



MR A P Choudhary, Chairman



Eastern Investments Ltd.

Chairman's Speech at the 84th Annual General Meeting on 16th September, 2011

Dear Shareholders,

I have immense pleasure to welcome you all to the 84th Annual General Meeting of Eastern Investments Limited.

Esteemed Shareholders, your company's earnings are mainly from (i) interests on term deposits with banks and deposits in bonds and (ii) dividends from investments in shares of various companies. The major source of earning of this company now is, however, the dividend income received from The Orissa Minerals Development Company Ltd (OMDC) which was converted into its subsidiary from 19th March, 2010 through implementation of approved restructuring scheme.

During the year under review, the company has received Rs.5.58 crores as dividend from OMDC compared to Rs.9.28 crores in 2009-10 due to substantial fall in operating income of OMDC, and closure of mining operation. This has resulted decrease in profit compared to last year. Surplus fund kept with banks on term deposit have also been yielding significant amount of interest thus contributing to company's reckonable income for the last couple of years.

Restructuring scheme, as conceived in respect of the Bird Group and approved by the Union Cabinet, was implemented within a record time of 6 months with the full support of different government agencies and that of yours. This had two fold effect on your company. EIL metamorphosed into a public sector company and at the same time it became holding company of two operational mining companies viz OMDC and BSLC. In the field of iron ore and the manganese ore mining, OMDC is off late a coveted name. BSLC is also recognized to have immense potential in the area of mining and marketing of dolomite and lime stone. Against this perspective, EIL's responsibilities for stable functioning of OMDC and BSLC have increased manifold as their holding company. It will have to play a major role of monitoring and supervision over the Subsidiaries to ensure their smooth sailing. In accordance with the Cabinet decision, 51% shareholding (i.e. 7,36,638 Shares) of Government of India in EIL was sold to

Rashtriya Ispat Nigam Limited(RINL). Thus, RINL, a Navratna Central PSU having high reputation in Steel sector has become the holding company of EIL and its subsidiaries OMDC and BSLC are also now subsidiaries of RINL w.e.f. 05.01.2011.Simultaneously your company will keep its focus on the entire gamut of its own original activities, that is, investments and related areas.

A consolidated financial statement encompassing EIL and that of OMDC and BSLC as its subsidiaries is provided in the annual report for consideration.

Your Company maintains very high standards of corporate governance which is put in practice at EIL ensuring transparency, disclosures and reporting as required under various laws, regulations and guidelines including those issued by the Departments of Public Enterprises and SEBI through listing agreement.

I would like to take this opportunity to thank all shareholders for their continued support and encouragement. I would like to acknowledge the immense contributions made by its employees through their dedicated services and thank them for the same. On behalf of the company and shareholders, I also put on record my sincere thanks, for this guidance and cooperation extended by the ministry of steel, Government of India, State Governments and other organizations and institutions.

Thank you ladies and gentlemen.

Sd/-

Chairman

Place: Kolkata

Date: 16th September, 2011

Eastern Investments Ltd.
(A GOVERNMENT OF INDIA ENTERPRISE)
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