

REPORT OF THE BOARD OF DIRECTORS TO SHAREHOLDERS FOR THE YEAR ENDED MARCH 31, 2021

To the Members
of GOCL Corporation Limited

Your Directors have pleasure in presenting their Sixtieth Annual Report and Audited Accounts for the year ended March 31, 2021. There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which these financial statements relate and the date of this Report.

1. FINANCIAL RESULTS

(₹ in Lakhs)

Particulars	Consolidated		Standalone	
	2020-21	2019-20	2020-21	2019-20
Profit after providing for Depreciation and before extraordinary items and taxation	9044.46	5277.80	5570.40	310.77
Exceptional Items	-	-	-	-
Profit Before Taxation	9044.46	5277.80	5570.40	310.77
Taxation:				
Current Tax – Current Year	1410.34	434.41	1010.00	78.00
Deferred (including MAT)	(236.27)	(116.26)	(343.96)	0.52
Profit After Taxation	7870.39	4959.65	4904.36	232.25
Appropriations:				
Dividend	2974.35	991.45	2974.35	991.45
Tax on dividend	-	203.74	-	203.74
Transfer to General Reserve	-	-	-	-
Balance carried to Balance Sheet	4896.04	3764.46	1930.01	(962.94)
EPS (of ₹ 2/- each)	15.88	10.00	9.89	0.47

Consolidated Financial Statements

The Consolidated Financial Statements of the Company prepared in accordance with relevant Accounting Standards issued by the Institute of Chartered Accountants of India form part of this Annual Report. These statements have been prepared on the basis of audited financial statements received from the subsidiary companies as approved by their respective Board of Directors. There is no change in the nature of business of the Company or the Subsidiaries.

2. DIVIDEND

The Board had on November 23, 2020 declared a Special Interim Dividend of ₹ 4.00 per equity share of face value of ₹ 2.00 each @ 200%, the Record Date for which was 26th November 2020 and the same was accordingly paid to the Shareholders, out of the profits of the Company. The Board has further recommended a final dividend of ₹ 2.00 per equity share (100%) for the financial year 2020-21. The total dividend for the financial year 2020-21 aggregates to 300%.

3. CREDIT RATING

Infomeric Valuation and Rating Private Limited (IVR) has assigned a long term rating of IVR A/Credit Watch with Developing Implications on account of Covid-19 and short term rating of IVR A1 for the Company and its wholly owned subsidiary IDL Explosives Ltd.

4. OPERATIONS AND STATE OF AFFAIRS

Standalone:

The net Income of the Company was ₹162 crores (previous year of ₹110 crores). The profit before tax was ₹ 55.70 crores (₹ 3.11 crores). The profit after provision for current tax of ₹10.10 crores and deferred tax including MAT Credit of ₹-3.44 crores was ₹49.04 crores (₹ 2.32 crores) resulting in an EPS of ₹ 9.89 for the year (₹ 0.47).



Consolidated:

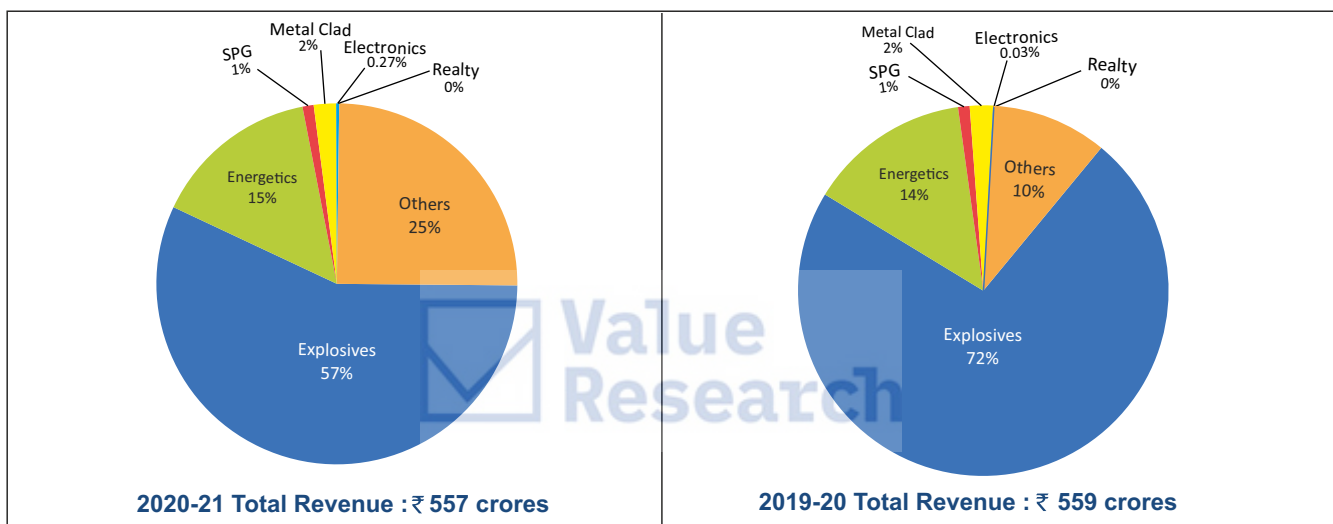
On a consolidated basis, the net Income of the Company was ₹ 557 crores (₹ 559 crores). Profit after tax increased to ₹ 78.70 crores (₹ 49.59 crores). As a result, EPS increased by 59% to ₹ 15.88 per share.

The wholly owned subsidiary, IDL Explosives Limited achieved a total Income of ₹ 344 crores (₹ 429 crores). Profit Before Tax was ₹ 6.45 crores (₹ 9.86 crores). Profit After Tax was ₹ 4.61 Cr (₹ 8.20 crores).

5. DIVISIONAL PERFORMANCE

5.1 Business Operations

The operations during 2020-21 was extremely challenging with the pandemic affecting businesses globally and putting a strain on the healthcare facilities all over the Country. There were times when we had to work with 40 – 50% of the workforce. However, fatalities were marginal at the locations and recoveries were good. Cost of materials also increased dramatically specially for metals and certain speciality and bulk chemicals. In addition, we had a severe shortage of Ammonium Nitrate due to the restrictions imposed by the Government of AP on unloading of imported material and storage license cancellation of the stevedore stoppage at Vizag. It the same time, the domestic suppliers in Western India were not able to provide adequate Ammonium Nitrate for our plants mainly in Eastern India. However, the Company was able to adjust its production plans to meet these contingencies and also review manufacturing processes and reduce several operational costs.



5.2 Energetics

Despite the disruption of operations in the initial 2 months of the year due to regulatory issues and impact of Covid-19, the turnover achieved was similar to last year at ₹ 96 crores. The Profit before tax of Energetics segment for the year is ₹ 13.41 crores against ₹ 4.97 crores in the previous year on account of product mix changes and modernisation.

5.3 Bulk and Cartridge Explosives

Bulk and Cartridge explosives are manufactured by IDL Explosives Ltd., a wholly owned subsidiary. Outbreak of Covid-19 followed by country wide lock-down and restrictions imposed by various State governments in the initial months of the year reduced the pace of the mining and infrastructure sectors. This has resulted in reduction in volumes of Cartridge and Bulk Explosives. The situation was further worsened in the aftermath of the Beirut blast in an ammonium nitrate storage site, as restrictions were imposed by the Government of Andhra Pradesh on unloading of ships carrying ammonium nitrate at Vizag port and transit storage in Vizag by the stevedoring agent. This has created huge crisis of ammonium nitrate in the country affecting supplies of Bulk Explosives and Cartridge Explosives to various customers for 2-3 months between August 2020 and October 2020. This has resulted in negative growth of 17% as compared to Previous year. However, several initiatives have been taken during the year which is expected to result in giving benefits in the coming year(s) to avoid a similar situation.

5.4 Electronics Group

The Electronics Group commenced commercial operations from January 2020 and successfully catered to all in-house requirements. The Electronics Group was also successful in meeting the standards of External Customers in Domestic and Export markets catering to various sectors including Automotive (including EV Chargers), Automation & Robotics applications, Medical and for IOT. The Electronics Group has also successfully received repeat orders from its clients. Plans are in place to enhance the capacity to meet increased business requirements. Electronics Group is successfully incorporated Quality management systems with IMS. Currently working on AS9100D (defence) and TS16949 for automotive certifications.



5.5 Special Products Group

The Special Products Group (SPG), which serves the Defence and Space sectors, improved its performance over the last year. After successful absorption of transfer of technology (TOT), completed qualification, manufactured and supplied Guanidinium Azotetrazolate (GZT) to the Indian Space Research Organisation (ISRO).

The SPG developed and supplied pyro-tech cartridges for drone application to Indian Army. They have also developed and supplied delay pyros for Amogha III missile to Bharat Dynamics Limited, (BDL), a Public Sector Undertaking, for evaluation. After successful trial lots, SPG supplied production lots of Igniters for Konkur Missile against order from BDL.

After successful absorption of TOT from DRDO, the SPG have received another order for supply of 12 sets of Canopy Severance System (CSS) for LCA fighter for Hindustan Aeronautics Ltd. Production is in progress.

5.6 Exports

Despite disruptions due to the Covid-19 pandemic in India and abroad during the first half of the year under review, the Company achieved export sales of ₹ 37.89 crores as against ₹ 9.41 crores previous year.

The Company obtained repeat orders and added new customers from Africa, Middle East and America despite stiff competition from domestic and international suppliers. The Company has a good order book for the current financial year and expects better business in 2021-22.

The Company will maintain its thrust in Exports by introducing new products and foraying into new markets in West and East Africa and new customers in the existing markets.

COVID 19 Impact

The second wave of COVID from end of 2020 took a major toll on our manpower attendance. However, we were able to overcome the loss of manpower by working extra hours and meet customer schedules. With enhanced sanitization, screening protocols and wearing of PPEs, Thermal screening, regular monitoring of concentration levels of employees at production shops, and regular cleaning / sanitizing of all work places. We were able to contain the spread of COVID amongst our employees. However, logistics were affected to distant delivery points which led to loss of opportunities in the last two quarters of the year.

5.7 Property Development

Bengaluru

'Ecopolis', the Company's mixed-use commercial project, is a joint development project with Hinduja Realty Ventures Ltd.. The project is located in the growth corridor of North Bengaluru. The 38.15 acres Techpark comprises of SEZ and commercial office space, is being constructed in phases.

Phase 1, of over 14.54 lac sft comprising of office building 'e3' and Multi Level Car Parking space (MLCP) with a leasable area of over 7.64 lac sft. 'e3' is a LEED Gold certified building, which is operational with IT/ITES clients working in the building. This building has 3 levels of basement to accommodate clients' car parking requirements with ground floor and 10 upper floors. The MLCP consisting of 11 levels is designed as an infrastructure bank, which accommodates DG sets on the ground level, hybrid HVAC chillers on the terrace level and additional carparks in the remainder levels which will cater for three buildings in the campus.

The second wave of Covid-19 pandemic continued to cloud the outlook for commercial real estate sector. New lease agreements could not be finalized although, the Developer was in discussions with many MNCs and Indian IT companies for lease of SEZ office space in the completed buildings in Ecopolis' project at Bengaluru.

Hyderabad

The 100 acre integrated mixed use Knowledge Park comprising of IT / ITES, office space, educational institutes, hospitality, healthcare and residential apartments have been redesigned in line with the master plan submitted to Greater Hyderabad Municipal Corporation (GHMC) is strategically located in Kukatpally which is currently well linked to CBD locations in Jubilee Hills, and IT / ITES Hubs in HiTech City and Gachibowli. The expected demand for office space in Kukatpally has not picked up and work from home policies have remained in vogue. Under these circumstance, the in principle approval received earlier for the Hyderabad development has not proceeded during the year.



6. OVERSEAS SUBSIDIARY

The Company through its UK based subsidiary HGHL Holdings Limited (HGHL) which was holding a strategic beneficial interest of 10% in Houghton International Inc., USA (which has combined with Quaker Chemical Corporation, NYSE code: KWR) has divested about 4.68% during the year for a consideration of about USD 35 million. Quaker is a global leader in the space of process fluids, chemical specialties, and technical expertise to the global primary metals and metal working industries. The initial investment of GOCL in HGHL was only GBP 1,00,000. Thus the Company and its overseas subsidiary HGHL have substantially benefitted out of the said investment.

After fully repaying the LOC/SBLC Facility of USD 300 million availed in the year 2012 in connection with the acquisition of Houghton International Inc., HGHL has availed of a Stand By Letter of Credit (SBLC) USD 150 million to pursue an opportunity in the United Kingdom. This SBLC facility availed by HGHL is collaterally secured by the factory land parcel of the Company at Hyderabad and also guaranteed by Gulf Oil International Limited (GOIL) along with a Cash Deficit Undertaking to the lender. The Company continues to receive 100 bps per annum for providing security for the SBLC.

7. PROMOTER OF THE COMPANY

Hinduja Capital Limited (HCL) Mauritius, earlier known as Hinduja Power Limited, Mauritius continued to reinforce their confidence in the long term prospects of your Company. To enable the Company to take up and expand business in Defence sector, during the year, HCL reduced their shareholding in the Company, by about 1.10% to 73.83%.

8. PUBLIC DEPOSITS

The Company has during the earlier financial year repaid / prepaid all the public deposits and there were no outstanding public deposits at the beginning of the year under review. The Company has not accepted any public deposits during the year. Thus, there are no unpaid, unclaimed or outstanding public deposits or outstanding interest as at March 31, 2021. The Board of Directors of the Company may consider accepting fresh public deposits at the appropriate time, as per the regulatory changes under the Companies Act, 2013

9. TAXATION

Odisha Sales Tax



The Sales Tax cases pertain to branch transfer of finished goods from Rourkela factory (since transferred to IDL Explosives Limited as part of the Demerger in 2011) situated in the State of Odisha to Coal India Limited subsidiaries in other States during the period 1975-76 to 1983-84.

Writ Petitions for assessment years 1976-77 to 1983-84 were filed in March, 2013 in the Odisha High Court against the order of the Commissioner of Commercial Taxes. The High Court of Odisha has granted stay on the tax re-computation order and the order of Commissioner of Commercial Taxes. The Writ Petitions are pending.

In respect of other assessment years 1998-99, 2002-03, 2004-05 & 2005-06 the petitions are pending before the Odisha Sales Tax Tribunal and Odisha High Court.

Due to Covid-19 situation, the matter did not progress during the year.

10. SUBSIDIARIES:

The Company has at present two material subsidiaries, of which, one is in India, namely IDL Explosives Limited. The other subsidiary is in the UK and is an SPV, incorporated originally for the purpose of overseas acquisition of Houghton which has since combined with Quaker Chemical Corp. The annual performance of the subsidiaries is as under:

IDL Explosives Limited reported net a profit of ₹ 460.56 lakhs (₹820.16 lakhs).
 HGHL Holdings Limited, UK reported a profit of ₹ 5858.69 lakhs (₹3837.07 lakhs).

In accordance with section 136 of the Companies Act, 2013, the audited Financial Statements including Consolidated Financial Statements and related information of the Company and audited accounts of the each of its subsidiaries are available on our website www.goclc.com. These documents will also be available for inspection till the date of AGM during working hours at our Registered Office. A statement containing salient features of the financial statement of the above subsidiaries are disclosed in Form-AOC 1 as 'Annexure-A' to this Report.

11.HUMAN RESOURCES / INDUSTRIAL RELATIONS:

The Human Resources Department continued to maintain cordial working relations across the spectrum of employees in the Company and took initiatives during the Covid Pandemic for supporting employees and their families through timely assistance in facilitating for hospitalization & medical insurance support.

As part of its strategic initiatives, HR department has carried forward the Leadership program for the senior Management team and continued to engage them across varied programs. The Company has also initiated the Succession Planning exercise for Leadership positions to ensure seamless transition of roles and responsibilities for critical positions.

However due to the prevailing Covid scenario, many planned programs have been carried forward such as the Managerial effectiveness programs for the middle management group to develop the next level of Managers and Leaders in the Company

In its continuing endeavor, HR conducted more than 14 training programs (Mostly virtual Programs) and provided access to more than 25 virtual programmes of training for its employees at Hyderabad and Rourkela Factories in areas related to skill development, functional and behavioral (Safety, Product Management, Cyber Security, GST, e-Invoicing, Disaster Management, Supply Chain, New Labour Codes etc).

To achieve the business objectives for the year, HR has successfully ramped up project manpower to meet new business requirements for its project in manufacturing and assembly of Special Purpose Motors for Vikram Sarabhai Space Centre, Trivandrum and for the expansion activities of the Electronics Group at Hyderabad.

Necessary class room and on-job training has been provided to all employees on Safety and Quality and SOP aspects. Employees' health and safety continued to receive more and more attention, particularly in view of the Covid-19 pandemic. Adequate awareness and precautionary measures were taken in the Company to prevent the employees from Covid-19 infections.

Safety

The Occupational Health & Safety Management System lies in the culture of the organization, and the Company believes that the process safety management is the key factor for overall Health & Safety performance of the organization. Process safety management is achieved by following basis of safety and design safety parameters. Automation projects are under implementation for continuous improvement of processes and safety of the operations or activities, through continuous training and consultation and participation of workers. Even though, the COVID-19 pandemic has created a greatest challenge to the industry, the global pandemic emergency COVID-19 lockdown period has been handled with a challenge to maintain the Occupational Health & Safety throughout the factory.

The Hyderabad Factory received the "CERTIFICATE OF APPRECIATION" from National Safety Council of India under NSCI Safety Awards 2020 (Manufacturing Sector) for consistent and meritorious Occupational Safety & Health (OSH) performance and implementing effective OSH management systems, practices and procedures in Hyderabad Works Factory. GOCL is playing an active role in National Safety Council Telangana Chapter events and programs.

Integrated Management System was strengthened by successful implementation of ISO 45001:2018 Occupational Health & Safety Management System; ISO 14001:2015 Environment Management System and ISO 9001:2015 Quality Management Systems in the organization, which further enhances the credibility of the organization in the international market.

We have successfully implemented the System for Explosive Tracking and Tracing (SETT) introduced by PESO Online System and every explosive transaction is being carried out through PESO Online System which is enhancing more transparency in explosive manufacturing, transportation and storage. Awareness training programs to all the employees and customers on PESO SETT bar-coding implementation and statutory compliances. Regular training to the employees on GSD's, SOP's, and mock drills on emergency preparedness and mitigation exercises; in addition to internal and external safety audits and compliances.

Safety & Security review is being done monthly by the management and Central Safety Committee Meetings are being conducted on quarterly basis to bring out the safety issues from the shop floor. Opening remarks, follow-up actions from the previous meetings, Safety performance, opportunities for improvement and recommendations reviewed and recorded. And CCTV surveillance monitoring in vulnerable process areas, Safety walk through audits by the cross functional teams, have helped to strengthen the overall safety processes in the Hyderabad Works. All the new projects and developmental activities are being assessed by proper Management of change with Alteration authorities, Hazard Identification & Risk Assessments studies and Hazop studies etc.



Preventive Health Check-ups

As a part of preventive healthcare, the Hyderabad Factory organized a series of free medical check-ups for all the employees, paying attention on conducting general monthly medical camps in association with reputed multi-specialty corporate hospitals in cardiology, orthopedics, diabetics, gynecology, dental and eye check-ups etc.,.

Security

Trilingual warning boards (prohibited area) are placed at prominent entry/exit places of all the security entrance gates. Recommendations of the Intelligence Bureau (IB), New Delhi are implemented strictly in the factory. Effective training and awareness class are conducted about maintaining records, communication skills and escort duties (Do's & Don'ts) to all the security personnel. The security personnel also conduct effective patrolling and surveillance to avoid trespass, illegal activities and encroachments. To avoid the encroachments, construction of compound wall has been undertaken all over the Company periphery and security has been beefed up by installing more CC cameras.

Employment Practices & Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company believes in fair employment practices and is committed to provide an environment that ensures that every employee is treated with dignity and respect and is provided equitable treatment. The Company has a large proportion of women in the workforce and has adopted a Policy in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy. No complaint was received in this regard, during the year.

12. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134 of the Companies Act, 2013:

- (a) that in the preparation of the annual accounts/financial statements for the financial year ended 31st March 2021, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- (b) that the accounting policies as mentioned in the financial statements were selected and applied consistently and reasonable and prudent judgments and estimates were made so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) that proper and sufficient care had been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) that the annual accounts were prepared on a going concern basis;
- (e) that proper internal financial controls were in place and that such internal financial controls are adequate and were operating effectively; and
- (f) that proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

13. CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES

In compliance with Section 135 of the Companies Act 2015 and other applicable provisions, the Company has constituted Corporate Social Responsibility Committee. The Committee presently consists of Mr. Ajay Hinduja, Non-Executive Director and Chairman of the Board as also the Committee, Mr. Sudhanshu K Tripathi, Non-Executive Director and Mr. Aditya Sapru, Independent Director, as the other Members of the Committee. The Committee met once during the year. The CSR Policy of the Company is displayed on the website of the Company.

The CSR Committee recommended CSR expenditure of ₹ 50 lakhs for the year 2020-21 and the same was spent for CSR purposes. The Annual Report on CSR activities is annexed herewith as 'Annexure-B'.

14. AUDITORS

Statutory / Financial Audit

BSR & Associates LLP, Chartered Accountants, (ICAI Firm Registration Number: 116231W/ W-100024) was appointed as Auditors of the Company at the 56th Annual General Meeting of the Company held in 2017 for a period of five years from conclusion of the 56th Annual General Meeting subject to ratification by the members at every AGM. However, the Companies (Amendment) Act, 2017 has done away with the requirement of annual ratification of appointment of Auditors. Accordingly, the term of M/s BSR & Associates LLP, will be up to the conclusion of 61st AGM of the Company.

Cost Records and Cost Audit

In terms of Section 148 of the Companies Act 2013 and the Companies (Cost Records & Audit) Rules, 2014, the Company, being manufacturer of Detonators, Detonating Fuse, Explosives, etc. maintains proper cost records as specified by the Central Government and is also required to appoint a cost auditor. Accordingly, the Board of Directors has appointed M/s Narasimha Murthy & Co., Cost Accountants, Hyderabad as the Cost Auditors of the Company for the financial year 2020-21.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed BS & Company Company Secretaries LLP, Company Secretaries, Hyderabad to undertake the Secretarial Audit of the Company for the financial year 2020-21. The Secretarial Audit Report is annexed herewith as '**Annexure C1**'.

Secretarial Audit of Material Unlisted Indian Subsidiary

Secretarial Audit of IDL Explosives Limited, the material unlisted Indian subsidiary of the Company was also undertaken by BS & Company Company Secretaries LLP, Company Secretaries, Hyderabad for the financial year 2020-21 and their Report is annexed as '**Annexure C2**' to this Report in terms of Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Annual Secretarial Compliance Report

The Company has undertaken an audit for the financial year 2020-21 for all applicable compliances as per Securities and Exchange Board of India Regulations and Circulars/Guidelines issued thereunder. The Annual Secretarial Compliance Report issued by BS & Company, Company Secretaries LLP, Company Secretaries, Hyderabad has been submitted to the Stock Exchanges within the specified time and same is annexed here with as '**Annexure C3**'.

There was no qualification, reservation or adverse remark or disclaimer in the auditors report, cost audit report or the secretarial audit report. The Auditors have not reported any frauds.

15. INTERNAL FINANCIAL CONTROLS

In order to ensure orderly and efficient conduct of the business, safeguard the assets, ensure the accuracy and completeness of the accounting records and timely preparation of reliable financial information and financial statements, the Company has put in place adequate Internal Financial Controls in the form of various policies and procedures. Adequacy and effectiveness of the Internal Financial Controls of the Company are validated on annual basis by an external audit firm who provide assurance to the Board and the statutory Auditors.

16. VIGIL MECHANISM / WHISTLE BLOWER POLICY

In terms of the requirements of the Companies Act, 2013 and Regulation 22 of Listing Regulations, the Company has a vigil mechanism to deal with instance of fraud and mismanagement, if any. The details of the vigil mechanism are displayed on the website of the Company. The Audit Committee reviews the functioning of the vigil / whistle blower mechanism from time to time. There were no allegations / disclosures / concerns received during the year under review in terms of the vigil mechanism established by the Company.



17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Particulars of other loans, guarantees, securities and investments made by the Company, are in the notes to the financial statements forming part of the Annual Report.

18. INVESTOR EDUCATION AND PROTECTION FUND

During the year under review, your Company transferred unclaimed dividend amount of ₹ 20,97,638.40 (pertaining to dividend for 2012-13) to the Investor Education and Protection Fund in compliance with the applicable provisions of the Companies Act 2013. Your Company also transferred during the year 18,461 shares to the IEPF Authority, in respect of which dividend had remained unclaimed for a consecutive period of 7 years. The Company Secretary is the Nodal Officer under the IEPF Rules.

19. DIRECTORS and KMPs

During the year there were some changes in composition of the Board of Directors and there was no change in the Key Managerial Personnel (KMPs) of the Company.

In accordance with the provisions of the Companies Act 2013 and the Articles of Association of the Company Mr. Ajay P Hinduja retires by rotation at the 60th Annual General Meeting of the Company and is eligible for reappointment. The Board recommends his re-appointment.

Mr. Ashok Kini has completed his second term as an Independent Director on 12th December 2020 and retired from the Board having attained the age of 75 years.

The number and details of the meetings of the Board and other Committees are furnished in the Corporate Governance Report.

The Independent Directors have furnished declarations of independence under Section 149 of the Companies Act 2013 and Regulation 25 of SEBI (LODR) Regulations, 2015. They have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. Further, the Board after taking these declarations/disclosures on record and acknowledging the veracity of the same, concluded that the Independent Directors are persons of integrity and possess the relevant expertise and experience to qualify as Independent Directors of the Company and are Independent of the Management.

Registration of Independent Directors in Independent Directors Databank

All the Independent Directors of the Company have been registered and are members of Independent Directors Databank maintained by Indian Institute of Corporate Affairs.

Disclosure of Expertise / Skills / Competencies of the Board of Directors

The list of core skills / expertise / competencies identified by the Board of Directors of the Company as required in the context of its business (es) and sector(s) for it to function effectively and those actually available with the Board, form part of the Corporate Governance Report.

Directors' Appointment and Remuneration Policy

The Nomination and Remuneration Committee is responsible for developing competency requirements for the Board based on the industry and strategy of the Company and formulates the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of Section 178 (3) of the Act and the Listing Regulations. The Board has in an earlier year, on the recommendations of the Nomination & Remuneration Committee framed a policy for remuneration of the Directors and Key Managerial Personnel. The objective of the Company's remuneration policy is to attract, motivate and retain qualified and expert individuals that the company needs in order to achieve its strategic and operational objectives, whilst acknowledging the societal context around remuneration and recognizing the interests of Company's stakeholders.

The Non-Executive Directors (NED) are remunerated by way of Sitting Fee for each meeting attended by them and an annual commission on the profits of the Company. Commission to respective non-executive directors is determined on the basis of an objective criteria discussed and agreed upon by the Committee Members unanimously. NEDs are reimbursed any out of pocket expenses incurred by them in connection with the attendance of the Company's Meetings.

Particulars of Employees and Remuneration

The information required under Section 197 (12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as 'Annexure D'. The information required under Rule 5 (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in the Annexure forming part of the Report.

None of the employees listed in the said Annexure is related to any Director of the Company.



20. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as ‘Annexure E’.

21. INFORMATION ON STOCK EXCHANGES

The Equity shares of the Company are listed on BSE Limited and the National Stock Exchange of India Limited and the Listing Fees have been paid to them up to date.

22. CORPORATE GOVERNANCE

A detailed report on the subject forms part of this report. The Statutory Auditors of the Company have examined the Company's compliance and have certified the same as required under the SEBI Guidelines. Such certificate is reproduced in this Annual Report

23. RELATED PARTY TRANSACTIONS

No material related party transactions / arrangements were entered into during the financial year. Related party transactions approved in earlier years and continued during the year, were on an arm's length basis and were in the ordinary course of business. During the year under review, there were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel which may have a potential conflict with the interest of the Company at large.

All related party transactions / arrangements, mostly with the wholly owned subsidiaries, are on arm's length basis and are in the ordinary course of business. The Audit Committee/Board reviews all the related party transactions on annual basis. The policy on Related Party Transactions as approved by the Board is displayed on the Company's website.

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company. Details of the transactions with Related Parties are provided in the accompanying financial statements.

24. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

During the year under review, there were no significant or material order(s) passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

25. ANNUAL RETURN

Pursuant to the provisions of Section 92 (3) of the Companies Act, 2013, the Annual Return in Form MGT-7 is available at the weblink: <https://otw01.in/reports/Misc-AReturn2021.pdf>

26. RISK MANAGEMENT

Details of development and implementation of risk management policy for the Company including identification there of elements of risks form part of the Management Discussion and Analysis and Corporate Governance Report.

27. BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Report ('BRR') of the Company for the year ended March 31, 2021 forms part of this Annual Report as required under Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 'Annexure - F'.

ACKNOWLEDGEMENTS

Your Directors would like to express and place on record their appreciation for the continued co-operation and support received from the financial institutions, banks, Government of India and various State Government authorities and agencies, customers, vendors and members during the year under review. Your Directors also place on record their deep appreciation to the employees for their continued dedication, commitment, hard work and significant contributions to the Company in very competitive market conditions. The Directors also thank the Company's investors, business associates, for their continued co-operation and support.

for and on behalf of the Board of Directors

Place: Switzerland
Date: June 29, 2021

Ajay P. Hinduja
Chairman