

CHAIRMAN'S SPEECH

at the
93rd Annual General Meeting
on 16th December, 2020

Dear Members,

It is my privilege to address the 93rd 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 and 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 along with Consolidated Accounts for the Year 2019-20 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 companies OMDC and BSLC, (ii) Interest 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, therefore no dividend income was earned by Eastern Investments Limited from the Subsidiary Companies for the financial year 2019-20.

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)

As there was no production and dispatch of Iron Ore and Manganese Ore during the year 2019-20, there was no operating income during this year and the main earning was interest from the term deposits. Pursuant to the judgment of Hon'ble Supreme Court dated 02.08.2017 towards compensation against excess mining, OMDC has paid Rs. 566.22 Cr. From its own fund and borrowed Rs. 310 Cr. totally Rs. 876.22 Cr. including interest for OMDC Mines as full and final settlement and the Company has made part payment of Rs. 27.15 Cr On behalf of BPMEL Mines. The decrease in Fixed Deposit and increase in Finance Cost has led the Company to incur net loss of Rs. 76.69 Cr. which in the previous Financial Year was a loss of Rs. 451.63 Cr.

The Bisra Stone Lime Company Limited (BSLC)

Sales turnover of the Company during the year 2019-20 was Rs 42.65 Cr. which was Rs 38.88 Cr. in the previous year.

The loss of the company decreased to Rs10.28 Cr. from Rs 28.02 Cr. in the previous year. The accumulated loss on 31st March, 2020 is Rs243.01 Cr.



Dividend for the year 2019-20:

Considering the financial results for 2019-20, your Directors declared no dividend for the year ended 31st March, 2020.

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:

- Complying all applicable laws both in letter and in spirit;
- 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 i.e. The Orissa Minerals Development Company Limited and The Bisra Stone Lime Company Limited in compliance with Section 129(3) of Companies Act

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: Bhubaneswar

Dated: 16th December, 2020