-A Level

Occupation: Industrialist

Expertise in specific functional areas:

Management and operation of diverse nature of business.

Mr. Rajeev Jhawar

(Independent Director)

Date of appointment: 9th August, 2014

DIN: 00086164

Qualification: Commerce Graduate and Management Development Course from London Business School

Occupation: Industrialist

Expertise in specific functional areas:

Industrialist having rich business experience in managing diversified industrial enterprises

Mrs. Varsha Vasant Purandare

(Independent Director)

Date of appointment: 8th February, 2019

DIN: 05288076

Qualification: Bachelor of Science (Chemistry), Diploma in Business Management

Occupation: Retired Banker

Expertise in specific functional areas:

Credit, forex, treasury, capital markets, investment banking and private equity

businesses.

(CK BIRLA GROUP

Corporate Overview

Our Business Model





Our core value

Build Sustainably to be a valued partner in progress



Our people

Employees at Orient Cement



Our governance

- Strong governance framework
- Transparent policies and ethics



Our geographic presence

Andhra Pradesh, Chhattisgarh, Delhi, Goa, Gujarat, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Odisha, Tamil Nadu, Telangana, Uttar Pradesh



Our capital

₹20.49 crore Paid up capital ₹1305.91 crore Networth 0.6:1 Debt-equity ratio



Our technology capital

Especially engineered cement product variants produced par-excellence



Our social-relationship promise

Our products, process and value creation philosophy is built on promise of sustainabilitu



Mining

Crushing and Pulverizing

- Large blocks are crushed for size reduction

Processing



Cement Grinding

Beyond cement



Birla.A1 Promise:

Mazbooti mein A1.

Bharose mein A1











Our Offerings

Our products







Ordinary Portland Cement (OPC)

Our brands



Birla.A1 StrongCrete

BIRLA.A1

MITCH COLOR COMMIT MODING

Birla.A1

Premium Cement-

OPC 53 Grade



Birla.A1 Premium Cement-PPC



Birla.A1 OPC 43 Grade

Customers

Our value creation

- Trusted cement manufacturer
- **Leading** brand in the markets we operate
- Quality that is unrivalled and unmatched

Shareholders and investors

Revenue - ₹2342.44 crore EBIDTA - ₹569.03 crore

PAT – **₹214.19 crore**

Dividend – ₹2.00 per equity share

Market Capitalisation - ₹2003.62 crore Energy Saving Certificates (EScerts):

Cycle 1 - 3099 EScerts

Cycle 2 - **30323 EScerts**

Employees

- **1204** Employees as on March 31, 2021
- **Promotes** Diversity and Inclusion
- **ZERO** fatalities in last three years
- **Engaging sessions** on empowering a learning and development culture

Suppliers & Regulators

₹688.8 crore Cost of goods procured (excluding limestone)

₹909.4 crore Contribution to exchequer

Society and Community

8.9% of average profits spent on CSR initiatives

5.2 % energy sourced from renewable sources

3.5% reduction in KgCO₂/T of cement

from previous year

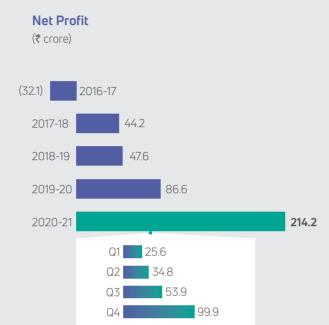
Ensuring sustainability across value-chain of our business

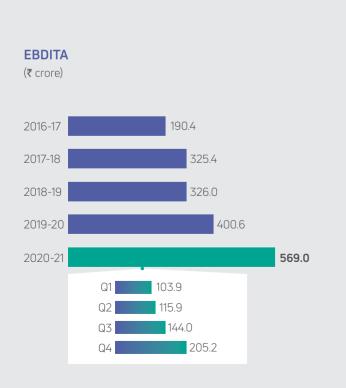
is fundamental to our value-creation philosophy.

Interest coverage

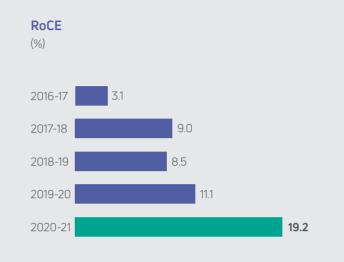
Resilient Outperformance

















Debt Equity Ratio



(excluding deferred sales tax loan) Net long-term debt as on March 31, 2021

₹2003.62 crore Market capitalisation as on March 31, 2021