

## **CHAIRMAN'S SPEECH**

at the  
**92<sup>nd</sup> Annual General Meeting**  
on  
25th September, 2019

Dear Members,

It is my privilege to address the 92nd Annual General Meeting of Eastern Investments Limited (EIL). On behalf of the Board of Directors, the Management and the Employees of the Company, I welcome you all to this AGM. I express my gratitude to all of you for your continuous trust, support and patronage.

The Annual Report, including Director's Report and the Audited Statements of Accounts for the year 2018-19 along with Consolidated Accounts and the Notice have already been circulated to you and with your consent, I take them as read.

### **Performance of the Company:**

The income of the company is derived mainly from (i) Dividends from investments in shares of various companies including subsidiary company OMDC and (ii) Interests on term deposits with banks and deposits in bonds.

However, due to the existing financial position of The Orissa Minerals Development Company Limited and The Bisra Stone Lime Company Limited, no dividend was declared by these two Companies in the previous financial year hence no dividend income could be earned by Eastern Investments Limited from these Companies for the financial year 2018-19.

### **Subsidiaries:**

The Orissa Minerals Development Company Limited (OMDC) and The Bisra Stone Lime Company Limited (BSLC) are the subsidiaries of EIL.

The Orissa Minerals Development Company Limited(OMDC)

This year also there was no mining activity in any of the mines of OMDC owing to non-renewal of mining leases and non-availability of other statutory clearances. The management of your Company has been putting constant efforts for renewal of mining leases. The Company made full payment of compensation for Belkundi and Bagiaburu mines and initiated actions for obtaining necessary clearances. The Company is making attempts for completing the payment in case of Badrasahi also. The legal issues are also being addressed with utmost care by engaging experienced and senior advocates/legal professionals to settle the cases in favour of the Company at the earliest.

As mines remained inoperative, your company could not earn any revenue from sales in this year. However, by prudent cash planning, taking into consideration the Government Guidelines, your Company has earned an interest income of Rs. 51.50crores during the year on its Surplus funds parked in Term Deposits with different banks. However, due to provisions related to excess mining compensation, Your Company has incurred loss during the Financial Year 2018-19. The Loss before tax was Rs. 639.14 crores as compared to loss before tax of Rs. 258.16 crores in the previous year. The Loss after tax stood at (Rs451.63) crores as compared to loss of Rs. (252.95) crores during the previous year.

### **The Bisra Stone Lime Company Limited (BSLC)**

Sales turnover of the Company during the year was Rs. 3,888.89 lakhs. The loss of the company increased to Rs 2,802.13 lakhs from Rs 1,070.88 lakhs in the previous year mainly on account of excess mining compensation and other provisions of Rs.1941.75 lakhs. The accumulated loss on 31st March, 2019 is Rs 23,180.12 lakhs.

Dividend for the year 2018-19:

Considering the financial results for 2018-19, your Directors recommended no dividend for the year ended 31st March, 2019.

### **Corporate Governance:**

Your Company has put earnest efforts to achieve its objective of Corporate Governance by ensuring transparency in all its business transactions and strict compliance of regulatory and other guidelines of all government authorities. But in absence of Independent Directors on the Board we are not able to comply fully with the guidelines on Corporate Governance. However, we are in constant follow up with the Government to induct the requisite number of Independent Directors on the Board of the Company. Your Company always aims at:

- a) Complying all applicable laws both in letter and in spirit;
- b) Maintaining transparency in operation and a high level of disclosure.

A separate report on Corporate Governance along with Certificate on Compliance forms part of the Directors' Report.

### **Consolidated Financial Statements:**

The financial statements of your Company have been duly consolidated with its subsidiaries, the Orissa Minerals Development Company Limited and The Bisra Stone Lime Company Limited in compliance with various Statutory Regulations.

### **Acknowledgement:**

I am grateful to the various officials of the Government, especially from the Ministry of Steel and Ministry of Finance, Govt of India and Govt of West Bengal for their co-operation and for their contribution towards the Company. With such continued support, I am sure, your Company will revive and turnaround at the earliest and contribute positively for better stakeholders' delight.

I also place on record my deep appreciation to our customers, suppliers, investors, partners, regulatory authorities and all others associated with the Company. Last but not the least; I would like to thank my colleagues on the Board who have given their valuable time and assistance in charting Company's progressive move.

I would also extend my sincere thanks to all our shareholders for the immense confidence you have reposed in the Company. I look forward to your continued support in the years to come.

**Thanking You and Jai Hind.**

**(P.K Rath)**  
Chairman

Place: Kolkata

Dated: 25<sup>th</sup>September, 2019