एनएमडीसी
NMDC

एन एम डी सी लिमिटेड
NMDC Limited
(भारत सरकार का उद्यम) (A GOVT. OF INDIA ENTERPRISE)
पंजीकृत कार्यालय : 'खनिज भवन', 10-3-311/ए, कैसल हिल्स, मासाब टैंक, हैदराबाद - 500 028.
Regd. Office : 'Khanij Bhavan' 10-3-311/A, Castle Hills, Masab Tank, Hyderabad - 500 028.
नैगम पहचान संख्या / Corporate Identity Number : L13100TG1958 GOI 001674

ANNEXURE NO: 9A
PAGE NO: 105

The financial details and capital evolution of the transferee/resulting and transferor/demerged companies for the previous 3 years as per the audited statement of Accounts:

Name of the Company: **NMDC LIMITED**

(Rs. in Crores)

	As per last unaudited reviewed financials	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
	June 30, 2021	2020-21	2019-20	2018-19
Equity Paid up Capital	293.07	293.07	306.19	306.19
Reserves and surplus	32,644.27	29,463.07	27,227.76	25,645.34
Carry forward losses	-	-	-	-
Net Worth	32,937.34	29,756.14	27,533.95	25,951.53
Miscellaneous Expenditure	-	-	-	-
Secured Loans	0.01	1,448.04	565.57	364.15
Unsecured Loans	555.96	546.43	-	-
Fixed Assets (Net)	3,088.28	3,118.45	3,016.73	2,720.69
Income from Operations	6,512.21	15,370.06	11,699.22	12,152.67
Total Income	6,656.30	15,719.94	12,213.01	12,740.97
Total Expenditure	2,392.77	6,818.84	6,089.53	5,541.91
Profit before Tax	4,263.33	8,901.63	6,122.43	7,198.42
Profit after Tax	3,192.84	6,253.05	3,610.12	4,642.11
Cash profit	4,318.56	9,129.46	6,416.81	7,477.31
EPS	10.89	20.62	11.79	14.70
Book value	112.39	101.53	89.92	84.76

Note: The financials should <u>not be more than 6 months old</u>. In such cases additional column may be added to provide the latest financials.

For and on behalf of NMDC Limited

Authorized Signatory
Date: 17th August, 2021
Place: Hyderabad

ए.एस. पार्थ सारथी
A.S. PARDHA SARADHI
कंपनी सचिव
Company Secretary
एनएमडीसी लिमिटेड/NMDC Limited
हैदराबाद/HYDERABAD-500 028.

NMDC LTD. Hyderabad.

NMDC STEEL LIMITED

(A wholly owned subsidiary of NMDC Limited)

ANNEXURE NO: 9B
PAGE NO: _____

The financial details and capital evolution of the transferee/resulting and transferor/demerged companies for the previous 3 years as per the audited statement of Accounts:

Name of the Company: NMDC Steel Limited

(Rs. in Crores)

	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
	2020-21	2019-20	2018-19
Equity Paid up Capital	0.06	0.06	0.06
Reserves and surplus	(0.06)	(0.05)	(0.04)
Carry forward losses	(0.06)	(0.05)	(0.04)
Net Worth	-	0.01	0.02
Miscellaneous Expenditure	-	-	-
Secured Loans	-	-	-
Unsecured Loans	-	-	-
Fixed Assets	-	-	-
Income from Operations	-	-	-
Total Income	-	-	-
Total Expenditure	0.01	0.01	0.01
Profit before Tax	(0.01)	(0.01)	(0.01)
Profit after Tax	(0.01)	(0.01)	(0.01)
Cash profit	(0.01)	(0.01)	(0.01)
EPS	-1.21	-1.23	-2.36
Book value	0.14	1.34	2.57

Note: The financials should not be more than 6 months old. In such cases additional column may be added to provide the latest financials.

Please note that for existing Listed Company, provide the last Annual Report and the audited / unaudited financials of the latest quarter (were it is due) accompanied mandatorily by the Limited Review Report of the auditor.

For NMDC Steel Limited

_____

Name:
Director

Date: 17th August, 2021

For NMDC Steel Limited
Director

NMDC Steel Limited Nagarnar

62nd Annual Report | 2019-20

एन एम डी सी

NMDC

Optimising resources to strengthen the value chain

Maintain Social Distance
Wear Mask
Use Sanitizer

Annexure No. 9C
Page No 107

NMDC received "Rajbhasha Kirti Award" second prize amongst CPSEs in "C" region.

Review meeting chaired by Shri Dharmendra Pradhan, Hon'ble Union Minister of Petroleum & Natural Gas and Steel, Govt. of India at NMDC Head Office on 21.09.2019

TABLE OF CONTENTS

Strategic Report	6 Capitals of NMDC	2
	Chairman's Message	4
	Performance Highlights	7
	FY20 Highlights	8
	About us	10
	Vision / Mission and Objectives	12
	How We Create Value	14
	Reinforcing Future with Steel	16
	Financial Highlights	17
	Board of Directors	18
	Senior Management	19
	Corporate Social Responsibility	21
Statutory Reports	Directors' Report	28
	Management Discussion & Analysis	62
	Report on Corporate Governance	77
	Business Responsibility Report	119
Financial Statements	**Standalone Statements**	
	Independent Auditor's Report	166
	Balance Sheet	183
	Statement of Profit and Loss	184
	Notes	188
	Consolidated Statements	
	Independent Auditor's Report	241
	Balance Sheet	248
	Statement of Profit and Loss	249
	Notes	253
	Notice	305

CORPORATE INFORMATION

Statutory Auditors
M/s. Sagar & Associates
Hyderabad, Telangana

Branch Auditors
M/s. Agasti & Associates
Durg, Chhattisgarh
M/s.Yoganandh & Ram LLP
Bengaluru, Karnataka
M/s. Amit OM & Co.
Civil Line, Allahabad, UP

Secretarial Auditors
D.Hanumanta Raju & Co.
Hyderabad, Telangana

Cost Auditors
M/s. Tanmaya S. Pradhan & Co.
Sambalpur, Odisha

Main Banker
State Bank of India

Regd. Office:
NMDC Limited
"Khanij Bhavan",
10-3-311/A, Castle Hills
Masab Tank, Hyderabad - 500 028
Telangana State
CIN : L13100TG1958GOI001674
Website : www.nmdc.co.in

Share Transfer Agent
M/s Aarthi Consultants Pvt Ltd
D.No. 1-2-285, Domalguda
Hyderabad - 500 029.
Telangana State
Phone Nos. 040-27638111/27634445
Fax No. 040-27632184
Email: info@aarthiconsultants.com

6 CAPITALS OF NMDC

Financial Capital

Financial capital includes funds obtained through financing or generated by means of productivity.

Manufacturing Capital

This encompasses physical infrastructure or technology pertaining to mines, equipments and products.

Intellectual Capital

This accounts for the intangibles associated with brand and reputation, in addition to patents, copyrights, organizational systems and related procedures.

Profit Making PSU Strong Balance Sheet.

Prudent financial management with focus on increasing cost efficiency and profit.

3 Iron Ore Mine and 1 Diamond Mine.

NMDC produces various iron ore products which can be used as raw-materials to produce pellets, sponge iron and variety of semi-finished and finished steel products.

Expanding Mining foot prints.

Corporate Brand Equity as the largest and responsible iron ore mining company in India and one of the largest in the world – owned by Govt of India.

State of the art R&D with capabilities in ore beneficiation and mineral processing.

Implementation of ERP across all mining projects and steel plant is in final stage of completion.

IT/Digital Backbone.

Turnover (FY20)

₹11,699 crores

Iron Ore Production (FY20)

31.49 MT

Net worth (FY20)

₹27,534 crores

Capex (FY20)

₹2,491 crores

People Capital

The skills and know-how of an organization's personnel, in addition to their commitment and motivation — which affect their ability to fulfil their roles.

Environment Capital

This includes resources such as water, fossil fuels, solar energy, crops and carbon sinks, which cannot be replaced and are essential to the functioning of the economy as a whole.

Relationship Capital

This encompasses the relationships – and attendant resources – between an organization and all its stakeholders, including communities, governments, suppliers and customers.

Continues recruitment, training and leadership development. Employees welfare and engagements.

Environment Friendly Mining.

Focus on reducing environment footprints with focus on less pollution, save energy.

Roof top solar panel installed at various NMDC locations.

To improve the quality of life of people in general and socio economic environment in and around the mines.

To maintain high level of customer satisfaction.

World renowned steel companies are NMDC's loyal customers.

Number of Employees (FY20)

5739

Tree Saplings Planted (FY20)

130,000

Customers (Steel Plants)

20+

CHAIRMAN'S MESSAGE

Dear Shareholders,

This is my first address to our shareholders since accepting the role as Chairman and Managing Director of NMDC Ltd. I am honoured and humbled to be leading our great company with more than 60 years of rich legacy in responsible mining and a great team.

Let me begin with saying that we had good discussions with both State and Centre on Donimalai Mine Lease extension and the mine is going to start operation very soon. As most of you are aware that on 2.11.2018, the Government of Karnataka had issued a letter in our company's favour granting extension of mining lease of Donimalai for 20 years from 4.11.2018 to 3.11.2038.

However it came with a unviable condition of payment of 80% on the average sale price of Iron Ore published by the IBM from time to time. We made representation to the state government against above conditions. Our consistent efforts to salvage the situation is detailed in this report. We are hopeful of a favourable outcome and are keenly looking ahead to resume mining at Donimalai. A seamless uninterrupted iron ore supply is vital to India's efforts in achieving self-reliance in iron ore and steel production. This is also in line with the vision of "Atmanirbhar Bharat" of our Hon'ble Prime Minister.

Despite the adverse impact due to the developments at Donimalai, our Bailadila iron ore complexes are bringing the much-needed boost and succour for the company.

On Iron Ore and Steel Sector

We operate in a contextual back ground consisting of Iron ore production and demand from the steel industry.

India is the 4th largest Iron ore producer in the world. India's iron ore production is estimated to have risen by 15.7% in FY20, to reach 243MT, owing to the acceleration in mine production for several non-captive mines However, production in FY21 is expected to come down significantly owing to delays in operationalization of auctioned mines in Odisha on account of the COVID-19.

Steel industry and its associated mining and metallurgy sectors have seen major investments and developments in the recent past. According to the data released by Department for Promotion of Industry and Internal Trade (DPIIT), the Indian metallurgical industries attracted Foreign Direct Investment (FDI) to the tune of US$ 13.40 billion in the period April 2000–March 2020.The growth in the Indian steel sector has been driven by domestic availability of raw material such as iron ore and skilled labour. Consequently, the steel sector has been a major contributor to India's manufacturing output. Finished steel production declined by 0.8% in FY20 to reach 101.3 MT, over FY19 when the production stood at 102.1 MT.

While, the steel demand in the most developing economies is expected to fall in FY21, India is likely to face a bigger decline in steel demand.

On FY2020 Performance

FY2020 commenced with a spectacular Q1 performance with our Income going up to Rs 3386.56 crore an increase of 33% over Rs 2547.13 crore during Q1 of FY19. Our production and margins had also improved substantially during this period.

During Q2 total income fell to Rs 2,369.30 crore compared with Rs 2,568.87 crore in FY2020. However the standalone net profit rose over 10 per cent to Rs 703.27 crore during Q2 compared to the same quarter in FY19. Our Q3 and Q4 results in FY20 were subdued with respect to topline and margins. During the last week of March, 2020 the nationwide lockdown necessitated due to COVID 19 resulted in an estimated loss in sale revenue of Rs 220 crore and profit before tax (PBT) of Rs 120 crore for our company as our production and dispatches were impacted.

For the year the company achieved production of 31.49 MT and sales of 31.51 MT. Turnover for the year under review was Rs.11,699 crores as against Rs.12,153 crores in the previous financial year 2018-2019 – a decrease of 3.74 %. Profit before tax (PBT) from continuing operations was Rs.6,123 crores compared to Rs. 7,199 crores in the previous financial year 2018-2019 – a decrease of 14.95 %. Profit after tax (PAT) was Rs.3,610 crores compared to Rs.4,642 crores in the previous financial year 2018-19 – a decrease of 22.23 %. Net worth of the Company stood at Rs.27,534 crores as on 31.03.2020 – 6.10 % higher than the previous financial year 2018-2019.

> **In line with the Vision plan of augmenting its Production & Evacuation capacity, technology upgradation, diversification & value-added products, NMDC has taken up many ambitious projects. Some of the projects have been completed and others are nearing completion.**

Technology Upgradation

In line with the Vision plan of augmenting its Production & Evacuation capacity, technology upgradation, diversification & value-added products, NMDC has taken up many ambitious projects. Some of the projects have been completed and others are nearing completion. The ongoing projects are Screening Plant III at Kirandul Complex, additional Screening Line & up gradation of existing conveyor at Kirandul,slurry pipeline project which includes facilities like 15 MTPA slurry pipeline from Bacheli to Nagarnar along with 2.0 MTPA Ore Processing Plant at Bacheli and 2.0 MTPA Pellet Plant at Nagarnar. Doubling of KK line between Kirandul & Jagdalpur is also in the process. Various projects are also under execution for capacity augmentation.

Human Resources

We continue to progress on our Human Resource Development and Industrial relations. The human capital of NMDC has been its key asset. The company has made concerted efforts in keeping the workforce highly engaged and motivated through various training programmes. I am delighted to say that our team consisting of 5739 people are completely aligned with our vision to make the company a globally acclaimed iron ore and steel company. We have inclusiveness based focused human resource development plan. To

enhance performance skills of our leadership team, we have been organising several training programmes with inhouse as well as external resources. During the year we sent 108 members of our team abroad for training. Our performance appraisal and succession planning programmes ensures that we have a strong pipeline of emerging leaders to take up key positions in the future.

This ensures acceleration of our efforts towards stabilising the production and continuously improving our production processes. Going forward, our company will strive to maximise cost efficiencies to improve its bottom-line.

Corporate Social Responsibility

Contributing to social development is engraved in our vision. Our social objectives are aimed at improving the quality of life of people in general and socio economic environment in and around our mining locations. During the year we spent close to 200 Crores towards various social development activities. Education, Health & Hygiene, skill development and Livelihood developments programmes were the key areas of our social interventions. Particulars of our CSR initiatives are detailed in this report.

Environment Sustainability

We continue to progress on various environment and energy conservation initiatives in line with our motto – being a responsible miner. During the year 1 MW capacity grid connected Roof Top Solar (RTS) power plants were installed and commissioned at various production units of our company. Under our sustainability development programme, construction of Sewage Treatment Plant with SBR technology at Bacheli at a cost of Rs.6.61 Cr has been constructed. Similar treatment plant at Kirandul at a cost of Rs 8.0 Cr for treatment of domestic effluents is under construction stage. BIOM, Bacheli complex was awarded Greentech Environment Award (Winner) and 4 first prizes and 2 second prizes in various categories including 1st prize in Overall Performance category in Mines Environment and Mineral Conservation Week. Every year Carbon Footprint studies are being conducted for disclosure of Greenhouse Gas Emissions in Carbon Disclosure Project (CDP).

Going forward

India's steel demand is likely to fall in FY2021 because of a slowing economy, plummeting auto industry demand and weakness in construction, infrastructure and many manufacturing sectors. Indian Steel Association expects a slump in steel demand in 2021 due to the general lull in the economy exacerbated by the national lockdown which had commenced in the last week of March, 2020 for containing the spread of Covid 19. However with the central government stimulus, Atmanirbhar programme and with thrust on infrastructure development, the demand is expected to revive. At NMDC we are watching the situation keenly.

Despite the external challenges we are trying to convert each of them to an opportunity by accelerating our efforts towards stabilizing the production and continuously improving our production processes. I am delighted to inform you that in July 2020, we recorded a sharp rise in overall production and sales as compared to the corresponding period in July 2019, despite the current uncertain situation due to COVID-19. Our company has been able to achieve excellent physical performance through its continual push towards higher volumes which saw production of 2.19 MT and sales 2.57 MT that grew by 13% and 7% respectively over the corresponding period last year.

Our greenfield Steel Plant project at Nagarnar is progressing well and reaching its commissioning phase.

Our company's six capitals comprises of our financial, production, people, intellectual social and relationship are the strong drivers of our business. We continue to strengthen them to stay ahead of the curve and grow further.

Thank you and stay safe.

Jai Hind
Sumit Deb
Chairman and Managing Director

PERFORMANCE HIGHLIGHTS

During the year under review, the Company has recorded turnover of Rs.11,699 crores, achieved Profit Before Tax (PBT) of Rs. 6,123 crores and achieved Profit after Tax (PAT) of Rs.3,610crores. The major performance highlights are summarized as under

Production
31.49 MT

Sales
31.51 MT

Turnover
₹11,699 crores

As against ₹ 12,153 crores in the previous financial year 2018-2019 – a decrease of 3.74 %.

Profit Before Tax (PBT)
₹6,123 crores

Compared to ₹ 7,199 crores in the previous financial year 2018-2019 – a decrease of 14.95 %.

Profit After Tax (PAT)
₹3,610 crores

Compared to ₹ 4,642 crores in the previous financial year 2018-19 – a decrease of 22.23 %.

Net worth
₹27,534 crores

6.10 % higher than the previous financial year 2018-2019.

Dividend
₹5.29 Interim Dividend (FY20)

Capital Expenditure
₹2,491 crores

Rs. 2,090 crores of 2018 - 19

Covid Impact
Due to Covid-19 pandemic, production was affected by 10 LT, loss of sale volume of around 5.5 LT, loss of sale revenue of around Rs.219 crore and PBT of Rs.120 crore.

Vivad Se Vishwas
Under the 'Vivad Se Vishwas' scheme for settlement of pending disputes, an amount of Rs.981 crore has been paid in full settlement of the disputes.

Equity
Ministry of Steel, Government of India, has sold 8,05,82,119 (2.63%) equity shares @ Rs.114.72 per share and raised an aggregate net amount of Rs. 924.44 crores.

Mining Leases
Extension of Bailadila Iron Ore Mining Leases – All the five NMDC Iron ore Mining leases are extended for further period of 20 years under Rule (3) of Mineral (Mining by Government Company) Rules, 2015.

Coal Blocks allocation
Under Section-5 of the Coal Mines (Special Provision) Act, 2015 – Ministry of Coal has declared NMDC as successful allottee of Tokisud North Coal Mine (Non Coking Coal) & Rohne Coal Mine (Coking Coal).

FY20 HIGHLIGHTS

Iron Ore Production (MT)

31.49 MT

Iron Ore Sales (MT)

31.51

Turnover (₹ crores)

11,699

As against ₹ 12,153 crores in the previous financial year 2018-2019 – a decrease of 3.74 %.

Profit Before Tax (PBT) (₹ crores)

6,123

Compared to ₹ 7,199 crores in the previous financial year 2018-2019 – a decrease of 14.95 %.

Profit After Tax (PAT) (₹ crores)

3,610

Compared to ₹ 4,642 crores in the previous financial year 2018-19 – a decrease of 22.23 %.

Net worth (₹ crores)

27,534

6.10 % higher than the previous financial year 2018-2019.

Dividend

5.29

Interim Dividend (FY20)

Capital Expenditure (₹ crores)

2,491

Rs. 2,090 crores of 2018 - 19

ABOUT US

NMDC Ltd., a Navratna PSE under Ministry of Steel, Govt. of India is the single largest producer of iron ore in India owns and operates highly merchandized iron ore mines in CG & Karnataka. NMDC is considered to be one of the low-cost producers of iron ore in the world. It also operates the only merchandized diamond mine in India at Panna, MP. The company is diversifying into steel making and has undertaken several capital intensive projects to modernise and increase capacities to retain its domestic leadership and has also forayed overseas successfully.

Our Products

IRON ORE

Baila ROM: 10 mm to 150 mm size with Fe 65.5%.

Baila lump: 6.3 mm to 40 mm size with Fe 65.5%

DR CLO: 10 mm to 40 mm size with Fe 67%.

10-20 mm Baila Sized Lump: 10-20 mm with Fe 65.5%

Baila Fine: -10mm with Fe 64%.

Doni lump: 6.3 mm to 31.5 mm size with Fe 65%.

Kumaraswamy Lump: 6.3 mm to 31.5 mm size with Fe 64.5%.

10-20 mm sized Kumaraswamy Lump: 6.3 mm to 31.5 mm size with Fe 64.5%.

Doni Fines: - 10 mm with Fe 64%.

Kumaraswamy Fine: -10 mm with Fe 64%.

Slimes: Produced during wet screening of iron ore having nearly less than 0.5 mm size and mostly less than 61%Fe. Suitable for pellet making

OUR GEOGRAPHICAL FOOT PRINTS

Disclaimer: The India map is used for representational purposes only.

Iron ore pellets: Produced at Donimalai with around 64% Fe.

Rough Diamonds

VISION / MISSION AND OBJECTIVES

Vision

To e merge as a global environment friendly mining or ganisation and also as a quality steel pr oducer with a positive thrus t on social development.

Mission

To maintain its leadership as the largest iron ore producer in India, while establishing itself as a quality steel producer and expanding business by acquiring and operating various iron ore, coal and other mineral assets in India and abroad, rendering optimum satisfaction to all its stakeholders.

Macro Objectives

To expand the operations in the areas of Mining and Mineral Processing to meet the growing demands from domestic and international Markets.

Achieve international standards in per capita productivity, value addition and cost effectiveness.

Setting up of Steel Plant at Nagarnar.

Micro Objectives

Achieve growth by:

(a) Expansion of existing mines

(b) Operating new mines fully owned by NMDC or in Joint Venture

Give thrust to exploration and exploitation of iron ore and other trategic & critical minerals.

To maintain environment protection.

To conserve mineral resources through scientific mining.

To maintain high level of customer satisfaction.

To improve the quality of life of people in general and socio economic environment in and around the mines in particular.

HOW WE CREATE VALUE

OUR INPUTS

6 Capitals

Financial Capital:

Profit Making PSU Strong Balance Sheet.

Manufacturing Capital

3 Iron Ore Mine and 1 Diamond Mine.

Intellectual Capital

60 years of legacy capabilites and unique processess.

People Capital

Experienced Board of Directors, Senior Managment and Staff.

Environment Capital

Environment Friendly Mining

Relationship Capital

Customers

Suppliers

Investors

Soceity

WHAT WE DO

NMDC is engaged in mining of iron ore which is crucial for the steel industry. NMDC produces around 35.57 million tonnes per annum of iron ore from three mechanized mining complexes, two in Chhattisgarh and one in Karnataka which supply ore in the form of lumps and fines for production to various steel industries using blast furnace / DRI route.

The core business of our operations produces mineral resources, jobs and infrastructure. The resources we develop create a global value chain that includes exploration, development, extraction, processing, transportation, marketing and logistics, through which we generate economic value.

KEY STRENGTHS

- Competitiveness, profitability and growth
- Efficient mining and state-of-the-art technology deployment in mining
- Lean ore utilization and tailings management
- Strong backward and forward integration
- Diversified board and experienced senior management
- Ability to attract, develop and retain talent
- Advanced Research & Development
- Business model engrained with environment and social sustainability

OUR VALUE CHAIN

Exploration & Estimation

Development & Excavation

Processing & Beneficiation

Loading & Despatch

Marketing & Sales

Contributing to Society

ECONOMIC AND SOCIAL OUTPUTS

Turnover

₹**11,699** crores

R&D Expenses

₹**30.15** crores

CSR Spent

₹**199.99** crores

Employee Benefit Expenses

₹**1,046.83** crores

Dividend

₹**1,619.72** crores

REINFORCING FUTURE WITH STEEL

As a forward integration and business diversification plan, NMDC is in the process of constructing its 3 MTPA Integrated Steel Plant at Nagarnar in the State of Chhattisgarh. Subsequent to meeting between SAIL, RINL & NMDC at MoS during March' 2008 it was decided to put an Integrated Steel Plant of capacity 3 MTPA at Nagarnar by NMDC, keeping in view with linkage with Iron Ore reserves and availability of investable surplus. Subsequently the company has engaged MECON a consultant having experience in design and supervision of steel plants.

NMDC acquired about 2000 acres of land comprising about 1500 acres of private land besides Govt. Revenue land and Forest land with the help of Govt. of Chhattisgarh and Govt. of India and the people of Bastar. It may be noted that no homestead land has been acquired and acquisition of irrigated agricultural land has been kept to least possible extent to ensure that loss of livelihood is minimum.

Subsequent to investment decision during January, 2010 first Major Technological packages awarded is Sinter Plant in the month February, 2011. Subsequently, all nine major packages were awarded. Foundation work of India's one of the largest Blast happened in the month October, 2011.

The approved project cost for implementation of 3 MTPA Greenfield Integrated Steel Plant at Nagamar is Rs. 23,140 Cr. The Steel Plant is being installed with the technological knowhow from various global companies from countries like Germany, Italy, Austria, China, France, USA and several others. The Steel Plant will have major technological facilities like India's one of the largest Blast Furnace (BF) of capacity 4506 Cum (Useful Volume), Hot Strip mill coupled with Thin Slab Caster (TSC), Basic Oxygen Furnace (BOF), Coke Oven of 7 M tall of 2 numbers, etc. The plant will operate on BF — BOF route.

The final Steel Product consists of Hot Rolled Coil of 1.0 mm thick to 12.0 mm (provision upto 16.0 mm). The products of this plant will meet the country's growing demands of flat products of high grade steel and will contribute significantly India to become self reliant in Steel. Plant will also provide in house generation of 80MW power using waste gas and waste heat and By Product Plant will also produce TAR, Naphthalene, and Elementary Sulfur.

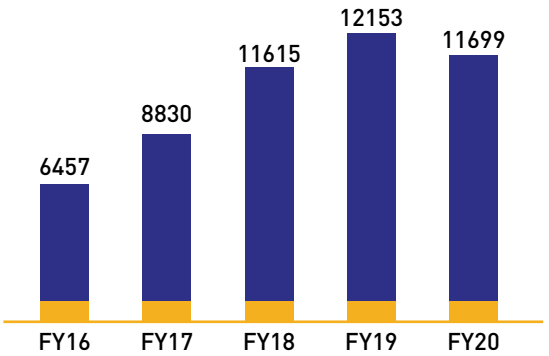
Installation of the Plant is moving at fast pace and scheduled for starting of commissioning activities by first quarter 2021.

Setting up of the Steel Plant will generate immense employment opportunity including direct, indirect and tertiary employment, for the people of the Bastar, on sustained basis. Generation of income for such large number of people will increase demand for goods and services which will give impetus to the trade and commerce activities for growth, which in turn will generate additional employment. In this manner the steel plant will boost the economy of the district and will act as a catalyst for livelihood generation for a large number of poor people of the district. It is pertinent to mention that generation of alternative livelihood is essential for protection of environment in a place like Bastar in particular.

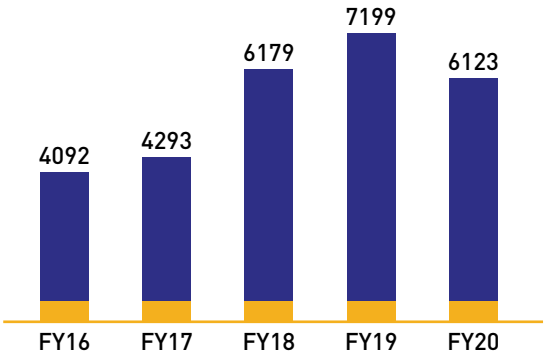
There will be about 3500 nos. permanent employees and expected that about 5000 people will also get indirect employment through transport contract, handling contract, ancillary development, in and around canteen facilities etc. and also land affected people are being given employment in the Steel Plant.

FINANCIAL HIGHLIGHTS

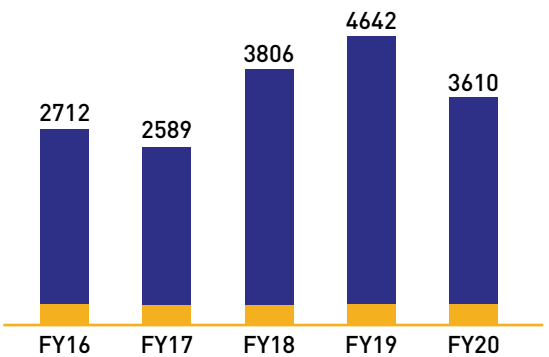
Turnover (₹ Crore)



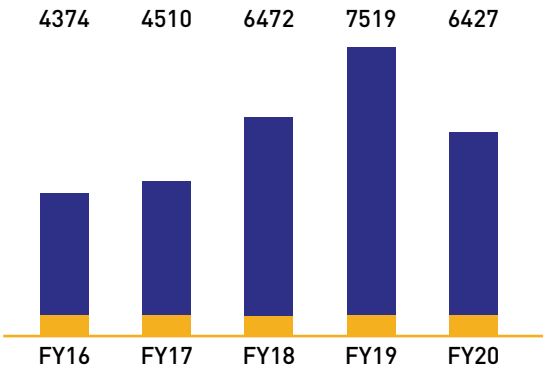
PBT (₹ Crore)



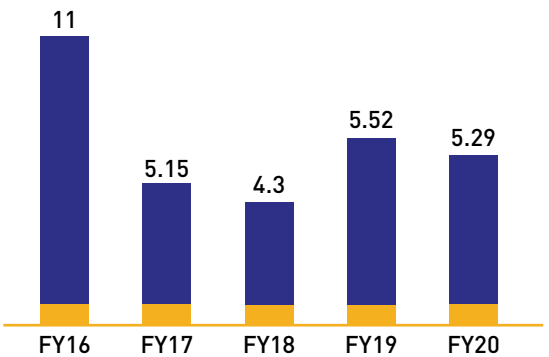
PAT (₹ Crore)



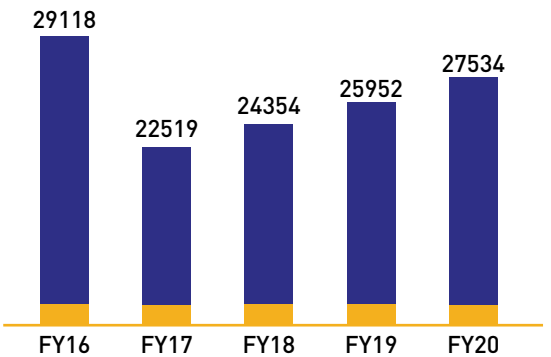
EBITDA (₹ Crore)



Dividends Distributed (₹ Per Share)



Networth (₹ Crore)



BOARD OF DIRECTORS

Shri Sumit Deb
Chairman and Managing Director

FUNCTIONAL DIRECTORS

Shri P.K. Satpathy
Director (Production)

Shri Amitava Mukherjee
Director (Finance)

Shri Alok Kumar Mehta
Director (Commercial)

GOVERNMENT NOMINEE DIRECTORS

Smt. Rasika Chaube, IDAS
Additional Secretary, Ministry of Steel

Shri Vijoy Kumar Singh, IAS
AS, Financial Advisor (Additional Charge)
Ministry of Steel

INDEPENDENT DIRECTORS

Shri Ashok Kumar Angurana, IAS (Retd)
Independent Director

Shri D. Kuppuramu
Independent Director

CHIEF VIGILANCE OFFICER

Shri VVS Sreenivas, IRSME
Chief Vigilance Officer

COMPANY SECRETARY

Shri A.S. Pardha Saradhi
Chief General Manager
and Company Secretary

SENIOR MANAGEMENT

M. Shiva Shunmuganathan
Executive Director
(Corporate Affairs)
New Delhi

Prasant Dash
Executive Director
NISP, Jagdalpur, CG

V.S. Prabhakar
Executive Director
(Coordination)
Head Office, Hyderabad

B. Sahoo
Executive Director
(PC & S)
Head Office, Hyderabad

S. Surender
Executive Director
(Engineering and Projects)
Head Office, Hyderabad

A.K. Prajapati
Executive Director
Bacheli Complex, CG

SENIOR MANAGEMENT

V. Ajit Kumar
Chief General Manager
Slurry Pipeline Project

S.P. Himanshu
Chief General Manager
(Personnel)
Head Office, Hyderabad

A.K. Padhy
Chief General Manager
(Finance)
Head Office, Hyderabad

R. Govindarajan
Chief General Manager
Kirandul Complex, CG

Dilip Kumar Mohanty
Chief General Manager
(Operations)
NISP, Jagdalpur, CG

Sanjay Panjiyar
Chief General Manager
(Projects & Maintenance)
NISP, Jagdalpur, CG

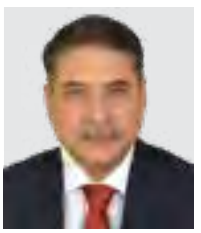
M. Jayapal Reddy
Chief General Manager
(Resource Planning)
Head Office, Hyderabad

K. Praveen Kumar
Chief General Manager
(Law)
Head Office, Hyderabad

K.S.N. Murthy
Chief General Manager (Estate)
Head Office, Hyderabad

S. Chakraborty
Chief General Manager
(Contracts)
Head Office, Hyderabad

Sanjeev Sahi
Chief General Manager
Donimalai Complex,
Karnataka



Pranab Kumar Mazumdar
Chief General Manager
(Production)
Bacheli Complex, CG

D. Viswaprasad
Chief General Manager
(Finance) Head Office,
Hyderabad

P. Laxman Rao
Chief General Manager
(Mechanical)
Head Office, Hyderabad

Rajeev Sharma
Chief General Manager
(Coal)
Head Office, Hyderabad

J.P. Singh
Chief General Manager
(Materials Management)
Head Office, Hyderabad

S.C. Samal
Chief General Manager
(Chemical) NISP, Nagarnar

Suresh Kumar Jain
Chief General Manager
DMP, Panna

Pankaj Kumar Sharma
Chief General Manager
GEC, Raipur

B. Mohan Kumar
Chief General Manager
(Materials Management)
Head Office, Hyderabad

S. Venkateswar
Chief General Manager
(Finance)
Head Office, Hyderabad

CORPORATE SOCIAL RESPONSIBILITY

NMDC's CSR goes far beyond the confines of statutory compliance and is in fact the raison d'être for its operations in some of the most challenging & socio-economically backward areas of the country.

As a responsible corporate citizen sensitive to its stakeholder needs, NMDC has consistently exceeded the expectations of statute w.r.t. fund allocations and expenditure over the years. The company considers inclusive growth and addressing stakeholder concerns as a means to achieving corporate growth & sustainability.

As a proactive approach for keep the CSR policies updated, NMDC Management does periodical review of its social initiatives in alignment with nation building goal.

NMDC's CSR initiatives – Key areas of social intervention:

Education

Health & Hygiene

Skill Development

livelihood enhancement

ONGOING INITIATIVES

EDUCATION

Operation of Residential School for tribals at Nagarnar, Bastar District, Chhattisgarh,

Operation of Industrial Training Institute (ITI) at Nagarnar, Bastar District, Chhattisgarh,

Support to nutritious & wholesome Mid-Day Meal Scheme around Donimalai mines, Karnataka,

Scholarship Scheme, Bastar Region, (Chhattisgarh) covering upto18,000 students

Education Hub at Jawanga Geedam in Dantewada District,

Operation of Polytechnic College at Dantewada

Operation of 'Astha Gurukul' – Residential School for SC, ST, Orphans etc,

Support to 'Saksham' – Residential School for children with special needs,

Balika Shiksha Yojana- sponsoring 40 students from Bastar Division, Chhattisgarh to Nursing Courses at Apollo School & College of Nursing, Hyderabad

NMDC Impact

30,000 students

HEALTH, NUTRITION & DRINKING WATER

Free Treatment at Project Hospitals, Hospital-on-Wheels (mobile medical vans), Medical Camps, Visits of Project Hospital Doctors and Para medical staff to the Villages.

NMDC Impact

1,40,000 Beneficiaries

INITIATIVES - INFRASTRUCTURE DEVELOPMENT

Gaurav Path in Dantewada Town - High Level Bridge over Dankini River in Dantewada, Jagdalpur Bypass

These initiatives are directly benefitting more than 2,00,000 people of adjoining areas. Besides this, inumerable number of people visiting these areas for work, tourism etc. are benefitted by using the infrastructure created under NMDC CSR Programme.

NMDC Impact

200,000 People

NEW INITIATIVES DURING FY20

EDUCATION

Construction of Additional room in 13 primary schools in remote areas of Sukma District

Internal electrification works in 10 (ten) Ashrams/Hostels in Bijapur District

Construction of new Toilets in 10 Ashrams/Hostels in Bijapur District

Lighting facility through solar high mast in 15 residential schools in Bijapur District

Construction of Transit Hostel in Bijapur for guest teachers

Construction of Boundary wall, Road, bridge etc. in Shiksha Parisar Garanji

Expected NMDC Impact

4000 students

HEALTH

Construction of Medical Drugs Godown & Electrification works at District Hospital Sukma

Construction of Sub Health Centres in 9 villages of Sukma District

Upgradation works in PHC and Sub Health Centre, special care for patients provided fruits, nutritious diet, provided specialist Doctors and facilities for accommodation for patient relatives/accompanies and supply of CT Scan machine for Dantewada & Geedam Block

Initiative of arrangements for Medical Doctors & Specialists for organizing Health Camps in Dantewada District under NMDC's CSR programme -Dantewada

Provision of Solar Plants in 180 health centres & Solar Maternity cum Mother care Kits in 393 Health centres in Bastar Division

Financial support to reduce the prevalence of Malnutrition & Anaemia among children and Adolescent girls & women of reproductive age group in Bastar Division

Installation of 30 solar dual pump and laying of pipeline for providing drinking water at village level in Sukma & 15 Solar dual pump in Bijapur District.

Providing Drinking water facilities in Nagar Palika of Bacheli- Installation of Borewells, Pumps, water purification, laying/extension of pipelines etc.

Installation of Handpumps in 100 Ashrams/Hostels in Bijapur District

Mehrar Cho Maan' initiative – a Menstrual Health Management programme called 'Mehrar-Cho-Maan' where by self-help groups of women are engaged in the production and distribution of sanitary napkins in the district of Dantewada. Besides, providing livelihood opportunity to around 120 women in production and distribution of sanitary napkins, the initiative is benefitting around 22,000 girls & women in terms of better awareness w.r.t. Menstrual Hygiene, besides providing low cost & bio-degradable sanitary napkins.

Expected NMDC Impact

250,000 People

INFRASTRUCTURE

Extension of Kadampal Village Access Road Kuakonda Block

Construction of Uchit Mulya Shop at 20 villages of Sukma district

Installation of Solar Street lights in 10 Villages – Bijapur District

Construction of 03 span of 8.00m RCC slab medium bridge at Naimed to Musaloor Road etc.

The above works have been taken up in the year 2019-20 and since the construction related works are likely to be completed over a period of 1-2 years, these initiatives are likely to directly benefit around 25,000 residents of the relevant villages, post implementation thereof.

Expected NMDC Impact

25,000 People

Skill Development

NMDC has partnered with the State Authorities of Chhattisgarh in implementing the Bailadila Kaamdhenu project – a milk dairy farm at Chalki Para in Dantewada District. Besides providing employment to 24 local dairy farming families, it has also empowered around 48 women in these families in terms of providing income generation opportunities

Initiated establishment of millet processing Unit in partnership with State Seed Development Corporation

Partnered with the Chhattisgarh Swamy Vivekananda Technical University Bhilai to provide a Recognition of Prior Learning based Skill Certification Initiative to 1,600 local youth residing around NMDC Projects in Chhattisgarh. This initiative is likely to enhance employment opportunities for the otherwise skilled youth, who find it difficult to get employment due to lack of certificates.

Expected NMDC Impact

2000 People

SPORTS

Organizing sports events in sports academy Bijapur.

NMDC Impact

365 Local Youth

NMDC's contribution to the Fight against COVID -19

With the onset of the COVID-19 Pandemic in March, 2020, NMDC was called upon to make contributions to and/or assist in the fight against the Pandemic by its Stakeholders. Responding thereto, NMDC has taken up the following initiatives:

NMDC provided a financial assistance of Rs.60.00lakhs to the District Administration, Bellary District, Karnataka for setting up COVID -19 treatment facilities in the District Hospital, Bellary

NMDC contributed Rs.5.00crores to PM CARES Fund as its contribution in the fight against COVID-19 pandemic.

Distribution of essential supplies to needy people residing around NMDC Projects, including kerosene to the migrant labour around its upcoming steel plant in Nagarnar

Creating awareness about the Covid-19 Pandemic, maintenance of personal hygiene, including healthy hand washing techniques etc. through provision and display of posters in public places around its Projects

Facilitating production and distribution of sanitizers and face masks by local self-help groups to the villagers around NMDC Projects. Besides this soap were also provided for hand washing etc.

While the contribution is likely to benefit an innumerable number of fellow countrymen. The specific initiatives viz. food grains, sanitizer & mask distribution activities have benefitted around 3500 families residing in the surrounding areas of NMDC Projects.

To sum up, all the above mentioned initiatives are likely to be beneficial to the local communities & beyond in terms of positive impact and outcomes, as these initiatives have been worked out through NMDC's comprehensive stakeholder consultative mechanism.

During World Environment Day and NMDC Foundation Day,

Santosh Mandavi (Class : 6th)
Aastha Vidya Mandir English Medium School
Jawanga, Geedam, Chhattisgarh

Kamal Nath Nag (Class : 9th)
Aastha Vidya Mandir English Medium School
Jawanga, Geedam, Chhattisgarh

Kosa Ram Mandavi (Class : 6th)
Aastha Vidya Mandir English Medium School
Jawanga, Geedam, Chhattisgarh

P. Praveen Kumar (Class : 8th)
T.S.W.R. School of Fine Arts

Kumma Kunjam (Class : 5th)
Aastha Vidya Mandir English Medium School
Jawanga, Geedam, Chhattisgarh

Manoj Kumar Markam (Class : 9th)
NMDC-DAV Residential Public School
Dhanpunji, Bastar, Chhattisgarh

NMDC organised planet protection related painting symposium for school children at various parts of Chhattisgarh

Dharmendra Kawasi (Class : 6th)
Aastha Vidya Mandir English Medium School
Jawanga, Geedam, Chhattisgarh

Supriya Biswas (Class : 8th)
BIOP Senior Secondary School
Kirandul, Chhattisgarh

Anjali Kunjam (Class : 8th)
Kendriya Vidylaya
Bacheli, Chhattisgarh

T. Sriyuktha (Class : 8th)
Sri Vidhyaranya Avasa Vidhyalayam
Sharadadhamam, Hyderabad

B. Krishna Tejaswi (Class : 8th)
Tiny Scholars High School
Hyderabad

Sheikh Nilopher (Class : 10th)
DAV Public School
Kirandul, Chhattisgarh

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 62nd Annual Report on the performance of your Company, together with the Audit Report and Financial Statements for the year ended 31st March 2020 and the Report thereon by the Comptroller and Auditor General of India.

WHAT'S INSIDE DIRECTORS' REPORT (Highlights)

Physical Performance.....32

New Projects and Business Diversifications...34

Environment Management.....43

Manpower and HRD.....48

NMDC Vision 2025.....55

Awards 58

PERFORMANCE HIGHLIGHTS

During the year under review, the Company has recorded turnover of Rs.11,699 crores, achieved Profit Before Tax (PBT) of Rs. 6,123 crores and achieved Profit after Tax (PAT) of Rs.3,610crores.

The major performance highlights are summarized as under:-

- The company achieved production of 31.49 MT and sales of 31.51 MT.
- Turnover for the year under review was Rs.11,699 crores as against Rs.12,153 crores in the previous financial year 2018-2019 – a decrease of 3.74 %.
- Profit before tax (PBT) from continuing operations was Rs.6,123 crores compared to Rs. 7,199 crores in the previous financial year 2018-2019 – a decrease of 14.95 %.
- Profit after tax (PAT) was Rs.3,610 crores compared to Rs.4,642 crores in the previous financial year 2018-19 – a decrease of 22.23 %.
- Net worth of the Company stood at Rs.27,534 crores as on 31.03.2020 – 6.10 % higher than the previous financial year 2018-2019.
- Due to Covid-19 pandemic, production was affected by 10 LT, loss of sale volume of around 5.5 LT, loss of sale revenue of around Rs.219 crore and PBT of Rs.120 crore.
- The Company declared an Interim Dividend of Rs.5.29 per share for FY 2019-2020.
- Capital expenditure of Rs. 2,490.99 crore has been incurred during the year under review.
- Under the 'Vivad Se Vishwas' scheme for settlement of pending disputes, an amount of Rs.981 crore has been paid in full settlement of the disputes.
- Ministry of Steel, Government of India, has sold 8,05,82,119 (2.63%) equity shares @ Rs.114.72 per share and raised an aggregate net amount of Rs. 924.44 crores.
- Extension of Bailadila Iron Ore Mining Leases – All the five NMDC Iron ore Mining leases are extended for further period of 20 years under Rule (3) of Mineral (Mining by Government Company) Rules, 2015.
- Coal Blocks allocation under Section-5 of the Coal Mines (Special Provision) Act, 2015 – Ministry of Coal has declared NMDC as successful allottee of Tokisud North Coal Mine (Non Coking Coal) & Rohne Coal Mine (Coking Coal).

GRANTING EXTENSION OF ML NO.2396 IN RESPECT OF DONIMALAI FOR 20 YEARS FROM 04.11.2018 TO 03.11.2038 AS PER THE PROVISION OF THE MINERAL (MINING BY GOVERNMENT COMPANY) RULES, 2015

Government of Karnataka issued letter no. CI 78 MMM 2016 dated 2.11.2018 granting extension of ML no.2396 in respect of Donimalai for 20 years from 4.11.2018 to 3.11.2038 as per the provision of the Mineral (Mining by Government Company) Rules, 2015. However, it imposed a condition of 'payment of an amount 80% of the average sale value as published by IBM from time to time on despatch of iron ore being payable along with the royalty and all other applicable taxes'.

The impact of the said additional condition makes NMDC's mining operation at Donimalai unviable, the matter was internally discussed and also discussed at the Board level. Legal opinions were sought from Attorney General for India Shri KK Venugopal and Shri BP Acharya, Sr. Advocate and former Advocate General of the State of Karnataka. Both have opined that the condition being imposed by the Government of Karnataka is without the authority of law.

The matter was taken up with the Government of Karnataka at various levels, including the Chief Minister of the State by CMD. In spite of continuous follow-up, no positive response has come from the Government of Karnataka. Pending the decision on the representation by the Karnataka Govt., the operations have been temporarily suspended. In the circumstances, NMDC was left with no other remedy than approaching the Hon'ble High Court of Karnataka by filing a Writ Petition; and, as directed, the WP No. 53514 of 2018 was filed on 29.11.2018.

After hearing the arguments of both the parties, the Division Bench of Hon'ble High Court of Karnataka on 26-02-2019, reserved the matter for judgment. The Division Bench of the Hon'ble High Court of Karnataka, Bangalore pronounced the judgement on 10.07.2019. The operative portion of the Order is as under:-

"

i. Writ Petition is allowed;

ii. The condition imposed to levy premium equivalent to 80% of average sale price of iron ore published by the Indian Bureau of Mines while extending the period of lease vide Communication / Order No.CI 78 MMM 2016 dated 02.11.2018 passed by the Secretary Department of Commerce & Industries, Govt. of Karnataka as amended by Corrigendum No.CI 78MMM 2016 dated 15.11.2018 and intimating the same through the letter No.DMG/MLS/ML-2396/2018-19/6360 dated 23.11.2018 passed by the Director, Department of Mines & Geology, Bengaluru is set aside.

No Costs.

"

The Company addressed a letter to the Chief Secretary to Government of Karnataka, & Hon'ble Chief Minister of Karnataka requesting them to intervene and direct the officials concerned to execute Mining lease deed extension of Donimalai Iron Ore Mine in compliance of the judgement of Hon'ble High Court of Karnataka dated. 10-07-2019. The Government of Karnataka issued a letter withdrawing the approval of extension of mine lease period by 20 years accorded vide letter No. CI 78 MMM 2016 dated: 12.11.2018 and Corrigendum dated: 15.11.2018 immediately and auction the said block ML. No. 2396.

Aggrieved by the above withdrawal letter dt. 17.08.2019, NMDC filed Revision Application before the Hon'ble Mines Tribunal, Ministry of Mines, New Delhi, challenging the Order / Letter No. CI 78 MMM 2016 dated 17.8.2019 issued by Govt. of Karnataka withdrawing the extension of Mining Lease No.2396 of Donimalai Iron Ore Mine, granted earlier vide its orders dated 02.11.2018 / 15.11.2018 for a period of 20 years w.e.f. 04.11.2018 to 03.11.2038.

The Hon'ble Mines Tribunal, issued letter no. 13/02/2019/ RC-I dated 20.08.2019 to both parties NMDC & GoK fixing the hearing on 21.08.2019. Despite the letter dt. 20.08.2019 issued by Revisionary Authority & Joint Secretary, Ministry of Mines informing Government of Karnataka that NMDC had filed a Revision Petition under Section 30 of MMDR Act 1957 (Amended Act 2015), and fixing of hearing in the matter on 21.08.2019 Government of Karnataka issued Notification & NIT dated. 20.08.2019 for auction of Donimalai Iron ore mine ML 2396.

NMDC made submissions before the RA & JS, Ministry of Mines on 21-08-2019 and after the submissions made by NMDC, Hon'ble Mines Tribunal ordered as under:

"Accordingly the impugned order dated 17.8.2019 and any consequent action thereon are stayed"

In the meanwhile, Ministry of Mines, Government of India issued notification substituting the word "shall" in place of word "may" in the Sub Rule 2 of Rule 3 and Sub Rule 3 of Rule 4 of Mineral (Mining by Government company) Rules, 2015. In view of the Notification issued by Ministry of Mines, GoI, substituting the word "may" with "shall" in Mineral (Mining by Government Company) Rules 2015, CMD, NMDC addressed letters to Hon'ble Chief Minister of Karnataka requesting for execution of Mining Lease deed of Donimalai Mines ML No.2396 at the earliest, to avoid further Revenue loss to GoI, GoK and also for ensuring uninterrupted Iron Ore supplies to the Steel Industry. However, there is no action from Govt. of Karnataka till date.

Government of Karnataka is yet to file its Counter before the Hon'ble Mines Tribunal. Hon'ble Mines Tribunal informed all parties that the hearing in the RA application filed by NMDC will be held on 26.02.2020. However later the same was postponed to 04.03.2020. During the hearing held before Mines Tribunal on

04.03.2020, the representative of Government of Karnataka sought adjournment of hearing to 24.03.2020 by informing the Tribunal that the Ld. Addl. Advocate General of State of Karnataka would be appearing on behalf of State of Karnataka and also filing its counter.

Impact of the Hon'ble Supreme Court of India Judgement with reference to the Writ Petition (Civil) No.114/2014 dated 02.08.2017

(i) The Company has been legally advised that there is no impact of the Hon'ble Supreme Court of India Judgement with reference to the Writ Petition (Civil) No.114/2014 dated 02.08.2017 on NMDC. However, in case it is found applicable to NMDC at a later date, it may impact the profits of the Company. Meanwhile, the Bailadila Projects of NMDC have received the Show Cause Notices dated 31.07.2018 from District Collector Dantewada as to why NMDC should not be asked to deposit an amount of Rs.7,241.35 crores as compensation as calculated by Collector based on the above judgement. NMDC has been asked to submit its response by 31.08.2018. As per the legal opinion received, the above compensation is not applicable to NMDC and hence NMDC will seek legal recourse and contest before the Collector, Dantewada and other appropriate authorities. The company has contested the Show Cause Notice with District Collector, South Bastar, Dantewada.

(ii) On 26.09.2019, State Government issued revised show cause notices mentioning reassessed penalties for an amount of Rs. 1623.44 Crores. In this regard, once again, NMDC Ltd. did not accept the penalties imposed by the revised show cause notices.

(iii) Collector – Dantewada issued final demand notices on 15.11.2019 for an amount of Rs. 1390.03 Crores and Rs. 233.41 Crores towards EC Capacity violation and proposed production violation as per approved Mining Plan / Scheme respectively, i.e. total Rs. 1623.44 Crores.

(a) NMDC deposited an amount of Rs. 600 Crores on 10.12.2019 under protest to the Chhattisgarh State Govt.,

(b) NMDC filed two Writ Petitions (Civil), being No. WPC/612/2020 and WPC/616/2020 challenging validity of demand notices dated 15/11/2019 on the allegation of extraction of iron ore in excess to the environmental clearance capacity during 2000-2017, have been filed at Bilaspur High Court, C.G. on 22.01.2020. The following reliefs have been sought from the Hon'ble High Court –

- to issue a writ of certiorari or any other appropriate writ order or direction, declaring the levy of penalty and compensation vide impugned demand notice dated 15-11-2019 as illegal, without jurisdiction and voilative of Article 19 (1) (g) and Article 246 of the Constitution of India.
- to allow the present writ petition by setting aside the impugned notice dated 15/11/2019 for demand of penalty and compensation towards excess production over the Environment Clearance Capacities.
- any other relief as deem fit and proper by Hon'ble High Court in the facts and circumstances of the petition may kindly be passed.

(c) When the matter was listed for hearing on 19.2.2020, the Hon'ble Court after hearing both counsels directed as under:-

- As prayed, list both the cases on 12th March, 2020.
- Considering the fact that the petitioner has already deposited more than 600 crore rupees pursuant to the demand notice made, no coercive step further shall be taken against the petitioner till 12th March, 2020.
- The respondents are directed to produce the statistics as regards the production of the petitioner exceeding the capacity on 12 March, 2020.

(iv) A revision application No. 138102 / 2020 challenging validity of demand notices dated 15/11/2019 on the allegation of extraction of iron ore in excess to the proposed production quantity as per approved Mining Plan / Scheme during 2000-2017, has been filed at Mines Tribunal, Ministry of Mines, Govt. of India, New Delhi on 24.01.2020. The following prayers have been made in the revision application –

- to set aside the demand of penalties, towards the alleged excess production above the proposed production in the approved Mining Plan / Scheme, since the same is without jurisdiction, illegal, arbitrary, violative of principles of natural justice and ultravires the provisions of MMDR Act - 1957;
- pass such other orders as Hon'ble Tribunal deems fit under the facts and circumstances of the case, in the interest of justice and in the public interest.

COVID-19 PANDEMIC

As you are aware, in the month of February 2020, Covid-19 Pandemic developed rapidly into a global crisis forcing governments to enforce lockdowns of economic activity. The impact of Covid in NMDC and steps taken in this regard are summarized as under:-

i) **Production:-**

In the financial year (FY-2019-20), the impact of Covid-19 on production of iron ore in NMDC was for the period from 22.03.2020 to 31.03.2020 and it affected production of 10LT of ore from Bailadila sector.

ii) **Commercial:-**

The GOI had enforced country-wide lockdown which led to shutdown of economic activities from 24th March 2020. Even though steel & related raw materials were classified as essential services, but due to the stoppage of production at mines, restriction on movement of labour, goods and services, lesser availability of rakes and closure of secondary steel units. Sales of iron ore affected to the tune of around 5.5-6 Lakh T from its Bailadila Complex for the period from 24th to 31st March'20 for FY 19-20. However, there was no impact on sales in Donimalai Complex (Karnataka) as NMDC had achieved the MPAP (maximum permissible annual production) i.e. 70 Lakh T before the lockdown was enforced. Hence, the total loss of sales volume assessed for affected period is about 5.5- 6 Lakh T of iron ore.

iii) **Financial:-**

The COVID 19 had a marginal impact on the operations of the company due to the lock down in the country in March 20. There has been a loss of around 10.01 LMT of Production and 5.50 LMT of Sale of Iron ore during FY 2019-20 (in March 20). This has resulted in a loss in sale revenue of around Rs 219 Crore and PBT of Rs 120 crore.

iv) **Steps taken to fight Covid-19 Pandemic:-**

NMDC as a responsible Corporate Citizen took a series of steps to prevent the outbreak of COVID in its townships and work places. To ensure all our employees and their families are aware of the precautions to be taken several circulars have been issued, posters and banners have been displayed at various locations. Social Media like Facebook, Twitter etc were used to the maximum extent to spread awareness. All Government instructions were strictly complied with and were also given publicity. To mitigate the hardship of our contract associates and employees, an ex-gratia of Rs. 1000/- each was paid to all employees and contract associates.

Sanitisation of work spots, transport vehicles, maintaining physical distancing by staggering shifts, rostering of employees, use of thermal scanning etc helped preventing any outbreak of COVID during the lockdown period.

To overcome the shortage of sanitizers and masks, self help groups were formed through our CSR initiative and about 1.5 lakh masks and 13000 litres of sanitizers were procured through them and distributed to the needy. Besides this NMDC also promoted annadanam at the Projects and about 13500 packets comprising of food grains and other necessary items like Sugar, Onion, Potato, Washing Powder, Matchstick, etc. were distributed to the needy tribal families/ nearby villagers.

Migrant labour at NISP who wanted to go back home after the lockdown was relaxed, were given necessary assistance in coordination with the State Government.

PHYSICAL PERFORMANCE

PRODUCTION

Product	Achievement		Percentage of Change
	2018-2019	2019-2020	
Iron Ore (Million tonnes)	32.36	31.49	(-) 2.69 %
Diamond (Carats)	38,149	28,537	(-) 25.20 %
Sponge Iron (Tonnes)	2,475	0.00	-
Pellets (Tonnes)	1,15,623	1,10,481	(-) 4.45 %

SALES OF IRON ORE

Particulars	Physical (in Million Tones)			Value (Rs. in crore)		
	Achievement		% of change	Achievement		% of change
	2018-19	2019-20		2018-19	2019-20	
Domestic	31.18	29.07	(-) 6.77 %	11,452.33	9,995.82	(-) 12.72 %
Export through MMTC	1.18	2.44	(+) 106.78 %	545.65	1,573.18	(+) 188.31 %
Total Sales	32.36	31.51	(-) 2.63%	11,997.98	11,569.00	(-) 3.58 %

OTHER SALES

Products	Achievement	
	2018-19	2019-20
a) **Diamond**		
Sales (carats)	29,346	33,723
Value (Rs. in crore)	38.86	34.29
b) **Sponge Iron**		
Sales (tonnes)	495.58	1,943.88
Value (Rs. in crore)	0.94	4.39
c) **Wind Power**		
Sales (lakh units)	1.62	1.59
Value (Rs. in crore)	5.51	5.39

FINANCIAL PERFORMANCE (Operating Results)

Parameter	Achievement		Percentage of change
	2018-2019	2019-2020	
Profit Before Tax (PBT) (Rs. in crore)	7,199	6,123	(-) 14.95 %
Profit After Tax (PAT) (Rs. in crore)	4,642	3,610	(-) 22.23 %
Net Worth (Rs. in crore)	25,952	27,534	(+) 6.10 %
Book value per share (Rs.)	84.76	89.92	(+) 6.09 %
Earnings per Share (Rs.)	14.70	11.79	(-) 19.80 %

There has been no change in the nature of business for the year under review.

Profit & Dividend

During the year under review, your Company has earned profit before tax from continuing operations of Rs.6,123 crores on a turnover of Rs.11,699 crores in comparison with previous year's achievement of Rs. 7,199 crores and Rs. 12,153 crores respectively.

The Company has declared Interim Dividend for FY 2019-20 @ Rs. 5.29 per share in the month of February 2020 involving an outgo of Rs.1,619.72 crores. The share of Government with equity stake of 69.65 % is Rs.1,128 crores.

Transfer to Reserves

The company proposed to transfer Rs.1,500 crore from net profit to General Reserve.

Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of financial year of the company to which the financial statements relate and the date of the report:

NIL

Deposits

The company has not accepted any deposits covered under Chapter-V of the Companies Act, 2013 during the year under review.

INTERNAL CONTROL SYSTEMS W.R.T. FINANCIAL STATEMENTS

Necessary disclosure in respect of Internal Control Systems and their adequacy has been made in Annexure-C to the Independent Auditors' Report dated 16th June, 2020 which forms part of the Annual Report.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Necessary details in this regard have been disclosed in the financial statements.

Particulars of Contracts or Arrangements with Related Parties Disclosures

Disclosure on related party transactions forms part of the Notes to the Balance Sheet both of Standalone and Consolidated.

Maintenance of Cost Records

Section 148(1) of the Companies Act, 2013 specifies the provisions of maintenance of Cost Records of the company. The company is maintaining such records as per Rule 4(2) of the Companies (Cost Records and Audit) Rules 2014 under both regulatory and non-regulatory services.

STATUTORY AUDITOR'S REPORT

The Audit Report for both Standalone and Consolidated Financial Statements for the year 2019-20 is unmodified and does not contain any qualification, reservation or adverse remark.

SECRETARIAL AUDIT REPORT

The Secretarial Audit Report for the FY 2019-20 as done by M/s Hanumanta Raju & Co., Company Secretary in whole time practice does not contain any qualification, reservation or adverse remark.

PERFORMANCE HIGHLIGHTS

Production:

Iron Ore
31.49 MT

Diamond
28,537 Carats

Pellets
1,10,481 Tones

Sales:

Iron Ore
31.51 MT

Diamond
33,723 Carats

NEW PROJECTS & BUSINESS DIVERSIFICATIONS

Image of the Steel Plant Project at Nagarnar, Chhattisgarh

Steel Plant project at Nagarnar is progressing for construction completion stage and reaching its commissioning phase.

In line with the Vision plan of augmenting its Production & Evacuation capacity, technology upgradation, diversification & value-added products, NMDC has taken up many ambitious projects. Some of the projects have been completed and others are nearing completion. Action for new projects have been initiated. During the financial year 2019-20, the details of Projects undertaken by NMDC are summarized as under:

Ongoing Projects:

1. Screening Plant III – Kirandul Complex
2. Additional Screening Line & up gradation of existing conveyor at Kirandul.
3. Slurry Pipeline Project which includes facilities like 15 MTPA Slurry Pipeline from Bacheli to Nagarnar along with 2.0 MTPA Ore Processing Plant at Bacheli and 2.0 MTPA Pellet Plant at Nagarnar
4. Doubling of KK line between Kirandul & Jagdalpur

Projects in pipeline:

1. Screening Plant II- Donimalai Complex
2. Additional Screening Line & up gradation of existing conveyor at Bacheli.

Projects / Schemes for capacity expansion

To augment the production and to improve the quality of product mix from Bailadila Sector, the schemes like SP–III Kirandul, relocating Crushing Plant of Dep.14 & 11/C and Downhill conveyor, additional screening lines in Bacheli & Kirandul, Rapid Wagon Loading System (RWLS) etc. are envisaged. Waste mining and increase in evacuation capacity being a major area of focus for enhancing the life of mines, the schemes like beneficiation plant at Bacheli & Kirandul and Slurry pipeline from Bacheli to Nagarnar has also been taken up.

In screening Plant-III, Kirandul project, the site work in packages like site development package, RWLS package are in progress. Other packages like Dry circuit package, Wet circuit package etc. are at different stages of tendering process.

Additional Screening Line & up gradation of existing conveyor at Kirandul is expected to be commissioned by August 2020.

The upcoming scheme in Donimalai Complex includes a Second Screening Plant of 10.0 MTPA capacity for handling the ROM from Donimalai & Kumaraswamy mines in addition to the existing Screening Plant. Statutory clearances for 10.0 MTPA Screening Plant-ll is awaited. This project is linked with the grant of lease of Donimalai Mine.

Projects / Schemes to enhance evacuation capacity

To augment the evacuation capacity from Bailadila sector, many projects & schemes are taken up like doubling of KK line, Slurry Pipeline etc.

Doubling of KK line between Kirandul & Jagdalpur (150.462 km) is being executed by Railways as a deposit work and is in advance stage. 45.50 kms line between Jagdalpur & Silakjhori and 7.32 kms line between Dantewada & Gidam were completed during the FY 2017-18 and opened for traffic. Further, during FY 2018-19, 9.2 Kms line between Silakjhori and Kumharsodra was completed and opened for traffic. Works are in progress in other reaches. Doubling between Gidam & Kumharsodra (43 kms) is expected to be completed in FY 2020-21. Doubling between Kirandul & Bacheli (9 kms) is expected to be completed in FY 2021-22 and between Bacheli & Dantewada (34 kms) is expected to be completed in FY 2022-23.

For minimizing the rake loading time & increasing the evacuation capacity at Kirandul, installation of additional rail line for 2nd RWLS is being planned. DPR, in this regard is submitted to East Coast Railway, Bhubaneswar and approval is expected soon.

NMDC has taken up an ambitious project of laying Slurry pipeline from Bailadila to Jagdalpur and further up to Visakhapatnam. The Capacity of the line is 15 MTPA and this will be associated with facilities like beneficiation plant at Kirandul & Bacheli, pellet plant at Nagarnar. The slurry pipeline between Bacheli to Nagarnar is being executed by NMDC. An EoI is being issued for identifying the partners for execution of Slurry Pipeline from Nagarnar to Vizag on JV mode.

The activities for taking a corridor of land for Right of Use (ROU) for laying the Slurry pipe line is in progress.

Field demarcation/assessment of properties in pipeline corridor are completed for 57/61 villages. Draft 6(1) notification is also under preparation by engaging a consultant.

Site levelling works of Ore Processing Plant (OPP) at Bacheli and Pellet Plant at Nagarnar are completed along with soil investigation studies. Works orders are already issued for packages like Main Receiving Substation, Slurry Pumping system packages.

Tendering action for technology packages is in progress for OPP at Bacheli, Pellet Plant at Nagarnar and Slurry Pipeline packages.

Solar Power Projects

As a part of Govt. thrust to tap renewable energy sources, 1 MW capacity grid connected Roof Top Solar (RTS) power plants are installed and commissioned in the month of July-2019 in various production units of NMDC (Bailadila Iron Ore Mine, Kirandul Complex & Bacheli Complex and Donimalai Iron Ore Mine, Donimalai Complex). All the RTS power plants are in operation since then. With this, NMDC has joined other major corporates in harnessing solar power which has assumed a greater significance in recent times.

Steel Plant Project at Nagarnar, Chhattisgarh:

Steel Plant project at Nagarnar is progressing for construction completion stage and reaching its commissioning phase. Effect of COVID-19 resulted in shortage of manpower availability at site and has severely impacted the pace of work in all packages. Visit of foreign specialists for various testing & commissioning also got affected because of COVID-19. Due to the above reasons, it is expected that delay in completion of balance work of steel plant project is likely.

The power requirement for operation of steel plant is already made available at various sub-stations to ensure its supply to different package facilities. Railway connectivity to the plant to fulfil the initial inward and outward movement of materials is already in place. Conducting cold trial, Preliminary Acceptance Test, etc. of individual equipments are under progress as pre-commissioning activities. Project has obtained various statutory clearances viz, Consent To Operate (CTO), Factory licence for phase-I commissioning requirements (i.e for packages like RMHS, Coke Oven, Power & Blowing Stations, Oxygen Plant, Compressed Air Stations, etc.), IBR approvals for Power & Blowing Stations and Coke Oven Plant, etc. as a preparedness for commissioning of steel plant. The CAPEX achievement w.r.t steel plant during the year 2019-20 is Rs. 1451 crores and expenditure incurred so far is Rs. 16,994 crores.

Initiatives for Technological upgradation

i. **Electronic number taking through optical Character recognition cameras, query based PLC print facility and integration with freight online information system of East Coast Railways**

Wagon loading print facility system (WLPFS) for Kirandul Complex has been upgraded to electronic number taker assembly system with optical character recognition cameras and hybrid power supply system with battery backup for 24 x 7 continuous reading of wagon numbers, sick wagon detection and reporting before loading of all wagons thus eliminating manual number taking and subsequently saving time after placement of wagons. The WLFPS has been directly integrated to East Coast Railways (ECOR) freight online information system for direct data transfer after loading thus reducing the turnaround time of rakes. These systems are one of the first in India.

ii. **Up gradation of Drive System for Belt Conveyor BC-414 & BC-504 to CST drive for Donimalai Complex.**

Existing Squirrel Cage Induction motors with rotor resistance box for both the downhill conveyors from Screening Plant to Loading Plant is being upgraded from Conventional bevel helical gear box to PLC based Controlled start Transmission drive with viscous fluid clutch and disc brakes for smooth starting, high operational efficiency, running at full capacity, low maintenance, regeneration of energy and decreasing direct impact of load and life of motor.

iii. **Installation of continuous conveyor belt monitoring system for BC 28 & 29 of Bacheli Complex.**

Since there is no continuous monitoring system for 24 x 7 monitoring of lengthy downhill tunnel conveyor belts, an X-ray / eddy current PLC based continuous monitoring system has been proposed for monitoring continuously the condition of lengthy downhill steel chord tunnel conveyors having very difficult access. The system will monitor ripping, warping, breaking, misalignment of steel cords of belts. It can also be used for quick positioning for splicing, top and bottom rubber cover monitoring etc which saves time, decreases break down and increases productivity substantially.

iv. **Automation of Screening Plant-1 of Kirandul Complex**

SP-1 of Kirandul Complex is being automated with latest DCS system, SCADA and RIO network and integration with other plant DCS and ERP for the first time since inception. The automation will reduce fault finding and trouble shooting, increase efficiency, continuous monitoring of operations, energy and productivity of Kirandul Complex.

v. **Compact & Energy efficient Hydraulic Drive:**

Compact & Energy efficient Hydraulic Drive is ordered on Maha Hydraulics Private Limited for replacement of existing Mechanical Gear Box for bucket wheel drive in Bucket wheel reclaimer of Kirandul Complex, loading Plant.

Hydraulic Drive has the following advantages over the mechanical/conventional gear boxes.

a) Less Power consumption due to overall efficiency of Hydraulic drive being 86% against 74% of Electro-Mechanical Drive.

b) Unlimited Start Stops, Electrical Motor need not be stopped for stopping the Hydraulic Drive.

c) Optimized installed power, Hydraulic Drive delivers High Torque at Low Speed, can be operated at low speeds; Smooth starting of the Equipment.

d) Hydraulic Drive can absorb shock loads and can protect the driven equipment.

e) Very less by weight resulting in less counterweight and less load on Slew Bearing.

f) Low maintenance due to smooth & uniform acceleration, absorption of shock loads and anti vibration characteristics.

g) Total value of the Procurement, work is 121.25 lakhs.

h) The assembly is installed, commissioned on 08.11.2019 and working satisfactory.

vi. **Up gradation of downhill braking system of Dep-11C.**

Dep.11C of Kirandul Downhill conveyors, 124, 125 & 126 Existing Thruster Braking System is upgraded by Fail Safe Hydraulic Disc Brake assemblies with soft braking option (on Slow Speed side). The Procurement and work are awarded to Sibre Brakes (India) Pvt. Ltd., Kolkata on 29.05.2020 at value of Rs. 366.16 lakhs. This Braking System is first of its kind in NMDC.

Overseas Projects / NMDC Global

Australia Legacy Iron Ore Ltd., Perth, Australia

Legacy Iron Ore Ltd is an ASX listed entity based in Perth, Australia with a focus on iron ore, gold and base metals. NMDC has 92.32% equity in the company.

Legacy is holding 21 exploration tenements in Iron Ore, Gold, Base Metals & Tungsten in Western Australia. Legacy has 60% interest in Mt Bevan Iron Ore Project which has a JORC compliant Indicated and Inferred resource of 1.17 billion tonnes magnetite. Mt Bevan tenement also has potential for nickel-copper mineralisation. Currently exploration drilling is being carried out in Gold Targets to get the confidence & complete the feasibility study.

Legacy's major gold focus lies in the South Laverton region and base metals focus lies in the Koongie Park region of Western Australia. Mt Celia Gold project has identified two gold occurrences namely Kangaroo Bore and Blue Peter deposits. Total 14,755m (183 holes) drilling was done in these tenements with a total gold resource of 3.41 mn tonnes @ 1.68 g/t (metal content of 184,100 ounces). Pit optimisation study conducted by AMC consulting has demonstrated good potential in both these deposits.

In FY'20, Legacy has completed 500 mts of drilling in Gold/ Nickle tenements. Further drilling of 4000 mtrs is planned in current year in Mt Celia project to fill the gaps identified by pit optimisation study. Legacy has completed 2800 mtrs of RC drilling covering 29 holes in FY'21 till May.

Legacy Iron Ore has raised A$ 9.227 million through rights issue in Dec'19. NMDC's equity in the company has increased to 92.32% after the Rights issue, from earlier stake of 78.56%.

International Coal Ventures Pvt. Ltd. (ICVL)

ICVL, a joint venture company of SAIL, RINL & NMDC, acquired a coking/thermal coal mine in Mozambique in 2014 and operation of the same was taken over by ICVL. NMDC holds 26% stake in ICVL. Benga Mine, one of the operational asset of ICVL, has produced about 1.78 MT of total saleable coal in FY'20 compared to 1.32 MT in FY'19, which is a all time high since inception.

Venture into Battery Raw materials

NMDC has reviewed its International Strategy, through one of the top global strategic consultant. Based on the outcome, NMDC will venture into Battery Raw Materials, which is also required for the countries future Electric Vehicle potential.

LEASES FOR MINERALS

IN CHHATTISGARH IRON ORE

Extension of Bailadila Iron Ore Mining Leases:

All the five NMDC Iron ore Mining leases are extended for further period of 20 years under Rule (3) of Mineral (Mining by Government Company) Rules, 2015. The forest clearance for all the Mining Leases also got extended. The details are as under:-

S. No.	Name of Mining Lease	Area in Ha	Date of grant of extension of ML	Date of execution of lease	ML Validity	FC validity (co-terminus with lease period)
1	Bailadila Deposit-11 (A,B & C)	874.924	3/5/2018	14/12/2018	10/9/2037	10/9/2037
2	Bailadila Deposit-14	322.368	17/12/2019	10/1/2020	11/09/2035	11/9/2035
3	Bailadila Deposit-14NMZ	506.742	17/12/2019	10/1/2020	6/12/2035	6/12/2035
4	Bailadila Deposit-5	540.05	17/12/2019	10/1/2020	10/9/2035	10/9/2035
5	Bailadila Deposit-10	309.340	17/12/2019	10/1/2020	10/09/2035	10/09/2035

Bailadila Deposit No.1 & 3:

The Company has filed Writ Petition before the Hon'ble High Court of Delhi against allotment of Deposit-1 to Tata Steel & PL of Deposit-3 to ESSAR Steels. The Writ Petitions are being heard before the Hon'ble High Court of New Delhi.

Copper in Chhattisgarh:

The company has submitted the proposal to the Secretary, Govt. of Chhattisgarh for Nodenar-Modenar Copper Block over an area of 21.24 sq km for prospecting and exploitation in Bastar & South Bastar Dist. for reservation under section 17(A) (2A) of MM (D&R) Amendment Act, 2015. The matter is being pursued with Govt. of Chhattisgarh.

IN JHARKHAND

Iron Ore Sasangada:

A JV Company (NMDC 60% & JSMDC 40%), Jharkhand National Mineral Development Corporation Limited (JNMDC) has been incorporated at Ranchi. DMG, Govt of Jharkhand has granted PL for iron ore & Manganese in Sasangada NE area in favour of JNMDC Ltd for a period of 3 years. Detailed Geological mapping and topographical survey completed. Due to delay in obtaining forest clearance, drilling could not commence in the lease period. JNMDC requested the Secretary, Dept of Industries Mines & Geology, GoJ, for reservation of Sasangada Iron ore and Manganese deposit under Section 17A(2A) of MM(D&R) Amendment Act 2015 for grant of Prospecting and Exploitation. The matter is being pursued with Govt. of Jharkhand for reservation.

Ghatkuri:

The Company has submitted a proposal to the Secretary, Dept. of Industries Mines & Geology, Govt. of Jharkhand for reservation of Ghatkuri Iron ore deposit, West Singhbum District, under Section 17A(2A) of MM(D&R) Amendment Act 2015 for grant in favour of JNMDC for Prospecting and Mining operation to provide iron ore linkage to upcoming Jharkhand Kolhan Steel Limited. The matter is being pursued with Govt. of Jharkhand for reservation in favour of JNMDC.

M/s M L Jain & Sons and M/s R Mc Dill Co Pvt. Ltd:

The Company has submitted application for reservation of identified block by clustering mining Leases of M/s M L Jain & Sons and M/s R Mc Dill Co Pvt. Ltd (Total Area 312.43 Ha) in favour of JNMDC for Composite Licence under section 17A(2A) of MM(DR) Amendment Act-2015. The matter is being pursued with Govt. of Jharkhand for reserving deposit in favour of JNMDC.

Gold: In Jharkhand

Gold & associated mineral Deposit: Vide letter dt. 1.1.2019, NMDC submitted application to the Secretary cum Commissioner, DMG, GoJH for proposal to reserve 24.80 Sq. Km. area in Kuchai Tehsil, District Saraikela-Kaswan, Jharkahnd, under Section 17A (2A) of MM(D&R) Amend. Act, 2015 for prospecting and mining operation of Gold & associated minerals. The matter is being pursued with Govt. of Jharkhand for reservation.

Various minerals: In Jharkhand

Tambadungri Copper, Nickel, cobalt and molybdenum mineral -NMDC submitted the proposal to the Secretary-cum-Commissioner, Dept. of Mines & Geology, Govt. of Jharkhand, vide letter dated 30.01.2019 to reserve an area of 16.70 Sq. Km in Saraikela-Kharswan district, Jharkhand under Section 17A(2A) of MM(D&R) Amendment Act 2015 for grant of Prospecting and Mining operation of Copper, Nickel, cobalt and molybdenum mineral. The matter is being pursued with Govt. of Jharkhand for reservation.

IN KARNATAKA

Iron Ore:

The Company is pursuing for ML for Ramandurg and Kumarswamy Deposit (contiguous to ML No.1111). Ramandurg iron ore deposit is subjudice and pending in the Hon'ble Supreme Court of India.

In addition, the company has applied for 3 Prospective blocks contiguous to Donimalai ML under reservation route.

Other Minerals:

The company has submitted a proposal to the Director, DMG, Govt of Karnataka to reserve 24.95 Sq. Km. area for lithium and other associated elements in Raichur District, Karnataka under Section 17A (2A) of MM (D&R) Amendment Act, 2015 for grant of prospecting and mining operation. The matter is being pursued with Govt. of Chhattisgarh for reservation.

IN ODISHA

Iron & Manganese Ore:

The Company is pursuing for reservation for Mankadnacha, Malangtoli, Khandadhar (A & B Blocks), Rakma & Murgaberha iron ore deposits and Panduliposi Iron Ore & Manganese Deposit.

Nickle:

Kansa Block-Vide letter dt. 1.1.2019, NMDC has submitted application to the, DMG, Govt. of Odisha for proposal to reserve 8.0 Sq. Km. area Jajpur, District, Odisha under Section 17A(2A) of MM(D&R) Amendment Act, 2015 for prospecting and mining operation of Nickel. The matter is being pursued with Govt. of Odisha for reservation.

IN MADHYA PRADESH

Tripartite MoU among GoMP (MRD, through DGM), MPSMCL & NMDC was signed for geological and geophysical exploration in various Districts of M.P.

Govt. of Madhya Pradesh issued Gazette Notifications of 3 iron ore prospective blocks, 20 diamond prospective blocks and 1 various minerals prospective block which are applied under MoU for exploration and subsequent reservation.

Iron Ore Prospective Blocks:

a) **Sidhi Block in Sidhi & Singrauli, Districts**

Identified 5 iron ore sub blocks. Geological mapping and Geochemical Mapping completed in 5 potential sub-blocks. NMDC completed Geophysical Surveys in One Block. Topographic Surveys using SP2 60 GNSS completed. Core drilling planned to establish the quantity and grade for which Forest application for drilling has been submitted. Matter is being pursued with Govt. of M.P.

b) **Dhaurra block** –Based on Geophysical survey, Geological mapping and surface geochemical sampling, one low grade iron ore body has been identified.

c) **Dulchipur-Bagroda block**- Based on Geological field traverses and surface geochemical sampling, one low grade iron ore body has been identified.

Diamond Prospective Blocks (3 Large Block, 5 Small Blocks and 12 Additional Blocks): The status of exploration are as under:

- Remote Sensing Studies have been completed in collaboration with NRSC. Chhattarpur Panna Block 1, Chhattarpur Panna Block 2 and Damoh Block, Panna (5 Prospective Blocks) and Additional 12 Diamond Blocks.
- Established several target areas after conducting ground magnetic, VLF-EM & Gravity surveys and stream sediment sampling and also demarcated several additional anomalous areas in the diamond blocks by processing the Raw Aeromagnetic Data acquired provided by GSI in Diamond Blocks.
- Forest applications for drilling has been prepared and submitted. The matter is being pursued with Forest Dept. for obtaining permission for drilling.

Prospective block for various minerals:

After Remote Sensing Studies and detailed Geological traverses one Ferro -Manganese block identified in Jabalpur –Katni Block. Large scale geological mapping, surface Geochemical Mapping and Ground Geophysical Survey (Magnetic survey) and Topographical survey completed in one identified Ferro -Manganese sub block. Core drilling planned to establish the quantity and grade for which Forest application for drilling has been submitted. The matter is being pursued with Forest Dept. for obtaining permission for drilling.

Tikamgarh PL's:

Based on RP works, 5 PL applications were submitted to Mining Officer, Tikamgarh. All 5PLs for Diamond in Tikamgarh District in Madhya Pradesh, were forwarded by MP Govt. to MoM, GoI, New Delhi. The MoM, New Delhi requested Secretary, MRD, GOMP, Controller General of IBM and DG,GSI for their comments for grant of PL's in favour of NMDC. MRD, Secretary sent comments for grant of the above PL's in favor of NMDC. Matter is being pursed with MoM, New Delhi for prior grant. The company will start detailed exploration in these areas after grant of PL's.

IN ANDHRA PRADESH

The Company has applied for Ramgiri prospective block for Iron Ore in Anantapur district. NMDC has requested State Govt. to reserve this block in favour of NMDC under 17A (2A) of MM (D&R) Amendment Act, 2015.

The Company has applied for Peravali - Betapalli Block for Gold. NMDC has requested State Govt. to reserve this block in favour of NMDC under 17A (2A) of MM (D&R) Amendment Act, 2015 for Prospecting & Mining.

IN MAHARASHTRA

Khobna Tungsten Block - Your Company has submitted the proposal for reservation of Khobna Tungsten Block, Nagpur District, Maharashtra under section 17(A) (2A) of MM (D&R) Amendment Act, 2015 for Prospecting and Exploitation. The matter is being pursued with Govt. of Maharashtra.

Coal:

Coal Blocks allocation under Section-5 of the Coal Mines (Special Provision) Act, 2015:

Ministry of Coal has declared NMDC as successful allottee of Tokisud North Coal Mine (Non Coking Coal) & Rohne Coal Mine (Coking Coal). Statutory payment for Tokisud North Coal Mine has been made based on allotment agreement and Allotment Order awaited. Allotment agreement of Rohne Mine is awaited.

Exploration under Sub-section (1) of Section (4) of MM (D&R) Act, 1957 in MoM, GoI allotted Blocks under NMET.

Your company has been allocated 5 blocks (2 iron ore blocks in Jharkhand & Maharashtra and 3 Gold blocks 2 in Karnataka & 1 in M.P.) by Ministry of Mines, GoI for G4 level exploration. NMDC submitted the Geological Report of Iron Blocks and NMET reimbursed the exploration cost. NMDC also submitted Geological Report of Bukkapatna Gold Block to NMET. Exploration work is under progress in remaining two Blocks.

E-auction:

Your company has successfully bidded for Chigargunta-Bisanatham gold block for Mining Lease (ML area 263.01 Ha.) located in Chittoor district in Andhra Pradesh

through e-auction route with a final bid offer of 38.25%. NMDC requested Govt. of Andhra Pradesh to issue the LOI to enable NMDC for taking further course of action. The matter is being pursued with Govt. of Andhra Pradesh for issuing LOI in favour of NMDC.

NCL

NMDC-CMDC Ltd., is a subsidiary of NMDC Ltd. with equity share holding of NMDC Ltd. and CMDC Ltd. in the ratio of 51:49. The present Mining Lease Grant status of both the deposits are as follows:

Bailadila Iron Ore Deposit No.13

Mining lease has been transferred in favour of NMDC - CMDC Limited (NCL). The modified mining plan has been approved by IBM Raipur. Environment Clearance has been transferred in favour of NCL. Action has been taken for transfer Forest Clearances. MRD, Govt. of Chhattisgarh has issued a show cause notice to NMDC-CMDC Limited (NCL) for lapsing the Mining Lease of Deposit-13 for non-commencement of mining operation within 2 years from grant of mining lease. NMDC-CMDC Limited (NCL) has submitted the reply to the MRD, GOCG and requested for its withdrawal.

Bailadila Iron Ore Deposit No.4

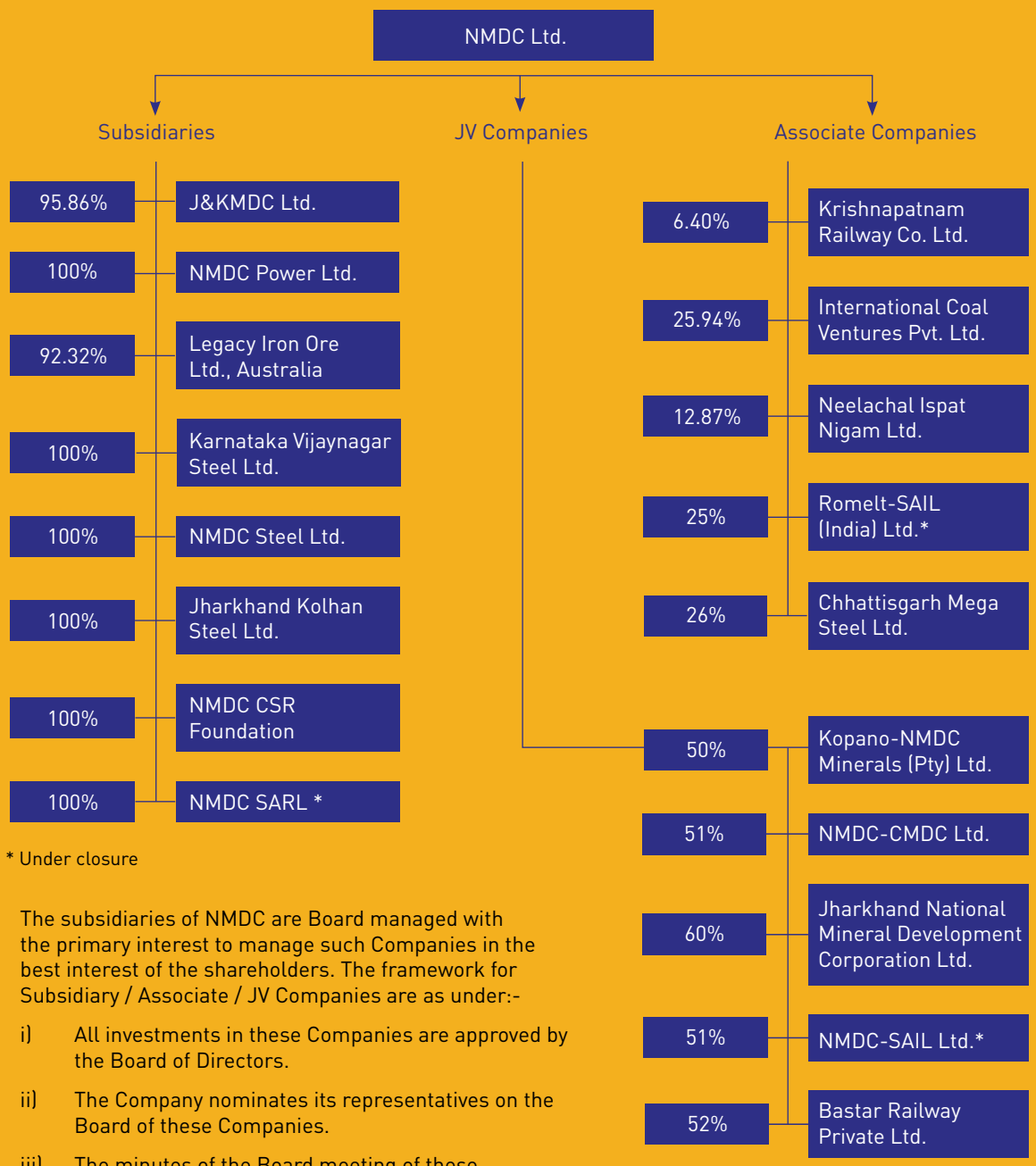
Ministry of Mines, Govt of India vide Gazette Notification No. G.S.R. 697 (E) dated 30.09.2019 has reserved an area of 646.596 ha in favour of NMDC- CMDC Limited (NCL) under sub-section (1A) of section 17 A of the MM(DR) Act- 1957 for prospecting and mining operations. Since NMDC has done the exploration work, NMDC-CMDC Limited (NCL) has submitted an application for grant of mining lease of Deposit no. 4 in schedule -VI of MCR,2016 to Secretary, Mineral Resource Department, CG. Matter is being pursued with C.G. Govt for grant of ML in favour of NCL.

DIAMOND IN CHHATTISGARH

Baloda - Belmundi Diamond Block - Your company has submitted the proposal to the Secretary, MRD, Govt. of Chhattisgarh for Baloda - Belmundi Diamond Block over an area of 156.80 sq km in Saraipali Tehsil, Mahasamund Dist. for reservation under section 17(A) (2A) of MM (D&R) Amendment Act, 2015 for Diamond for prospecting and exploitation. The matter is being pursued with Govt. of Chhattisgarh.

SUBSIDIARY / ASSOCIATE / JOINT VENTURE (JV) COMPANIES MONITORING FRAMEWORK

a) NMDC has 8 subsidiaries and stake in 5 Associate and 5 JV Companies. The names of these Companies and percentage of NMDC stake in these companies are as follows:



* Under closure

b) The subsidiaries of NMDC are Board managed with the primary interest to manage such Companies in the best interest of the shareholders. The framework for Subsidiary / Associate / JV Companies are as under:-

i) All investments in these Companies are approved by the Board of Directors.

ii) The Company nominates its representatives on the Board of these Companies.

iii) The minutes of the Board meeting of these Companies are placed before the Board of NMDC Limited.

Notes:

1) Subsidiary / Associate / Joint Venture Companies have been categorized in line with disclosures as made in the financial statements.

2) A step down Subsidiary Company of NMDC-SAIL Ltd. by the name Chhattisgarh Mining Ventures Ltd. was incorporated on 08/11/2016. Govt. of India, Ministry of Corporate Affairs vide its letter dated 30.01.2020 inter alia, communicated that pursuant to sub-section (5) of section 248 of the Companies Act, 2013, the name of M/s Chhattisgarh Mining Ventures Ltd. has been struck off by Registrar of Companies and the said company is dissolved.

ENVIRONMENT MANAGEMENT

The Environment Management works carried out by NMDC in the FY 2019-20 includes various R&R works such as plantation of around 1.3 Lakh saplings in and around the lease areas, construction and repair of buttress walls, check dams, garland drains, rainwater harvesting pits etc. The works also include seed broadcasting and laying of geo-coir matting on the inactive dump sites.

ENVIRONMENT MANAGEMENT

The company has obtained Amendment to ToR on 24/9/2019 from MOEFCC for Dep-11 ML for obtaining EC along with Public hearing exemption from MOEFCC vide letter dated 01.11.2019. On 9/12/2019, the company also obtained amendment to TOR for obtaining EC from MoEF&CC for KIOM by withdrawing ToR point nos.: 1&2. The company also obtained transfer of EC of Deposit-13 from NMDC to NCL on 12/12/2019.

The company obtained the extension of validity of existing Forest clearance co-terminus with extended lease period under F.C. Act, 1980 for Five Mining Leases of Bailadila Deposit-14, 14 NMZ, 11, 5 & 10.

The company has got valid operating consents for all production projects. The Company obtained Consent to Operate under Air (Prevention & Control of Pollution) Acts 1981 and Water (Prevention & Control of Pollution) Act 1974 from Chhattisgarh Environment Conservation Board (CECB) for the following Projects:

- Bailadila Deposit-10 for 6.0 MTPA production for a period up to 18/07/2020.
- Bailadila Deposit-14/11C for 12 MTPA production for a period of one year i.e. from 01.01.2020 to 31.12.2020
- Bailadila Deposit-11B for 7 MTPA production for a period of two years i.e. from 01.01.2020 to 31.12.2021
- NMDC Iron and Steel Plant at Nagarnar for a period up to 13/9/2020.
- Diamond Mining Project, Panna for 1,00,000 carat production for a period up to 31/10/2021 for the Diamond Mine and up to 30/6/2020 for processing plant.

The company also obtained authorization under Hazardous Waste Management & Transboundary movement Rules 2016 for Bailadila Deposit-11B for used oil 75 KL from CECB, Raipur for a period of 5 years w.e.f 23.08.2018 to 22.08.2023.

The company also Obtained NOC from Central Ground Water Authority (CGWA) for Kumarmarenga Railway siding for ground water withdrawal which is valid for 2 years up to 14/05/2021 and approval from MoEF&CC on 10/7/2019 for change of nomenclature from renewal of mining lease to infrastructure for Deposit-10 Float ore over an area of 142.80 Ha.

The Environment Management works carried out by NMDC in the FY 2019-20 includes various R&R works such as plantation of around 1.3 Lakh saplings in and around the lease areas, construction and repair of buttress walls, check dams, garland drains, rainwater harvesting pits etc. The works also include seed broadcasting and laying of geo-coir matting on the inactive dump sites.

The Company is organizing monitoring studies covering all environmental parameters by recognized laboratories. The studies indicated that all environmental parameters are found to be well within the limits.

Sustainable Development (SD) Performance

Under S.D. programme, construction of Sewage Treatment Plant with SBR technology at Bacheli at a cost of Rs.6.61 Cr has been constructed. Similar treatment plant at Kirandul at a cost of Rs 8.0 Cr for treatment of domestic effluents is under construction stage. BIOM, Bacheli Complex was awarded Greentech Environment Award (Winner) and 4 first prizes and 2 second prizes in various categories including 1st prize in Overall Performance category in Mines Environment and Mineral Conservation Week. Every year Carbon Footprint studies are being conducted for disclosure of Greenhouse Gas Emissions in Carbon Disclosure Project (CDP).

SAFETY

Mine Safety – Activities

NMDC has its training centers in all its projects. They are equipped with infrastructure as required under Mines Vocational Training Rules. These centers cater to the needs of basic training, refresher training and training for skilled workers and also for those injured on duty.

In each mining project of NMDC sufficient number of workmen inspectors are nominated/appointed for mining operations, mechanical and electrical installations as per statutory requirements.

Mine Level Tripartite Safety Committee Meetings are being conducted once in a year at Project Level with Senior Officials, Union Representatives and DGMS Officials in which Safety Performance and its appraisal are made and the recommendations are implemented. Mine Level Tripartite Safety Committee Meeting of Donimalai Complex (DIOM & KIOM) has been conducted on 12.09.2019 and other projects viz. Bailadila Iron Ore Mine, Kirandul Complex; Bailadila Iron Ore Mine, Bacheli Complex and Diamond Mining Project, Panna could not conduct the Mine Level Tripartite Safety Committee Meeting due to Covid-19 pandemic.

Corporate Level Tripartite Safety Committee Meetings are being held regularly once in a year at Head Office. 30th Corporate Level Tripartite Safety Committee Meeting of Bailadila Iron Ore Mines / Diamond Mining Project and Donimalai Iron Ore Mine / Kumarswamy Iron Ore Mine could not be conducted due to Covid-19 pandemic.

Safety Committees have been constituted in every operating mine and pit safety meetings are held every month discussing the safety matters and corrective actions related to work atmosphere.

Man days lost per 1000 man days worked for the year 2019-20 is 0.15 and 7.04 for the year 2018-19.

Integrated Management System (IMS)

Comprising of Quality Management System (QMS) - ISO 9001:2015; Environmental Management System (EMS) – ISO 14001:2015; Occupational Health & Safety Management System (OHSMS) – OHSAS 18001:2007 & Social Accountability - SA 8000:2014 Certification Standards.

All the NMDC Production Projects viz. BIOM, KC; BIOM, BC; DIOM; KIOM; DMP, Panna including R & D Centre are accredited with Integrated Management System (IMS)

OHS Activities:

Occupational Health Services have been provided with adequate manpower and infrastructure and are functioning in full-fledged manner at all the projects, headed by Qualified Doctors trained in OHS at Central Labour Institute, Mumbai.

Periodical Medical Examination under statute is carried out regularly in all the projects.

Safety Management System:

Safety Management System has been implemented in all our mines. Risk Assessment studies are being conducted regularly.

IMPLEMENTATION OF INTEGRITY PACT

With the objective of improving transparency in procurement, NMDC had entered into MOU with Transparency International India for implementation of Integrity Pact Programme during September 2007. NMDC is the first Mining Navratna Company which entered into Integrity Pact Programme in the year 2007.

Initially, the threshold value for procurement & contracts for entering into the Integrity Pact have been fixed as follows:-

Contracts	:	₹ 50.00 crores
Procurements	:	₹ 15.00 crores

To widen the coverage of procurements / contracts under Integrity Pact, the threshold limits have been revised during 2009 as under:

Contracts	:	₹ 20.00 crores
Procurements	:	₹ 10.00 crores

Subsequently, to cover majority of cases under Integrity Pact, the threshold limits have been reduced to Rs.1.00 crore for procurements / contracts w.e.f September 2018. During 2019-20, 63 tenders valuing Rs.445 crores were covered under this category.

Transparency in procurements handled

In order to enhance transparency in procurements & increasing competitiveness, your company adopted the following modes of tendering:-

- **e-Procurement:**
- All procurements of value above Rs.2 lakh are tendered through e-mode at HO & Projects. Reverse e-auctions are conducted for high value spares & consumables, wherever possible, by declaring upfront in the tender document.
- Broad basing of vendors done for high value items viz. Milled Ferro Silicon, Crusher Spares, Under Carriage parts of Excavators, TCRR bits, conveyer belts and plant items which resulted in substantial savings in cost.
- **Mode of Tendering**: Efforts are continuously taken to minimize proprietary & single tender purchases. Instead, open/global tenders are resorted to by giving generalized specifications & drawings, wherever possible or with OEM Part Numbers. Single Tender / Proprietary purchases have been reduced from Rs.1579.15 lakhs (85 cases) during 2017-18 to Rs.287.67 lakhs (34 cases) during 2018-19. This was further reduced to Rs.271.85 lakhs (26 cases) during 2019-20.
- **Pre-qualifying conditions**: PQC for conveyor belts & HEM equipments tenders have been revisited and a structured PQCs have been made keeping in view wider participation.
- **GeM Portal**: Procurement through GeM portal as per the guidelines of GOI, is being done for the Materials which are available in the GeM Portal. Total 1017 orders valuing Rs.16.00 crores were placed during the year 2019-20.

CPP Portal: MM Dept. is posting tenders in the CPP portal except Single tender and proprietary items. All the bidders approaching through CPP portal for entering in NMDC are invited for registration with NMDC or conducting trial with NMDC for ensuring their quality product.

NMDC'S R&D CENTRE AT HYDERABAD

NMDC R&D centre is dedicated to undertake product and technology development projects related to ores, minerals and steel making to maintain its excellence in process performance. R&D centre has made significant contribution not only to NMDC operating projects but also to Indian industries and is recognized by Department of Scientific and Industrial Research (DSIR). R&D centre undertakes works related to mineral processing, flow sheet development, mineralogical studies, material handling & storage, metallurgical studies of iron ore and coal, chemical analysis etc. It is a pioneer in the field of beneficiation and continuously working for development of dry beneficiation technology for different ores and minerals. It is endowed with state of art laboratory equipment to analyze different minerals, coals, metals and non-metals. For further details reference may be made to Annexure-II attached to the Directors' Report.

GLOBAL EXPLORATION CENTRE, RAIPUR

NMDC's Global Exploration Centre at Raipur is continuously doing exploration in the mines of NMDC and adding new reserves every year. NMDC has offered to State Governments to undertake free exploration to quantify mineral resources in the State.

IMPLEMENTATION OF OFFICIAL LANGUAGE POLICY

NMDC effectively implemented Official Language Policy of Government of India in its Headquarters, Projects and Units.

Giving a thrust on training in Hindi language "Hindi Parangat" training continued during the year at Hindi training center of Head Office. Eight batches of employees have already completed the course successfully. Hindi Workshops were conducted in every quarter at Head Office as well as Projects for practical training of official work in Hindi. Training in "Hindi Unicode" was imparted to work in Hindi on computers. Regular classes are held in its premises with the help of Hindi Teaching Scheme of Govt of India to impart Hindi Stenography training to English Stenographers.

Incentive Schemes for writing noting, letters, Registers in Hindi and giving dictation in Hindi were implemented throughout the year. Hindi Fortnight was celebrated. Various Hindi competitions were conducted and prizes distributed to the participants. In order to maintain tempo of working in Hindi throughout the year, monthly Hindi competitions, viz, Noting and letter writing, Entries on Registers, Dictation etc. were conducted.

Meetings of Official Language Implementation Committees were held in every quarter at Head Office and all the Projects. To monitor use of Rajbhasha and suggest measures to augment the same, inspections and Desk training programs were conducted at various projects and units. Rajbhasha contact programs were held every month at various departments of HO by Officers of Rajbhasha Department to increase awareness towards Official Language. Desk training in Hindi was also imparted during such programs. Quotes of famous personalities in Hindi were framed and displayed at important places in office premises. Hindi books were purchased on subjects of common interest.

NMDC also continued its efforts for propagation of Rajbhasha at town level. A Joint Hindi workshop for small undertakings of Twin cities of Hyderabad-Secunderabad was conducted at Head Office under the aegis of Town Official Language Committee (Undertakings), Hyderabad-Secunderabad. Also, an "Inter-Undertaking Hindi Elocution Competition" was organized for employees of all the undertakings.

All India Rajbhasha Conference was also conducted at Head Office under aegis of Ministry of Steel. Senior Officers from MOS its undertakings, Officers from PSUs in Hyderabad and Rajbhasha Officers/Nodal Officers from all the projects and units of NMDC attended the same. Rajbhasha Technical Seminars were conducted at BIOM, Bacheli, BIOM, Kirandul & and Diamond Mining Project, Panna. House journal dedicated to Official language "Khanij Bharati" was published. Various Hindi/Bilingual/ Trilingual magazines, news magazines were also published from Head Office and Projects viz, Sarjana, Baila Samachar, Bacheli Samachar, Doni Samachar, Heera Samachar, She News etc. To encourage usage of Rajbhasha in Projects and units, shields were distributed under "NMDC Rajbhasha Shield" Scheme.

Rajbhasha Kirti Puraskar (Second) for PSU's in 'C' region was conferred on NMDC consecutively for the second year by Government of India, Ministry of Home Affairs for the year 2018-19. NMDC also received First Prize-"Rajbhasha Shield" from Town Official Language Implementation Committee (Udertakings), Hyderabad-Secunderabad in mid-sized category for outstanding implementation of Rajbhasha during 2018-19. NMDC's Hindi Magazine "Khanij Bharati" was awarded "Best Magazine Award" in printed magazine category among all the PSUs of Hyderabad-Secunderabad consecutively for the third year. PRSI National Award (First) for 2019 and PRCI Golden award was also conferred on "Khanij Bharati". Rajbhasha Sammaan was conferred on NMDC by World Hindi Council for outstanding implementation of Rajbhasha.

DETAILS REQUIRED TO BE FURNISHED IN TERMS OF MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED).

The company has taken the following steps to procure goods and services from MSE firms, MSE SC/ST & Women entrepreneurs. NMDC has conducted exclusive MSE SC / ST vendor meets at its projects in Chhattisgarh and Karnataka to understand the tender process and our requirement. NMDC has participated in the various vendor meets organised by Ministry of Micro, Small & Medium Enterprises in association with FICCI. Besides NMDC has organised 5 Nos. Vendor Meets / programmes at various places in total during 2019-20. NMDC interacted with prospective MSE entrepreneurs encouraging them for supply of goods for various plants at Bailadila & Donimalai.

For encouraging MSE SC/ST firms, exclusive trials are being conducted and after successful trials the firms are given tender enquiry in Limited Tender.

Moreover, against the qualification criteria in tenders we have not received any complaint / request with regard to relaxing tender terms & conditions. For the last 3 years NMDC is achieving the targets as per Public Procurement Policy. The results of 2019-20 are given below:-

Category of MSE Firm	Norms	Achievement
Procurement from MSE firms	25%	38.24%
Procurement from SC / ST MSE firms	4%	4.30%
Procurement from Women Entrepreneurs MSE firms	3%	4.03%

NMDC also received the Best Performer under the Navratna Category during the year 2019 for our exemplary work towards promotion of SC/ST entrepreneurs based on the performance parameters namely (i) procurement from SC/ST entrepreneurs, (ii) No. of Vendor Development Programs for SC/ST and (iii) Number of SC/ST entrepreneurs benefitted as per the data uploaded on Sambandh Portal.

MANPOWER & HUMAN RESOURCES DEVELOPMENT

MANPOWER

Employee-Employer relations

The overall industrial relations situation was peaceful and cordial during the year. There was no strike/lockout against the Company's policies affecting production and productivity

Scheduled Castes & Scheduled Tribes

08 candidates belonging to Scheduled Caste and 203 candidate belonging to Scheduled Tribes were appointed in the year 2019 against 426 posts filled by direct recruitment.

Strength of SCs & STs as on 31st March 2020

1.	Total number of employees	=	5739
2.	Scheduled Castes amongst them	=	881
3.	Scheduled Tribes amongst them	=	1435
4.	Total SCs and STs	=	2316
5.	Physically challenged employees	=	101

Particulars of employees drawing remuneration of Rs.8.5 lakhs per month or Rs.1.02 crores per annum under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended.

NIL

Staff Welfare activities

Adequate facilities for education, health, accommodation and recreation were in place. Various Bipartite fora have been functioning satisfactorily.

Promotion of Sports

Inter Project tournaments, both indoor and outdoor, for employees and games & sports for the wards of employees were held in different Projects during the year apart from promoting sports events under CSR.

Disclosure under Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013

No complaint has been received and no case has been filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal Act, 2013 during the financial year 2019-20.

HUMAN RESOURCES DEVELOPMENT

At NMDC Limited, Our people are at the heart of our business – everything we do, including our success, is dependent on them. Ensuring our employees are engaged, and have the skills and knowledge not just to perform in their roles but to grow, develop and feel fulfilled is essential for us to prosper as a company.

We have a range of Learning and Capability building initiatives that are designed to improve personal performance while achieving our business goals. These initiatives are in line with the current learning trends to suit the needs of today's learning: there is additional focus on creating an eco system of learning across the learning through local and corporate initiatives.

Learning and Development initiatives offered during 2019-20 were aligned with Business Goals. The on-going core programmes were revitalised to reflect the emerging capability requirements. In addition to core programmes, customised programmes were also offered to address the needs expressed by businesses, aimed at building specific capabilities at various levels of the organisation.

Corporate HRD has Organized 24 Nos of Customised In House Training Programmes covering 497 Executives during 2019-20, 127 Nos of External Training Programmes covering 392 executives on various subjects, 108 Nos of Executives were sent abroad for Foreign Training Programmes / AMP/Visits.

Talent Management, Mentorship as well as Leadership Development for Women & Capability Development Programmes:

a) 7% of Executives (E0& above) are imparted Training for Continuation of Talent Management and Career Progression through one week Training in Centre of Excellence within India e.g. IITs, IIMs, NITs, ICAI etc. 52 Executives at IIM Kozhikode, 22 Executives at XLRI and 23 Executives at IPE, Hyderabad

b) Conducted six number of Mentorship Programme for Women employees for Work life Balance as well as Leadership Development (Nos of Initiatives) 3 Programs are conducted with AMP and 3 Programs are organized with Art of Living (AoL)

c) Organised the 6 Nos of Capability development Programmes for employees to build their technical & managerial competencies for higher positions including special focus on Web Learning programme(s). 2 No of Programmes at IIT Kharagpur and 3 programs with M/S EDS technologies and 1 program with M/s Geosys Information Pvt Ltd, Hyderabad

Strengthening of Quality Circles:

Strengthened the Quality Circles Movement in NMDC, by giving more thrust on Quality Circles activities by adding 5% more QCs this year. We have bagged 25 Gold Awards and 1 Silver Awards in CCQC. 12 QCs participated in NCQC and bagged one Par Excellence Award, 10 Excellent Category Awards and one Meritorious Award

CMD's Trophy for Young Managers:

We have continued this scheme of a competition based on "Research Paper and its Presentation" for Young Managers under the age of 40 years that is designed

to promote Literature survey, Research and Innovative thinking among our Young Managers. The Winners to participate in International/National conference/ Visit. Winners are sent to Ferrous & Steel Outlook 2020 organized by S&P Global Platt's during 21 -23 Nov 2019 at Singapore. Runners are sent to 4th Indian Iron Ore, Pellet and DRI Summit in Delhi during 2nd and 3rd March 2020.

Employee Engagement Initiatives for Young Executives "Youthrive":

We have continued to develop a sense of camaraderie amongst the Young Executives at NMDC who are from across the Projects/Units/ROs, You' Thrive' – A unique Engagement Initiative for Young Executives has been organised at NMDC this Financial year as well. Winners and Runners are rewarded suitably.

Implementation of Succession Management Policy:

Updated the Succession Management plan and the same is approved by the Board as to create succession Matrix for the development of our senior executives to occupy key positions by emphasizing on performance and potential of those executives working in this Organization.

Knowledge Management Framework (Samanvay):

Department of Public Enterprises (DPE) has developed Common Knowledge Management Portal "Samanvay" for all CPSEs in collaboration with ONGC with the intent to generate a platform for all CPSEs to collaborate and learn. The Knowledge Management Portal (https://samanvay.cpse.in) was smoothly implemented in NMDC Limited on which we can share our Best Practices, Case Studies, tacit knowledge, breakthrough innovations etc. This portal also has a separate section on Infrastructure facilities such as R&D, Training, and Equipment etc which can be shared with other CPSEs.

Celebration of International Women's day 2020:

NMDC Limited has observed week Long International Women's Day 2020 with great fervour and zeal at Corporate Office from 02.03.2020 to 07.03.2020 as to disseminate the information about NMDC's exemplary works/activities towards women empowerment in line with Compaign #Har Ek Kaam Desh Ke Naam# Ispatilrada. On this occasion, all the women executives/ employees, Apprentices, Trainees including contract workers were welcomed with a Greeting Card, Flowers and Sweets. A host of events were lined-up throughout the week to mark this event. During this week, Women employees visited Kasthurba Ashram and distributed Fruits to residents of Kasthurba Ashram – A home for destitute women. We have Conducted Yoga/ Health and Wellness Programme to Women employees of Corporate Office by M/s Jayganaga Life Coaching Academy, Odisha. Felicitated of Nursing Students undergoing Training under Balika Shiksha Yojna and arranged motivational talk by Sr. Women Executives. We have conducted Competitions for women employees, staff and Trainees on the eve of International Women's day. All women actively participated in the Competitions.

Learning from Each Other (LEO):

A series of workshops titled "Learning from Each Other" were organized at NMDC during the year 2019-20. The aim of these workshops were to share the best practices, methods and techniques followed by NMDC in specific identified areas and learn tools and techniques to sustain

these practices through interaction with each other. Senior executives of NMDC HO and experts in related areas interacted with participants in these workshops.

Culture Building through Learning Workshops:

At NMDC Limited, to create a deeper bond among employees, and thus improve overall happiness, we have Conducted Brain Storming sessions with all top Leaders of the Organizations. To ensure cross-employee and departmental interaction, the teams were randomly selected and nominated for Culture Building workshops designed for two days and Three days at all levels. We believed that by making our people a priority and creating programs that encourage them to build relationships and friendships, they will be happier and, in turn, with NMDC"

Skill Development Training:

- **Signed an MOU with NSDC for imparting Skill Development Training and RPL Certification for 400 workmen in NMDC limited. First PSU to sign MoU with NSDC**
- **Your Company is also playing a proactive role to support the National Skill Development Mission through active participation in the activities of Skill Council for Mining Sector (SCMS) and providing Training and Recognition of Prior Learning (RPL) in all Projects.**

Rewards & Recognition for HRD initiatives (2019-20):

- NMDC was conferred Best Supporting Organization Award in Quality Movement during 33rd Annual Chapter Convention held during 28-29 August 2019 in Hyderabad.
- **NMDC has bagged Special Commendation Award in "Innovative Training Practices" category by ISTD.**

VIGILANCE

Vigilance department had taken several initiatives during the year. Emphasis was laid on adequate checks and balances in the form of well-defined systems and procedures. Various programmes were conducted for awareness on vigilance matters for the employees of the Company. The vigilance functionaries at the projects have conducted regular training classes for the employees on the vigilance matters. With a view of value addition and skill development of the executives of Vigilance Department, they were nominated for various training / workshops being organized in India.

It has been ensured that the systems and procedures including the process of document handling, maintenance of records etc. of the Vigilance Department is conforming to the Quality Management Systems as per ISO 9001:2015 Standards.

Vigilance Department in NMDC has upgraded its process and systems to ISO 9001:2015 standards of Quality Management System (QMS). In this regard one agency, viz. M/s Vexil Business Process Services Private Limited, Delhi was engaged for audit, suggesting system improvement and assisting in obtaining certification. Accordingly, after the Surveillance Audit and necessary compliance on 7.01.2020, NMDC Vigilance Deptt. has been awarded ISO 9001:2015 standards of Quality Management System (QMS) which will remain valid up to 5th Feb, 2022.

During the year (April'2019 – March 2020), 70 nos. of surprise checks, 82 nos. of regular inspections and 2 nos. of CTE type inspection was conducted by Vigilance Department. Complaints received were taken up for investigation and necessary suggestions for system improvement/ disciplinary action wherever required was recommended. During the period, 4 nos. of major penalties was imposed.

As part of implementation of "Leveraging of Technology for transparency" in all the transactions, details of contracts concluded above Rs. 10 lakhs, all works awarded on nomination basis, single tender basis above Rs. 1 lakh, information regarding bill payments to the contractors etc., are provided on the company's website. Efforts to encourage e-procurement, e-tender & e-auction are being made continuously.

NMDC has adopted implementation of Integrity Pact since November 2007. As per the suggestions given by Vigilance Department, the threshold value has been decreased to 1.0 Crore w.e.f. 07.09.2018 for both Procurement and Contracts as against the earlier threshold limit of Rs. 20 crores in case of Civil works and Contracts and Rs. 10 crores in case of Procurement on approval of NMDC Board. The Integrity Pact has been entered into 272 contracts with a value of Rs. 25,069.00 Crores. All the contracts wherein the Integrity Pact was to be signed as per the threshold limit was adhered to and more than 90% of the total values of the contracts are covered under Integrity Pact.

A Quarterly meeting of Vigilance Officers in NMDC is being conducted regularly and the last meeting was conducted on 4th & 5th, Feb 2020.

SYSTEM IMPROVEMENTS UNDERTAKEN / IMPLEMENTED DURING THE YEAR 2019-20

As per the Action Plan, surprise and regular checks were conducted besides study of files. Irregularities and omissions under the provisions of the rules are identified and improvements in the systems suggested wherever required. Based on the observations of Vigilance, recoveries from the contractor's bills for not conforming to the contractual terms were suggested.

The initiatives / system improvements studies / suggestions / recommendations made during the period are briefed as below:-

SMS based Information System for concreting work

During various site inspections, it was noticed that inadequate or lack of strict supervision resulted in poor quality of work on account of using less than stipulated reinforcement/ poor workmanship/ insufficient curing etc. In some cases, cubes were also not taken. To have a better control over quality of concreting work and as a system improvement an SMS system for sending information regarding start of concreting work at site has been introduced as the same was successfully implemented in Port Sector and DCI. Feasibility to use CCTV Cameras is also being explored.

Computer generated "Material Requisition Number" (MRN) for issue of Diesel for Hired Vehicles

Implementation of computerized MRN for issue of diesel for hired vehicles in existing Inventory Management System (IMS) done resulting in elimination of possible manipulations / overwriting in POL slips, manual intervention, excess drawal issues.

Reward Point Management System

The system was introduced in place of manually printed coupons which were given to contract labourers for purchase of food items through co-operative stores. This prevented manipulations in signature, duplication / fake coupons submission etc.

Visitor Management System (VMS)

At one of the projects was not in use and instead manual mode of gate pass was being issued. On vigilance intervention, usage of VMS software was restarted and issue was ensured through the software only and is operational from October, 2019 onwards.

Module for Hospital Management System (HMS)

To avoid issue of unaccounted medicines and irregularities in receipt & issue of medicines at Yashoda Aarogyavardhini Hospital at Donimalai, on intervention of Vigilance Department, new HMS has been ordered for the hospital on December, 2019.

Review of CCTV Cameras installed

CCTV cameras have been installed at various sensitive locations in offices / plant premises. Review of positions of the cameras time to time is done with a view to cover all sensitive areas and also to ensure working of CCTV cameras, a committee is constituted and made responsible for regular monitoring of the same.

Procurement of Medicines through Open Tender System

Procurement through Open Tender System was initiated in place of purchase from manufacturer / Authorised Dealer against hospital price list to fulfil the annual requirement for the Project hospitals. During the financial year (2018 – 19), against the estimated value of Rs. 128.42 lakhs, actual procurement was made for Rs. 92.28 lakhs resulting in a saving of Rs. 36.14 lakhs to the Corporation, and for the financial year (2019 -2020 till December) against the estimated value of Rs. 79.43 lakhs, actual procurement was made for Rs. 57.08 lakhs resulting in saving of Rs. 22.35 lakhs.

Engagement of hired vehicles

As suggested, tendering process for engagement of hired vehicles in compliance with CVC guidelines was adopted at Donimalai Project.

Action plan to improve INTEGRITY INDEX of the Organization

was prepared and various initiatives were already implemented like composition of Interview Board by including External Representative, policy review & changes at regular intervals like review of Fraud Prevention Policy, Banning of Business Policy etc. Further, the following are in the final stages of implementation like a) Implementation of ERP, b) Audit of existing contract terms and conditions with a view to reduce vulnerability for arbitration, c) Policy changes based on exit interview etc.

Laboratory Information Management System

in Chemical Lab and Geology Department was implemented to improve transparency and avoid manual intervention while coding of samples being sent to Chemical Lab for analysis.

Improvement in Sampling activities at Loading Plant

System Improvement is done in the sampling activities at loading plant wherein announcing the party name in the PA System has been discontinued, and Digital Display Monitors have been installed at loading sites for knowing the exact status of wagon filling on continuous basis for representative sampling.

Calibration of Belt Scale Weighers

Out of Vigilance intervention, Calibration of belt scale weighers through external agencies on monthly basis was agreed (previously monthly external calibration was done for loading plant belt scales only). Accordingly work order has been issued for all the belt scales. Further, plant electrical department has purchased 06 Nos. of new belt scales for replacing the old belt scales for better accuracy and precision in weighment and procurement action has been taken up.

Recruitment and Promotion Policy of NMDC

Given the history of issues cropped up during past phases of recruitment and promotions and in view of recommendations given by Vigilance Department, NMDC Recruitment and Promotion Policy, 2018 and the rules framed there under in the Company was approved by the Competent Authority and put in place.

An amendment was also issued on 04.09.2019 to the NMDC Promotion Policy, 2018.

"NMDC Fraud Prevention Policy"

was proposed for implementation since the year 2013, but did not happen. It's been followed up vigorously and modified and made more robust and will be implemented shortly with Board approval.

Mine Transport Surveillance System (MTSS)

Has been implemented to monitor production and despatches of Iron Ore in Kumaraswamy and Donimalai Projects of NMDC.

Strengthening of Online Complaint Handling facility

Incorporating additional features to authenticate the complainant was done and is made available on NMDC website.

Installation of Weightometer

Suggestion for installation of weightometer on NMDC conveyor instead of the party's conveyor at one of the projects for making the process of weighment of material dispatched to parties/customers, more authentic.

Online Submission of Certificate

System for online submission of certificate regarding award of contract on nomination basis has been implemented.

Strengthening of Online Vigilance Clearance System

For further strengthening of Online Vigilance Clearance System certain modules were introduced like outside employment, separation from the Company etc., in addition to the existing modules such as Vigilance Clearance for HBA, Deputation, Superannuation etc.

Study of Estate Matters

Based on an elaborate and corrective study, Vigilance department had submitted suggestions for streamlining the Estate Matters so that valuable resources like Mining Areas, Potential Mines (Green field areas), Boundaries etc., are not embroiled in legal tangle. In view of the Vigilance recommendations Domain experts were appointed for dealing with matters pertaining to Estate in the organization and necessary action has been initiated in this regard.

Vigilance Awareness Week – 2019

To spread awareness among employees and general public, Vigilance Awareness Week was observed from 28th October to 2nd November, 2019 and various activities were organized. In order to create awareness among the employees, text messages through SMS were sent regarding vigilance awareness and to take Integrity Pledge online. A link was provided on NMDC website for taking online Integrity Pledge.

During the Vigilance Awareness Week, as desired by the Commission, competitions were conducted for school and college students by forming Integrity Club. Competitions included Debate, Panel Discussions, Poster Making, Elocution and Essay Writing on topics like Integrity- a way of life, Eradicate corruption- Build a New India, Moral Values and Ethics, Importance of morals and ethics in students etc. for inculcating greater awareness on prevention of corruption and anti-corruption measures.

Banners and Slogans related to Vigilance Awareness were displayed at various places in the School / College premises during the entire Week. Banners & Slogans were also displayed in prominent places in the organization for creating awareness. Apart from the above, competitions like Elocution and Quiz were held among the employees of NMDC.

The Week witnessed display of innovative ideas to spread awareness against corruption and promote integrity as a way of life. Events like CANDLE MARCH with a theme "Better to light a candle than curse the darkness" and "United against corruption", FORMATION OF CVC LOGO by School children's, WALKATHON/AWARENESS WALK, SIGNATURE CAMPAIGN in support of theme "Integrity – A way of Life", MOTIVATIONAL VIDEO SHOW, FORMATION OF HUMAN CHAIN & RALLY, GROUP SONG against corruption, SKITS by School Children etc. in various places in states of Chhattisgarh, Madhya Pradesh, Karnataka, Telangana etc. were conducted by NMDC Projects / Offices. More than 10,000 school / college students and employees participated in the events conducted by NMDC during this week.

Bi-Annual Vigilance Conclave (5th to 7th Sep 2019)

A Three day Vigilance Conclave by Ministry of Steel and co-organized by NMDC Ltd. for officials of CPSEs under Ministry of Steel to spread awareness regarding the basic principles and procedures to be followed while taking important administrative / commercial decisions on procurements, by way of addressing the concerns in the areas relating to the Procurement, Tendering, Vigilance, Finance, Arbitration, Materials Management etc. Eminent speakers addressed around 150 delegates from various disciplines from CPSEs like SAIL, NMDC, MECON, RINL, MOIL, MSTC, FSNL and KIOCL. During the Vigilance Conclave deliberations were made on public procurement and works contracts, delays in finalization of bill payments, Overview of GEM and GFR, PIDPI / Complaint Handling mechanism, a Workshop on Resolving Disputes through Arbitration, a Session on Cyber Forensic Audit was also included.

Rotation of Working

Rotation of Officials working in sensitive posts is being done on regular basis as per CVC guidelines.

Uploading of Works awarded

Uploading of Works awarded on nomination basis, single tender basis, above 10 lakhs on NMDC Portal is done on monthly basis as per the CVC guidelines.

Workshop on Contracts & Arbitration (6th &7th Feb'2020)

Workshop on Contracts & Arbitration (6th &7th Feb'2020) was conducted by Vigilance department at Hyderabad wherein 70 executives from NMDC and 30 executives from few Hyderabad based PSUs like M/s BDL, M/s Midhani and M/s ECIL attended. The topics on basics of Contracts, Pre-tender stage, Post-tender stage, Tender and Tender Scrutiny Committee and Arbitration were covered during the workshop.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013 with respect to Directors Responsibility Statement it is hereby confirmed that:-

(a) in the preparation of the annual accounts for the financial year ended 31.03.2020, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent 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) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the Directors had prepared the annual accounts on a going concern basis; and

(e) the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

(f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION ON MEETING THE CRITERIA OF INDEPENDENCE AS PER THE COMPANIES ACT, 2013 AND SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

The Independent Directors have given a declaration on meeting the criteria of independence as stipulated in Section 149(6) of the Companies Act, 2013 and Regulation 25(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in the FY 2020-21.

COMPANY'S POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

All Directors are appointed by Govt. of India including fixation of their remuneration.

NUMBER OF BOARD MEETINGS HELD

During the year under review 10 meetings of the Board were held. For further details, reference may kindly be made to Corporate Governance Section of the Annual Report.

DIRECTORS' REPORT

NMDC STRATEGIC MANAGEMENT PLAN (NMDC VISION 2025).

A long-term Strategic Management Plan (SMP), 'Vision 2025' has been formulated which envisages iron ore production capacity of 67 MTPA by 2021-22. This expansion plan includes brownfield expansion of existing mines and developing greenfield mines in partnership with Chhattisgarh Mineral Development Corporation. A joint venture of NMDC & CMDC (NCL) is in process of starting operations from Dep-13 Iron Ore Mine in Bailadila Region. Government of Chhattisgarh has notified the allocation of Dep-4 to NMDC in Sep'19 for prospecting and mining operations.

The recent pandemic of Covid-19 & lockdowns across the country had impacted the demand of steel in short to medium term. Most of the downstream industry were closed or operated at low capacity. Under the impact of low demand & economic slow down across the globe, current operations & future plans of the various industry including iron & steel will be impacted severely. NMDC will also review its long plan based on the situation that arise after reaching the new normal. The National Steel Policy had envisased to increase per capita steel consumption in the country to a level of 158 Kg by FY'31 from 61 Kg in 2015. India is on constant growth path in increasing per capita steel consumtion and has reached to 74.6 kg in 2019 vis-à-vis world average of 229 Kg per capita. Weathering the shocks of current pandemic, the Indian economy is now expected to step on the higher growth trajectory. The wide range of continuing infrastructure projects could support growth in steel demand to reach our envisased target of 158 Kg by FY'31 in the long term.

In the financial year 2019-20, the Company has progressed significantly on various activities to enhance its production capacity and there is extensive progress in the construction of the fifth line in Screening Plant II is nearing completion, Rapid Wagon Loading System (RWLS-I) and New Screening Plant (SP-III) at BIOM Kirandul Complex are under construction. Work on the 5th line in Screening Plant Dep-5 & up-gradation of the downhill conveyor system in BIOM Bacheli Complex is likely to commence in 2020-21.

To augment the evacuation capacity from Bailadila sector, many projects & schemes are taken up like doubling of KK line, Rowghat-Jagdalpur line, Slurry Pipeline, etc. Doubling of KK line is being executed by Railways as a deposit work. Section I Jagdalpur to Silakjhori 45.5 km of railway line was completed & opened for traffic. 48% of the section II between Gidam to Silakjhori (52.73 Kms) is also completed. Overall progress is 60.5% & project is likely to be completed by FY'23. The completion of this project will augment the evacuation capacity of Bailadila sector through Railway line from 28 MTPA to 40 MTPA.

Activities for Phase-1 of Slurry Pipe Line including 2 MTPA capacity Ore Processing Plant (OPP) at Bacheli, 15 MTPA capacity Slurry Pipeline System (130 km) from Bacheli to Nagarnar and 2 MTPA capacity Pellet Plant at Nagarnar, has also been initiated. Site Levelling work for Pellet Plant at Nagarnar & Ore processing plant at Bacheli has been almost completed. Other packages are also being awarded.

Further, NMDC has been allocated with 2 Coal Blocks- Tokisud North & Rohne, in Jharkhand. NMDC will venture various mode of operations & start the operation of Coal Mines in near future.

Besides the expansion plan, the SMP also envisaged the introduction of systemic interventions in six strategic transformation areas - Business, Operations, Sustainability, Capital Projects, Human Resource and IT. NMDC has implemented License-to-Operate (the computer-based model in which all the statutory approvals will be brought under one umbrella). Implementation of Mines Transport Surveillance System (MTSS)- Weighbridge automation/ Virtual Fencing/ Geo Fencing/ GPS/ Proximity Warning Device for dumpers/ CCTV Surveillance/ Wireless Networking has been completed at Donimalai and will be implemented across all Mines in a phased manner. Implementation of ERP across all Mining Projects and Steel Plant is in final stage of completion.

NMDC is publishing Sustainability Report as per the Global Reporting Initiative (GRI) Standards, capturing initiatives taken by NMDC over the years in Economic, Environmental and Social aspects. NMDC has also completed study of Life Cycle Assessment of Iron Ore in FY'20. This study will provide opportunity to acess impact on resources, energy and emissions, on iron ore production including overall carbon footprint for downstream industries.

DETAILS OF DIRECTORS OR KMP APPOINTED OR RESIGNED DURING THE YEAR.

The following Directors ceased to be Directors on the Board of the Company:-

		upto
i)	Dr. Narendra K. Nanda, Director (Technical)	31.05.2019
ii)	Dr. T.R.K. Rao, Director (Commercial)	31.05.2019
iii)	Shri Sandeep Tula, Director (Personnel)	31.08.2019
iv)	Shri Saraswati Prasad, Govt. Nominee Director	16.03.2020
v)	CA. Arun Kumar Srivastava, Independent Director	12.11.2019
vi)	Smt. Bhagwati Mahesh Baldewa, Independent Director	12.11.2019
vii)	Shri Pradip Bhargava, Independent Director	26.11.2019
viii)	Dr. Syamal Kumar Sarkar, Independent Director	26.11.2019
ix)	Shri S.M. Nigam, Independent Director	26.11.2019

The following Directors were appointed on the Board of the Company:-

		w.e.f.
i)	Shri Alok Kumar Mehta, Director (Commercial)	01.06.2019
ii)	Shri Sumit Deb, Director (Personnel)	01.09.2019
iii)	Shri D. Kuppuramu, Independent Director	06.11.2019
iv)	Shri Vijoy Kumar Singh, Govt. Nominee Director	17.03.2020

The Board places on record its deep appreciation for the valuable contribution made by Dr. Narendra K. Nanda, Dr. T.R.K. Rao, Shri Sandeep Tula, Shri Saraswati Prasad, CA. Arun Kumar Srivsatava, Smt. Bhagwati Mahesh Baldewa, Shri Pradip Bhargava, Dr. Syamal Kumar Sarkar and Shri S.M. Nigam during their tenure on the Board of the Company.

AUDIT

a. Statutory Auditors

On the advice of the Comptroller and Auditor General of India, New Delhi, your Company appointed the following firms of Chartered Accountants as Statutory Auditors of the Company for the year 2019-2020.

Sl.No.	Unit	Statutory Auditors
1	Head Office R & D Center SIU & Consolidation	M/s SAGAR & ASSOCIATES Chartered Accountants House No.6-3-244/5 Saradadevi Street, Premnagar, Hyderabad Telangana: 500 004
2	Kiradul Complex Bacheli Complex NISP, Jagdalpur Vizag Office	M/s AGASTI & ASSOCIATES Chartered Accountants Gurunanak Nagar Durg Chhatishgarh:- 491 001
3	Donimalai Complex	M/s YOGANANDH & RAM LLP Chartered Accountants Third Floor, Shri Narasimha Nilaya No. 263/1, Second Cross, T. Mariappa Road Second Block, Jayanagar, Bengaluru Karnataka : 560 011
4	Panna Project	M/s Amit OM & Co Chartered Accountants 2nd Floor, Dr. Bajaj Complex 17/12, Tashkhand Margh-SP Next to PVR Campus, Civil Line Allahabad-211 001(UP)

b. **Cost Auditors**
Tanmaya S Pradhan & Co
Cost Accountants
'SWASTHAN' Brooks Hill
Sambalpur, Odisha- 768001

c. **Secretarial Auditors**
M/s D. Hanumanta Raju & Co.
Company Secretaries
B-13, F1, P.S. Nagar
Vijaynagar Colony
Hyderabad – 500 057

IMPLEMENTATION OF RIGHT TO INFORMATION ACT, 2005

All the provisions of the RTI Act 2005 are being complied with by the Company. In order to ensure timely disposal of RTI applications, PIOs have been appointed in each unit of NMDC's units. A close monitoring of the RTI applications received is done to ensure that the replies are sent in time.

The details of RTI applications received in Head Office and all the Units of the Company during the period 01.04.2019 to 31.03.2020 are as follows:

Month	No of Applications received	Information Provided	Rejected
Pending (as on 01.04.2019)	**04**	**-**	**-**
April, 2019	27	15	01
May, 2019	13	19	04
June, 2019	21	03	01
July, 2019	16	25	01
August, 2019	10	11	01
September, 2019	12	13	03
October, 2019	14	09	02
November, 2019	22	14	03
December, 2019	18	17	03
January, 2020	14	15	-
February, 2020	14	17	01
March, 2020	08	05	01
TOTAL (received during the year 2019-20)	**189**	**163**	**21**

05-Requests pending as on 31.03.2020

04-Applications have been transferred to other CPIOs

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE

NIL

AWARDS RECEIVED BY THE COMPANY

The details of awards received by the Company are as follows:-

i) NMDC received the prestigious S&P PLATTS Global Metals Award 2019 under CSR category, organized by S&P PLATTS at London;

ii) NMDC received HSE (Health, Safety & Environment) Excellence Award 2019 in Mining Category during HSE Summit, organized by Synnex Group, Mumbai ;

iii) NMDC received "Innovative Stakeholders Interface" Award under SCOPE Corporate Excellence Awards 2019, organized by SCOPE, New Delhi ;

iv) Hon'ble Vice President of India Shri M. Venkaiah Naidu presented NMDC with the "Best Supporting Organization to Quality Circle Movement" award at the 33rd Annual Chapter Convention organized by Quality Circle Forum of India (QCFI), Hyderabad . NMDC bagged 24 gold and one silver award;

v) NMDC received the "Rajabhasha Kirti Awards" second prize amongst Undertakings in 'C' region on the occasion of Hindi day ;

vi) NMDC received the Rajbhasha Shield (First Prize) and also received First Prize for Hindi House Journal of NMDC "Khanij Bharati" from Town Official Implementation committee (Undertakings), Hyderabad/Secunderabad;

vii) NMDC received an award for innovative exhibiting Pavillion under large stall category in International Mining Equipment, Mineral & Metal Exhibition (IME) 2019 at Kolkata ;

viii) Kumaraswamy Iron Ore Mine (KIOM) bagged "First Prize" in the State level Overall Performance of Zone-IV in the Mine Safety Observance Week-2019 at Chitradurga of Karnataka;

ix) Kumaraswamy Iron Ore Mine, has bagged 18th Annual Greentech Safety Winner Award at New Delhi;

x) NMDC bagged five awards at the 41st All India Public Relations Conference organized by Public Relations Society of India (PRSI) at Hyderabad;

xi) META SIP QC team of R&D Centre received "PAR EXCELLENCE AWARD" in NCQC-2019 at Varanasi ;

xii) Shri N. Baijendra Kumar, IAS, CMD, NMDC was presented with Business Leadership Award 2020 and NMDC, the Best Performer in Financial, CSR in Infrastructure Development from Shri Arjun Ram Meghwal, Union Minister State, Ministry of Parliamentary Affairs, Government of India during Seventh edition of the Governance Now PSU Awards at New Delhi;

xiii) NMDC bagged 8 Corporate communication Excellence Awards 2020 during 14th global communication conclave by Public Relations Council of India (PRCI) at Bangalore.

AWARDS

NMDC received "Innovative Stakeholders Interface" award at the SCOPE Corporate Excellence Awards 2019

Shri N. Baijendra Kumar, IAS, CMD, NMDC wins Business Leadership Award 2020

NMDC received "Best Supporting Organization to Quality Circle Movement" award organized by QCFI

NMDC received the award Best Performer – Financial and CSR in Infrastructure Development

NMDC received five prestigious PRSI Awards at 41st All India PR Conference

MOU

NMDC and IIT Hyderabad signed MoU for Joint Incubation Program to support Deep-Tech Start-ups

NMDC signed MoU for promoting awareness on Women Health & Hygiene

NMDC FORMATION DAY

NMDC celebrated Formation Day at Head Office and Projects

INTERNATIONAL WOMEN'S DAY

NMDC celebrated International Women's Day at Head Office and Projects.
Week long programmes were conducted

GANDHI JAYANTHI

NMDC celebrated 150th Birth Anniversary of Mahatma Gandhiji at Head Office & Projects

VIGILANCE AWARENESS WEEK

NMDC celebrated Vigilance Awareness Week at Head Office and Projects

VIGIL MECHANISM

NMDC being a PSU, the guidelines of Central Vigilance Commission (CVC) are applicable which provides adequate safeguard against victimization of the employees. The Board of Directors at its 451st meeting held on 20.09.2012 approved the internal Whistle Blower Policy of NMDC. NMDC has effectively implemented its internal Whistle Blower Policy under CVO NMDC, the designated Nodal Officer for the purpose. However, no complaint has been received by the Company under internal Whistle Blower Mechanism for the year under review. In order to spread awareness about Whistle Blower Policy, regular awareness programmes were conducted including the various programmes conducted during the Vigilance Awareness Week 2019 at Projects and Head Office.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12) OTHER THAN WHICH ARE REPORTABLE TO CENTRAL GOVT –

NIL

CHANGE IN SHAREHOLDING OF THE PROMOTER OF THE COMPANY DUE TO DISINVESTMENT TO "CPSE ETF - FURTHER FUND OFFER (FFO 6)"

The Department of Investment and Public Asset Management ("DIPAM"), along with Nippon Life India Asset Management Limited (formerly Reliance Nippon Life Asset Management Limited), as the asset management company of the Scheme ("AMC"), has formulated a sixth Further Fund Offer ("FFO 6") of the Scheme, which has been offered to the public for subscription in accordance with the SEBI (Mutual Funds) Regulations, 1996 and other applicable laws, rules and regulations, as framed from time to time.

In regard to the FFO 6 and as informed by Ministry of Steel, Govt. of India, the President of India, acting through the Ministry of Steel, Government of India, has sold 8,05,82,119 (2.63%) equity shares of NMDC to the AMC @ Rs.114.72 per share and raised an aggregate net amount of Rs. 924,43,96,643.07 (Rs. 924. 44 crores). The date of disinvestment is 3rd February 2020. No part of the disinvestment proceeds of Government of India in the equity shares of NMDC accrued to the Company.

Pre and Post Shareholding of the Promoter:

Promoter holding	Prior to disinvestment	No. of Shares disinvested	After disinvestment	Value
No. of Shares	221,30,35,712	8,05,82,119	213,24,53,593	Rs. 924,43,96,643.07 (8,05,82,119 equity shares for Rs. 114.72 per share of face value of Rs. 1 each)
%	72.28	2.63	69.65	

FORMAL ANNUAL EVALUATION OF BOARD, COMMITTEES AND INDIVIDUAL DIRECTORS.

NMDC being a Government Company, the terms and conditions of appointment and remuneration of Functional Directors and Independent Directors are determined by the Government through its administrative Ministry, Ministry of Steel.

In terms of notification dated 5th June, 2015 issued by Ministry of Corporate Affairs, Govt. of India, Government Companies have been exempted from applicability of some of the provisions /sections of the Companies Act, 2013 inter alia Sub-sections (2),(3) & (4) of Section 178 regarding appointment, performance evaluation and remuneration.

IMPLEMENTATION OF RISK MANAGEMENT POLICY

The Board at its 442nd meeting held on 19.01.2012 has approved the Risk Assessment and Risk Mitigation Policy / Enterprise Risk Management (ERM) of the Company. Accordingly, the Company has constituted a Board level Risk Management Committee comprising of Functional Directors (excluding CMD). The Company as a part of its current Risk Management Policy has identified top 15 Risks That Matters (RTMs) and documented Mitigation Plan / Strategy for the same.

During the year under review, two meetings of the Board level Risk Management Committee were held.

DIVIDEND DISTRIBUTION POLICY

The Board of Directors has approved Dividend Distribution Policy which has been uploaded in the website of the company under the link https://www.nmdc.co.in/Docs/Dividend%20Distribution%20 Policy.pdf.

ERP IMPLEMENTATION AND OTHER DIGITAL INITIATIVES

NMDC is embarking on a digital transformation journey which is in line with the GOI Digital India Initiative. As part of this Journey, SAP has been selected as the ERP Tool that will form the backbone for NMDC's business operations. This project has been christened as "Project Kalpataru" and will address NMDC's core requirement of having a strong ERP backbone by fully integrating

the business solutions encompassing all the functions of the organization. This platform apart from improving productivity and operational efficiency will also enable the organization to use solutions like Mobility and Analytics to provide deeper insights into the business operations and equip NMDC to address the business challenges in a proactive manner.

As part of the Project implementation, As-Is Study covering all project locations was conducted, Business Blueprint has been finalized taking into consideration the leading practices that are followed in India and Globally to bring "One NMDC" way of operations. Go-Live is planned in Nov 2020.

Other Digital Initiatives like implementation of Fleet Management System, GIS Solution which will be integrated with ERP have also been initiated.

REPORT ON MANAGEMENT DISCUSSIONS AND ANALYSIS

A Report on Management discussions and Analysis as required in terms of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is at **Annexure-I**.

REPORT ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO UNDER THE COMPANIES (ACCOUNTS) RULES, 2014 IS AT – Annexure-II.

CORPORATE GOVERNANCE

Report on Corporate Governance is at **Annexure-III**

EXTRACT OF ANNUAL RETURN UNDER SECTION 92(3) OF THE COMPANIES ACT, 2013.

The extract of Annual Return as provided under Sub-Section (3) of Section 92 read with Rule 12(1) of the Companies (Management & Administration) Rules, 2014 is at **Annexure-IV.** The extract is also placed on the website of the company under the link https://www.nmdc.co.in/Financial%20 Information/Default.aspx

BUSINESS RESPONSIBILITY REPORT

In compliance with Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Business Responsibility Report (BRR) is at **Annexure-V**.

SECRETARIAL AUDIT REPORT

Secretarial Audit Report in Form No.MR-3 pursuant to Section 204(1) of the Companies Act, 2013 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is at **Annexure-VI**.

GLOBAL COMPACT – COMMUNICATION ON PROGRESS

Report on compliance with principles of Global Compact is at **Annexure-VII.**

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT / HIGHLIGHTS OF PERFORMANCE OF SUBSIDIARIES / ASSOCIATE COMPANIES / JOINT VENTURES (FORM AOC-1) IS ENCLOSED AT ANNEXURE-VIII.

REPORT ON CSR ACTIVITIES

Report in terms of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is at **Annexure-IX.**

RECOMMENDATIONS MADE BY THE COMMITTEE ON PAPERS LAID ON THE TABLE (RAJYA SABHA) IN ITS 150TH REPORT – DETAILS TO BE PROVIDED IN THE ANNUAL REPORT.

Details to be provided in the Annual Report in terms of recommendations made by the Committee on Papers laid on the Table (Rajya Sabha) in its 150th Report is enclosed at **Annexure-X**.

ACKNOWLEDGEMENT

Your Directors gratefully acknowledge the support, cooperation and guidance received from the Ministry of Steel, Ministry of Mines and Ministry of Forests & Environment and other Departments of Government of India and the State Governments of Andhra Pradesh, Chhattisgarh, Karnataka, Madhya Pradesh, Jharkhand and Telangana.

Your Directors acknowledge the support extended by the valued and esteemed international and domestic customers, Shareholders stakeholders, MMTC, Chennai Port Trust, Visakhapatnam Port Trust, Railways and other Departments of the Central and State Governments. We believe that our long-term success is dependant on our domestic customer relationship and responsiveness. We will do everything possible to provide our customers better, timely and value added services.

The success of your Company is due to the commitment and dedicated efforts of the managers and employees at all levels. Your Directors place on record their appreciation and also acknowledge the support and co-operation of All India NMDC Workers' Federation and their members for the smooth functioning of the Company's operations.

Place : Hyderabad
Date : 30th July, 2020

N. BAIJENDRA KUMAR, IAS
Chairman-cum-Managing Director

ANNEXURE – I

MANAGEMENT DISCUSSION & ANALYSIS REPORT FOR THE YEAR 2019-20

1. NMDC: An overview

1.1 Introduction

NMDC Limited, operating in the Mining and Mineral sector since November 1958, is one of the highest profit-making 'Navratna' public sector companies under the Ministry of Steel. NMDC has extensive experience in the exploration of a variety of minerals including iron ore, copper, rock phosphate, limestone, dolomite, gypsum, bentonite, magnesite, diamond, tin, tungsten, graphite, beach sands etc.

NMDC Ltd is the largest iron ore mining company in India, with an average annual production of over 32 MT over the last 5 years. With iron-ore production of around 31.9 million tonnes in FY'20, it contributed to around 18% of domestic production (excluding captive iron ore production). At an average of 64% Fe, NMDC sells one of the best grade Iron ore globally. The organization produces different variety of ore in terms of grade & size, to suit the requirement of its customers. Apart from sale of ore in the domestic market, NMDC also supplies ore to Japan & South Korea under the long-term agreements with the two countries.

NMDC plans to increase the production capacity from its three mining complexes from the existing 43 MTPA to 67 MTPA in the near future to meet the growing requirements of iron ore of the Indian Steel Sectors. The Company is also focused to diversify from the existing business of exploration and mining. NMDC has invested in the construction of a 3 MTPA integrated steel plant in Jagdalpur (Chhattisgarh) and a 1.2 MTPA pellet plant in Donimalai (Karnataka). NMDC has also ventured into the mining of coal through the allocation of two coal blocks in Jharkhand on nomination basis by the Government of India.

The **company immensely focusses on productivity improvement as well as cost optimization which results in high profitability for the organization.** NMDC recorded a Profit (before tax) of ₹6,123 crores in FY'20 and a net worth of ₹ 27,534 crores (as on 31st March 2020). **NMDC has a strong history of rewarding investors with an average dividend payment of around 625% in the last 5 years, which is the testimony to consistently create value to its stakeholders.**

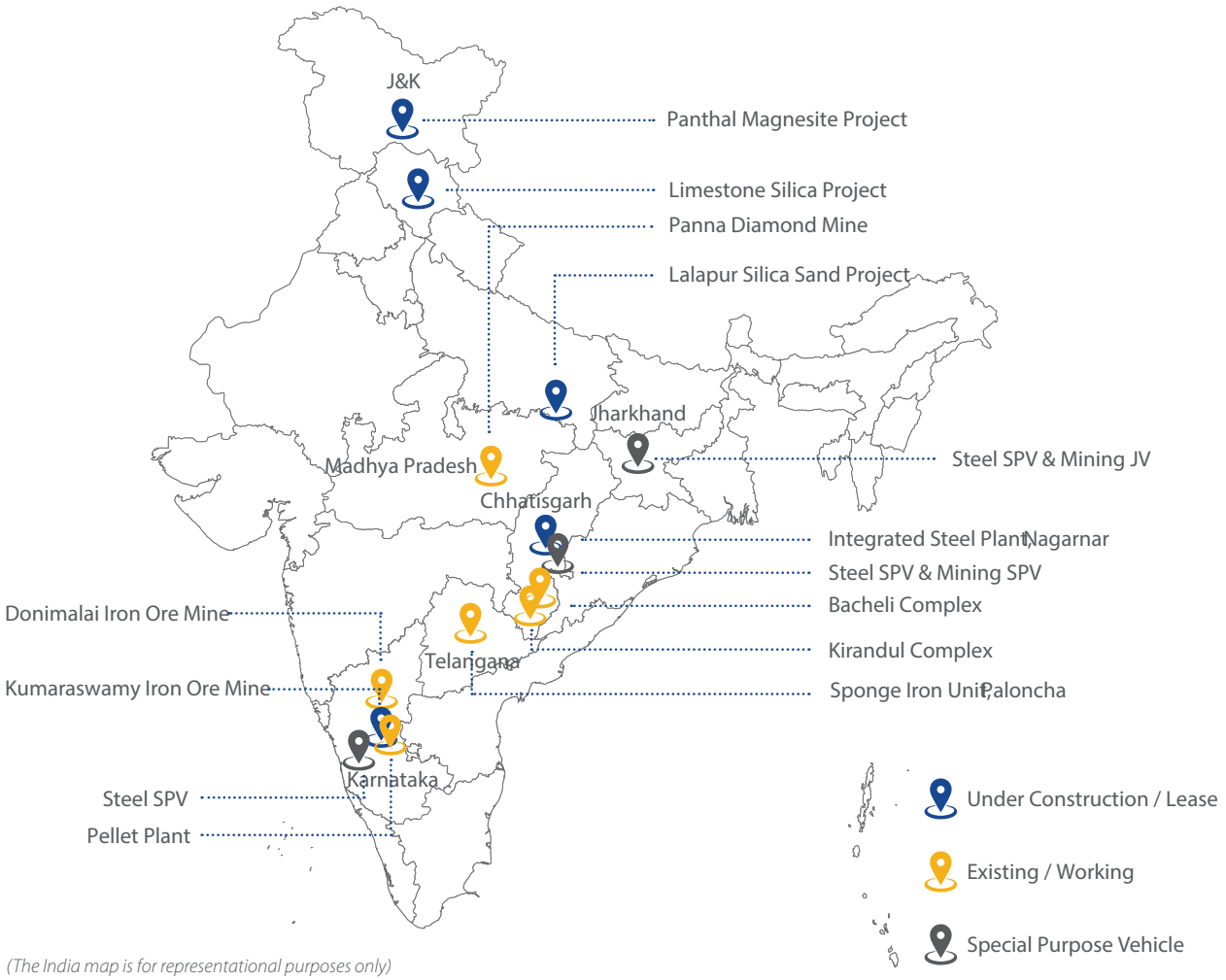
NMDC continues to pursue policies and programmes to deliver long term value to all its stakeholders. NMDC has also invested substantially in the socio-economic development of the local communities, especially near its mining projects.

1.2 Operating Projects

NMDC operates three highly-mechanised iron ore mine complexes in the states of Chhattisgarh and Karnataka. Two of the complexes are located in Dantewada (Chhattisgarh) namely Kirandul Complex and Bacheli Complex, that produce around 24 MTPA. The third complex in Bellary (Karnataka), namely, Donimalai Iron Ore Complex produces 12 MTPA (from the two pits- Kumaraswamy & Donimalai). NMDC also has a 1.2 MTPA pellet plant at Donimalai. The present operations in Donimalai mine of NMDC in Karnataka is suspended due to imposition of additional premium of 80% of IBM sale price.

NMDC also operates the Diamond Mining Project, Panna (M.P.), which is the only mechanized diamond mine in Asia, with an annual production of around 28,450 carats (FY'20).

Apart from the above, NMDC has wide presence across the country as shown in the map.



(The India map is for representational purposes only)

1.3 Global Presence

- NMDC has a majority stake of 92.32% in Legacy Iron Ore Limited, an ASX listed entity based in Perth, Australia which has iron ore (magnetite), gold, nickel, base metal and tungsten interests (21 tenements) in Western Australia. Legacy iron ore has raised A$ 9.227 million through rights issued in Dec'19. NMDC's equity in the company has increased to 92.32% after the rights issue, from an earlier stake of 78.56%.
- International Coal Ventures Limited (ICVL), a joint venture company of SAIL, NMDC and RINL, acquired a coking / thermal coal mine in Mozambique in 2014 and took over the operation. NMDC holds a 26% stake in ICVL. Benga Mine, one of the operational assets of ICVL, produced around 1.78 MT of coal (Coking & Thermal) in FY'20 (all-time high) compared to 1.32 MT production in FY'19.
- NMDC holds 4 gold leases in Tanzania and is in the process of conducting detailed exploration & setting up of a pilot-scale processing plant for the same; First phase of the exploration has already been completed.

1.4 Growth plan

- NMDC has made a comprehensive plan to enhance iron ore production capacity to 67 MTPA to meet the growing requirements of iron ore of the Indian Steel sector. The strategy focuses on growth largely through brownfield expansion of existing mines and improving the evacuation infrastructure.
- NMDC also envisages expanding through the development of Deposit-13 & Deposit-4 (greenfield projects), under a Joint Venture company of NMDC Limited and Chhattisgarh Mineral Development Corporation Ltd. (NCL). For Deposit-13, MDO has already

been appointed for the development of a greenfield mine for a capacity of 10 MTPA mine. For Deposit-4, Government has granted reservation in favour of NMDC-CMDC Limited on 30th September 2019; Further actions to be initiated post-issuance of LOI.

- NMDC is in the process of setting up a slurry pipeline in phases for economical transportation of iron ore to locations from where the pellets /ore can be supplied to the industry. Land acquisition for the slurry pipeline is in an advanced stage. Efforts to increase evacuation capacity through doubling of Kirandul-Kothavalasa (KK) line is also in full swing and few completed sections have been opened for traffic.
- NMDC has developed an intermediate iron ore stockyard at Kumarmaranga in Chhattisgarh for uninterrupted supplies to customers.
- NMDC is pursuing the allocation of new iron ore deposits both through participation in auction and reservation through government dispensation route (section 17A(2A) of the revised MMDR Act, 2015) for further expansion in capacity.
- NMDC emerged as preferred bidder for Chigargunta-Bisanatham gold block in the auction process conducted in July'18, for which Activities will be initiated post-issuance of LOI.
- Ministry of Coal has allocated two Coal Blocks namely Tokisud North Coal block & Rohne Coal Block on 17th March 2020 for commercial sale & captive purpose. NMDC is in process of appointing MDO for Tokisud North Coal Block.
- NMDC is in advanced stages of setting up a 3.0 MTPA greenfield Steel Plant at Nagarnar in Chhattisgarh, which is expected to operationalize in FY'21. The commissioning of the integrated steel plant got delayed due to the pandemic. NMDC has also forayed in pellet-making through setting up of a 1.2 MTPA pellet plant at Donimalai. Another 2 MTPA pellet plant is in the process of being set up at Nagarnar, Chattisgarh.

1.5 Exploration & Reserve Estimation:

NMDC has a **dedicated exploration wing at Raipur**, fully equipped to undertake the exploration of minerals. NMDC has conducted more than 17300 meters of core drilling in FY'20, at existing mines. Apart, NMDC also doing exploration in different blocks of iron ore, manganese, gold & diamond in M.P., Maharastra, Jharkhand etc under NMET & MOU route. Besides, it has also established a well-equipped **Centre for Geostatistics**. It has a **remote sensing lab** at Corporate Office, Hyderabad. NMDC has full-fledged mine planning wings at Corporate office as well as at project sites for orebody modeling & reserve estimation, with advanced software like Surpac, Whittle & Mineshed.

1.6 Research & Development:

NMDC R&D centre is dedicated to undertake product and technology development projects related to ores, minerals and steel making to maintain its excellence in process performance. R&D centre has made significant contribution not only to NMDC operating projects but also to Indian industries and is recognized by Department of Scientific and Industrial Research (DSIR). R&D centre undertakes works related to mineral processing, flow sheet development, mineralogical studies, material handling & storage, metallurgical studies of iron ore and coal, chemical analysis etc. It is a pioneer in the field of beneficiation and continuously working for development of dry beneficiation technology for different ores and minerals. It is endowed with state of art laboratory equipment to analyze different minerals, coals, metals and non-metals. For further details reference may be made to Annexure-II attached to the Directors' Report.

2. Market Environment:

2.1 Economy:

2.1.1 Global:

- After a slow economic growth for the last two years, the World is facing a massive impact of the Covid-19 pandemic affecting the lives of people across the globe. To protect lives and allow the health care systems to cope, isolation and lockdown have been implemented in most countries to contain the spread of the virus leading to a severe impact on the economic activities. The pandemic has triggered the worst recession since the Great Depression that started in 1929. To reduce the impact on the economy, over 3/4th of the countries across the world have opened their economic activities despite an increase in the number of Covid-19 infections exponentially. Few countries have shown signs of recovery; however, the overall recovery from the pandemic is uncertain in the foreseeable future in the absence of a cure.
- Most of the analysts & organizations are projecting a negative growth in the World economy. As per IMF, Global growth is projected at – 4.9 percent in 2020, 1.9 percentage points below the April 2020 World Economic Outlook (WEO) forecast.

The COVID-19 pandemic has had a more negative impact on activity in the first half of 2020 than anticipated, and the recovery is projected to be more gradual than forecasted. It is expected that more persistent social distancing into the second half of 2020 will further impact the supply potential. In 2021 global growth is projected at 5.4 percent. These projections imply a cumulative loss to the global economy, over two years (2020–21), of over $12 trillion due to the crisis.

- As countries reopen, the pick-up in activity is uneven. On one hand, pent-up demand is leading to a surge in spending in some sectors like retail, while, on the other hand, contact-intensive services sectors like hospitality, travel, and tourism remain depressed. The shortage of manpower in various labour-intensive sectors is further worsening the situation.
- On the positive side, the recovery is benefitting from Global fiscal support of over $10 trillion and monetary policy has eased dramatically through interest rate cuts, liquidity injections, and asset purchases. In many countries, these measures have succeeded in supporting livelihoods and prevented large-scale bankruptcies. These exceptional supports have also driven a strong recovery in financial conditions including equity prices & currencies.
- In medium-term, public debt is projected to reach a peak of recorded history with respect to GDP, in both advanced and emerging markets as well as developing economies. Countries need sound fiscal frameworks for medium-term consolidation, through cutting back on wasteful spending, widening the tax base, minimizing tax avoidance, and greater progressivity of taxes in some countries.
- Nations need to ensure that their health care systems are adequately resourced. The international community must enormously step up its support of national initiatives, including financial assistance and funding for vaccine production. Policies need to be framed to increase demand and to incentivize the reallocation of resources to emerging sectors.
- Beyond the pandemic, policymakers must cooperate to resolve trade and technology tensions that endanger an eventual recovery from the COVID-19 pandemic. Furthermore, building on the record drop in greenhouse gas emissions during the pandemic, policymakers should, both, implement their climate change mitigation commitments and work together to scale up equitably designed carbon taxation or equivalent schemes.

Overview of World Economic Outlook Projections

Region/Country	Y-o-Y (% age change)					
			Projections		**Difference from Apr'20 projections**	
	2018	**2019**	**2020**	**2021**	**2020**	**2021**
World	**3.6**	**2.9**	-4.9	5.4	**-1.9**	**-0.4**
Advanced Economies	2.2	1.7	-8.0	4.8	-1.9	0.3
US	2.9	2.3	-8.0	4.5	-2.1	-0.2
EU	1.9	1.3	-10.2	6.0	-2.7	1.3
UK	1.3	1.4	-10.2	6.3	-3.7	2.3
Canada	2.0	1.7	-8.4	4.9	-2.2	0.7
Emerging market & developing economies	**4.5**	**3.7**	-3.0	5.9	**-2.0**	**-0.7**
Russia	2.5	1.3	-6.6	4.1	-1.1	0.6
China	6.7	6.1	1.0	8.2	-0.2	-1.0
India	**6.1**	**4.2**	**-4.5**	**6.0**	**-6.4**	-1.4
Brazil	1.3	1.1	-9.1	3.6	-3.8	0.7

Source: IMF

2.1.2 India

India, one of the fastest growing economies in the world until 2017, started showing a negative trend in 2018 onwards. However, it managed to maintain second place in terms of yearly growth, after China. The immense market potential of the country, backed by robust democracy, strong partnerships & reforms by the Government like Self Reliant India, supporting higher growth, is expected to take India to be one of the largest economies in the next 10-15 years.

As per the Central Statistics Office (CSO), the Indian economy is estimated to grow by 4.2% in FY 2019-20 while the recorded growth in the preceding financial year stood at 6.1%. The growth rate for GDP in Q3 & Q4 was only 4.1% & 3.1%, which brought down the overall growth for the year to below 5%. India's foreign exchange reserves reached Rs 37.31 lakh crore (US$ 493.48 billion) in the week up to May 29, 2020, according to the data from RBI.

The 'Mining and Quarrying' sector has shown a good sign of growth in 2019-20 with a growth rate of about 3.1 percent as against the previous year's negative growth rate of -5.8 percent. The Index of Industrial Production of Mining registered a growth of 1.7 percent during 2019-20 as compared to 2.8 percent during 2018-19. However, the Index of Industrial Production of Metallic Minerals has a quantum jump with a growth of 14.3% in 2019-20 as compared to 2.4% in 2018-19.

India, being the third-largest start-up base in the world with around 8,900-9,300 start-ups has the potential to bounce back from such an unprecedented situation; According to a report of NASSCOM, in 2019, 1300 new start-ups got incorporated in the country. Another advantage that India has to overcome from the pandemic is the massive working population of the country. India's labour force is expected to touch 160-170 million by 2020 based on the rate of population growth, increased labour force participation and higher education enrolment (ASSOCHAM).

With the rapid spread of COVID-19 pandemic manifesting into an economic and healthcare crisis globally, most of the countries across the globe are staring at negative growth in 2020. The pandemic outbreak has severely impacted India due to many extended lockdowns with varying degrees of restrictions, and stoppage of different industries & economic activities. FICCI in its Economic Outlook Survey has projected the country's annual median GDP growth for FY2020-21 at (-) 4.5%, with a minimum and maximum growth estimate of (-) 6.4% and 1.5% respectively.

Although the Indian economy has started showing signs of getting back to normalcy with easing of restrictions, complete restoration of the supply chains is still uncertain; the complete revival of demand, the post-effects of the pandemic on the potential growth of the economy is still not certain. The measures announced by both the Reserve Bank of India and the Government focused predominantly on addressing supply-side constraints with limited support for the creation of demand.

The agriculture & allied sector seems to be the only sector with a silver lining which indicated median growth of 2.7 percent in FY2020-21, supported by a strong monsoon. The industry and services sector, on the other hand, is expected to contract by 11.4 percent and 2.8 percent, respectively during the financial year. Even though activities in sectors like consumer durables, FMCG are gaining traction, the majority of the companies are still operating at low capacity. Labour availability and feeble demand remain major issues for companies.

The growth momentum of the Indian economy is expected to rise with improvement in the health conditions post-emergence of a cure for the virus. This will be further supported by several other initiatives taken by the Government such as stimulus package of Rs 20 lakh crore, Pradhan Mantri Garib Kalyan Package, Agriculture Export Policy, the introduction of a policy to allow participation of private sector in Coal mining, priority to public health spending, ease in Foreign Trade Policy, Foreign Direct Investment (FDI) reforms, creation of smart cities, creating start-ups, infrastructure development etc. As per world economic outlook, growth in India is projected to bounce back up to 6 percent in 2021.

The thrust of the Government of India to enhance spending on infrastructure augurs well for the Steel industry and thereby, for the iron ore sector.

India is expected to be the third-largest consumer economy as its consumption may triple to US$ 4 trillion by 2025, owing to a shift in consumer behavior and expenditure pattern, according to a Boston Consulting Group (BCG) report. Further, it is estimated to surpass USA to become the second-largest economy in terms of purchasing power parity (PPP) by 2040 as per a report by M/s PwC.

2.1 Industry structure and developments

Iron Ore Industry Outlook:

- **Global: Steel & Iron Ore**
- Uncertainties that arose due to Corona Virus spread had a devastating impact during Q1 & Q2 of CY2020 in many countries due to the halt of activities across various industries including iron & steel, risking steel demand. Consumptions side has declined significantly

affecting the production & supply cycle. Spread of Covid-19 could not be contained to a significant level despite Government attempts globally.

- Global steel demand is forecasted to fall by around 8% year-on-year in 2020. Excluding China, the fall is forecasted to be around 16%. If the economy does not revive fast, global steel demand may sink further & crude steel production will not return to 2019 levels of output for two to three years.
- In China, Construction activity has shown some unexpected resilience after the coronavirus outbreak. The Chinese government is relying on financial stimulus into infrastructure projects to boost the economy following the downturn, to support the growth of 6.4% year-on-year in steel demand. Crude steel production is running unexpectedly hot in 2020, supported mainly by integrated steel players. Thereafter it is expected to fall following the steel demand retreat.
- In the US, traditional trade defenses could not protect producers from a domestic demand slide during 2020. A 25% fall in production in 2020, may take three years to recover to pre-covid levels. For the EU28, current year demand has been revised down by 33 MT, the second consecutive year of decline in demand. Recovery is expected in the coming years, however, it may take a considerable time to match 2018 volumes.

Top-5 iron ore producing countries (usable ore basis)		
	2018	2019e
Australia	900	930
Brazil	460	480
China	335	350
India	205	235
Russia	96	99
World Total (rounded)	**2,460**	**2,500**

Source: USGS

- 2020 is shaping up to be another extraordinary year for iron ore due to the gap in demand and supply of ore. The 62% Fe benchmark index has averaged out above $90/t CFR in H1-2020, providing the iron ore majors with EBITDA margins above 65%. Iron ore prices climbed high during June'20 reaching a level of $ 105/ ton for 62% Fe. The high prices in H1-2020 are driven by strong Chinese demand and weak Brazilian supply. Both the drivers will moderate in H2 2020, putting downward pressure on prices, with the 62% Fe index averaging $80/t CFR in H2 versus $90/t in H1.
- Seaborne supply and demand are expected to be more closely aligned from 2021 onwards, with prices gravitating towards long term forecast of $70/t CFR by 2030. A cyclic low price may be observed at $55/tonne for 62% Fe in 2023. The supply-demand scenario from Brazil & China will remain a governing factor in the medium term. In the longer term, key drivers for iron ore include India's growth and net trade position; the interaction between scrap and hot metal, and the transition towards low carbon "green" steel.
- In 2019, Global iron ore production increased to 2.50 billion tonnes (usable ore basis), up from 2.46 billion tonnes in 2018. Australia remained the highest producer with an estimated production of 930 million tonnes in 2019 while India was a distant fourth with a production of around 235 MT in FY2019. The price of Iron ore was averaged at $93/t CFR in 2019 due to supply disruptions on account of dam collapse in Brazil and cyclone in Australia.
- **India:**
- Indian crude steel production has observed significant lows in April 2020 post lockdown & revived significantly with strong economic support from the government. However, revival is not up to the level of the previous year with most of the private large integrated mills operating at about 80% of their production levels, while state-owned mills are still lagging behind. The secondary steel producers continue to struggle with capacity utilization at around 50 - 55%, due to low domestic demand, shortage of workforce, disruption in supply chain and liquidity related issues.
- Crude steel production for FY'21 is projected to decline by 15% over FY'20 to produce 95 Mt due to the Covid outbreak. However, a V-shaped recovery is expected in the next financial year to attain production of 110 Mt due to strong economic fundamentals.
- On account of the competitiveness of Indian steel in global markets and subdued domestic demand till Dec'2020, steel exports are expected to remain dominant till Q3 of FY'2020. The export share of Indian steel production has reached about 50 – 60%, in the previous months. The decline in the price of domestic finished steel coupled with the

devaluation of Indian currency in the last few months is further supporting the exports. Domestic demand is expected to pick up by Dec'2020 with support from the infrastructure sector as well as the automobile sector.

- It is unlikely that Indian iron ore production will reach the historic highs achieved in FY'20 anytime soon. Integrated steel mills dependent on merchant miners are operating at sub-optimal levels, under subdued demand of steel post lockdown. The expiry of leases from March'2020 has further curtailed down the capacity by about 80 MT (having production of about 60 MT) affecting the supply side. However, iron ore exports have remained steady for both agglomerated and non-agglomerated ore. Supreme Court of India has allowed movement of legally mined and royalty paid iron ore in Goa, within six months, from January 2020. Indian merchant pellet players are also focused on exports due to subdued domestic demand.
- Production of Iron Ore in India was about 245 MT in FY'20 was 16.7% higher than that of FY'19. Further, the export of ore from the country at approx. 25.1 MT during the year FY'20 was 360% higher than that of preceding year's export of 6.87 MT, due to the high demand of low-grade ore from China during the year.
- Indian iron ore production is likely to grow in line with domestic steel production, which is envisaged to reach 300 MTPA of crude steel capacity by FY'31. In the short term, the domestic supply of ore is likely to be hampered due to subdued supply from Odisha & delay in the start of Auctioned Mines. However, with the start of these mines post-transfer to the new lessee, and with the support from the government for extending EC & FC for 2 years, the production of Iron ore is expected to pick up from Oct'2020. Various analysis agencies across the globe have projected production of around 180-190 MT of iron ore in FY'21, under the support of domestic demand and export of iron ore & pellets.
- NMDC is bullish on the growth prospects of India's steel industry with its competitive advantages and the impetus being given by the government to the steel sector. Growth in domestic steel demand in all key sectors, such as infrastructure, housing, automobile, etc. is envisaged to support domestic demand. At the same time, global demand in the near future will also support the domestic players. Further, the increase in demand for high-grade ore and the price of iron ore in the international market is expected to support NMDC in improving its performance in terms of quantity as well as EBITDA margins.

3. **NMDC – Opportunities & Threats**

a) **Opportunities**

i) Envisaged growth in domestic steel production on account of the factors mentioned below would lead to higher demand for Iron Ore in the country:

- High demand for Steel & Iron ore in the international market, especially from China.
- Government initiatives for Self-Reliant India creating new avenues & set-up of new industries leading to demand for steel.
- Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India.
- Growth potential in steel-intensive sectors such as housing, infrastructure, automotive, rail & road, consumer durables in the coming years.
- Government envisages bringing India's GDP to US$ 5 trillion by FY25 and achieve upper-middle income status on the back of digitization, globalization, favorable demographics, and reforms that will create demand for steel in the domestic market.
- Increase in demand for high-grade ore worldwide considering environmental concerns. NMDC's iron ore is one of the best grades of ore in the world.
- Continuous thrust by the government to use domestically manufactured iron and steel products in government procurement.
- Restrictions on steel imports in the country on account of measures being taken by Govt. of India such as anti-dumping duty, MIP etc.

ii) Prices of iron ore in the international market will remain under upward pressure in the near term, which will increase the demand for domestic ore.

iii) NMDC entering into Coal with allocation of two Coal Blocks in Jharkhand (Tokisud North & Rohne).

iv) Allocation of ₹ 50,000 Crore for developing coal evacuation infrastructure, under Self Reliant India initiative by Government will help in both Steel & Coal Business of NMDC.

v) NMDC, being one of the agencies nominated to undertake exploration activities is investing to intensify exploration for mapping of minerals across the country, which could open new avenues for the company to grow.

vi) Introduction of a seamless composite exploration-cum-mining-cum-production regime will help in catering to new mines under reservation/ auction.

vii) Development of market-driven pricing i.e. pricing index could be a win-win situation for mining companies and end consumers and will streamline the calculation methodology leading to reducing the financial burden on leaseholders.

viii) Acquisition of Strategic and critical mineral assets based on business potential and national interest.

b) Threats

i) Demand for Iron Ore may remain sluggish in the near future if the threat of COVID-19 will exist in the society & consumption of goods will not grow significantly.

ii) Backward integration by Steelmakers into iron ore mining after the start of auctioned mines will affect the demand from the customers of the Company.

iii) Removal of distinction between captive and non-captive mines will allow the sale of surplus unused minerals in the market by captive miners will create pressure on the supply-demand scenario of the market.

iv) Threat of non-renewal of Donimalai iron ore leases or renewal with a high premium will affect the balance sheet of NMDC.

v) Indian iron ore industry will continue to be uncompetitive on a global level due to higher rates of royalty and other levies such as DMF, NMET, Export duty etc. as well as significantly higher logistic costs.

vi) Entry of new private payers in Iron ore & Coal Sector, under new policies of the government, will increase the competition for NMDC & reduce the demand of NMDC ore in the market.

vii) Increasing regulatory pressure on environment, health & safety and sustainability.

viii) Disturbances due to Maoist activities in Bailadila region from where the majority of NMDC's production comes. At the same time, the location of Bailadila has a logistic disadvantage.

ix) Huge surplus steel capacity in most regions including China will continue to exert downward pressure on steel prices and thereby iron ore prices.

It would be pertinent to note that the iron ore mining industry in India is expected to witness enhanced competition over the next few years due to new mines coming in operations after Auction. The premium offered by bidders during auction will play an important role to decide the market dynamics. It will be relevant to keep a watch that how a merchant player will manage it's costing after paying a huge premium in the auction. On the one hand, domestic iron ore production is on the rise, with production increasing by over 27% in the last three financial years (Iron ore production in India including captive: FY'20- 245 MT; FY'17-192 MT). On the other, with domestic steelmakers acquiring mines through auction as the option to integrate backward, the market for merchant miners may be affected adversely in the medium to long-term. In the medium term, the impact of Corona will still be visible & demand will be sluggish under the effect of health issue & falling economy.

Production growth in FY'20 was exceptionally high with over 16% growth due to extra production made by merchant players whose leases expired in March 2020. However, this trend may not be the same during FY'21 due to low demand, excess stock position & delay in the start of auctioned mines. But production may back on track in FY'22.

NMDC's business would continue to be affected by developments impacting the demand-supply scenario & price fluctuations of iron ore in both the global and domestic markets.

4.0 Segment-wise or Product-wise performance

4.1 Physical Performance of NMDC

Details	2015-16	2016-17	2017-18	2018-19	2019-2020
Production:					
Production of Iron Ore WMT (In lakh tonnes)	285.74	340.05	355.76	323.61	314.89
Production of Sponge Iron (tonnes)	6,614.26	5,474.11	NIL	2,475.37	NIL
Production of Diamonds (carats)	35,558.31	35,635.99	39,393.72	38,148.77	28,537.23
Production Pellets (in tonnes)			58,070	1,15,622.89	1,10,481.19
Sales:					
Sale of Iron Ore (in lakh tonnes)	288.39	356.21	360.75	323.56	315.14
Sale of Diamonds (carats)	36,682.93	25,631.46	33,175.34	29,345.54	33,722.9
Sale of Sponge Iron (tonnes)	8,364.52	8,579.42	Nil	495.58	1,943.88
Sale of Pellets (tonnes)			42,948	1,12,010	85,793

4.2 Financial Performance of NMDC

(₹ in Cr.)

Details	2015-16	2016-17	2017-18	2018-19	2019-2020
Sale of Iron Ore	6,327.93	8,708.90	11,490.93	11,997.98	11,569.00
Sale of Diamonds	52.61	41.91	35.17	38.86	34.29
Sale of Wind Power	6.30	7.48	6.50	5.51	5.39
Sale of Sponge Iron	13.14	13.13	0.00	0.94	4.39
Sales- Pellet	0.00	0.00	25.40	76.52	55.55
Sales – Others	57.29	58.22	56.91	32.86	30.59
Turnover	**6,457.27**	**8,829.64**	**11,614.91**	**12,152.67**	**11,699.21**
EBITDA	4,374.21	4,509.86	6,472.13	7,518.91	6,426.69
PBT	4,092.76	4,293.68	6,179.66	7,199.06	6,123.48
PAT	2,712.22	2,589.14	3,805.88	4,642.11	3,610.12
Dividend	4,361.19	1,313.02	1,676.86	1,690.14	1,619.72
Dividend as % of PAT	161%	51%	44%	36%	45%

5.0 Outlook for NMDC

NMDC proposes to augment its production capacity of iron ore to 67 million tonnes by 2021-22. It has also embarked on value addition projects by setting up a 1.2 MTPA pellet plant utilizing slimes in Karnataka and 3.0 MTPA integrated steel plant in Chhattisgarh. NMDC-CMDC Limited (NCL), a JV company of NMDC Limited & CMDC Limited, will also start production from Dep-13 through MDO in the near future. Dep-4 has been also allocated to NMDC in Sep'19, which will add further value to NMDC production & profit numbers. NMDC has also developed an intermediate stockpile at Kumarmaranga near Jagdalpur to ensure an uninterrupted supply of ore to the customers from highly affected Naxal area. To augment evacuation capacity, NMDC is supporting on Doubling of K-K line (Kirandul- Kothavalasa), Rowghat-Jagdalpur line, Slurry Pipeline, etc

To diversify further its business, NMDC is entering in coal production after the allocation of two coal block (Tokisud North & Rohne) in Jharkhand. NMDC also participated in the auction of Gold mine & declared as preferred bidder for **Chigugunta-Bisanatham Gold Block in A.P. in July, 2018.**

NMDC also proposes to invest in strategic and critical raw materials that are required by our nation for long term supply security on one hand as well as add value to the company. In line with this strategy, NMDC has created the 'NMDC Global' department and is revisiting its International

Strategy to venture into various identified minerals & geographies.

NMDC is committed to focusing on maintaining cost competitiveness in the global and domestic market in a scenario where prices are expected to remain subdued.

Along with robust strategic planning to support its growth agenda, NMDC continues to enhance organizational capabilities and other enablers to achieve its short-term and long-term objectives.

6.0 Risks and Concerns

NMDC is exposed to sharp fluctuations in demand for its products and volatility in prices. Weaker commodity price outlook would continue to impact NMDC over the next few years till domestic markets recover.

Introduction of Auction rule has increased risks for NMDC as its major customers have acquired captive mines in mineral-rich states, mainly JSW & AM-NS. With recent auction in before expiry of iron ore lease before March 2020, few more steel players have acquired mines causing a reduction in demand from merchant players. JSW has already started production from newly acquired mines & planned to increase it further in the near future. Arcelor Mittal-Nippon Steel, India is also looking to start its mines in Odisha by Oct-Dec'2020. More auctions of iron ore mines are likely to come up in the near future for the end-users. This is likely to adversely impact the market for NMDC over the medium to long term.

Suspension of operation from Donimalai Mine from 03.11.2018 onwards, due to high premium (80%) demand while renewal of the lease, is also affecting the production of NMDC badly. Donimalai mine has a capacity of 7 MTPA. Donimalai matter is sub-judice in mining tribunal & NMDC is hopeful to get clarity on lease soon in favour of NMDC.

Reference may kindly be made to Directors' Report on the following issues:-

(a) Granting extension of ML no.2396 in respect of Donimalai for 20 years from 04.11.2018 to 03.11.2038 as per the provision of the Mineral (Mining by Government Company) Rules, 2015

(b) Impact of the Hon'ble Supreme Court of India Judgement with reference to the Writ Petition (Civil) No.114/2014 dated 02.08.2017.

One of the major risks that NMDC is facing is the disturbances due to Maoist activities in Bailadila region. The Company is in contact with the Government agencies at all levels for support and protection of its employees and installations.

Although NMDC is entering in to Coal Mining, the opening of the Coal sector for Commercial mining will increase the competition for NMDC in the short to medium term.

Timely enhancement of evacuation capacity in line with production plans also remains a potential risk. This could impact production and inventory levels for NMDC.

7. Internal control systems and their adequacy

Necessary disclosure in respect of Internal Control Systems and their adequacy has been made in Annexure-C to the Independent Auditors' Report dated 16th June, 2020 which forms part of the Annual Report

8. Discussion on financial performance with respect to operational performance

During the year under review, the Company's revenue from operations decreased by 3.74% from Rs 12,153 crores to Rs 11,699 crores mainly on account of:

- Decrease in Iron ore Sales quantity by 2.60% from 323.56 Lakh Tonnes to 315.14 Lakh Tonnes.
- Realization was lower by 1% during this period from Rs 3,708/- per ton to Rs 3,671/- per tonne.

Details on financial performance with respect to operational performance are given in detail in the Directors' Report.

9. Material developments in Human Resources / Industrial Relations front, including number of people employed.

The human capital of NMDC has been its key driving factor and its greatest asset. The company has made concerted efforts in keeping the workforce highly engaged and motivated. On one hand, continuous improvement is made to improve the quality of life at the townships with investments in parks, community halls, up-gradation/construction of new quarters, clubs, gymnasium, facilities for different sports such as tennis, badminton, table-tennis, cricket, etc. NMDC has also taken revisions in various welfare measures & advance from time to time. It also focuses on various types of insurances beneficial to the employees.

On the other, training and skill up-gradation forms an important area where the first assessment is made to understand employee needs and concerns and then, appropriate training programmes are organized throughout the year. Even during Covid time, NMDC continued its training programmes through Web-based learning initiatives. To enhance the training further, NMDC has initiated the process

of purchasing 100 comprehensive world-class E-Learning Licenses through M/s Udemy. NMDC has imparted 3.61 days of training per employee in FY'20.

NMDC also conducts special identification drive & training for high potential candidates. NMDC has also started culture-building initiative since the last two years by imparting specific training & through workshops on work culture & happiness. As a result of the all-round measures being taken by the company, attrition from NMDC has been marginal, despite remote locations of the NMDC mines.

It is worth highlighting that industrial relations have been cordial all along during the year. Any difference is sorted out through bipartite discussions at appropriate fora. The cooperation and support of workmen represented by All India NMDC Workers Federation (AINMDCWF) in this regard are praiseworthy. Pay revision of workers w.e.f. 01.01.2017 has been also completed & implemented successfully in FY'19.

Keeping in view the various diversification projects viz. Steel Plant and Pellet Plant, & expansion of existing projects, the company has taken initiative to train /retrain its existing manpower and also to go for fresh induction. About 29 executives have been recruited in FY'20 under a new recruitment policy, apart from the hiring of 685 contract workforce at Nagarnar Steel Plant. All were provided on-the-job and off-the-job training in order to prepare them for taking up the challenges of working in NMDC's production projects, upcoming Steel Plant as well as any new venture that Company may like to take up. The further recruitment process is in progress for upcoming projects.

During the last five years, the number of people on rolls as on 31st March is as follows:

2015-16	:	5,773
2016-17	:	5,572
2017-18	:	5,382
2018-19	:	5,887
2019-20	:	5,739

10. DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS:

Details of significant changes (i.e. changes in 25% or more as compared to the immediately previous financial year in key financial ratios:

i)	Debtors Turnover Ratio	There is no significant change in the ratio
ii)	Inventory Turnover	There is no significant change in the ratio
iii)	Interest Coverage Ratio	There is no significant change in the ratio
iv)	Current Ratio	There is no significant change in the ratio
v)	Debt Equity Ratio	There is no significant change in the ratio
vi)	Operating Profit Margin (%)	There is no significant change in the ratio
vii)	Net Profit Margin (%)	There is no significant change in the ratio
Or Sector Specific equivalent ratios as applicable		NIL

11. DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF (FOR STANDALONE BASIS)

	2019-2020	2018-2019	(% of Change)
Net Worth (₹ In crore)	27,534	25,952	(+) 6.1 %
PAT (₹ in crore)	3,610	4,642	(-) 22.23 %
Return on Net Worth	13.11(%)	17.89(%)	

Interim Dividend paid during the current year ₹ 5.29 per share, total consideration of ₹ 1952.66 crore (including DDT of ₹ 332.94 crore)

12. Sustainability

NMDC has invested in 'Sustainability' right since its inception. It is on this account that NMDC has been able to create a favorable business environment in the areas it operates and has got a social license to operate in one of the remote & highly sensitive areas. NMDC has developed a strong local understanding of community concerns and local sensitivities. NMDC takes numerous steps to protect & enrich the environment. NMDC's efforts in sustainability have been rewarded with a 5-star rating to its mechanized mines from the Indian Bureau of Mines.

NMDC is publishing Sustainability Report as per the Global Reporting Initiative (GRI) Standards, capturing initiatives taken by NMDC over the years in Economic, Environmental and Social aspects. NMDC has also completed a study of Life Cycle Assessment of Iron Ore in FY'20. This study will provide an opportunity to assess the impact on resources, energy and emissions, on iron ore production including overall carbon footprint for

downstream industries. NMDC Ltd. has bagged Certificate of Merit in Challengers Category at Frost & Sullivan-TERI Sustainability 4.0 Awards, which was held on 12.06.2019 at Mumbai.

The four major pillars of Sustainability on which NMDC focuses on are environment, health, safety, & society.

13. Environment:

- The environmental monitoring studies are conducted through recognized laboratories of MoEFCC/ CPCB, covering all environmental parameters. Based on the results of monitoring studies, it is concluded that all environmental parameters are well within the limits during FY 19-20. A total of six Continuous Ambient Air Quality Monitoring Stations (CAAQMS) have been installed at Bacheli project (2 nos), Kirandul project (2 nos) and Donimalai Project (2 nos) for recording of Ambient air quality parameters such as PM10, PM2.5, SO2, NOx and CO in real-time.

- Every year Carbon Footprint studies are being conducted for disclosure of Greenhouse Gas Emissions in Carbon Disclosure Project (CDP). Water audit was conducted at all the production projects for evaluation of water consumption. The recommendations of the audit are being implemented by replacing the worn out and leaking pumps. Apart from this regular maintenance of water appurtenances is being done.

- Sustainable Mining Initiative audit is being done at all Iron Ore Mining projects of NMDC and recommendations are being implemented to obtain a 5-star rating for all mines. 5 mines during the year 2019 received the 5-star rating given by IBM, Ministry of Mines, GoI.

- The R&R works suggested by M/s Indian Council of Forest Research and Education (ICFRE, Dehradun) in the Environmental Management and Reclamation & Rehabilitation Plan for Kirandul Complex, Chhattisgarh and in Donimalai Complex, Karnataka is under implementation stage.

- R&D works in the field of air, water, solid waste etc. are being undertaken by engaging institutes of repute such as ISM Dhanbad, NIT – Raipur and VNIT – Nagpur.

- Water Audit is conducted at regular intervals at all projects of NMDC and recommendations of the audit are being implemented to conserve water and to improve the efficiency of motors/pumps, arrest leakages, etc.

- The environmental pollution control works are undertaken such as de-silting of check dams/check bunds, tailing dams, construction of buttress walls at toe of waste dumps and geo-coir matting for stabilization of waste rock dumps.

- About 90 wells are being monitored at NMDC projects to monitor the underground water level, which also covers the quality analysis in all 4-seasons of the year. Studies are revealed that there has been an increasing trend in the groundwater due to hydraulic loading by the existing check dams and check bunds. Limited usage of groundwater and continuous recharge has also helped in the process.

- NMDC has set-up Sewage Treatment Plant (STP) with advanced treatment technology (Sequential Batch Reactor) at Bacheli (2 MLD) for the treatment of domestic wastewater. STP works are in progress at Kirandul (3 MLD) & Donimalai (3 MLD) townships. The treated water will be reused for green belt development.

- A total of 1.3 Lakh saplings planted in the FY 2019-20 in and around the boundary of all the NMDC projects. Since the inception of Mining activities in Bailadila and Karnataka, more than 25 Lakh trees have been planted in and around leases of NMDC Limited. NMDC is actively contributing funds to the Government of Chhattisgarh flagship programme "Hariyar Chhattisgarh" for undertaking roadside tree plantation in the state of C.G by CGRVVN Limited.

14. Health & Safety

- Health & Safety continue to be our priority with employees & contractual workmen at our projects adhering to the SOPs & safety norms. NMDC appreciate that safety is a journey & is committed to continually improve its performance and set high standards.

- In each mining project of NMDC sufficient number of Workmen Inspectors are nominated/appointed for mining operations, Mechanical and Electrical installations as per statutory requirements for carrying safety inspections.

- Mine Level Tripartite Safety Committee Meetings have been conducted in each of the operating mines. This meeting is conducted

once in a year at the project level with senior officials, Union Representatives and DGMS Officials in which Safety Performance and its appraisal are made and the recommendations are implemented.

- Corporate Level Tripartite Safety Committee Meetings are being held regularly once in a year at Head Office and the recommendations are implemented.
- Safety Committees have been constituted in every operating mine and pit safety meetings are held every month discussing the safety matters and corrective actions related to the work atmosphere.
- In order to ensure that safety systems are up to date & also comply with the latest safety regulations, a cross-project internal safety audit has been started in NMDC. Safety Management system has been implemented in all our mines. Risk Assessment studies are being conducted regularly.
- NMDC provides extensive safety training programmes to inculcate safety habits & mindset at work to its employees. Behavioral-based safety training are also given to employees.

Severity Rate for the year 2019–20 is 15.48

(Severity Rate = Mandays lost per 100000 Mandays worked).

OHS Activities:

- Occupational Health Services have been provided with adequate manpower and infrastructure and are functioning in a full-fledged manner at all the projects, headed by Qualified Doctors trained in OHS at Central Labour Institute, Mumbai.
- Periodical Medical Examination under the statute is carried out regularly in all the projects.
- NMDC strives to ensure that workers are not exposed to occupational hazards that negatively affect their health. NMDC also has well-equipped hospitals with capable medical teams available 24/7 to support the health & well being of the workers & the surrounding community.

15. Corporate Social Responsibility

- CSR is raison d'être of NMDC and not just a part of business strategy. NMDC's CSR programmes are carried out in areas that are remote, backward and face serious law and order problems due to left-wing extremism. The area is among the most backward regions of India and inhabited predominantly by Scheduled Tribes and Scheduled caste population which are poor, underprivileged, deprived, suffer malnutrition and devoid of support for their socio-economic needs. It is only because of its strong focus on social responsibility programmes aiming at enhancing the quality of life of the local communities that NMDC has been successfully mining in these areas.
- NMDC is the model PSE in the field of CSR and its model of stakeholder consultation mechanism for implementation of its CSR has been recommended by the Department of Public Enterprises, Government of India for emulation by all other CPSEs.
- The Company is investing substantially in promoting education, development of physical infrastructure, providing healthcare services & clean drinking water along with imparting technical skill sets aimed at enhancing employability & income generation etc. among other initiatives primarily in surrounding areas of its operations.
- Apart from the above, NMDC has been at the forefront of CPSEs contributing to the fight against COVID-19 pandemic by pitching in with its contributions to the PMCARES fund as well as assisting Govt. Authorities in the States, wherein it operates or has Units/ Establishments.

ANNEXURE – II

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO UNDER COMPANIES ACT, 2013

NMDCs' R&D Centre:

NMDC R&D centre is committed to maintain its excellence in undertaking product and technology development projects related to ore and minerals through continual improvement in process performance for enhanced customer's satisfaction. R&D centre has the capability and capacity to undertake project associated to mineral beneficiation & processing, mineralogical studies, material handling and storage, metallurgical studies of iron ore and coal, chemical analysis etc.

R&D centre extends its vital support to NMDC's existing and upcoming projects. Expertise of R&D centre is also being extensively used by other organizations (in both public and private sector) engaged in iron ore, coal and other allied sectors globally.

The R&D centre is endowed with state of art laboratory equipments to analyze different minerals, coal, metal and non-metals. Some of the facilities includes XRD, WD-XRF, ICP-AES, GFAAS, SEM, RUL, CS, Pilot coke oven, TGA, Dry air & APIC Jig, WHIMS, Ring shear tester, Abrasion tester, Vickers hardness tester, Zeta potential, Automatic mineral analyzer, Stereo microscope, Batch & Pilot plant facilities for Mineral processing and Agglomeration.

NMDC R&D publishes half yearly newsletter for propagating its technical activities. It has implemented Integrated Management System comprising ISO 9001: 2015 (Quality Management System), ISO 14001: 2015 (Environment Management System), OHSAS 18001: 2007 (Occupational Health and Safety Assessment System) and SA 8000: 2014 (Social Accountability).

R&D centre is also recognized by Department of Scientific and Industrial Research (DSIR). The Chemical laboratory has been accredited by National Accreditation Board for Testing and Calibration Laboratories (NABL ISO 17025:2017) in the field of chemical analysis.

The thrust of NMDC Limited's R&D Centre is towards

Conservation of Energy:

- Utilization of SMS slag
- Flowability study of bulk solids (like iron ore, coal, flyash etc) for material handling and storage

Technology Absorption:

- Beneficiation and Up-gradation of coal as NMDC has received few coals block for mining
- Development of technology for dry processing and beneficiation
- Development of technologies for utilization of mine waste

Apart from the above thrust areas, R&D centre also undertakes collaborative projects with reputed organizations and institutes across the globe having expertise in the field of waste utilization, mining, beneficiation and other allied areas.

NMDC's Incubation Program for Promoting START-Ups:

"Startup India" is a flagship initiative of the Government of India, intended to catalyse start-up culture and build a strong and inclusive ecosystem for innovation and entrepreneurship in India. In line with this, NMDC has decided to set up Innovation and Incubation Centre to promote the spirit of Innovation and Entrepreneurship among the youth of the country.

NMDC has decided to establish a Joint Incubation Program with i-TIC Foundation, IIT Hyderabad with a focus to foster, nurture and incubate start-up companies with new and innovative ideas in Deep Technology. The objective of this incubation program is to create social impact and job creation through innovation with the involvement of young entrepreneurs. An agreement was signed to this effect on 2nd March 2020 between NMDC and i-TIC, IIT Hyderabad. This incubation program will help to harness the power of youth by promoting the culture of Innovation in the form of start-ups in India.

Various research projects completed by R&D Centre:

1.0 Projects of NMDC Mines/Projects

i. Physical and metallurgical characterization of iron ore samples received from Bailadila sector

ii. Physical and metallurgical characterization of pellet samples of NMDC Pellet Plant

iii. Various samples received for characterization and chemical analysis from Investigation department

iv. Characterization of coking coal sample

2.0 In-house Developmental Research Projects

i. **Conservation of Energy:**

1. Utilization of microwave heating in iron ore pellet making
2. Utilization of mining waste (Slimes)

3. Study on flow characteristics of different iron ores of India
4. Study on energy requirement for firing of iron ore pellet using oil/gas/ coal/ electrical heating including microwave
5. Pelletisation studies on iron ore (blue dust)

ii. **Technology Absorption:**

1. Beneficiation studies with high ash coal sample
2. Study on red mud for making value added products
3. Study of making of value added product from slimes/tailings

3.0 Collaborative Programmes under progress

Collaborating Institutes	Title and Nature of Work
CSIRO, Australia	Characterization and beneficiation studies on laterite/ goethite iron ore. Development of dry beneficiation technology for processing of hydrated iron ore.
IIT, Bhubaneswar	Optimization of Silos, Bins and Hoppers design through modeling, primarily intended for Iron ore storage.
CSIR-IMMT, Bhubaneswar	i. Modeling & Optimization of high concentration Iron ore fines/Concentrate slurry pipe line for Indian Iron Ore Processing Industry ii. Development of application of Nano Iron oxide obtained from blue dust in energy & sensors devises iii. Dry beneficiation of Iron ore and coal using VSK Separator
NIT-Raipur	Study on improvement of potability of ground water in surrounding area of mines
CSIR-CIMFR	Development of Vision enhancement system for foggy weather

4.0 Patents filed in 2019-20

In FY 2019-20, NMDC R&D centre has filed 06 patents in the area of waste utilization, lean grade iron ore beneficiation, dry beneficiation techniques etc and the list is enclosed. R&D centre had succeeded in one of the dry beneficiation techniques using compressed air and is exploring the future possibilities of this technique in the area of mineral beneficiation.

i. A process for making roof tiles from lean iron ore i.e slime which is generated after beneficiation (Application no 201941037720; TEMP/E-1/38458/2019-CHE dated 19.09.2019): Advantage: Utilization of lean grade slimes.

ii. A process for production of nano iron powder from blue dust (Application no201941037722; TEMP/E-1/38459/2019-CHE dated 19.09.2019) Advantage: Nano iron produced from blue dust- A high value product.

iii. A process for preparation of titanium dioxide from kimberlite tailings (Application no 201941037723 dated 19.09.2019) Advantage: Recovery of valuable minerals from Kimberlite.

iv. Binder for iron ore pellet making from kimberlite tailings (Application no 201941037721 TEMP/E-1/39849/2019-CHE dated 19.09.2019) Advantage: Utilization of kimberlite tailing.

v. A process for the preparation of magnetite for usage in heavy media separation from tailings of slimes (Application No: TEMP/E-1/18022/2019- CHE) Advantage: Utilization of lean grade slimes.

vi. A novel process for dry beneficiation (Application Number: 202041006098 dated 12/02/2020): -Development of process for dry beneficiation of minerals.

5.0 R&D Investment

Year	Investment on R&D (Rs Crs)			Turnover (Rs Crs)	(%) of Turnover	Profit after tax (Rs Crs)	(%) of PAT
	Revenue	Capital	Total				
2015-2016	22.21	0.75	22.96	6,457	0.36	2,715	0.84
2016-2017	20.30	1.47	21.77	8,830	0.25	2,589	0.84
2017-2018	22.03	3.10	25.13	11.615	0.22	3,806	0.66
2018-2019	23.81	7.50	31.31	12,153	0.26	4,642	0.68
2019-2020	23.79	7.00	30.79	11,699	0.26	3,610	0.87

6.0 Foreign Exchange earning @ out go.

i) **Foreign Exchange Earing** **NIL**

ii) **Foreign Exchange outgo** **₹119.24 crore**

ANNEXURE – III

REPORT ON CORPORATE GOVERNANCE

1. **A brief statement on Company's philosophy**

NMDC, a Navaratna Company, believes in financial prudence, customer satisfaction, transparency, accountability and commitment to values. The good governance it practices is based on its stated belief and the guidelines of the Government of India issued from time to time should go a long way in enhancing value for all those who are associated with the Company: shareholders, customers, suppliers, creditors, Government of India, State Governments, Governmental agencies/ departments and the society at large. The Board of Directors have approved the Policy on Corporate Governance.

2. **Board of Directors**

As on 31st March 2020, the Board of NMDC comprises of Chairman-Cum-Managing Director, four Whole time / Functional Directors, two Government Nominee Directors and two Non-Executive (Independent) Directors.

a. **Composition and category of Directors:**

Whole-time / Functional Directors

i) Shri N. Baijendra Kumar, IAS, Chairman-cum-Managing Director

ii) Shri P.K. Satpathy, Director (Production) *

iii) Shri Shri Amitava Mukherjee, Director (Finance)

iv) Shri Alok Kumar Mehta, Director (Commercial) (w.e.f. 01.06.2019)

v) Shri Sumit Deb, Director (Personnel) (w.e.f. 01.09.2019)

vi) Dr. Narendra K. Nanda, Director (Technical) (upto 31.05.2019) **

vii) Dr. T.R.K. Rao, Director (Commercial) (upto 31.05.2019)

viii) Shri Sandeep Tula, Director (Personnel) (upto 31.08.2019)

* In terms of Order No.3(17)/2015-BLA dated 12.02.2020 of Ministry of Steel, Government of India, the tenure of Shri P.K. Satpathy, Director (Production), NMDC is extended beyond 12.12.2019 till 31.08.2021 i.e. the date of his superannuation, or until further orders, whichever is earlier

** In terms of Ministry of Steel order No.3(6)/2015-BLA dated 03.03.2020, it was conveyed that in terms of DoPT communication no.17/30/ EO/2013(ACC) dated 02.03.2020, ACC has approved the proposal for non-extension of tenure of Dr. N K Nanda as Director (Technical), NMDC Ltd. beyond 31.05.2019

Government of India Nominee Directors

i) Shri Saraswati Prasad, Special Secretary & Financial Adviser (AS&FA), Ministry of Steel (upto 16.03.2020)

ii) Smt. Rasika Chaube Additional Secretary, Ministry of Steel

iii) Shri Vijoy Kumar Singh, Financial Advisor, Addl. Charge (w.e.f. 17.03.2020)

Independent Directors (Non-Executive)

i) Shri Ashok Kumar Angurana

ii) Shri D. Kuppuramu (w.e.f. 06.11.2019)***

iii) CA. Arun Kumar Srivastava (upto 12.11.2019)

iv) Smt. Bhagwati Mahesh Baldewa (upto 12.11.2019)

v) Shri Pradip Bhargava (upto 26.11.2019)

vi) Dr. Syamal Kumar Sarkar (upto 26.11.2019)

vii) Shri S.M. Nigam (upto 26.11.2019)

*** In terms of Order No.1/10//2015-BLA (Vol-IV) dated 21.10.2019 of Ministry of Steel, Govt. of India, it has been communicated that the President of India is pleased to appoint Shri D. Kuppuramu as Non-Official Independent Director on the Board of NMDC Ltd. for a period of three years from the date of notification of his appointment, or until orders whichever is earlier. Section 153 of the Companies Act, 2013 stipulates that every individual intending to be appointed as director of a company shall make an application for allotment of Director Identification Number to the Central Government in such form and manner and along with such fees as may be prescribed. Shri D. Kuppuramu was not having Director Identification Number (DIN) as on 21.10.2019 being the date of issue of Order regarding his appointment on the Board of NMDC Ltd. On receipt of Order from Ministry of Steel, Shri D. Kuppuramu made requisite application to Ministry of Corporate Affairs, Govt. of India for allotment of DIN. Ministry of Corporate Affairs

allotted DIN: 08603976 to Shri D. Kupuramu vide SR No.R11048907 dated 06.11.2019. After receipt of DIN from Ministry of Corporate Affairs, the appointment of Shri D. Kuppuramu was approved by the Board of NMDC by Circular Resolution w.e.f. 06.11.2019. In view of non-availability of DIN on the date of order of Ministry of Steel, Shri D. Kuppuramu could not be appointed on the Board of NMDC on 21.10.2019.

The company requested Ministry of Steel, Govt. of India for the following in respect of appointment date of Shri D. Kuppuramu:-

i) To take note of the date of appointment of Shri D. Kuppuramu, Independent Director on the Board of NMDC from 06.11.2019;

ii) Issue of revised order in the name of Shri D. Kuppuramu Independent Director indicating the date of appointment as 06.11.2019.

In response to the company's aforesaid letter, Ministry of Steel, Govt. of India vide its letter No.1(10)/2015-BLA (Vol-IV) dated 14.01.2020 inter alia, stated that "there is no ground for issuing of revised order indicating the date of appointment as 06.11.2019".

The Chairman-Cum-Managing Director and Functional Directors are appointed by Government of India for a period of five years or till the age of superannuation or until further orders whichever is earlier. The Directors are initially appointed by the Board as Additional Directors in terms of the provisions of the Companies Act, 2013 and thereafter by the shareholders in the Annual General Meeting. The appointment may, however, be terminated by either side on three months notice or on payment of three months salary in lieu thereof.

Government Nominee Directors representing Ministry of Steel, Government of India retire from the Board on ceasing to be official of Ministry of Steel, Government of India.

Non Executive Directors (Independent) are normally appointed for a tenure of 3 years by Govt. of India.

b. BOARD MEETINGS

Board Meeting Procedure:

The Board Meetings are convened by giving appropriate advance notice after seeking approval of the Chairman of the Board / Committee as the case may be. In order to address specific urgent needs, meetings are also convened at a shorter notice. Resolutions are also passed by way of circulation in the eventuality of exigencies or urgency.

Detailed agenda note are circulated in advance to the Board Members for facilitating meaningful, informed and focused decision at the meeting. In case of special and exceptional circumstances, additional / supplemental agenda item(s) are also permitted.

Information placed before the Board of Directors

The Board of Directors has complete access to information within the Company. The information inter alia regularly supplied to the Board includes:

- Annual Operating Plans and Budgets and any updates.
- Capital Budget, Revenue Budget and any updates.
- Quarterly / Annual Results of the Company.
- Minutes of Meeting of Audit Committee and other Committees of the Board.
- Minutes of the Meeting of Board of Directors of Subsidiary Companies.
- Major Investments in Subsidiaries, Joint Ventures and Strategic Alliances.
- Disclosure of Interest by Directors and other statutory items.
- Major expansion plans of the Company.
- Any significant development in Human Resources / Industrial Relations.

Attendance of each Director at the Board Meeting and the last AGM

Sl. No.	Name of the Director	No. of Board Meetings held	No. of Board Meetings attended	Last AGM Attended
1	Shri N. Baijendra Kumar, IAS Chairman-cum-Managing Director	10	10	YES
2	Dr. Narendra K. Nanda Director (Technical) (upto 31.05.2019)	1	--	NA
3	Dr. T.R.K. Rao Director (Commercial) (upto 31.05.2019)	1	1	NA
4	Shri P.K. Satpathy Director (Production)	10	6	YES
5	Shri Sandeep Tula Director (Personnel) (upto 31.08.2019)	4	3	YES
6	Shri Amitava Mukherjee Director (Finance)	10	10	YES
7	Shri Alok Kumar Mehta Director (Commercial) (w.e.f. 01.06.2019)	9	9	YES
8	Shri Sumit Deb Director (Personnel) (w.e.f. 01.09.2019)	6	5	NA
9	Shri Saraswati Prasad Govt. Nominee Director (upto 16.03.2020)	10	9	NO
10	Smt. Rasika Chaube Govt. Nominee Director	10	8	NO
11	Shri Vijoy Kumar Singh Govt. Nominee Director (w.e.f. 17.03.2020)	--	--	NA
12	CA. Arun Kumar Srivastava Independent Director (upto 12.11.2019)	6	5	NO
13	Smt. Bhagwati Mahesh Baldewa Independent Director (upto 12.11.2019)	6	6	YES
14	Shri Pradip Bhargava Independent Director (upto 26.11.2019)	6	5	YES
15	Dr. Syamal Kumar Sarkar Independent Director(upto 26.11.2019)	6	3	NO
16	Shri S.M. Nigam Independent Director(upto 26.11.2019)	6	6	YES
17	Shri Ashok Kumar Angurana Independent Director	10	7	YES
18	Shri D. Kuppuramu Independent Director (w.e.f. 06.11.2019)	5	4	NA

c. Number of other Boards or Board Committees in which he / she is a Member or Chairperson

Sl. No.	Name of the Director	No. of Directorship and Committee Membership / Chairmanship			
		Other Board Directorship* Excluding NMDC)	Committee Membership#	Committee Chairpersonship # (Excluding NMDC)	Names of Listed entity and category of directorship
1	Shri N. Baijendra Kumar, IAS Chairman-cum-Managing Director	2	--	--	--
2	Dr. Narendra K. Nanda Director (Technical) (upto 31.05.2019)	--	--	--	--
3	Dr. T.R.K. Rao Director (Commercial) (upto 31.05.2019)	9	--	--	--

Sl. No.	Name of the Director	No. of Directorship and Committee Membership / Chairmanship			
		Other Board Directorship* Excluding NMDC)	Committee Membership#	Committee Chairpersonship # (Excluding NMDC)	Names of Listed entity and category of directorship
4	Shri P.K. Satpathy Director (Production)	4	--	--	--
5	Shri Sandeep Tula Director (Personnel) (upto 31.08.2019)	3	--	--	--
6.	Shri Sumit Deb Director (Personnel) (w.e.f. 01.09.2019)	2	--	--	--
7.	Shri Alok Kumar Mehta Director (Commercial) (w.e.f. 01.06.2019)	4	--	--	--
8	Shri Amitava Mukherjee Director (Finance)	8	--	--	--
9	Shri Saraswati Prasad Govt. Nominee Director (upto 16.03.2020)	4	--	--	SAIL, KIOCL Govt. Nominee Director
10	Smt. Rasika Chaube Govt. Nominee Director	1	--	--	--
11	Shri Vijoy Kumar Singh Govt. Nominee Director (w.e.f. 17.03.2020)	6	--	--	SAIL, KIOCL Govt. Nominee Director
12	CA. Arun Kumar Srivastava Independent Director (upto 12.11.2019)	1	--	--	--
13	Smt. Bhagwati Mahesh Baldewa Independent Director (upto 12.11.2019)	6	--	--	--
14	Shri Pradip Bhargava Independent Director (upto 26.11.2019)	--	--	--	--
15	Dr. Syamal Kumar Sarkar Independent Director (upto 26.11.2019)	--	--	--	--
16	Shri S.M. Nigam Independent Director (upto 26.11.2019)	--	--	--	--
17	Shri Ashok Kumar Angurana Independent Director	--	--	--	--
18	Shri D. Kuppuramu Independent Director (w.e.f. 06.11.2019)	--	--	--	--

Notes:

* Directorship held by Directors on all other Boards

Committee membership is in line with Regulation 26 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.

d. **No. of Board Meetings held, dates on which held.**

During the year 2019-20, tent (10) Board meetings were held, the details of which are given below:

Sl.No.	Board Meeting Sl. No.	Board Meeting Date	Board Strength	No. of DirectorsPresent
1	519	28.05.2019	13	12
2	520	16.07.2019	13	11
3	521	13.08.2019	13	8
4	522	30.08.2019	13	11
5	523	11.10.2019	13	11
6	524	11.11.2019	14	13
7	525	10.12.2019	9	8
8	526	13.01.2020	8	7
9	527	06.02.2020	8	8
10	528	12.03.2020	9	8

Brief Resume / profiles of the Directors appointed / re-appointed and expertise in specific functional areas forms part of the Annual Report.

e. **Directors are not inter se related to each other.**

f. **No. of Equity Shares of the Company held by Directors as on 31st March, 2020.**

S.No.	Name of the Director	No. of Shares of the Company
1	Shri N. Baijendra Kumar, IAS, Chairman-cum-Managing Director	NIL
2	Dr. Narendra K. Nanda, Director (Technical) (upto 31.05.2019)	320
3	Dr. T.R.K. Rao, Director (Commercial) (upto 31.05.2019)	NIL
4	Shri P.K. Satpathy, Director (Production)	320
5	Shri Sandeep Tula, Director (Personnel) (upto 31.08.2019)	NIL
6	Shri Amitava Mukherjee, Director (Finance)	Nil
7	Shri Alok Kumar Mehta, Director (Commercial) (w.e.f. 01.06.2019)	Nil
8	Shri Sumit Deb, Directo (Personnel) (w.e.f 01.09.2019)	Nil
9	Shri Saraswati Prasad, Govt. Nominee Director (upto 16.03.2020)	NIL
10	Smt. Rasika Chaube, Govt. Nominee Director	NIL
11	Shri Vijoy Kumar Singh, Govt. Nominee Director (w.e.f. 17.03.2020)	NIL
12	CA. Arun Kumar Srivastava, Independent Director (upto 12.11.2019)	NIL
13	Smt. Bhagwati Mahesh Baldewa, Independent Director (upto 12.11.2019)	NIL
14	Shri Pradip Bhargava, Independent Director (upto 26.11.2019)	100
15	Dr. Syamal K. Sarkar, Independent Director (upto 26.11.2019)	NIL
16	Shri S.M. Nigam, Independent Director (upto 26.11.2019)	NIL
17	Shri Ashok Kumar Angurana, Independent Director	NIL
18	Shri D. Kuppuramu, Independent Director (w.e.f. 06.11.2019)	NIL

g. **Web link of Familiarization Programme:**

https://www.nmdc.co.in/Financial%20Information/Default.aspx

h. **Details of skills/expertise/competence of the Board of Directors:**

NMDC being a Government Company under the control of its administrative Ministry viz. Ministry of Steel, the Board members are appointed / reappointed by the Administrative Ministry. The skills / expertise / competence as required in the context of business and areas pertaining to the company is identified by Govt. of India and accordingly selection of Directors on the Board is made by Govt as per its own procedures and rules.

S.No.	Name of the Director	Existing Skills / expertise / competence
1	Shri N. Baijendra Kumar, IAS, Chairman-cum-Managing Director	IAS Officer
2	Dr. Narendra K. Nanda, Director (Technical) (upto 31.05.2019)	Mining
3	Dr. T.R.K. Rao, Director (Commercial) (upto 31.05.2019)	Commercial & Marketing
4	Shri P.K. Satpathy, Director (Production)	Mining
5	Shri Sandeep Tula, Director (Personnel) (upto 31.08.2019)	Personnel, Administration & HR
6	Shri Amitava Mukherjee, Director (Finance)	Finance, Costing & Taxation
7	Shri Alok Kumar Mehta, Director (Commercial) (w.e.f. 01.06.2019)	Commercial, Marketing & Projects
8	Shri Sumit Deb, Director (Personnel) (w.e.f 01.09.2019)	Personnel, Administration & HR
9	Shri Saraswati Prasad, Govt. Nominee Director (upto 16.03.2020)	IAS Officer
10	Smt. Rasika Chaube, Govt. Nominee Director (w.e.f. 16.07.2018)	IDAS officer
11	Shri Vijoy Kumar Singh, Govt. Nominee Director (w.e.f. 17.03.2020) IAS Officer	IAS Officer
12	CA. Arun Kumar Srivastava, Independent Director (upto 12.11.2019)	Chartered Accountant
13	Smt. Bhagwati Mahesh Baldewa, Independent Director (upto 12.11.2019)	Social service, CSR and Philanthropy
14	Shri Pradip Bhargava, Independent Director (upto 26.11.2019)	Retired IAS Officer
15	Dr. Syamal K. Sarkar, Independent Director (upto 26.11.2019)	Retired IAS Officer
16	Shri S.M. Nigam, Independent Director (upto 26.11.2019)	Retired IRS Officer
17	Shri Ashok Kumar Angurana, Independent Director	Retired IAS Officer
18	Shri D. Kuppuramu, Independent Director (w.e.f. 06.11.2019)	Social service, CSR & Rural Development

i. **Confirmation of the Board relating to independent directors:**

The Independent Directors have given a declaration on meeting the criteria of independence as stipulated in the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 in the FY 2020-21.

j. **Detailed reasons for the resignation of an independent director who resigns before the expiry of his tenure along with a confirmation by such director that there are no other material reasons other than those provided: NA**

3. **Audit Committee**

i. **Brief description of terms of reference**

The role of the Audit Committee shall include the following:-

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the financial statements arising out of audit findings;

- Compliance with listing and other legal requirements relating to financial statements;
- Disclosure of any related party transactions;
- Modified opinion(s) in the draft audit report.

- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow-up thereon;
- Reviewing the findings of any internal investigations by the internal auditors / auditors / agencies into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- To review the follow up action on the audit observations of the C&AG audit.
- To review the follow up action taken on the recommendations of Committee on Public Undertakings of the Parliament.
- Provide an open avenue of communication between the independent auditor, internal auditor and the Board of Directors.
- Review all related party transactions in the Company. For this purpose, the Audit Committee may designate a member who shall be responsible for reviewing related party transactions.
- Review with the independent auditor the co-ordination of audit efforts to assure completeness of coverage, reduction of redundant efforts, and the effective use of all audit resources.
- Consider and review the following with the independent auditor and the management:
  - The adequacy of internal controls including computerized information system controls and security;
  - Related findings and recommendations of the independent auditor and internal auditor, together with the management responses.

- Consider and review the following with the management, internal auditor and the independent auditor:
  - Significant findings during the year, including the status of previous audit recommendations.
  - Any difficulties encountered during audit work including any restrictions on the scope of activities or access to required information.
- Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

ii. Composition, names of Members and Chairperson

The Audit Committee consists of the following Directors:

- Shri S.M. Nigam, Independent Director and Chairman (upto 26.11.2019)
- Dr. T.R.K. Rao, Director (Commercial) and Member (upto 31.05.2019)
- CA. Arun Kumar Srivastava, Independent Director and Member (upto 12.11.2019)
- Shri Ashok Kumar Angurana, Independent Director and Chairman (w.e.f. 09.12.2019)
- Shri Alok Kumar Mehta, Director (Commercial) and Member (w.e.f. 01.06.2019)
- Shri D. Kuppuramu, Independent Director and Member (w.e.f. 05.12.2019)
- The Company Secretary acts as the Secretary to the Audit Committee pursuant to Regulation 18(1)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Director (Finance), Representatives of Statutory Auditors, Internal Auditors, Functional Directors, besides, Head of Finance and Executives of other Departments are invited on need basis.

iii. Meetings and attendance during the year

During the year under report, 9 meetings of the Audit Committee were held. The details of attendance of the Members are indicated below:

Sl. No.	Meeting No.	Meeting Date	Strength of Audit Committee	No. of Members Present
1	106	28.05.2019	4	4
2	107	19.06.2019	4	4
3	108	16.07.2019	4	4
4	109	13.08.2019	4	3
5	110	11.10.2019	4	3
6	111	11.11.2019	4	3
7	112	09.12.2019	3	3
8	113	06.02.2020	3	3
9	114	12.03.2020	3	3

iv. **Attendance of each Director at the Audit Committee meetings**

Sl. No.	Name of the Director	No. of meetings held	No. of meetings attended
1	Shri S.M. Nigam Independent Director & Chairman (upto 26.11.2019)	6	6
2	Dr. T.R.K. Rao Director (Commercial) (upto 31.05.2019)	1	1
3	CA. Arun Kumar Srivastava Independent Director & Member (upto 12.11.2019)	6	6
4	Shri Ashok Kumar Angurana Independent Director & Chairman (w.e.f. 09.12.2019)	9	6
5	Shri Alok Kumar Mehta Director (Commercial) (w.e.f. 01.06.2019)	8	8
6	Shri D. Kuppuramu Independent Director & Member (w.e.f. 06.11.2019)		

4. **Nomination, Remuneration & HR Committee**

(a) **Brief description of terms of reference:**

The Board of Directors at its 411th meeting held on 24.04.2009 had constituted a Remuneration Committee of Directors in line with the DPE OM dated 26.11.2008.

Subsequently, keeping in view OM No.18(8)/2005-GM dated 14.05.2010 issued by DPE, the Board of Directors at its 430th meeting held on 01.02.2011 re-constituted the Remuneration Committee. In compliance with Section 178 of the Companies Act, 2013, the Board at its 474th meeting held on 30.05.2014 reconstituted the Remuneration Committee as Nomination & Remuneration Committee. The said Committee has been renamed as "Nomination, Remuneration & HR Committee.

The scope, powers and terms of reference of the Nomination, Remuneration & HR Committee are as per the directives issued by DPE, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013 etc.

(b) **Composition of the Nomination, Remuneration & HR Committee is as under:**

S.No.	Name of the Director
1	Dr. Syamal Kumar Sarkar, Independent Director & Chairman (upto 26.11.2019)
2	Shri S.M. Nigam, Independent Director & Member (upto 26.11.2019)
3	Shri Pradip Bhargava, Independent Director & Member (upto 26.11.2019)
4	Shri Ashok Kumar Angurana, Independent Director & Member
5	Smt. Bhagwati Mahesh Baldewa, Independent Director & Member (upto 12.11.2019)

(c) **Meetings and attendance during the year:**

During the year under review, 2 meetings of the Nomination, Remuneration & HR Committee were held on 19.06.2019 and 11.10.2019.

Attendance of each Member at the Nomination, Remuneration & HR Committee meetings

Sl. No.	Name of the Director	No. of meetings held	No. of meetings attended
1	Dr. Syamal Kumar Sarkar Independent Director & Chairman (upto 26.11.2019)	2	2
2	Shri S.M. Nigam Independent Director & Member (upto 26.11.2019)	2	2
3	Shri Pradip Bhargava Independent Director & Member (upto 26.11.2019)	2	1
4	Shri Ashok Kumar Angurana Independent Director & Member	2	1
5	Smt. Bhagwati Mahesh Baldewa Independent Director & Member (upto 12.11.2019)	2	2

Director (Personnel), acts as Secretary to the Committee.

d. **Performance Evaluation**

Performance Evaluation Criteria for Independent Directors: Necessary disclosures made in Directors' Report.

5. **Remuneration of Directors**

NMDC being a Government Company, the terms and conditions of appointment and remuneration of Functional Directors are determined by the Government through its administrative Ministry, Ministry of Steel. Non-executive Part-time Official Directors (Independent) do not draw any remuneration. The non-executive Directors are paid sitting fee as approved by the Board within the ceiling fixed under the Companies Act, 2013 and as per the guidelines issued by the Government of India. The Company has not adopted any mechanism for performance evaluation criteria for Independent Directors.

The details of remuneration paid to Functional Directors during the financial year 2019-20 are as follows:

(₹in lakhs)

Sl. No.	Name of the Director	Salary & Perquisites as per Section 17(1) & (2) of Income Tax Act, 1961	Retirement & Other Benefits	Total
1	Shri N. Baijendra Kumar CMD	65.12	1.41	66.53
2	Dr. Narendra K. Nanda Director (Technical) (up to 31.5.2019)	33.22	1.30	34.52
3	Dr. T.R.K. Rao Director (Commercial) (up to 31.5.2019)	49.65	10.87	60.52
4	Shri P.K Satpathy Director (Production)	76.65	5.81	82.46
5	Shri. Sandeep Tula Director (Personnel) (up to 31.8.2019)	64.79	0.70	65.49
6	Shri. Amitava Mukherjee Director (Finance)	40.06	4.40	44.46
7	Shri. Sumit Deb Director (Personnel) From 01.09.2019	42.05	2.73	44.78
8	Shri. Alok Kumar Mehta Director (Commercial) From 01.06.2019	51.43	3.83	55.26
	Total	**422.97**	**31.05**	**454.02**

Notes:-

1. The Salary of Whole Time Directors is governed by pay scales and rules of the Government. No variable incentive is being paid to Directors except Performance Related Pay being paid to them on annual basis as per DPE guidelines
2. Notice period of 3 months or salary in lieu thereof is required for severance from the service.
3. The Company has not introduced any stock option scheme.
4. The remuneration does not include the provision made on actuarial valuation of retirement benefit schemes and provision made for post retirement medical benefits as the same is not separately identifiable for individual Directors.

During the year, the part-time non-official Directors (Independent Directors) received sitting fees for attending the meetings of the Board / Committees as follows:

S.No.	Name of the Director	Sitting Fees (in ₹)
1	CA Arun Kumar Srivastava	3,50,000
2	Smt. Bhagwati Mahesh Baldewa	2,80,000
3	Shri D Kuppuramu	2,20,000
4	Shri Pradip Bhargava	2,00,000
5	Dr. Syamal Kumar Sarkar	2,15,000
6	Shri S.M. Nigam	5,05,000
7	Shri. Ashok Kumar Angurana	5,35,000
	Total	**23,05,000**

Notes:-

During the year under review, the part-time Directors (Independent Directors) were paid sitting fees of ₹30,000/- per meeting. In respect of Board level Committee Meeting, sitting fees was ₹25,000/- per meeting. Govt. Directors and Functional Directors are not paid sitting fees for attending the meeting of the Board or any Committee meeting thereof.

6. Share Transfer Committee

The Board has constituted the Share Transfer Committee (STC) to consider and approve all related issues of Shares and Share transfers. The Members of the Committee are as under:

i) Chairman-cum-Managing Director

ii) Director (Production)

iii) Director (Finance)

iv) Director (Commercial)

Company Secretary acts as Secretary to the Committee.

During the year under report, three (3) meetings of the Committee were held. The details of attendance of the Members are indicated below:-

S.No.	Meeting No.	Meeting Date	Strength of STC	No. of Members present
1.	213	08.04.2019	4	4
2.	214	01.08.2019	4	3
3.	215	16.08.2019	4	4

Attendance of each Member at the Share Transfer Committee meetings

Sl. No.	Composition	No. of meetings held	No. of meetings attended
1	Chairman-cum-managing Director	5	3
2	Director (Production)	3	2
3	Director (Finance)	3	3
4	Director (Commercial))	3	3

7. Shareholders'/Investors' Grievance/Stakeholders Committee

Composition: The Board has constituted the Shareholders'/Investors' Grievance/Stakeholders Committee comprising Chairman of Audit Committee (Chairman of the Committee) and Director (Production) and Director (Finance) as Members.

During the year under report, four (4) meetings of the Committee were held. The details of attendance of the Members are indicated below:

S.No.	Meeting No.	Meeting Date	Strength of Committee	No. of Members present
1	41	26.04.2019	3	3
2	42	13.08.2019	3	3
3	43	11.11.2019	3	3
4	44	06.02.2020	2	2

Attendance of each Member at the Shareholders' / Investors' Grievance Committee meetings

Sl. No.	Composition	No. of meetings held	No. of meetings attended
1	Chairman, Audit Committee	4	4
2	Director (Production)	4	3
3	Director (Finance)	4	4

M/s Karvy Fintech Pvt. Ltd., Hyderabad was appointed as Registrar to the offer for sale by Government of India. All grievances / complaints relating to offer for sale made by Government of India are exclusively dealt by M/s Karvy Computershare Pvt. Ltd., Hyderabad.

(a) Name of the Non-Executive Director heading the Committee – Shri Ashok Kumar Angurana (w.e.f.09.12.2019)

(b) Name and designation of the Compliance Officer: Shri A.S. Pardha Saradhi, Company Secretary

(c) Number of complaints received - 20

(d) Number of complaints not solved to the satisfaction of the shareholders - Nil.

(e) Number of complaints pending - Nil.

(f) During the year, under SCORES, 04 investor complaints were received & resolved and no complaint was pending as on 31.03.2020.

Other Board level Sub-Committees of Directors

Apart from the above mentioned Committees, the Board also constituted various other Sub-Committees with specific terms of reference as per requirement. The minutes of such Board level Sub-Committees are placed before the Board.

8. General Body Meetings

(a) Location and time where last three AGMs held.

The details of the General Meetings held for the past three years are as under:

AGM No.	Venue	Date & time	Special Resolutions passed
59th	AGM The Park, Hyderabad	22.09.17 at 1130 hrs	---
60th AGM	Hotel Marigold, Hyderabad	26.09.18 at 1130 hrs	---
61st	AGM The Park, Hyderabad	30.08.19 at 1130 hrs	---

(b) Whether any special resolution passed in the previous 3 AGMs – No.

(c) During the year 2019-20 ,the Company had issued Postal Ballot Notice dated 11.10.2019 seeking approval of the Shareholders by way of Special Resolution on the following items :-

i. Amendment to Articles of Association with regard to borrowing powers;

ii. Authority to offer, issue and allot secured or unsecured Non-Convertible Debentures (NCDs)or bonds on private placement basis aggregating ₹5000 crores;

iii. Approval for creation of charge, mortgage or hypothecation on the assets of the Company in connection with the borrowings;

The shareholders of the Company accorded its approval by requisite majority to the Special Resolutions as issued by way of Postal Ballot.

(d) **Details of voting pattern:**

Special Resolutions as set out in the Postal Ballot Notice dated 11th October 2019, have been passed by the Members of the Company with requisite majority. The results of Postal Ballot / e-voting were announced on 5th December 2019.

Details of Voting Pattern:

S. No	Special Resolution	No. of votes polled	No. of votes – in favour	No. of votes – against	% of votes in favour on votes polled	% of Votes against on votes polled
1	Amendment to 'Articles of Association' with regard to Borrowing Powers	2824584392	2824524947	59445	99.9979	0.0021
2	Authorization to offer, issue and allot secured or unsecured Non Convertible Debentures (NCD's) or bonds on private placements aggregating ₹5000 crores	2824584032	2824527025	57007	99.9980	0.0020
3	Approval for creation of charge, mortgage or hypothecation on the assets of the Company in connection with borrowings	2824583488	2824501002	82486	99.9971	0.0029

(e) Person who conducted Postal Ballot exercise:-

Shri Datla Hanumanta Raju, Partner, D. Hanumanta Raju & Co, Company Secretaries was appointed as Scrutinizer to conduct the Postal Ballot process in a fair and transparent manner.

(f) Special Resolution as proposed in the ensuing AGM:

Authorization to offer, issue and allot secured or unsecured Non Convertible Debentures (NCD's) or bonds on private placements aggregating Rs.5000 crores.

(g) Procedure for conducting business through Postal Ballot is as prescribed under Section 108 and Section 110 of the Companies Act, 2013 read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 and amendments thereto.

9. Means of communication

Quarterly Results:

The Company publishes quarterly Un-audited / Annual Audited financial results through leading National Daily Commercial / Economic newspapers and also Local language Daily newspapers including Hindi Daily newspaper.

These results are also posted on Company's website: www.nmdc.co.in. The Company's website also contains a dedicated section on 'Investors' where shareholders information is available viz. Annual Reports, Financial Details, etc.

In addition, the Company communicates major achievements and important events taking place in the Company through Press, Electronic Media and also on its Website. Presentation made to institutional investors / analysts are uploaded on Company's website.

10. General Shareholders Information

i. (a) AGM date, time and venue

The 62nd AGM of the Company shall be held on 29 September, 2020 at 11.30 hrs. via Video Conferencing(VC)/Other Audio Visual means (OAVM)in line with General Circulars issued by Ministry of Corporate Affairs/SEBI as per details and process set out in the Notice convening the meeting. The deemed venue for 62nd AGM shall be the Registered Office of the Company at 10-3-311/A, Khanij Bhavan, Castle Hills, Masab Tank, Hyderabad - 500028, Telangana.

(b) Webcast of the AGM :

The Company will be providing a facility to view the live streaming of the AGM Webcast on the NSDL website and the access of the same is at https://www.evoting.nsdl.com by using your remote e-voting credentials. The link will be available in shareholder login where the EVEN of Company will be displayed.

ii. Financial Year: 1st April – 31st March

iii. Dividend Payment date:

(a) Dividends as declared were paid within 30 days of declaration as per the provisions of the Companies Act, 2013.

(b) Details of interim dividend paid during the year under review are as under: (₹ in crores)

Particulars	GOI Share	Others	Total Dividend	% of Share Capital
Interim Dividend	1,128.13	491.59	1619.72	529
Final*	-	-	-	-
Total	**1,128.13**	**491.59**	**1619.72**	**529**
Previous Year (Including Final Dividend)	1,221.60	468.55	1690.15	552

* No final dividend was recommended by the Board.

Date of Book Closure: from 24.09.2020 to 29.09.2020 (both days inclusive)

iv. Financial Calendar for 2020-2021

1st quarter results	(Unaudited)	on or before 15.09.2020
2nd quarter results	(Unaudited)	on or before 14.11.2020
3rd quarter results	(Unaudited)	on or before 14.02.2021
4th quarter results	(Audited)	on or before 30.05.2021

v. Listing on Stock Exchanges

NMDC shares are listed on three (3) Stock Exchanges at BSE Ltd, Mumbai, National Stock Exchange of India Ltd., Mumbai and The Calcutta Stock Exchange Ltd., Kolkata. Listing Fees for the year 2020-21 has been paid to the two Stock Exchanges (BSE Ltd. and National Stock Exchange of India Ltd. The company has not received any bill from Calcuttta Stock Exchange Ltd. for payment of Annual Listing Fees for FY 2020-21 despite reminders by the company.

vi. Stock Code:

Sl.No.	Name of the Stock Exchange where Company's equity shares are listed	Security Code / Symbol
i)	BSE Ltd., Mumbai	526371
ii)	National Stock Exchange of India Ltd., Mumbai	NMDC
iii)	The Calcutta Stock Exchange Ltd., Kolkata	24131

vii. Market price data: High, Low during each month in the last financial year

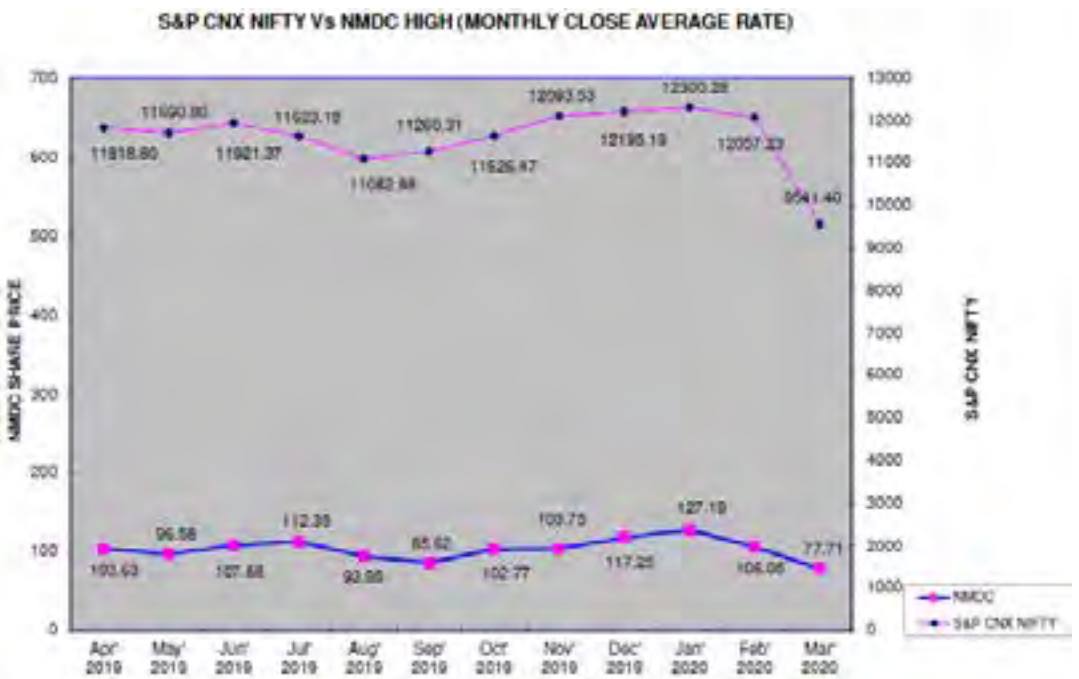
Market High & Low prices at BSE Ltd. (BSE) & National Stock Exchange of India Ltd. (NSE)

Month and Year	BSE		NSE	
	Highest	Lowest	Highest	Lowest
Apr-19	108.40	99.10	108.45	99.05
May-19	106.45	89.80	106.50	90.00
Jun-19	114.30	100.25	114.40	100.15
Jul-19	120.45	105.00	120.55	105.40
Aug-19	110.50	74.80	110.60	74.80
Sep-19	96.45	78.65	96.50	78.60
Oct-19	114.40	86.95	114.35	86.80
Nov-19	114.90	97.80	114.95	97.60
Dec-19	130.70	101.70	130.80	101.65
Jan-20	139.50	116.10	139.70	116.20
Feb-20	117.45	88.45	117.45	88.40
Mar-20	97.35	62.00	97.40	61.55

viii. Performance in comparison to broad based indices such as BSE Sensex, CRISIL Index etc.

a) BSE / Sensex and NMDC Share Price

b) NIFTY and NMDC Share Price



ix. Registrar & Share Transfer Agent

The Company has appointed Aarthi Consultants Pvt. Ltd., Hyderabad as Share Transfer Agent for looking after the works relating to share transfer/ transmission etc., and dematerialization / rematerialization of shares of the Company with CDSL and NSDL.

x. Share Transfer System

The Company has a Share Transfer Committee comprising of Chairman-cum-Managing Director, Director (Production), Director (Finance) and Director (Commercial) and Company Secretary which considers the request for Transfer / Transmission of shares, rematerialization, dematerialization of shares etc. The share transfer committee considers request for issue of share certificates. Transfers in physical form are registered after ascertaining objections, if any, from the transferors; and no valid transfer applications are kept pending beyond the stipulated period of fifteen days. Requests for dematerialization of shares are processed and confirmation is given to the respective depositories viz, NSDL and CDSL within 15 days.

xi. Distribution of Shareholding:

(a) Shareholding Pattern of the Company as on 31.03.2020

Category (i)	Category of shareholder (ii)	No. of share holders (iii)	No .of fully paid up equity shares held (iv)	No. of Partly paid-up equity shares held (v)	No. of shares underlying Depository Receipts (vi)	Total nos. shares held (vii = iv+v+vi)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)(viii) As a % of (A+B+C2)	Number of Voting Rights held in each class of Securities (ix)				No.of Shares Underlying Outstanding convertible securities (including Warrant) (x)	Shareholding as a % assuming full conversion of convertable securities (as a percentage of diluted share capital) (xi)=(vii)+(x) as a % of (A+B+C2)	Number of Locked in shares (xii)		Number of Shares pledged or otherwise encumbered (xiii)		Number of equity shares held in dematerialized form (xiv)
								No.of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total shares held (b)	
								Class eg:X*	Class eg:Y	Total								
(A)	Promoter & Promoter Group	1	2132453593	0	0	2132453593	69.65	2132453593	0	2132453593	69.65	0	69.65	0	0	0	0	2132453593
(B)	Public	241176	929396066	0	0	929396066	30.35	929396066	0	929396066	30.35	0	30.35	0	0	N.A	N.A	929296847
(C)	Non Promoter-Non Public																	
(C1)	Shares underlying DRs	0	0	0	0	0	N.A	0	0	0	0	0	0	0	0	N.A	N.A	0
(C2)	Shares held by Employee Trusts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N.A	N.A	0
	Total	**241177**	**3061849659**	**0**	**0**	**3061849659**	**100**	**3061849659**	**0**	**3061849659**	**100**	**0**	**100**	**0**	**0**	**0**	**0**	**3061750440**
	*X = Equity																	

(b) **Distribution of Shareholding by size as on 31.03.2020**

SL NO	CATEGORY	HOLDERS	HOLDERS PERCENTAGE	SHARES	AMOUNT	AMOUNT PERCENTAGE
1	1 - 5000	238167	98.75	66061764	66061764	2.16
2	5001 - 10000	1569	0.65	11466992	11466992	0.37
3	10001 - 20000	666	0.28	9495452	9495452	0.31
4	20001 - 30000	206	0.09	5178812	5178812	0.17
5	30001 - 40000	115	0.05	4048605	4048605	0.13
6	40001 - 50000	73	0.03	3412808	3412808	0.11
7	50001 - 100000	124	0.05	8530880	8530880	0.28
8	100001 & Above	257	0.11	2953654346	2953654346	96.47
	Total:	241177	100	3061849659	3061849659	100

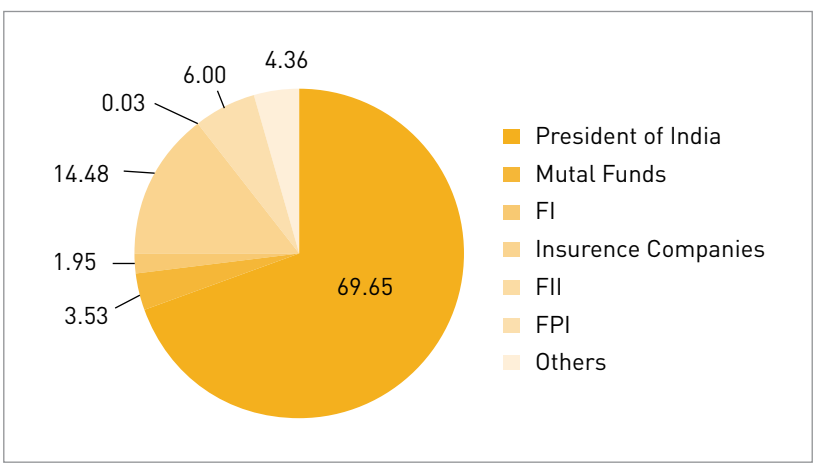
(c) **Top ten shareholders of the Company as on 31.03.2020**

Sl. No.	Shareholder	No. of Shares	%	Group	Category
1	PRESIDENT OF INDIA	2132453593	69.65	Pro	Central Government/ State Government(s)
2	LIFE INSURANCE CORPORATION OF INDIA	394591074	12.89	Pub	Insurance Companies
3	RELIANCE CAPITAL TRUSTEE CO LTD-A/C NIPPON INDIA CAPITAL BUILDER FUND IV - SERIES A	72691382	2.37	Pub	Mutual Funds
4	LIC OF INDIA HEALTH PLUS NON UNIT FUND	20294358	0.66	Pub	Financial Institutions/ Banks
5	EDGBASTON ASIAN EQUITY TRUST	20244179	0.66	Pub	Foreign Portfolio Investor
6	ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED	17883014	0.58	pub	Insurance Companies
7	VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	13646250	0.45	Pub	Foreign Portfolio Investor
8	STATE BANK OF INDIA	11680466	0.38	Pub	Financial Institutions/ Banks
9	VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERIES OF VANGUARD INTERNATIONAL EQUITY INDEX FUNDS	11141179	0.36	Pub	Foreign Portfolio Investor
10	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE PSU EQUITY FUND	10807196	0.35	Pub	Mutual Funds
	TOTAL :	2705432691	88.41		

(d) **Geographical Distribution of Shareholders as on 31.03.2020**

Sl No	city	No. of Share Holders	% to Total	No.of Shares	% to Total
1	AHMEDABAD	12153	4.91	5414437	0.18
2	BANGALORE	12626	5.11	5333011	0.17
3	BHUBANESWAR	825	0.33	331366	0.01
4	CHANDIGARH	947	0.38	470700	0.02
5	CHENNAI	9826	3.97	13027316	0.43
6	GUWAHATI	537	0.22	218894	0.01
7	HYDERABAD	11285	4.56	4671138	0.15
8	JAIPUR	5202	2.10	1606579	0.05
9	KANPUR	1306	0.53	353432	0.01
10	KOLKATA	11695	4.73	14585771	0.48
11	MUMBAI	39452	15.95	822006434	26.85
12	NAGPUR	1391	0.56	419605	0.01
13	NEW DELHI	14666	5.93	2146569571	70.11
14	PATNA	1245	0.50	1127756	0.04
15	TRIVANDRUM	689	0.28	258803	0.01
16	OTHERS	123462	49.92	45454846	1.48
	TOTAL	**247307**	**100.00**	**3061849659**	**100.00**

Shareholding Profile as on 31.03.2020



xii. **Dematerialization of shares and liquidity**

The shares of the Company are dematerialized with Central Depository Services (India) Ltd and National Securities Depository Limited. The addresses of the Depositories are as under:

(i) National Securities Depository Limited
Trade World, 4th Floor
Kamala Mills Compound
Senapati Bapat Marg
Lower Parel, Mumbai - 400 013

(ii) Central Depository Services (India) Limited
Phiroze Jeejeebhoy Towers
28th Floor, Dalal Street
Mumbai - 400 023

No. of Shares held in dematerialized and physical mode as on 31st March, 2020 are as under:

Particulars	No. of Shares	% of total capital issue
Held in dematerialized form in NSDL	2951759097	96.40
Held in dematerialized form in CDSL	109991343	3.59
Physical	99219	0.01
Total:	**3061849659**	**100.00**

xiii. Outstanding GDRs/ADRs/Warrants or warrants or any Convertible instruments, conversion date and likely impact on equity : NIL

xiv. Commodity price risk or foreign exchange risk and hedging activities.

NMDC Export iron ore to Japan / S. Korean steel mills through MMTC (Canalizing agent) under Long Term Agreement based on Union Cabinet approval from time to time. Export prices are fixed on quarterly basis and payment against exports are remitted in Indian rupee by MMTC to the Company which, constitutes a small percentage of NMDC's total turnover. However, commodity (iron ore) price risk does exist due to volatility in international market, but due to quarterly based pricing, risk is mitigated to some extent. Hedging activities are not undertaken by NMDC / MMTC.

xv. Transfer of Dividend and corresponding Ordinary Shares to the Investor Education and Protection Fund

During the financial year 2019-20, unclaimed dividend for the financial year 2011-12 Final & 2012-13 1st interim dividend aggregating ₹16,78,949/- and the corresponding 3,622 Ordinary Shares in respect of which dividend entitlements remained unclaimed for seven consecutive years or more, have been transferred by the Company to the Investor Education and Protection Fund established by the Central Government (IEPF), pursuant to the provisions of Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

Shareholders may claim their unclaimed dividend for the years prior to and including the financial year 2011-12 Final & 2012-13 1st Interim dividend and the corresponding shares, from the IEPF Authority by applying in the prescribed Form No. IEPF-5. This Form can be downloaded from the website of the IEPF Authority www.iepf.gov.in, the access link of which is also available on the Company's corporate website nmdc.co.in under the section 'Investor Relations'.

The unclaimed dividend for the undernoted years and the corresponding shares will be transferred by the Company to IEPF in accordance with the schedule given below. Communication has been sent to the concerned Shareholders advising them to write to the Investor Service Centre of the Company (ISC) to claim their dividend. Notices in this regard have also been published in newspapers. Details of such unclaimed dividend and corresponding shares are available on the Company's corporate website under the section 'Investor Relations'.

Financial Year	Dividend Identification No.	Date of declaration of Dividend	Total Dividend (₹)	Unclaimed Dividend as on 31.03.2020		Due date for transfer to IEPF
				₹	%	
2012-13	2012-13 2st Interim	13.02.2013	3964716000.00	733863	0.0185099	19.03.2020
2012-13	2012-13 Final	25.09.2013	15858864000.00	2203096	0.0138919	31.10.2020
2013-14	2013-14 1st Interim	24.10.2013	11894148000.00	1524630	0.0128183	30.11.2020
2013-14	2013-14 2nd Interim	10.02.2014	21805953617.00	2388920	0.0109554	16.03.2021
2014-15	2014-15 1st Interim	31.10.2014	11894148000.00	1521330	0.0127906	07.12.2021
2014-15	2014-15 2nd Interim	06.02.2015	16850063857.00	1763868	0.0104680	12.03.2022
2014-15	2014-15 Final	29.09.2015	5154142052.00	829383	0.0160916	04.11.2022
2015-16	2015-16 1st Interim	12.02.2016	37664819874.00	5432123	0.0144223	18.03.2023
2015-16	2015-16 2nd Interim	19.03.2016	5947091716.00	1508331	0.0253625	25.04.2023
2016-17	2016-17 Interim	07.03.2017	13130168437.00	2533441	0.0192948	13.04.2024
2016-17	2016-17 Final	22.09.2017	3163890474.00	718835	0.0227200	28.10.2024
2017-18	2017-18 Interim	26.03.2018	13604741375.00	2872365	0.0211130	02.05.2025
2018-19	2018-19 Interim	12.03.2019	16901412082.00	3717830	0.0219972	18.04.2026
2019-20	2019-20 Interim	06.02.2020	16197198449.00	0	0	12.03.2027

xvi. Unclaimed Shares Suspense Account

Pursuant to an offer for sale, Government of India has disinvested 8.38% of its holding in the Company aggregating 33,22,43,200 equity shares of ₹1/- each in the financial year 2009-10. During this period, two demat accounts were opened with NSDL & CDSL for crediting unclaimed / suspense equity shares. As per Schedule-V Part F of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, disclosures with respect to unclaimed suspense account are as follows:-

Sl. No.	Particulars	NSDL		CSDL	
		Shareholders	Equity Shares	Shareholders	Equity Shares
1	Opening balance as on 01.04.2010	403	46,400	174	24,460
2	Requests received during the year 2010-11	361	41,760	174	24,460
3	Requests resolved during the year	361	41,760	174	24,460
4	Pending as on 31.03.2011	42	4,640	Nil	Nil
5	Requests received during the year 2011-12	8	1,100	Nil	Nil
6	Pending as on 31.03.2012	34	3,540	Nil	Nil
7	Requests received during the year 2012-13	7	1,060	Nil	Nil
8	Pending as on 31.03.2013	27	2,480	Nil	Nil
9	Requests received during the year 2013-14	Nil	Nil	Nil	Nil
10	Pending as on 31.03.2014	27	2480	Nil	Nil
11	Requests received during the year 2014-15	1	320	Nil	Nil
12	Pending as on 31.03.2015	26	2160	Nil	Nil
13	Requests resolved during the year 2015-16	0	0	Nil	Nil
14	Pending as on 31.03.2016	26	2160	Nil	Nil
15	Requests resolved during the year 2016-17	3	320	Nil	Nil
16	Pending as on 31.03.2017	23	1840	Nil	Nil
17	Requests resolved during the year 2017-18	0	0	Nil	Nil
16	Pending as on 27.03.2018 *	23	1840	Nil	Nil

* The pending shares of 1840 were transferred to IEPF account on 27.03.2018.

The voting rights on these equity shares mentioned in the closing balance shall remain frozen till the rightful owner of such shares claims the shares.

xvii. Plant / Mine Locations:

The mines / units of the Company are located in the following locations:

a. Bailadila Iron Ore Mine
Kirandul Complex
P.O. Kirandul
Distt: Dantewada (Chhattisgarh)

b. Bailadila Iron Ore Mine
Bacheli Complex
P.O. Bacheli
Dist: Dantewada (Chattisgarh)

c. Donimalai Complex:-
(a) Donimalai Iron Ore Mine
(b) Kumaraswamy Iron Ore Mine
(c) Pellet Plant
Dist: Bellary - 583 118, Karnataka

d. Diamond Mining Project
Majhgawan
Panna - 488 001 (MP)

e. Sponge Iron Unit, NMDC Limited
SIIL Campus,
Paloncha - 507 154
Dist. Khammam(A.P.)

xviii. Address for Correspondence:

NMDC Limited
Regd. Office: 10-3-311/A

Khanij Bhavan,
Castle Hills, Masab Tank
Hyderabad - 500 028
E-mail: ims@nmdc.co.in

xix. Investors having any complaints relating to Company "other than Offer for Sale made by the Government of India" may register the complaint with M/s Aarthi Consultants Pvt. Ltd. at the following address:

M/s Aarthi Consultants Pvt Ltd.,
D.No. 1-2-285, Domalguda
Hyderabad - 500 029.
Phone Nos. 040-27638111/27634445,
Fax No. 040-27632184
Email : ims@nmdc.co.in,
info@aarthiconsultants.com
Web site : www.aarthiconsultants.com
Contact Person: Mr. G. Bhaskara Murthy, General Manager

xx. Investors having any grievance relating to "Offer for Sale made by the Government of India in March 2010" may register the complaint with M/s Karvy Computershare Pvt. Ltd. at the following address:

Karvy Fintech Pvt. Ltd.
Karvy Selenium, Tower B,
Plot No.31-32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad – 500 032
Tel: 040-23420815
Fax: 040-23431551
Email: nmdc.ipo@karvy.com
Contact Person: Mr. M. Murali Krishna, General Manager

xxi. Investor Relation Cell:

The Investor Relation Cell is also looked after by the Board & Company Affairs Department. The Company organizes Investors / Analysts / Brokers meet / Conference Call as per requirement. Corporate Presentation, details of provisional production & sales, prices of iron ore and other material information are informed to Stock Exchanges and are uploaded on the Company's website.

xxii. Nodal Officer for coordinating with IEPF Authority – Company Secretary, NMDC

xxiii. List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad:

During the current financial year, company has not accepted any deposits or issued any debt instruments for mobilisation of funds, either in India or Abroad. However, Company has availed fund and non-fund based limit for which the rating are as under:

(a) Fund Base Limit (India Ratings & Research) IND AAA/Stable/Ind A1+ (for INR 0.5 Billion)

(b) Non Fund based Limit (India Ratings & Research)IND AAA/Stable/Ind A1+ (For INR 24.5 Billion)

11. Other Disclosures

i. There are no materially significant related party transactions' that may have a potential conflict with the interests of Company at large.

ii. Disclosures of transactions of the listed entity with any person or entity belonging to the promoter / promoter group which hold(s) 10% or more shareholding in the listed entity, in the format prescribed in the relevant accounting standards for annual results-NIL

iii. In the Financial Year 2019-20 :

a. The Company is in receipt of BSE letter and NSE notice dated 19th August 2019 for non-compliance with the provisions of Regulation 17(1) of SEBI (LODR) Regulations, 2015 for the quarter ended 30-06-2019 levying a fine of ₹ 5,36,900/- (inclusive of GST) each.

b. The Company is in receipt of BSE letter and NSE notice dated 31st October 2019 and 1st November 2019 respectively for non-compliance with the provisions of Regulation 17(1) of SEBI (LODR) Regulations, 2015 for the quarter ended 30-09-2019 levying a fine of ₹ 5,42,800/- (inclusive of GST) each.

c. The Company is in receipt of BSE letter and NSE notice dated 3rd February 2020 for non-compliance with the provisions of Regulation 17(1) of SEBI (LODR) Regulations, 2015 for the quarter ended 31-12-2019 levying a fine of ₹ 2,12,400/- (inclusive of GST) each.

The company has represented before BSE and NSE requesting condonation of fine on the grounds that being a Central Public Sector Enterprise under administrative control of Ministry of Steel, Govt. of India and as per Articles of Association, the President of India shall appoint all members on the Board of Directors. The letters received from BSE and NSE were placed before the Board of Directors of the Company in its meetings for their comments / advise. Comments / Advise made by the Board has been informed

to the exchanges. The Company is regularly following up with Ministry of Steel, Govt. of India for appointment of requisite number of Independent Directors on the Board of the Company.

iv. NMDC being a PSU, the guidelines of Central Vigilance Commission (CVC) are applicable which provides adequate safeguard against victimization of the employees. The Board of Directors at its 451st meeting held on 20.09.2012 approved the internal Whistle Blower Policy of NMDC. NMDC has effectively implemented its internal Whistle Blower Policy under CVO NMDC, the designated Nodal Officer for the purpose. However, no complaint has been received by the Company under internal Whistle Blower Mechanism for the year under review. In order to spread awareness about Whistle Blower Policy, regular awareness programmes were conducted including the various programmes conducted during the Vigilance Awareness Week 2019 at Projects and Head Office.

v. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements – Necessary disclosure has been made.

vi. Web link where Policy for determining Material Subsidiaries is disclosed:-

https://www.nmdc.co.in/corporategovernance.aspx

vii. Web link where Policy on dealing with Related Party Transactions.

https://www.nmdc.co.in/corporategovernance.aspx

viii. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)-NIL

ix. Disclosure of commodity price risks and commodity hedging activities.

May refer Sl. No.10 (xiv) of General Shareholder Information.

x. Total fee for all services paid by listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part: Total amount paid to Statutory Auditors of NMDC Ltd and Subsidiaries: ₹ 0.90 crore

xi. Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof-NA

xii. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013: NIL

xiii. Other than the sitting fees paid (₹30,000/- per sitting of the Board level Meetings and ₹ 25,000/- per sitting of the Board level Committee Meeting), part-time Directors have had no pecuniary relationship or transactions with the Company during the year under report.

xiv. Details of Presidential Directives issued by Central Government and their compliances during the year and also in the last 3 years:

The Company is following the Presidential Directives and guidelines issued by the Government of India from time to time regarding reservation for SCs, STs and OBCs, implementation of wage revision etc. It has complied with all Presidential Directives applicable to it during the year and also during the last three years.

xv. Items of expenditure debited in books of accounts, which are not for the purposes of the business.

Nil.

xvi. Expenses incurred which are personal in nature and incurred for the Board of Directors and Top Management.

Nil

xvii. Details of Administrative and Office expenses as a percentage of total expenses was 3.70%.

12. Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed.

(i) Non-compliance with composition of the Board.

(ii) Non-Compliance with appointment of women Independent Director.

(iii) Non-compliance with composition of Nomination, Remuneration and HR Committee.

(NMDC being a Central Public Sector Enterprise under administrative control of Ministry of Steel, Govt. of India and as per Articles of Association, the President of India shall appoint all members on the Board of Directors. The Company is regularly following up with Ministry of Steel, Govt. of

India for appointment of requisite number of Independent Directors on the Board of the Company. The Board of the company has also been informed in this regard at regular intervals.)

13. Discretionary Requirements

In respect of discretionary requirements as prescribed in Part-E of Schedule-II to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the extent of compliance are as under:

A. The Board:

The Chairman cum Managing Director of the Company is the Chairman of the Board. Therefore, there is no need for maintenance of a separate Chairman's office.

B. Shareholder Rights:

The Quarterly Financial Results of the Company are published widely in leading newspapers. The said results are also hosted on the website of the Company.

C. Modified opinion(s) in Audit Report:

The Audit Report for both standalone and consolidated Financial Statements for the FY 2019-20 is unmodified. The Company always aims to present financial statements with unmodified audit opinion.

D. Separate posts of Chairperson and Chief Executive Officer:

All appointments to the Board of the Company viz. Functional, Govt. nominees and Independent Directors are made by Govt. of India.

E. Reporting of Internal Auditor:

Necessary mechanism / framework in respect of reporting of Internal Auditor directly to Audit Committee is being explored.

F. Training of Board Members:

The Directors of the Company are nominated for suitable training / programmes / seminars / mines visit from time to time. The Board of Directors has also approved a policy on training.

14. NMDC's Code for Prevention of Insider Trading

In pursuance of SEBI (Prohibition of Insider Trading) Regulations, 2015 and its amendments, the Board of NMDC has amended and approved the Internal Code of Conduct for Prevention of Insider Trading in dealing with Securities of NMDC Limited. The Code is framed with an aim that the employees of the Company and his/her Dependents shall not derive any benefit or assist others to derive any benefit from the access to and possession of Price Sensitive Information about the Company which is not in the public domain.

15. Meeting of Non-official (Independent) Directors

In compliance with DPE vide Office Memorandum No. F. No. 16(4)/2012-GM dated 28th Dec 2012 and Companies Act, 2013 a separate meeting of Non-official (Independent) Directors was held on 26.11.2019.

16. CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS - Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed at Annexure-III(A)

17. Declaration on compliance with the Code of Conduct

A copy of the Code of Conduct of Board of Directors and Senior Management is posted on the website of the Company. Declaration as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed at Annexure-III (B).

18. Compliance Certificate on conditions of Corporate Governance

In Compliance with Part-E of Schedule-V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, certificate from the Company Secretary in whole-time practice regarding compliance of conditions of Corporate Governance is annexed at Annexure III (C).

19. Compliance Certificate of CEO and CFO

As required in terms of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Compliance Certificate duly signed by CEO, NMDC [CMD], Director (Finance) and CFO, NMDC has been taken on record by the Board.

ANNEXURE-III(A)

Office :
B-13, F-1, P.S. Nagar,
Vijayanagar Colony, Hyderabad - 500 057.
Phone : (0) 91-40-23340985, 23347946, 23341213
e-mail : dhr300@gmail.com, dhr300@yahoo.com
website : www.dhanumantarajuandco.com

Since 1990

DATLA HANUMANTHA RAJU
B.COM., LL.B., PGDT, M.B.A., FCS
PARTNER
D. HANUMANTA RAJU & CO.
COMPANY SECRETARIES

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
NMDC LIMITED
Khanij Bhavan,
10-3-311/A, Castle Hills,
Masab Tank, Hyderabad
Telangana - 500 028

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **NMDC LIMITED** having CIN: L13100TG1958GOI001674 and having registered office at Khanij Bhavan, 10-3-311/A, Castle Hills, Masab Tank, Hyderabad, Telangana - 500 028 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No	Name of Director	DIN	Date of Appointment in Company
1.	Mr. Baijendra Kumar Nair	03289526	06/09/2017
2.	Mr. Ashok Kumar Angurana	06600185	16/11/2017
3.	Mr. Pradip Kumar Satpathy	07036432	13/12/2014
4.	Mrs. Rasika Chaube	08206859	24/08/2018

D. HANUMANTA RAJU & CO. COMPANY SECRETARIES

ANNEXURE-III(A)

D. HANUMANTA RAJU & CO,
COMPANY SECRETARIES

NMDC LIMITED

5.	Mr. Amitava Mukherjee	08265207	20/11/2018
6.	Mr. Alok Kumar Mehta	07474850	01/06/2019
7.	Mr. Sumit Deb	08547819	01/09/2019
8.	Mr. Duraipandi Kuppuramu	08603976	06/11/2019
9.	Mr. Vijoy Kumar Singh	00592638	17/03/2020

As the Company is a Central Public Sector Enterprise under administrative control of Ministry of Steel and Government of India, the President of India appoints all members of the Board. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Hyderabad
Date: 30.07.2020

For D.HANUMANTA RAJU & CO
COMPANY SECRETARIES

CS DATLA HANUMANTHA RAJU
PARTNER
FCS: 4044 CP NO: 1709
UDIN: F004044B000540624

ANNEXURE - III(B)

DECLARATION AS REQUIRED UNDER REGULATION 26(3) READ WITH SCHEDULE-V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

In compliance with Regulation 26(3) read with Schedule-V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Members of the Board and senior management personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management for the year ended 31st March 2020.

Place: Hyderabad
Date : 30th July, 2020

N. Baijendra Kumar, IAS
Chairman-cum-Managing Director

ANNEXURE-III(C)

Office :
B-13, F-1, P.S. Nagar,
Vijayanagar Colony, Hyderabad - 500 057.
Phone : (0) 91-40-23340985, 23347946, 23341213
e-mail : dhr300@gmail.com, dhr300@yahoo.com
website : www.dhanumantarajuandco.com

Since 1990

BN DATLA HANUMANTHA RAJU
B.COM., LL.B., PGDT, M.B.A., FCS
PARTNER

D. HANUMANTA RAJU & CO.
COMPANY SECRETARIES

CERTIFICATE

TO
THE MEMBERS OF
NMDC LIMITED

We have examined the compliance of conditions of Corporate Governance by **NMDC Limited** *("the Company")*, for the year ended on March 31, 2020, as per Regulation 15(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the period 1st April, 2019 to 31st March, 2020 and the Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises (DPE), Government of India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to review the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that, the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations and DPE Guidelines, *except the requisite number of Independent Directors and Women Independent Director on its Board as required under the provisions of Listing Regulations.*

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

PLACE: HYDERABAD
DATE : 30.07.2020

D. HANUMANTA RAJU & CO. COMPANY SECRETARIES

For D.HANUMANTA RAJU & CO
COMPANY SECRETARIES

Hanumantha Raju

CS DATLA HANUMANTHA RAJU
PARTNER
FCS: 4044, CP NO: 1709
UDIN: F004044B000540712

ANNEXURE-IV

Form No.MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March 2020

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

CIN	L13100TG1958GOI001674
Registration Date	15.11.1958
Name of the Company	NMDC LIMITED
Category/Sub Category of the Company	Union Government Company under administrative control of Ministry of Steel.
Address of the Registered office and Contact details	Khanij Bhavan, 10-3-311/A, Castle Hills, Masab Tank, Hyderabad – 500 028
Whether listed Company	Yes
Name, Address and contact details of the Registrar and Transfer Agent	M/s Aarthi Consultants Pvt Ltd., D.No. 1-2-285, Domalguda Hyderabad - 500 029. Phone Nos. 040-27638111/27634445, Fax No. 040-27632184 Email : ims@nmdc.co.in, info@aarthiconsultants.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Name and description of main products/services	NIC Code of the product /service	% to total turnover of the Company
Mining of Iron Ore	071 – Mining of Iron Ore*	99

* As per National Industrial Classification – Ministry of Statistics & Programme Implementation, Government of India.

III. PARTICULARS OF HOLDING,SUBSIDIARY AND ASSOCIATE COMPANIES:

	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	J&K Mineral Development Corporation Ltd. JAMMU	U14107JK1989SGC001110	Subsidiary	95.86	2(87)(ii)
2.	NMDC Power Ltd. HYDERABAD	U40100AP2011PLC077952	Subsidiary	100	2(87)(ii)
3.	Karnataka Vijaynagar Steel Ltd. BENGALURU	U27100KA2014GOI077968	Subsidiary	100	2(87)(ii)

	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
4.	NMDC Steel Ltd. CHHATTISGARH	U27310CT2015GOI001618	Subsidiary	100	2(87)(ii)
5.	Legacy Iron Ore Ltd. # AUSTRALIA	ACN125010353	Subsidiary	92.32	2(87)(ii)
6.	Jharkhand Kolhan Steel Ltd. RANCHI	U27100JH2015GOI003192	Subsidiary	100	2(87)(ii)
7.	NMDC-SARL * MADAGASCAR	883408	Subsidiary	100	2(87)(ii)
8.	Krishnapatnam Railway Company Ltd. SECUNDERABAD	U45200TG2006PLC051378	Associate	6.40	2(6)
9.	Neelachal Ispat Nigam Ltd. BHUBANESWAR	U27109OR1982GOI001050	Associate	12.87	2(6)
10.	International Coal Ventures Pvt. Ltd., NEW DELHI	U10100DL2009PTC190448	Associate	25.94	2(6)
11.	Chhattisgarh Mega Steel Ltd. CHHATTISGARH	U27100CT2015GOI001627	Associate	26	2(6)
12.	Romelt-SAIL (India) Ltd. * NEW DELHI	U74899DL1997PLC090025	Associate	25	2(6)
13.	Kopano-NMDC Minerals (Pty.) Ltd. ## SOUTH AFRICA	2010/006788/07	Joint Venture	50	2(6)
14.	NMDC-CMDC Ltd. RAIPUR (CG)	U13100CT2008GOI020711	Joint Venture	51	2(6)
15.	Jharkhand National Mineral Development Corporation Ltd. RANCHI	U10300JH2012GOI000585	Joint Venture	60	2(6)
16.	NMDC-SAIL Ltd.* HYDERABAD	U27320TG2016GOI109798	Joint Venture	51	2(6)
17.	NMDC CSR Foundation (A Section 8 Company)	U74999TG2018NPL124391	Subsidiary	100	2(87)(ii)
18.	Bastar Railway Pvt. Ltd. RAIPUR	U74900CT2016PTC007251	Joint Venture	52	2(6)

***** Under Closure

Incorporated in Australia

Incorporated in South Africa

A step down Subsidiary Company of NMDC-SAIL Ltd. by the name Chhattisgarh Mining Ventures Ltd. was incorporated on 08/11/2016. Govt. of India, Ministry of Corporate Affairs vide its letter dated 30.01.2020 inter alia, communicated that pursuant to sub-section (5) of section 248 of the Companies Act, 2013, the name of M/s Chhattisgarh Mining Ventures Ltd. has been struck off by Registrar of Companies and the said company is dissolved.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
1	Indian									
(a)	Individuals/Hindu Undivided Family	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Central Government/ State Government(s)	2213035712	0	2213035712	72.28	2132453593	0	2132453593	69.65	-2.63
(c)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Financial Institutions/ Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Others(Specify)	0	0	0	0.00	0	0	0	0.00	0.00
(e-i)	Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e-ii)	Trusts	0	0	0	0.00	0	0	0	0.00	0.00
	Sub Total (A)(1)	2213035712	0	2213035712	72.28	2132453593	0	2132453593	69.65	-2.63
2	Foreign				0.00				0.00	
(a)	Individuals (Non Resident Individuals/ Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Others(Specify)	0	0	0	0.00	0	0	0	0.00	0.00
(e-i)	Overseas Corporate Bodies	0	0	0	0.00	0	0	0	0.00	0.00
(e-ii)		0	0	0	0.00	0	0	0	0.00	0.00
	Sub Total (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	2213035712	0	2213035712	72.28	2132453593	0	2132453593	69.65	-2.63
(B)	Public Shareholding				0.00				0.00	
1	Institutions				0.00				0.00	
(a)	Mutual Funds/UTI	45744237	0	45744237	1.49	108029286	0	108029286	3.53	2.03
(b)	Financial Institutions/ Banks	103606850	0	103606850	3.38	59674452	0	59674452	1.95	-1.43
(c)	Central Government/ State Government(s)	2996756	0	2996756	0.10	2996756	0	2996756	0.10	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	427350369	0	427350369	13.96	443303155	0	443303155	14.48	0.52

Category of Shareholders		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(f)	Foreign Institutional Investors	646344	0	646344	0.02	865967	0	865967	0.03	0.01
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Any Others(Specify)	0	0	0	0.00	0	0	0	0.00	0.00
(i-i)	Foreign Companies	0	0	0	0.00	0	0	0	0.00	0.00
(i-ii)	Bank - Foreign Bank	0	0	0	0.00	0	0	0	0.00	0.00
(i-iii)	Foreign Portfolio Investor	120054522	0	120054522	3.92	183855351	0	183855351	6.00	2.08
	Sub Total (B)(1)	700399078	0	700399078	22.88	798724967	0	798724967	26.09	3.21
B2	Non-Institutions									
(a)	Bodies Corporate	22447794	2000	22449794	0.73	13529340	2000	13531340	0.44	-0.29
(b)	Individuals									
(I)	Individual shareholders holding nominal share capital upto ₹1 lakh	75229855	83769	75313624	2.46	71566673	80429	71647102	2.34	-0.12
(II)	Individual shareholders holding nominal share capital in excess of ₹1 lakh	29605031	0	29605031	0.97	25507756	0	25507756	0.83	-0.13
(c)	Qualified Foriegn Investor	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Any Others(Specify)	0	0	0	0.00	0	0	0	0.00	0.00
(d-i)	Non Resident Individuals	5720806	0	5720806	0.19	5531161	0	5531161	0.18	-0.01
(d-ii)	Overseas Corporate Bodies	0	0	0	0.00	0	0	0	0.00	0.00
(d-iii)	Trusts	9498514	0	9498514	0.31	9903640	0	9903640	0.32	0.01
(d-iv)	Employees	19297	20000	39297	0.00	18503	16790	35293	0.00	0.00
(d-v)	Clearing Members	5613577	0	5613577	0.18	3658685	0	3658685	0.12	-0.06
(d-vi)	Foreign Nationals	800	0	800	0.00	800	0	800	0.00	0.00
(d-vii)	FPO Unclaimed Shares A/c	0	0	0	0.00	0	0	0	0.00	0.00
(d-ix)	NBFCs Registered with RBI	154076	0	154076	0.01	832350	0	832350	0.03	0.02
(d-x)	IEPF	19350	0	19350	0.00	22972	0	22972	0.00	0.00
	Sub Total (B)(2)	148309100	105769	148414869	4.85	130571880	99219	130671099	4.27	-0.58
	Total Public Shareholding (B)=(B)(1)+(B)(2)	848708178	105769	848813947	27.72	929296847	99219	929396066	30.35	2.63
	Total (A)+(B)	3061743890	105769	3061849659	100.00	3061750440	99219	3061849659	100.00	0.00

Category of Shareholders		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(C)	Shares held by Custodians and against Depository Receipts have been issued	0	0	0	0.00	0	0	0	0.00	0.00
1	Sharesholding of Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
2	Public Shareholding	0	0	0	0.00	0	0	0	0.00	0.00
	Grand Total (A)+(B)+(C)	3061743890	105769	3061849659	100.00	3061750440	99219	3061849659	100.00	0.00

(ii) Shareholding of Promoters

Sr No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		Number of Shares	% of total Share of the Company	% of Shares Pledged/ encumbered to total shares	Number of Shares	% of total Share of the Company	% of Shares Pledged/ encumbered to total shares	
1	PRESIDENT OF INDIA	2213035712	72.28	0	2132453593	69.65	0	-2.63
	Total:	2213035712	**72.28**	**0**	2132453593	**69.65**	**0**	-2.63

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		Number of Shares	% of total Share of the Company	Number of Shares	% of total Share of the Company
1	President of India				
	At the beginning of the year	2213035712	72.28		
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):				
	Disinvestment by GOI to CPSEETF	-80582119	-2.63	2132453593	69.65
	At the end of the year			2132453593	69.65

Note: During the year 80582119 shares sold by Government of India (The President of India)

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	Number of Shares	% of total Share of the company	Number of Shares	% of total Share of the company
1. LIFE INSURANCE CORPORATION OF INDIA				
At the beginning of the year	457332084	14.9365	457332084	14.9365
Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):				
05-Apr-19	-5715134	-0.1867	451616950	14.7498
12-Apr-19	-3798004	-0.1240	447818946	14.6258
19-Apr-19	-2456916	-0.0802	445362030	14.5455
26-Apr-19	-2376849	-0.0776	442985181	14.4679
03-May-19	-4006182	-0.1308	438978999	14.3371
10-May-19	-4185507	-0.1367	434793492	14.2004
17-May-19	-4539887	-0.1483	430253605	14.0521
24-May-19	-7547886	-0.2465	422705719	13.8056
31-May-19	-2853422	-0.0932	419852297	13.7124
07-Jun-19	-2092022	-0.0683	417760275	13.6440
14-Jun-19	-2870064	-0.0937	414890211	13.5503
21-Jun-19	-2979	-0.0001	414887232	13.5502
29-Nov-19	-800	0.0000	414886432	13.5502
10-Jan-20	-1000	0.0000	414885432	13.5502
At the end of the year			414885432	13.5502
2. RELIANCE CAPITAL TRUSTEE CO LTD-A/C NIPPON INDIA C				
At the beginning of the year	2918663	0.0953	2918663	0.0953
05-Apr-19	582150	0.0190	3500813	0.1143
12-Apr-19	384145	0.0125	3884958	0.1269
19-Apr-19	24204	0.0008	3909162	0.1277
26-Apr-19	120295	0.0039	4029457	0.1316
03-May-19	529054	0.0173	4558511	0.1489
10-May-19	-244256	-0.0080	4314255	0.1409
17-May-19	262256	0.0086	4576511	0.1495
24-May-19	77328	0.0025	4653839	0.1520
31-May-19	541950	0.0177	5195789	0.1697
07-Jun-19	52024	0.0017	5247813	0.1714
14-Jun-19	-55900	-0.0018	5191913	0.1696
21-Jun-19	-7500	-0.0002	5184413	0.1693
28-Jun-19	-25900	-0.0008	5158513	0.1685
05-Jul-19	-137279	-0.0045	5021234	0.1640
12-Jul-19	14744	0.0005	5035978	0.1645
19-Jul-19	-2900	-0.0001	5033078	0.1644

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	Number of Shares	% of total Share of the company	Number of Shares	% of total Share of the company
26-Jul-19	-634439	-0.0207	4398639	0.1437
02-Aug-19	-555227	-0.0181	3843412	0.1255
09-Aug-19	-166920	-0.0055	3676492	0.1201
16-Aug-19	-801940	-0.0262	2874552	0.0939
23-Aug-19	8801	0.0003	2883353	0.0942
30-Aug-19	8713	0.0003	2892066	0.0945
06-Sep-19	2415	0.0001	2894481	0.0945
13-Sep-19	-199170	-0.0065	2695311	0.0880
20-Sep-19	-93585	-0.0031	2601726	0.0850
27-Sep-19	-24164	-0.0008	2577562	0.0842
30-Sep-19	5226	0.0002	2582788	0.0844
04-Oct-19	-727003	-0.0237	1855785	0.0606
11-Oct-19	-165890	-0.0054	1689895	0.0552
18-Oct-19	-122088	-0.0040	1567807	0.0512
25-Oct-19	68	0.0000	1567875	0.0512
01-Nov-19	-23184	-0.0008	1544691	0.0504
08-Nov-19	51503	0.0017	1596194	0.0521
15-Nov-19	458768	0.0150	2054962	0.0671
22-Nov-19	-17490	-0.0006	2037472	0.0665
29-Nov-19	42330	0.0014	2079802	0.0679
06-Dec-19	-92758	-0.0030	1987044	0.0649
13-Dec-19	-8910	-0.0003	1978134	0.0646
20-Dec-19	3630	0.0001	1981764	0.0647
27-Dec-19	-21106	-0.0007	1960658	0.0640
31-Dec-19	-320	0.0000	1960338	0.0640
03-Jan-20	-644	0.0000	1959694	0.0640
10-Jan-20	839	0.0000	1960533	0.0640
17-Jan-20	-14168	-0.0005	1946365	0.0636
24-Jan-20	5660433	0.1849	7606798	0.2484
31-Jan-20	34899536	1.1398	42506334	1.3883
07-Feb-20	79502408	2.5965	122008742	3.9848
14-Feb-20	-14230294	-0.4648	107778448	3.5200
21-Feb-20	-9773495	-0.3192	98004953	3.2008
28-Feb-20	-4073865	-0.1331	93931088	3.0678
06-Mar-20	2162346	0.0706	96093434	3.1384
13-Mar-20	-17414428	-0.5688	78679006	2.5697
20-Mar-20	-7186955	-0.2347	71492051	2.3349
27-Mar-20	614215	0.0201	72106266	2.3550
31-Mar-20	1727116	0.0564	73833382	2.4114

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	Number of Shares	% of total Share of the company	Number of Shares	% of total Share of the company
At the end of the year			73833382	2.4114
3. EDGBASTON ASIAN EQUITY TRUST				
At the beginning of the year	24100613	0.7871	24100613	0.7871
05-Apr-19	396831	0.0130	24497444	0.8001
07-Jun-19	-61370	-0.0020	24436074	0.7981
05-Jul-19	-89066	-0.0029	24347008	0.7952
09-Aug-19	-495095	-0.0162	23851913	0.7790
06-Sep-19	773688	0.0253	24625601	0.8043
20-Sep-19	769856	0.0251	25395457	0.8294
04-Oct-19	-514961	-0.0168	24880496	0.8126
01-Nov-19	-803136	-0.0262	24077360	0.7864
08-Nov-19	-236600	-0.0077	23840760	0.7786
06-Dec-19	-690144	-0.0225	23150616	0.7561
03-Jan-20	-373468	-0.0122	22777148	0.7439
10-Jan-20	-204889	-0.0067	22572259	0.7372
17-Jan-20	-1028160	-0.0336	21544099	0.7036
07-Feb-20	-972294	-0.0318	20571805	0.6719
14-Feb-20	-488597	-0.0160	20083208	0.6559
06-Mar-20	-367057	-0.0120	19716151	0.6439
31-Mar-20	528028	0.0172	20244179	0.6612
At the end of the year			20244179	0.6612
4. ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED				
At the beginning of the year	3204421	0.1047	3204421	0.1047
05-Apr-19	926155	0.0302	4130576	0.1349
12-Apr-19	779554	0.0255	4910130	0.1604
19-Apr-19	68008	0.0022	4978138	0.1626
26-Apr-19	4232	0.0001	4982370	0.1627
03-May-19	-343797	-0.0112	4638573	0.1515
31-May-19	542193	0.0177	5180766	0.1692
07-Jun-19	1162644	0.0380	6343410	0.2072
14-Jun-19	332096	0.0108	6675506	0.2180
21-Jun-19	583372	0.0191	7258878	0.2371
28-Jun-19	204153	0.0067	7463031	0.2437
05-Jul-19	-1567609	-0.0512	5895422	0.1925
12-Jul-19	-460208	-0.0150	5435214	0.1775
19-Jul-19	-1750760	-0.0572	3684454	0.1203
26-Jul-19	-631349	-0.0206	3053105	0.0997
02-Aug-19	-235765	-0.0077	2817340	0.0920
30-Aug-19	1627967	0.0532	4445307	0.1452

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	Number of Shares	% of total Share of the company	Number of Shares	% of total Share of the company
04-Oct-19	1287634	0.0421	5732941	0.1872
11-Oct-19	752296	0.0246	6485237	0.2118
25-Oct-19	-446692	-0.0146	6038545	0.1972
08-Nov-19	-235732	-0.0077	5802813	0.1895
29-Nov-19	681341	0.0223	6484154	0.2118
06-Dec-19	-47938	-0.0016	6436216	0.2102
13-Dec-19	100000	0.0033	6536216	0.2135
20-Dec-19	-250000	-0.0082	6286216	0.2053
27-Dec-19	1227105	0.0401	7513321	0.2454
31-Dec-19	628917	0.0205	8142238	0.2659
03-Jan-20	976110	0.0319	9118348	0.2978
10-Jan-20	2071696	0.0677	11190044	0.3655
17-Jan-20	418850	0.0137	11608894	0.3791
24-Jan-20	-1064880	-0.0348	10544014	0.3444
31-Jan-20	-5450	-0.0002	10538564	0.3442
07-Feb-20	2954573	0.0965	13493137	0.4407
28-Feb-20	143	0.0000	13493280	0.4407
06-Mar-20	185748	0.0061	13679028	0.4468
13-Mar-20	2946797	0.0962	16625825	0.5430
20-Mar-20	401088	0.0131	17026913	0.5561
27-Mar-20	928455	0.0303	17955368	0.5864
31-Mar-20	-72354	-0.0024	17883014	0.5841
At the end of the year			17883014	0.5841
5. VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND				
At the beginning of the year	12187721	0.3981	12187721	0.3981
26-Apr-19	-320351	-0.0105	11867370	0.3876
31-May-19	387073	0.0126	12254443	0.4002
07-Jun-19	400416	0.0131	12654859	0.4133
28-Jun-19	-803417	-0.0262	11851442	0.3871
16-Aug-19	393459	0.0129	12244901	0.3999
06-Mar-20	283843	0.0093	12528744	0.4092
13-Mar-20	354915	0.0116	12883659	0.4208
20-Mar-20	398083	0.0130	13281742	0.4338
27-Mar-20	364508	0.0119	13646250	0.4457
At the end of the year			13646250	0.4457
6. STATE BANK OF INDIA				
At the beginning of the year	11680466	0.3815	11680466	0.3815
13-Apr-18	100000	0.0033	11780466	0.3847
20-Apr-18	-24221	-0.0008	11756245	0.3840

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	Number of Shares	% of total Share of the company	Number of Shares	% of total Share of the company
25-May-18	55739	0.0018	11811984	0.3858
06-Jul-18	-74000	-0.0024	11737984	0.3834
20-Jul-18	-57518	-0.0019	11680466	0.3815
At the end of the year			11680466	0.3815
7. VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERI				
At the beginning of the year	12736492	0.4160	12736492	0.4160
12-Apr-19	27738	0.0009	12764230	0.4169
10-May-19	28944	0.0009	12793174	0.4178
21-Jun-19	-65124	-0.0021	12728050	0.4157
28-Jun-19	-635773	-0.0208	12092277	0.3949
27-Sep-19	-786691	-0.0257	11305586	0.3692
27-Mar-20	-164407	-0.0054	11141179	0.3639
At the end of the year			11141179	0.3639
8. ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C				
At the beginning of the year	35735371	1.1671	35735371	1.1671
05-Apr-19	114172	0.0037	35849543	1.1708
12-Apr-19	1376	0.0000	35850919	1.1709
19-Apr-19	252000	0.0082	36102919	1.1791
26-Apr-19	-1032	0.0000	36101887	1.1791
17-May-19	-1158000	-0.0378	34943887	1.1413
24-May-19	126342	0.0041	35070229	1.1454
31-May-19	126000	0.0041	35196229	1.1495
07-Jun-19	-41382	-0.0014	35154847	1.1482
21-Jun-19	-359400	-0.0117	34795447	1.1364
28-Jun-19	396000	0.0129	35191447	1.1494
05-Jul-19	-1061000	-0.0347	34130447	1.1147
12-Jul-19	-2286000	-0.0747	31844447	1.0400
19-Jul-19	-222304	-0.0073	31622143	1.0328
26-Jul-19	337	0.0000	31622480	1.0328
09-Aug-19	672	0.0000	31623152	1.0328
23-Aug-19	-1012000	-0.0331	30611152	0.9998
30-Aug-19	1086000	0.0355	31697152	1.0352
06-Sep-19	-222000	-0.0073	31475152	1.0280
13-Sep-19	-56744	-0.0019	31418408	1.0261
20-Sep-19	-1304666	-0.0426	30113742	0.9835
27-Sep-19	74768	0.0024	30188510	0.9860
30-Sep-19	-798000	-0.0261	29390510	0.9599
04-Oct-19	-642000	-0.0210	28748510	0.9389
11-Oct-19	-3374	-0.0001	28745136	0.9388

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	Number of Shares	% of total Share of the company	Number of Shares	% of total Share of the company
25-Oct-19	42000	0.0014	28787136	0.9402
01-Nov-19	48000	0.0016	28835136	0.9418
08-Nov-19	534000	0.0174	29369136	0.9592
15-Nov-19	-296000	-0.0097	29073136	0.9495
22-Nov-19	-38438	-0.0013	29034698	0.9483
29-Nov-19	-25630	-0.0008	29009068	0.9474
06-Dec-19	29860	0.0010	29038928	0.9484
27-Dec-19	600000	0.0196	29638928	0.9680
03-Jan-20	128441	0.0042	29767369	0.9722
10-Jan-20	-398669	-0.0130	29368700	0.9592
17-Jan-20	-254566	-0.0083	29114134	0.9509
24-Jan-20	-17178229	-0.5610	11935905	0.3898
31-Jan-20	-3432819	-0.1121	8503086	0.2777
07-Feb-20	936	0.0000	8504022	0.2777
14-Feb-20	250000	0.0082	8754022	0.2859
06-Mar-20	241482	0.0079	8995504	0.2938
13-Mar-20	498000	0.0163	9493504	0.3101
20-Mar-20	1312000	0.0428	10805504	0.3529
31-Mar-20	1692	0.0001	10807196	0.3530
At the end of the year			10807196	0.3530
9. CANARA BANK-MUMBAI				
At the beginning of the year	10772388	0.3518	10772388	0.3518
At the end of the year			10772388	0.3518
10. NPS TRUST- A/C SBI PENSION FUND SCHEME - CENTRAL G				
At the beginning of the year	8654337	0.2827	8654337	0.2827
24-May-19	-20000	-0.0007	8634337	0.2820
23-Aug-19	-1208	0.0000	8633129	0.2820
30-Aug-19	120000	0.0039	8753129	0.2859
06-Sep-19	20000	0.0007	8773129	0.2865
27-Sep-19	14009	0.0005	8787138	0.2870
11-Oct-19	-115000	-0.0038	8672138	0.2832
18-Oct-19	-25000	-0.0008	8647138	0.2824
06-Dec-19	50000	0.0016	8697138	0.2840
13-Dec-19	1325	0.0000	8698463	0.2841
20-Dec-19	-600000	-0.0196	8098463	0.2645
27-Dec-19	-643462	-0.0210	7455001	0.2435
17-Jan-20	2000	0.0001	7457001	0.2435
07-Feb-20	306095	0.0100	7763096	0.2535
28-Feb-20	415590	0.0136	8178686	0.2671
06-Mar-20	241000	0.0079	8419686	0.2750
13-Mar-20	180000	0.0059	8599686	0.2809
20-Mar-20	247000	0.0081	8846686	0.2889
At the end of the year			8846686	0.2889

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Shri P.K. Satpathy				
	At the beginning of the year	320	0%	320	0%
	Date wise Increase/ Decrease in promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g.allotment/transfer/bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	320	0%	320	0%
2.	Dr. Narendra K. Nanda, Director (Technical)(upto 30.05.2019)				
	At the beginning of the year	320	0%	320	0%
	Date wise Increase/ Decrease in promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	320	0%	320	0%
3.	Shri Pradip Bhargava (upto 26.11.2019)				
	At the beginning of the year	100	0%	100	0%
	Date wise Increase/ Decrease in promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g.allotment/transfer/bonus/ sweat equity etc):	-	-	-	-
	At the end of the year	100	0%	100	0%

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

(₹ in Crores)

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured loans	Deposits	Total Indebtedness
i. Principal Amount				
ii. Interest due but not paid				
iii. Interest accrued but not due				
Total (i+ii+iii)				
Change in the indebtedness during the financial year				
Additions				
Reduction		NIL		
Net Change in Indebtedness				
Indebtedness at the end of the Financial year				
i. Principal Amount				
ii. Interest due but not paid				
iii. Interest accrued but not due				
Total (i+ii+iii)				

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER: (₹)

Sl No.	Particulars of Remuneration	SHRI N BAIJENDRA KUMAR, IAS	DR. NARENDRA K NANDA	DR. T R K RAO	SHRI P K SATPATHY	SHRI SUMIT DEB	SHRI SANDEEP TULA	SHRI AMITAVA MUKHERJEE	SHRI ALOK KUMAR MEHTA DIR (COMML)	TOTAL
		C M D	DIR (TECH)	DIR (COMML)	DIR (PRD)	DIR (PER)	DIR (PER)	DIR (FIN)		
1	a Gross Salary u/s 17(1) of the Income -tax Act,1961	64,72,125	32,14,613	43,63,217	75,27,433	41,76,353	55,84,198	39,32,531	50,82,430	4,03,45,900
	b Value of Perquisites u/s 17(2) of the Income -tax Act,1961	39,600	1,07,670	6,08,558	1,38,000	29,225	8,95,158	73,601	60,163	19,51,975
	c Profit in lieu of salary u/s 17(3) of Income tax Act,1961		0	0	0	0	0	0	0	0
2	Stock Option		0	0	0	0	0	0	0	0
3	Sweat Equity		0	0	0	0	0	0	0	0
4	Commission								0	0
	-% of profit		0	0	0	0	0	0	0	0
	-% of others specify		0	0	0	0	0	0	0	0
	Others, Please specify								0	0
	Total Upto 31/03/2020	65,11,725	33,22,283	49,64,775	76,65,433	42,05,578	64,79,356	40,06,132	51,42,593	4,22,97,875

Ceiling as per the Act

Notes

As per ISA Scales except for CMD who is drawing CDA

Includes Basic , FPA, DA, PERKS (Taxable), HRAs, PRP, LEC, SPL leave where applicable.

Includes perquisite value of conveyance , accommodation, Assets & furniture where applicable.

includes Retirement payments

B. REMUNERATION TO OTHER DIRECTORS: (₹)

Sl No	Particulars of Remuneration	CA Arun Kumar Srivastava	Smt. Bhagwati Mahesh Baldewa	Shri D Kuppuramu	Shri Pradip Bhargava	Dr. Syamal Kumar Sarkar	Shri S.M. Nigam	Shri Ashok Kumar Angurana	TOTAL (Including Service Tax)
1	Independent Directors								
	Fees for attending board/committee meetings	3,50,000	2,80,000	2,20,000	2,00,000	2,15,000	5,05,000	5,35,000	23,05,000
	Commission	-	-	-	-	-	-		-
	Others please specify	-	-	-	-	-	-		-
	Total (1)	3,50,000	2,80,000	2,20,000	2,00,000	2,15,000	5,05,000	5,35,000	23,05,000
2	Other Non-executive Directors for attending board/ committee meetings	-	-	-	-	-	-		-
	Commission	-	-	-	-	-	-		-
	Others please specify	-	-	-	-	-	-		-
	Total (2)	-	-	-	-	-	-		-
	Grand Total (1+2)	3,50,000	2,80,000	2,20,000	2,00,000	2,15,000	5,05,000	5,35,000	23,05,000

Total Managerial Remuneration Overall Ceiling as per the Act

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl No.		Particulars of Remuneration	Key Managerial Personnel Company Secretary
1	A	Gross Salary u/s 17(1) of the Income -tax Act,1961	40,96,906
	B	Value of Perquisites u/s 17(2) of the Income -tax Act,1961	25,000
	C	Profit in lieu of salary u/s 17(3) of Income tax Act,1961	
2		Stock Option	
3		Sweat Equity	
4		Commission	
		-% of profit	
		-% of others specify	
5		Others, Please specify	
		TOTAL	**41,21,906**

Notes

Includes Basic, FPA, DA, PERKS(Taxable), HRAs, PRP, LEC, SPL leave where applicable.

vii. **PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: #**

TYPE	Section of the Companies Act, 2013	Brief Description	Details of Penalties/ Punishment/ Compounding fees imposed	Authority RD/ NCLT/COURT	Appeal made, if any (Details)
A. **Company**					
Penalty					
Punishment					
Compounding					
B. **Directors**		NIL			
Penalty					
Punishment					
Compounding					
C. **Other Officers in Default**					
Penalty					
Punishment					
Compounding					

. In the Financial Year 2019-20 :

a. The Company is in receipt of BSE letter and NSE notice dated 19th August 2019 for non-compliance with the provisions of Regulation 17(1) of SEBI (LODR) Regulations, 2015 for the quarter ended 30-06-2019 levying a fine of ₹ 5,36,900/- (inclusive of GST) each.

b. The Company is in receipt of BSE letter and NSE notice dated 31st October 2019 and 1st November 2019 respectively for non-compliance with the provisions of Regulation 17(1) of SEBI (LODR) Regulations, 2015 for the quarter ended 30-09-2019 levying a fine of ₹ 5,42,800/- (inclusive of GST) each.

c. The Company is in receipt of BSE letter and NSE notice dated 3rd February 2020 for non-compliance with the provisions of Regulation 17(1) of SEBI (LODR) Regulations, 2015 for the quarter ended 31-12-2019 levying a fine of ₹ 2,12,400/- (inclusive of GST) each.

The company has represented before BSE and NSE requesting condonation of fine on the grounds that being a Central Public Sector Enterprise under administrative control of Ministry of Steel, Govt. of India and as per Articles of Association, the President of India shall appoint all members on the Board of Directors. The letters received from BSE and NSE were placed before the Board of Directors of the Company in its meetings for their comments / advise. Comments / Advise made by the Board has been informed to the exchanges. The Company is regularly following up with Ministry of Steel, Govt. of India for appointment of requisite number of Independent Directors on the Board of the Company.

ANNEXURE – V

BUSINESS RESPONSIBILITY REPORT

Section A: General Information about the Company

1.	**Corporate Identity Number (CIN) of the Company**	L13100TG1958GOI001674
2.	**Name of the Company**	NMDC Limited (NMDC)
3.	**Registered address**	Khanij Bhavan, 10-3-311/A, Castle Hills, Masab Tank, Hyderabad – 500 028
4.	**Website**	www.nmdc.co.in
5.	**E-mail id**	ims@nmdc.co.in
6.	**Financial Year reported**	April 1, 2019 – March 31, 2020

7. **Sector(s) that the Company is engaged in (industrial activity code-wise): The Company is engaged in exploration and production of Iron Ore along with Diamond, production and sale of Sponge Iron and generation and sale of Wind Power.**

Description	Group	Class	Sub Class
Mining of Iron Ore	071	0710	07100
Mining of Diamond	089	0899	08991
Manufacture of Sponge Iron	241	2410	24102
Electric power generation (wind)	351	3510	35106
Iron Ore Pellets	241	2410	24101

8. **List three key products/services that the Company manufactures/provides (as in balance sheet):**
   Iron Ore, Diamond and Pellets

9. **Total number of locations where business activity is undertaken by the Company**
   Number of National Locations : Four (4) - Chhattisgarh , Karnataka, Madhya Pradesh and Andhra Pradesh

10. **Markets served by the Company – Local/State/National/International:** NMDC serves the National market and also the International market by exporting iron ore to countries like Japan and South Korea.

Section B: Financial Details of the Company

1.	**Paid up Capital (INR)**	306.19 crores
2.	**Total Turnover (INR) (Total Income)**	11,699 crores
3.	**Total profit after taxes (INR)**	3,610 crores
4.	**Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax.**	₹199.99 Cr. (3.40 % of average PBT of three preceding years)

5. **List of activities in which expenditure in 4 above has been incurred:**

NMDC has framed a comprehensive CSR policy for addressing its objectives, focus areas, organizational mechanism, guidelines for identifying the CSR activities along with the implementation and monitoring strategies. This policy also addresses in detail the budgetary allocation, approval methodology and fund utilization mechanism. The major areas in which expenditure has been incurred are as listed below:

Focus Areas

Prime Focus Areas

- Employment enhancing Vocational Skills including Skill Up-gradation
- Drinking Water including integrated water shed development & Sanitation
- Promotion of Education- special Education in primary schools with special focus on Districts in which NMDC projects are located

- Health
- Rural Development Projects
- Ensuring Environmental Sustainability
- Sustainable Natural Resource Management

Other Focus Areas

- Promoting gender equality and empowering women - Setting up Homes & Hostels for women and Orphans; Setting up Homes, day-care centre and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups
- Eradicating Hunger, Poverty & Malnutrition
- Reducing Child Mortality & Improving Maternal Health
- Promotion of Sports

Section C: Other Details

1. **Does the Company have any Subsidiary Company / Companies?**

   Yes. NMDC has following Indian subsidiary companies, viz;

   - J&KMDC Limited
   - NMDC Power Limited
   - Karnataka Vijaynagar Steel Limited
   - NMDC Steel Limited
   - Jharkhand Kolhan Steel Limited
   - NMDC CSR Foundation

2. **Do the Subsidiary Company / Companies participate in the BR initiatives of the parent Company? If yes, then indicate the number of such subsidiary Company(s).**

   NMDC keeps all its subsidiaries informed about the Business Responsibility initiatives. It also encourages its subsidiaries to participate in such initiatives.

3. **Do any other entity / entities that the Company does business with participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]**

   No.

Section D: Business Responsibility Information

1. **Details of Director / Directors responsible for BR**

   a) **Details of the Director/Director responsible for implementation of the BR Policy /Policies**

DIN Number	07036432
Name	Shri P.K. Satpathy
Designation	Director (Production)

   b) **Details of the BR head**

S.No	Particulars	Details
1	DIN Number (if applicable)	NA
2	Name	Shri A.S. Pardha Saradhi
3	Designation	Company Secretary
4	Telephone number	040-23538757
5	Email-id	cs_pardha@nmdc.co.in

2. **Principle-wise (as per NVGs) BR Policy / policies (Reply in Y / N)**

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as under:

P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	Businesses should promote the wellbeing of all employees
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
P5	Businesses should respect and promote human rights
P6	Business should respect, protect, and make efforts to restore the environment
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Businesses should support inclusive growth and equitable development
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

		Business ethics	Product responsibility	Wellbeing of Employees	Stakeholder engagement & CSR	Human Rights	Environment	Public Policy	CSR	Customer relations
No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have policy/policies for	Y*	Y*	Y*	Y*	Y*	Y*	Y*	Y*	Y*
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify?	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate link for the policy to be viewed online	Y[i]	Y[ii]	Y[iii]	Y[iv]	Y[v]	Y[vi]	Y[vii]	Y[viii]	Y[ix]
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y#	Y#	Y#	Y^	Y#	Y^	Y#	Y#	Y#

* All the policies are embedded and aligned to ISO 14001:2004 (Environmental management systems), ISO 9001:2008 (Quality management systems) and OHSAS 18001:2007 (Occupational health and safety), United Nations Global Compact, Corporate Environmental Policy and CSR policy.

Impact assessment of two major Flagship CSR initiatives i.e. the Integrated Village Development Programme& hospital on Wheels (Mobile Medical Unit) of the Company have been carried out by a third party in 2016-17. NMDC has commissioned comprehensive studies for Impact Assessment and Social Audit in connection with the CSR Programme of the Company in 2018-19. The comprehensive Studies commissioned by NMDC aimed at developing a clearer understanding of the impact of NMDC's CSR activities is at finalization stage. The relevant Reports w.r.t. Impact Assessment & Social Audit were placed before NMDC's Board level CSR & Sustainability Committee for their perusal and feedback thereon. The relevant Reports are likely to be finalized and submitted to NMDC.

(i) Memorandum of understanding between NMDC Ltd. and Transparency International (India) TII

(ii), (v), (vii),(ix) https://www.nmdc.co.in/Handlers/DownloadCommunicationOnProgress.ashx?ID=65243eb7-5ad1-4ba5-9fd8-24fa0012c626

(iii) https://www.nmdc.co.in/Docs/Service%20Regulations.pdf

(iv) https://www.nmdc.co.in/CSR/Default.aspx

(vi) https://www.nmdc.co.in/EnvironmentalMgmt.aspx

(viii) https://www.nmdc.co.in/CSR_Policy.aspx

https://www.nmdc.co.in/CSR/CSRActivities.aspx

https://www.nmdc.co.in/CSR/CSR-Booklet.pdf

Internal; ^ External

2a. if answer to S. No. 1 against any principle is 'No', provide explanation:

Sl. No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principles	Not Applicable								
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles.									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. Governance related to BR:

Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

NMDC assesses its BR performance on regular basis. Also, the Chairman-cum-Managing Director of NMDC communicates the performance of the NMDC on the ten principles of the International framework 'United Nations Global Compact' annually.

Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

NMDC has published its second Sustainability Report "Expanding Horizons" as per the Global Reporting Initiative (GRI) Standards. The report captures the initiatives taken by NMDC over the years in Economic, Environmental and Social aspects. The report also ushers in a new resolve in the organization to take Sustainable Development to greater heights. The report highlights the efforts done by NMDC in transforming

people and societies in the vicinities of its operating mines. Please see the below hyperlink for more information on NMDC Sustainability Report

https://www.nmdc.co.in/Docs/NMDC-Sustainability/NMDC_Sustainability_Report_2018%20Final.pdf

NMDC also publishes its Corporate Environmental policy along with six monthly environmental progress reports for its project sites on its website. Please see the below hyperlink for more information on the environmental progress reports.

https://www.nmdc.co.in/EnvironmentalMgmt.aspx

Section E: Principle-wise Performance

Principle 1: Ethics, transparency and accountability

1. **Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?**

   Yes, NMDC and its subsidiaries are committed to working with stakeholders in government, business and civil society to promote good governance, responsible use of mineral wealth and to prevent corruption. NMDC has also signed the Integrity Pact (IP) with Transparency International India (TII). Also, The Vigilance Department at NMDC guides and facilitates for impartial, fair and transparent decision making and gives priority to preventive vigilance, with proactive attitude.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?**

   About 20 shareholder complaints have been received in the financial year 2019-20 and all of them have been successfully resolved. NMDC has formulated its Whistle Blower Policy to achieve the highest possible standards of ethical, moral and legal business conduct and also to strengthen its commitment to open and transparent communication.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and / or opportunities.**

   NMDC adopted sustainable mining practices and production processes for all its three products viz; Iron Ore, Diamond and Pellets. It ensures to implement appropriate environmental measures in all its mining operation to protect and safeguard the environmental parameters such as air, water, land, noise and biodiversity.

   NMDC wishes to embark on low carbon growth trajectory in its operations and water conservation measures. Few of the measures taken-up in this respect are recycle and reuse. The treated waste water reused for beneficiation of ore process, construction of ameliorative measures like buttress walls, check dams, green belt development in the project premises. Digging contour trenches and biological reclamation of rock waste dumps to minimize land erosion.

   Towards water pollution, the environmental measures adopted includes construction of check dams for treatment of surface runoff, tailing dams for treatment of process effluents, effluent treatment plant for treatment of industrial effluents and sewage treatment plant for treating of domestic effluents. Towards safeguarding the environment, NMDC also supports the Hariyar Chhattisgarh plantation program of CG Govt.

   Company has a well-defined CSR policy run by the CSR department for peripheral and community development. The CSR team consults the local community around its mining belts and identifies the major focus areas for implementing various CSR activities. It has contributed to the society by implementing activities like roads, bridges, building of residential schools and hostels, operating 'hospitals on wheels, conducting medical camps and providing free treatment to local tribal's, electrification of villages and many more such initiatives.

   NMDC also supports natural habitation and wild life protection by implementing bio-diversity conservation plan through State Forest Dept to maintain the ecological balance of the area.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc) per unit of product (optional):**

   i. **Reduction during sourcing / production / distribution achieved since the previous year** NMDC utilizes optimum consumption of resource such as electricity, fuel oil, lubricant oil, raw material and water. The

targets are fixed for specific consumption of resource usage. The achievements of the same are reviewed in internal and external audits of quality and environment management system. Water and energy audits are conducted at all project sites. These audits also help to identify and prioritize energy efficient technological measures and savings opportunities.

The specific energy consumption at the project sites is seen to be improving with the implementation of few of the energy efficient measures. Even though the specific water consumption is low as compared to electricity, NMDC is implementing water conservation and management measures by installing secondary waste water treatment systems at most of the project sites. The treated water is recycled and reused for various purposes.

ii. Reduction during usage by consumers (energy, water) achieved since the previous year

The volume of NMDC's final product is bulk in nature and gets complex to track the reduction during usage by consumer. However, it sensitizes the use of water and energy where ever possible.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

NMDC Projects at Bailadila and Panna is concluding Rate Contract for transportation of all incoming and outgoing materials from Projects and vise versa. All the material is transported as per transportation Rate Contract terms & conditions and complete procedure is followed for sustainable sourcing (Transportation). Present Rate Contract at Bailadila Project and Panna is with the following 3 parties:

i) ARC, Bacheli

ii) Balan Transport, Bacheli

iii) Inland Logistics, Bacheli

NMDC Donimalai is concluding transportation Rate Contract with other transporters available at Donimalai site or area and they are concluding rate contract for Donimalai Project. Approximate value of both the transportation Rate Contract at Bailadila & Panna and Donimalai Complex is around ₹6 Crores.

4. Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve the capacity and capability of local and small vendors?

The Company has taken various steps to procure goods and services from MSE firms as well as MSE SC/ST Entrepreneurs and Women Entrepreneurs. The achievement of procurement from MSE firms are as below :

Sl. No.	From 1st April'19 to 30th March'20	Value in ₹ lakhs	Targets 2019-20
I	Total annual procurement	28731.41	
I(A)	Total annual procurement after deductions	13540.14	
II	Total value of Procurement from MSEs (including MSEs owned by SC/ST Entrepreneurs)	5177.81	
III	% of Procurement from MSEs out of total procurement at I(A)	38.24%	25%
IV	Procurement from SC/ST Entrepreneurs	582.61	
V	% of Procurement from SC/ST Entrepreneurs	4.30%	4%
VI	Procurement from WOMEN Entrepreneurs	545.48	
VII	% of Procurement from WOMEN Entrepreneurs out of Total Annual Procurement at I(A)	4.03%	3%

Due to the continuous efforts made by projects, various MSE meets specially for SC/ST Category were arranged at projects sites as well as in various cities as detailed below:

Sl. No.	Project	Place of meeting	Date of meeting
1.	Bacheli Complex	Bacheli	30.07.2019
2.	Kirandul Complex	Kirandul	01.03.2020
3.	Donimalai Complex	Bangalore	15.10.2019
4.	Donimalai Complex	Chennai	19.11.2019
5.	Donimalai Complex	Mysore	10.12.2019

As a result of the above efforts following increase is recorded in no. of MSE as well as SC/ST MSE firms against each project:

Sl No.	Description	Kirandul		Bacheli		Donimalai		Panna	
		2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20
1	No. of MSE Firms	238	251	261	332	185	231	47	64
2	No. of MSE SC/ST Firms	5	17	15	18	12	12	1	2
3	No. of MSE Women firms	9	11	7	9	10	15	3	7

Procurement through GeM Portal:

As per directives of Ministry, the Company tried its level best to procure maximum items available in GeM through GeM portal. Details are furnished below:

	2018-19	2019-20
No. of Orders	661	1017
Total Value of Orders (₹ Crores)	15.00	16.00

The above details shows that due to continuous efforts of MM department no. of orders placed through GeM portal has been increased from 661 to 1017 and value of total orders placed through GeM portal has been increased from ₹ 15.00 Crores to 16.00 Crores.

Further, the list of 20 items of various types like Steel sections, ERW pipes etc. were taken up with GeM Authorities and requested them to include these items in GeM portal enabling NMDC for future procurement of such items through GeM portal.

5. **Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste? (Separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

   Yes, NMDC employs safe, scientific and environment friendly methods of mining and mineral processing. It strives to apply the 3R policy (reduce, re-use and recycle) to its waste management plan with the aim of avoiding potentially harmful environmental and social impacts, during both the operational and post-closure phases.

   NMDC mining projects are implementing productivity improvement mechanism and waste reduction initiatives along with exploring the possibility for re-use of byproducts. One of the waste reduction and mineral conservation is blending of low grade ore is set for achievement for blending of low grade ore (less than 55% Fe) is < 16% towards mineral beneficiation. The same is also reviewed periodically. Different lubricants in NMDC projects are disposed of to the agencies duly authorized for recycling. It has also set its target to treat, recycle and reuse the secondary waste water from the mining operations.

Principle 3: Businesses should promote the well-being of all employees

1. **Please indicate the total number of employees (as on 31.03.2020):**

   Total: 5739 Category wise breakup is shown below:

   Executives: 1486, Jr. Officers: 99, Workmen: 4154

2. **Please indicate the total number of employees hired on temporary / contractual / casual basis:**

   Contract Labour: 10342

   On Contract basis at NISP: 610

3. **Please indicate the number of permanent women employees:**

   There are 366 permanent women employees.

4. **Please indicate the number of permanent employees with disabilities:**

   There are 101 permanent employees with disabilities

5. **Do you have an employee association that is recognized by Management?**

   Yes,

- Majority of the unions at project level have formed an independent apex body called All India NMDC workers federation (AINMDCWF).
- Supervisors have their own association (NMDC Supervisors' Association) at unit level and at corporate level.
- Executives have their own association (NMDC Officers' Association) at unit level and at the corporate level.

6. **What percentage of your permanent employees are members of this recognized employee association?**

All our permanent employees (100%) are members of their respective recognized employee association.

7. **Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending as on the end of the financial year.**

There have been nil complaints with regard to child labour, forced labour, involuntary labour, discriminatory employment and sexual harassment in the FY 2019-20. The requisite information in the prescribed proforma is furnished hereunder:-

Sl.No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1	Child labour / forced labour / involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8. **What percentage of your under mentioned employees were given safety and skill up-gradation training in the last year?**

The safety training of the employees is a vital component of the Occupational Health and Safety Policy at NMDC. As the motto of NMDC goes 'A Safe Mine is a Productive Mine', the target is to achieve Zero Accident with optimum use of human resources, materials & machines with higher production / dispatches.

The percentage of employees given Safety and Skill Up-gradation Training for the FY 2019-20:

Sl.No.	Particulars	Percentage	
		Safety Training	Skill Upgradation Training
1	Permanent Employees	23.72	49.25
2	Permanent Women Employees	6.7	67.73
3	Casual / Temporary / Contractual Employees	39.24	0
4	Employees with disabilities	12.12	29.29

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

1. **Has the Company mapped its internal and external stakeholders? Yes / No**

Yes, NMDC has mapped its internal and external for the purpose of stakeholder engagements. The key categories are as below:

- Government and Regulatory Authorities
- Customers
- Investors
- Employees
- Local Community
- NGO's and other stakeholders

NMDC engages with the identified stakeholders and communicates its major CSR initiatives in different forms and considers the feedback in planning future initiative.

2. **Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?**

Yes, NMDC has identified the disadvantaged, vulnerable and marginalized stakeholders with the help of socio-demographic data of the community through base line surveys conducted as part of its CSR policy objectives and through consultation with State Authorities.

3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.**

   Yes, most of the major CSR activities implemented by NMDC which have benefitted the disadvantaged, vulnerable and marginalized stakeholders are given below:

   - During the academic year 2019-20, 40 Tribal girl students under the 'NMDC Balika Siksha Yojana', were given sponsorship for Nursing Courses, which is a unique initiative in State of Chhattisgarh to benefit Tribal girls of Bastar Division.
   - Continued operation of NMDC Shiksha Shayog Yojana- A scheme providing Scholarships to upto 18,000 SC/ST students for encouraging them to pursue education beyond 8th class up to Graduation.
   - Support to Mid-Day Meal Scheme to provide nutritious & wholesome meals in Govt. Schools around Donimalai mines, Karnataka, covering 8000 students.
   - A Skill Development Programme in Partnership with NSDC for the benefit of 1200 and 400 Non-NMDC stakeholders/ Contract labours in Mining & Iron & Steel sector related skills respectively has been successfully completed in the year 2019-20, with the Impact Assessment Study connected with the initiative indicating a positive and beneficial impact of the three-year long initiative.
   - A unique initiative of operating 500 single teacher Schools in remote tribal villages around Bailadila Projects in order to promote the cause of education amongst tribal children. Around 300 schools have been made operational so far.
   - Implementation of Bailadila Kaamdhenu project- a A2 milk dairy farm at Chalkipara in Dantewada District providing employment to 24 local dairy farming families.
   - Initiated Skill Certification training programme to train 1600 youth of Dantewada District in various trades by signing MoU with CSVTU, Bhilai.
   - Initiated establishment of millet processing Unit in partnership with State Seed Development Corporation.

Principle 5: Businesses should respect and promote human rights

1. **Does the policy of the Company on human rights cover only the Company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?**

   NMDC supports the Universal Declaration on Human Rights and the United Nations Global Compact. It owes allegiance to the constitution of India, which resolves to secure to all its citizens justice, liberty, equality and fraternity also encompasses the fundamental human rights as envisioned in the Universal Declaration of Human Rights. It stands committed to protecting human rights in its workplaces and its subsidiaries. Also a separate committee for redressal of grievances of women employees in particular has been constituted.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the Management?**

   There have been Nil cases of human right violation during the FY 2019-20.

Principle 6: Businesses should respect, protect, and make efforts to restore the environment

1. **Does the policy related to Principle 6 cover only the Company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?**

   Businesses should respect, protect, and make efforts to restore the environment. The environmental management at NMDC is governed by its Corporate Environmental Policy. The policy extends to NMDC and its subsidiaries.

2. **Does the Company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc? Y / N. If yes, please give hyperlink for webpage etc.**

   Yes, NMDC understands and recognizes the implications that climate change would have on its business, environment and community. NMDC has framed policies around the climate change and other global environmental challenges. It stands committed in promoting greater environmental responsibility in mining and processing of minerals for sustainable development. The environmental management at NMDC is governed by its Corporate Environmental Policy. The Policy outlines its commitment to prevention and control of environmental pollution, conserve the natural resources, monitor and ensure compliance, continual environmental performance improvement, safeguarding the environment, educating its employees and communities about the environmental commitments and applying proven management practices to prevent or mitigate negative environmental impacts.

   NMDC believes that Greenhouse gas emissions are one of the key concerns of "cost to environment" for modern business, it wishes to embark on low carbon growth trajectory in its operations. NMDC

measures, records, calculate and reports its GHG's every financial year. The possible mitigation measures proposed for the thrust areas of mining, mechanical and electrical services are being looked into for abatement. Also, NMDC being a signatory to the 'United Nations Global Compact, it reports its environmental performance annually under the defined principles of UNGC. The hyperlinks to view the Corporate Environmental Policy and UNGC principles are given below

https://www.nmdc.co.in/EnvironmentalMgmt.aspx

https://www.nmdc.co.in/Handlers/DownloadCommunicationOnProgress.ashx?ID=c2ad9ca5-9f62-4e0f-a3d3-7e345ea8bb8b

https://www.nmdc.co.in/Docs/Environment/Carbon%20Foot%20Print%20first%20Climate%20Report%202018-19_06.08.19.pdf

3. **Does the Company identify and assess potential environmental risks? Y / N**

Yes, NMDC has defined methods of identifying and assessing potential environmental risks. It carries out Environmental Impact Assessment of operations/activities to identify impacts on the surrounding environment and initiate mitigation measures accordingly. EIA for all its mines and industrial activities has been conducted and mitigation measures are been implemented accordingly. Regular monitoring of environmental parameters is carried out to ensure the effectiveness of the measures implemented and to comply with the CPCB /MOEFCC guidelines.

NMDC project sites are certified to Integrated Management System including SA-8000: 2008 and as a part of requirements of EMS carries out aspect–impact studies for all the activities and operations for identification of critical activities for setting objectives and targets. The system is audited biannually through third party auditors (apart from the periodic audits carried out by certified internal auditors) to verify adequacy and effectiveness of the system and to identify changes if any required in objectives, targets and management plan.

4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?**

Yes, NMDC has a project related to Clean Development Mechanism. It is a 10.5 MW Wind Project, initiated in 2009. The project has been registered with the United Nations Framework Convention for Climate Change (UNFCCC).

5. **Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy etc? Y / N. If yes, please give hyperlink to web page etc.**

Yes, NMDC being a signatory to UNGC, it stands committed in encouraging the development of environment-friendly technologies along with its Corporate Environmental Policy. Also, NMDC's research and development Centre has earned rare distinction of competence of undertaking technology development mission related to efficient mineral processing. To know more about the initiatives, please see the hyperlink given below:)

https://www.nmdc.co.in/EnvironmentalMgmt.aspx

6. **Are the Emissions / Waste generated by the Company within the permissible limits given by CPCB / SPCB for the financial year being reported?**

Yes. All emissions & wastes generated by NMDC are monitored on a regular basis and are within permissible limits as specified by CPCB/SPCB. Also, the returns are filed regularly to the statutory authorities as per requirement. To know more about the initiatives, please see the hyperlink given below:)

https://www.nmdc.co.in/EnvironmentalMgmt.aspx

7. **Number of show cause / legal notices received from CPCB / SPCB which are pending (i.e. not resolved to satisfaction) as of end of financial year.**

Regional Officer, Chhattisgarh Environment Conservation Board has filed a complaint under section 41, 43 & 47 of Water Act 1974 against NMDC, Kirandul Project in Hon'ble Court of Bacheli on 3/12/2016. However, the same was not informed to Kirandul Project by CECB, Jagdalpur.

Taking cognizance of the complaint after period of almost 8 months, Judicial Magistrate First Class, Bacheli summons to NMDC dated 29.07.2017, directed to present before the Hon'ble court on 03.08.2017. The matter is sub-judice

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. **Is your Company a member of any trade and chambers or association? If yes, name only those major ones that your business deals with.**

Yes. NMDC is a member of various trade and chambers / associations. Few of the major ones are listed below:

- Federation of Indian Mineral Industries, New Delhi (FIMI)
- Skill Council for Mining Sector (SCMS)
- Mining Engineers Association of India (MEAI)

- The Mining, Geological & Metallurgical Institute of India (MGMI)
- Indian Institute of Mineral Engineers (IIME)
- All India Management Association, New Delhi
- Federation of Indian Chamber of Commerce and Industry, New Delhi
- Standing Conference of Public Enterprises, New Delhi
- Confederation of Indian Industry (CII)
- Indian Iron and Steel Sector Skill Development Council
- Federation of Indian Export Organization, Chennai
- The Associated Chambers of Commerce & Industry of India)
- Global Compact, UN

2. **Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes / No; if yes, specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Polices, Energy Security, Water, Food Security, Sustainable Business Principles, Others**

   Yes, following are the broad areas:

   - Sustainable Mining Practices
   - Energy Conservation
   - Inclusive Development)

Principle 8: Businesses should support inclusive growth and equitable development

1. **Does the Company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes, details thereof.**

   Yes, NMDC has a host of programmes / initiatives / projects in its identified focus sectors defined in the CSR Policy. Some of the major CSR initiatives are listed below:

   Literacy and Education

   - NMDC's Siksha Sahayog Yojana
   - NMDC Balika Siksha Yojana
   - Operation of Polytechnic College at Dantewada
   - Operation of ITIs at Dantewada and Nagarnar
   - Operation of Astha Gurukul- Residential School for SC, ST & Orphans etc.
   - Operation of 'Saksham'- a School for the differently abled children at Dantewada
   - Choo Lo Aasman Scheme- Provision of education from Class IX to Class XII along with Tutorial Support to Tribal students aspiring to appear in Professional Competitive Exams like IIT/PET/PMT etc.
   - Ujjar- A Chhattisgarh Govt. Programme – to help 100 bright students to pursue higher education. NMDC is providing a financial assistance of upto ₹ 75,000/- per year per student.
   - Lakshya Scheme- Financial support for providing coaching to 150 un-employed youth to appear for job oriented competitive exams.

   Health Care

   - Free medical treatment at Project hospitals
   - Hospital on Wheels
   - Contribution to Maa Danteshwari Sanjeevni Kosh for referring poor patients to Higher Centre of Medical Care
   - Conduct of reconstructive surgeries for persons with disabilities residing around NMDC Projects in Chhattisgarh.
   - Mehrar Cho Maan' initiative – a Menstrual Health Management programme called 'Mehrar-Cho-Maan' where by self-help groups of women are engaged in the production and distribution of sanitary napkins in the district of Dantewada. Besides, providing livelihood opportunity to around 120 women in production and distribution of sanitary napkins, the initiative is benefitting around 22,000 girls & women in terms of better awareness w.r.t. Menstrual Hygiene, besides providing low cost & bio-degradable sanitary napkins.
   - Provision of Solar Plants in 180 health centers & Solar Maternity cum Mother care Kits in 393 Health centers in Bastar Division
   - Initiative to reduce the prevalence of Malnutrition & Anemia among children and Adolescent girls & women of reproductive age group in Bastar Division

   NMDC's contribution towards Fight against COVID -19

   - NMDC contributed ₹5.00crores to PM CARES Fund as its contribution in the fight against COVID-19 pandemic during the year
   - NMDC provided a financial assistance of ₹60.00lakhs to the District Administration, Bellary District, Karnataka for setting up COVID -19 treatment facilities in the District Hospital, Bellary
   - Distribution of essential supplies to needy people residing around NMDC Projects,

including kerosene to the migrant labour around its upcoming steel plant in Nagarnar

- Creating awareness about the Covid-19 Pandemic, maintenance of personal hygiene, including healthy hand washing techniques etc. through provision and display of posters in public places around its Projects
- Facilitating production and distribution of sanitizers and face masks by local self-help groups to the villagers around NMDC Projects. Besides this soap were also provided for hand washing etc.

Rural Development & Infrastructure

- Construction of roads and bridges
- Promotion of Solar Energy-Installation of Solar Pumps, solar electrification works
- Providing drinking water through solar energy-based water supply schemes and installation of hand pumps
- Farmers Development Scheme

Others

- NMDC has partnered with the State Authorities of Chhattisgarh in implementing the Bailadila Kaamdhenu project – a A2 milk dairy farm at Chalki Para in Dantewada District. Besides providing employment to 24 local dairy farming families, it has also empowered around 48 women in these families in terms of providing income generation opportunities
- Initiated establishment of millet processing Unit in partnership with State Seed Development Corporation

2. **Are the programmes / projects undertaken through in-house team / own foundation / external NGO / government structures / any other organization?**

   NMDC takes up various CSR activities through an internal team as well as in partnership with State / District Authorities and NITI AAYOG registered non-governmental organization (NGO's) and Trusts depending on the specifications of the activity proposed. The CSR initiatives taken up through partnerships are evaluated and monitored jointly by the CSR department and partnering organization.

3. **Have you done any impact assessment of your initiative? Give details**

   Yes, a comprehensive Impact assessment Study connected with the CSR Programme of the Company was commissioned in 2018-19, the relevant Reports are likely to be finalized and submitted to NMDC.

   Besides this, an Impact Assessment Study being part of a Skill Development Programme implemented in partnership with NSDC has also been undertaken in the year 2019-20, with the Study showing a positive and beneficial impact of the initiative for the beneficiaries.

4. **What is the Company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken?**

   NMDC has spent an amount of ₹199.99 crores on development projects as under in FY 2019-20 broadly under the following heads, which also form part of Schedule VII of the Companies Act.

   (1) Education (2) Drinking Water (3) Health and Hygiene (4) Free Medical Treatment (5) Infrastructure (6) Financial Assistance (7) Rural Development (8) Sanitation (9) Environment.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

   Yes, the CSR team at NMDC takes feedback from the beneficiaries to know its impact or scope for improvements if any. Also, the impact assessment carried out by a third party along with the NMDC's CSR team for its major CSR initiatives and captures the effectiveness of the community development projects and responses of the community people towards the initiative. A manifestation of the positive feedback in this regard is the various Awards & Accolades received by NMDC including the coveted S&P Global Platts Metals Awards in Corporate Social Responsibility (CSR) category. NMDC bagged the Awards for second consecutive time in 2019.

   NMDC takes all the requisite measures to ensure that its community development initiatives are successfully adopted by the community by way of initiating dialogue with the community to assess their need and by seeking a firm & written commitment from the beneficiary stakeholders during the pre-implementation consultation/need assessment process w.r.t. post implementation maintenance and up keep of the infrastructure and support to instill a sense of ownership among the beneficiaries for initiating the activity. Hence, sustainability has become an integral part of NMDC's CSR initiatives.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. **What percentage of customer complaints / consumer cases are pending as on the end of financial year?**

Commercial Department receive complaints pertaining to quality of the products and some time about shortages. As soon as complaints are received, the same is being forwarded to respective departments / projects for corrective measures / redressal. There are no complaints pending at our end as of end of FY 2019-20.

2. **Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. / Remarks (additional information)**

   Not Applicable. Our product being a bulk commodity, it is not feasible to put product labels. The product specifications are being displayed on the Company's website. To know more about the product specifications. please see the below hyperlink

   https://www.nmdc.co.in/Products.aspx

3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and / or anti-competitive behaviour during the last five years and pending as of end of financial year? If so, provide details thereof, in about 50 words or so.**

   No case is pending against NMDC as of end of financial year 2019-20.

4. **Did your Company carry out any consumer survey / consumer satisfaction trends?**

   No consumer survey has been done in FY 2019-20. However, regular customer meets are being conducted at Hyderabad / Raipur/NMDC Projects to assess customer satisfaction.

Cautionary Statement

The statements in the Directors' Report and Management Discussion and Analysis Report are forward looking statements and progressive within the meaning of applicable laws and regulations. Actual results may vary from those expressed or implied, depending upon economic conditions, Government Policies and other incidental factors that may arise. Shareholders / Readers are cautioned not to place undue reliance on the forward looking statements.

ANNEXURE-VI

Office :
B-13, F-1, P.S. Nagar,
Vijayanagar Colony, Hyderabad – 500 057.
Phone : (0) 91-40-23340985, 23347946, 23341213
e-mail : dhr300@gmail.com, dhr300@yahoo.com
website : www.dhanumantarajuandco.com

Since 1990

DATLA HANUMANTHA RAJU
B.COM., LL.B., PGDT, M.B.A., FCS
PARTNER
D. HANUMANTA RAJU & CO.
COMPANY SECRETARIES

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2020
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
NMDC LIMITED,
Khanij Bhavan 10-3-311/A,
Castle Hills, Masab Tank,
Hyderabad – 500 028

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **NMDC LIMITED** (hereinafter called the company). Secretarial Audit was conducted in accordance with the guidance note issued by the Institute of Company Secretaries of India and in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

D. HANUMANTA RAJU & CO. COMPANY SECRETARIES

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - (Not applicable to the Company during the period of audit);

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - (Not applicable to the Company during the period of audit);

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - (Not applicable to the Company during the period of audit);

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - (Not applicable to the Company during the period of audit);

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018- (Not applicable to the Company during the period of audit);

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(j) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

(vi) Other laws **specifically** applicable to the Company include:

A. Mines Act, 1952 and Mines Rules, 1955
B. Mines and Minerals (Development and Regulation) Act, 1957
C. Metallic Ferrous Mines Regulations, 1961
D. Indian Electricity Rules, 1956,
E. MCR (Mineral Concession Rules), 1960
F. Forest Conservation Act, 1980
G. Wild Life Act, 1977
H. The Explosives Act, 1884
I. The Explosives Rules, 2008
J. Indian Boilers Act, 1923
K. Central Electricity Authority Regulations, 2010
L. Welfare Cess Fund

D. HANUMANTA RAJU & CO. COMPANY SECRETARIES

We have also examined compliance with the applicable clauses of the following:

(i) Standards issued Secretarial by "The Institute of Company Secretaries of India"

(ii) The Listing Agreements entered into by the Company with BSE Limited, National Stock Exchange of India Limited (NSE), the Calcutta Stock Exchange Limited(CSE)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except the following:

- *It is observed that, there is no Woman Independent Director on the Board of the Company for the period 14th November, 2019 to 31st March, 2020.*
- *The Company has only 1 member in the Nomination and Remuneration Committee for the quarters ended as on 31.12.2019 and 31.03.2020.*
- *The Company should have at least half of the Board as Independent Directors if the Chairman is an Executive Director. It has been observed that the Company Entity is having 9 (Nine) Directors on its Board as on 31.03.2020 including 7 (Seven) Executive and Non Executive Directors and only 2 (Two) Independent Directors. The Company Entity is yet to appoint 6 (Six) more Independent Directors.*

We further report that

The Board of Directors of the Company is constituted with Executive and Non-Executive Directors. However, the requisite number of Independent Directors is not as per the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per the Provisions of the Companies Act, 2013. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. In terms of Articles of Association of the Company all appointments to the Board are made by Government of India.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings are carried out unanimously as recorded in the Minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the period under review:

a. National Stock Exchange of India Limited imposed on the Company a fine of Rs 12,92,100/- including GST and BSE Limited had imposed a fine of Rs. 12,92,100/- including GST for Non Compliance with the requirements pertaining to the composition of the Board of Directors as per Regulation 17(1) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, Company had replied to the Stock exchanges on the said matter stating that the Company is a Central Public Sector Enterprise (CPSE) under the administrative control of Ministry of Steel, Government of India. As per Article 74(b) of the Articles of Association of the Company, inter alia, the President of India shall appoint all members of the Board of Directors.

PLACE: HYDERABAD
DATE : 30.07.2020

For D.HANUMANTA RAJU & CO
COMPANY SECRETARIES

CS DATLA HANUMANTHA RAJU
PARTNER
FCS: 4044, CP NO: 1709
UDIN: F004044B000540723

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

'Annexure A'

To
The Members,
NMDC LIMITED,
Khanij Bhavan 10-3-311/A,
Castle Hills, Masab Tank,
Hyderabad – 500 028

Our report of even Date is to be read along with this letter

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our Audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness and with which the management has conducted the affairs of the Company.

PLACE: HYDERABAD
DATE: 30.07.2020

For D.HANUMANTA RAJU & CO
COMPANY SECRETARIES

D. HANUMANTA RAJU & CO. COMPANY SECRETARIES

CS DATLA HANUMANTHA RAJU
PARTNER
FCS: 4044, CP NO: 1709
UDIN: F004044B000540723

ANNEXURE-VII

एनएमडीसी लिमिटेड
(भारत सरकार का उद्यम)

NMDC Limited
(A GOVT. OF INDIA ENTERPRISE)

[illegible] 10-3-311/A,
[illegible]

Regd. Office : Khanij Bhawan, 10-3-311/A,
Castle Hills, Masab Tank, Hyderabad-500 028
Website: CIN : L13100AP1958GOI001674

ED/EPS/GC/03
01.09.2020

Dear Stakeholders,

As you are aware, the UN Global Compact (UNGC) is the world's largest voluntary initiative based on CEO commitments to implement universal sustainability principles and to take steps to support UN goals. Launched in the year 2000, the UNGC now has over 13000 corporate participants and other stakeholders spread across more than 170 countries. It has two principal objectives: "Mainstream the ten principles in business activities around the world" and "Catalyze actions in support of broader UN goals, such as the Millennium Development Goals (MDGs) and Sustainable Development Goals (SDGs) (Agenda 2030)".

The UNGC become leading catalyst of the transformation that new Global Goals have envisaged - where countries will mobilize efforts to end all forms of poverty, fight inequalities and tackle climate change, while ensuring that no one is left behind so as to create a sustainable world. The new Global Goals result from a process that has been more inclusive than ever, with Governments involving business, civil society and citizens from the outset. We are all in agreement on where the world needs to go. Fulfilling these ambitions will take an unprecedented effort by all sectors in society — and business has to play a very important role in the process.

The year 2020 has seen several ups and downs. COVID-19 has resulted in the entire markets being disrupted in a short time and has the potential to cause damage to the long-term prosperity of several countries. To help companies navigate the sustainability challenges magnified by COVID-19, the UNGC has compiled a series of COVID-19 issue area briefs that detail the impact of the pandemic on a range of sustainability issue areas including gender equality, ocean, water stewardship, climate, decent work, sustainable finance, human rights and anti-corruption. I am sure the variety of resources that have been identified by UNGC will help companies build back better and recover stronger.

At NMDC, we have shaped our business practices to conform to the principles of UN Global Compact. We have always contributed our might to achieving the ten principles and the SDG goals. At this time of adversity, I call upon you to partner NMDC in its endeavour to support UN Global Compact and attain the goals that we have set for ourselves.

With warm regards,

Yours sincerely

Sumit Deb
Chairman-cum-Managing Director

[illegible]

GLOBAL COMPACT – COMMUNICATION ON PROGRESS

Principle 1: Business should support and respect the protection of internationally proclaimed human rights.

Commitment

Being a company registered in India, NMDC owes allegiance to the Constitution of India, which resolves to secure to all its citizens justice, liberty, equality and fraternity and which also encompasses the fundamental human rights as envisioned in the Universal Declaration of Human Rights. NMDC stands committed to support and respect the protection of internationally proclaimed human rights.

Systems

Though there is no specific provision as such for human rights in the Manual on Personnel Management of the company, the sub-stratum of the Manual ensures that its employees enjoy the fundamental human rights.

NMDC has in its management system provisions for health, safety, housing and education. Comprehensively covering all these aspects, NMDC has appropriate systems in place.

Actions

Health

- NMDC gives full and free medical care to its employees and the eligible members of their families.
- Under the NMDC Contributory Scheme for post-retirement medical facilities, the retired employees their spouses, dependent parents and dependent children get medical care for a nominal life-time membership.

Safety

- Being basically a mining organization, NMDC attaches greater importance for safety of the employees. In its mining projects, NMDC has its own Training Centres equipped with the infrastructure as required under the Mines Vocational Training Rules. These centres cater to the needs of basic training, refresher training, and training for skilled trades and also for those injured on duty.
- Sufficient number of workmen inspectors are nominated/appointed for mining operations, mechanical installations and electrical installations in terms of the statutory requirement
- Occupational Health Centres have been provided in the projects.
- Doctors have been given specialized training in occupational health.
- Periodical medical examinations of employees are done in accordance with the prescribed schedule.
- Safety appliances such as safety shoes, helmets, rain suits, goggles, etc, are provided to employees periodically.
- Every month safety committee meetings are conducted and accident analysis is discussed and remedial measures implemented.

Housing

- NMDC provides accommodation for the employees and the members of their families on nominal rents.
- NMDC provides house building advances for its employees to build their own houses at such locations in India as suitable to them.

Education

- NMDC trains its employees regularly to update themselves, professionally, managerially and technically.
- NMDC encourages its employees to better their educational and professional qualification by giving suitable incentives, study leave, etc.
- NMDC takes care of the school education of the employees' children in its projects and gives incentives and scholarships for their higher education. As its projects are located in remote areas, NMDC has arranged for quality schooling facilities at the projects itself.
- The schooling facilities available at the project are extended to the children of the surrounding villages as well.

Performance during the year 2019-20

- NMDC is providing complete health care to its employees and the members of their families.
- The injury frequency rate was 0.47 and the severity rate was 0.15.
- Housing has been extended to all its employees. In addition, house building advances were given to 10 employees (cumulatively to 2303 employees).
- Training coverage is 104.56% of employees. Training mandays as % of working mandays is 3.61.

- Basic education has been extended to 100% of the employees' children.
- Recognizing the meritorious service rendered by the employees, NMDC has awarded suitable mementos to

(a) 42 employees (cumulatively 7988) who have rendered 20 years' service;

(b) 111 employees (cumulatively 6720) who have rendered 25 years' service; (c) 102 employees (cumulatively 5956) who have rendered 30 years' service ;

(d) 38 employees (cumulatively 2074) who have rendered 35 years' service.

- 124 employees (cumulatively 5294) who retired from the Company were given service certificates and suitable mementos during farewell parties, specially arranged in their honour, in appreciation of their service to NMDC. 147 employees (cumulatively 2293) who retired after putting in 30 years' service in Government/ PSUs were awarded special mementos.

Principle 2: Business should ensure that they are not complicit in human rights abuses.

Commitment

Being a Government of India company, NMDC owes allegiance to the Constitution of India, which resolves to secure to all its citizens justice, liberty, equality and fraternity and which also supports the fundamental human rights as envisioned in the Universal Declaration of Human Rights. NMDC stands committed to protecting human rights in its workplaces.

Systems

- NMDC, being a Government company, has come to inherit the Government regulations and, therefore, protecting human rights and ensuring that it is not complicit in human rights abuses, is a natural extension to all its policies and programmes.
- The security arrangement in the mines of the company is given to the Central Industrial Security Force (a Government arm), who owes equal allegiance to the Constitution of India and is duty bound to protect human rights.
- A Grievance Redressal procedure is in vogue.
- A separate Committee for redressal of grievances of women employees in particular has been constituted.
- NMDC has recognized Scheduled Caste/Scheduled Tribe Associations in each of its units and corporate office.

Actions & Performance during the year 2019-2020

No case of human rights violation has been reported during the year.

Principle 3: Business should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Commitment

NMDC stands committed to the protection of freedom of association among its employees and business partners.

Systems

NMDC has three layers of employees: workmen, supervisors and executives.

1. Workmen, who are mostly location specific, have their own Unions. More than one Union are functioning in each of the main units. Besides their affiliations to national bodies, cutting across such affiliations to central organizations, majority of the Unions at project level have formed an independent apex body called All-India NMDC Workers' Federation (AINMDCWF) positioned at the Corporate Office at Hyderabad. All these Unions have been given assistance by the Management as considered necessary for their functioning.

   The details of such affiliated Unions, unit-wise, are given below:

   a Bailadila Iron Ore Mine, Kirandul Complex

      i. Samyuktha Khadan Mazdoor Sangh (SKMS) affiliated to All India Trade Union Congress (AITUC).

      ii. Metal Mine Works Union (MMWU) affiliated to Indian National Trade Union Congress (INTUC)

   b Bailadila Iron Ore Mine, Bacheli Complex

      i. Samyuktha Khadan Mazdoor Sangh (SKMS) affiliated to AITUC

      ii. Metal Mine Workers Union (MMWU) affiliated to INTUC

   c Donimalai Iron Ore Mine

      i. Donimalai Iron Ore Project Employees Association (DIOPEA) affiliated to AITUC

      ii Metal Mine Workers Union (MMWU) affiliated to INTUC

   d Diamond Mining Project.

      i Panna Hira Khadan Mazdoor Sangh (PHKMS) affiliated to Bharatiya Majdoor Sangh

      ii Madhya Pradesh Rashtriya Heera Khani Mazdoor Sangh (MPRHKMS) affiliated to INTUC

2. NMDC is totally committed to workers' participation in the management. In pursuit of such commitment, Committees/Councils, both statutory

and non-statutory, are functioning at the shop level, project level and at corporate level with equal number of representatives of the management and the Unions.

3. Supervisors and Executives have their own associations at unit level and at the corporate office.

Actions

Decisions related to workmen such as wage settlement, incentives, bonus, line of promotions, working conditions, welfare measures, etc are taken in consultation with the representatives of unions/ Associations, both at the unit level and at the corporate level.

Performance during the year 2019-2020

- All the workmen are subject to collective bargaining agreements and the supervisors and executives are governed by understanding/ consultations.
- No man days were lost during the year because of rift or strike by employees due to the effectiveness of Collective Bargaining.
- The unanimous decisions taken at the Joint Committees are implemented and monitored.

Principle 4: Business should support the elimination of all forms of forced and compulsory labour.

Commitment

NMDC stands committed not to resort to any form of forced and compulsory labour.

Systems

- No employee is required to deposit any sum of money for employment in NMDC.
- A service bond is insisted upon from only such of those employees who have been posted abroad. The bond period is for two years or a nominal amount of Rs.2,00,000/-
- Any employee joining the company should declare that he or she is not an insolvent.

Actions

- Appointment orders issued by the company very specifically state the various important conditions of appointment.
- Printed copies of Service Regulations and other rules are distributed to all Units for reference and use by every employee.
- The workmen in particular are given a copy of the certified Standing Orders precisely containing their general terms and conditions governing service conditions.
- The Personnel Manual is available in the Intranet site for reference.
- Employees are given incentives for achieving higher levels of output.
- Workmen have the additional facility of over-time payment for working beyond the prescribed working hours.

Performance during the year 2019-2020

No form of forced or compulsory labour was resorted to.

Principle 5: Business should support the effective abolition of child labour.

Commitment

NMDC stands committed not to engage any child labour and do all that it can to abolish it from its surroundings.

Systems

- For appointment in the company, the minimum age prescribed and scrupulously followed is 18 years.
- Age verification is done with reference to approved documents in accordance with the practices prescribed by the Government of India.
- All employees are paid much above the minimum wages prescribed from time to time. Free and complete health care is given to all the employees and the members of their families. Free schooling facilities are provided at projects. Scholarships etc, are given for children's higher education.
- Skill development programme has been launched for training and increasing the employability of local qualified youth of adjoining villages of NMDC's projects by providing monetary and other assistance.

Actions

- All contractors are forbidden to engage child labour.
- Government enforcement agencies like Inspectors from Labour Department inspect the sites of construction to check for employment of child labour. Those found guilty are liable for punitive action by the Government.
- Records of the labourers engaged by the contractors are kept at worksites.

Performance during the year 2019-2020

- No child labour was employed by NMDC.
- No child labour was allowed to be employed by the contractors working for NMDC.
- NMDC does not promote trade with organizations engaging child labour.

Principle 6: Business should support the elimination of discrimination in respect of employment and occupation.

Commitment

NMDC, by itself and as a Government company, stands committed to follow the policy of non-discrimination in all matters – recruitment, employment opportunity, promotion, etc.

Systems

- The Constitution of India, under Article 15, unambiguously prohibits discrimination on grounds of religion, race, caste, sex or place of birth.
- As a Government company, NMDC is bound to follow the Government directives, which are abundantly clear against any discrimination in any matters.
- As a measure of protecting and improving the conditions of the downtrodden, special provisions have been made in terms of the Government directives in respect of candidates belonging to Scheduled Caste, Scheduled Tribe and Backward class, both in recruitment and promotion.
- NMDC Recruitment and Promotion Rules provide for qualifications, skill and experience required for candidates for recruitment and promotion at various levels.
- The grievance procedure in the company is designed in a very simple and easy to handle way for the employees to get grievances, if any, to be resolved quickly.
- Unions and Associations representing the various levels of employees have easy access to the management to discuss and resolve discriminations, if any, quickly and effectively.

Actions

- The company periodically assesses and evaluates job contents and job requirements.

Performance during 2019-2020

No discrimination was resorted to in respect of employment and occupation.

The Government directives against discrimination was adhered to in all matters.

The special provisions in respect of candidates belonging to Scheduled Castes, Scheduled Tribes and Backward classes made by the Government by way of Directives have been adhered to.

As on 31st March, 2020 the manpower position was:

- Total number of employees 5739
- Scheduled Caste employees 881 (15.35%)
- Scheduled Tribe employees 1435 (25.00%)
- Backward Class employees 1103 (19.22%)
- Men : Women ratio 7.6:1

Principle 7: Business should support a pre-cautionary approach to environmental challenges.

Commitment

As a responsible corporate citizen, NMDC Ltd believes in maintaining ecological balance and NMDC is committed to ensure that its environmental systems and practices are aligned with international best practices such as the ISO: 14001-Environmental Management System standard. All major production projects of NMDC i.e Bailadila Deposit-5,10/11A, Bailadila Deposit-14/11C and 11B, Donimalai Iron Ore Project and Diamond Mining Project, Majhgawan, Panna have accreditation with Integrated Management System including SA-8000. This standard enables NMDC to manage its environmental impacts while adhering to the requirements not only of the standard itself but also to those of national and international norms, legislation, and regulations. It also forms the foundation for continuous improvement in environmental performance.

Sustainable Development Policy

1. We, at NMDC, aim at being responsible miners with commitment to sustainable development in all our locations. We ensure that the sustainable development ethos are considered and integrated in all our decision-making processes and business planning.
2. We believe that market competitiveness on a long run can be achieved only by adopting the best practices of health, safety and environmental management, community management, and actively engaging our stakeholders in addition to the economic performance of the organization.
3. We comply in full with the laws and regulations where we operate. We aspire to be a benchmark by adopting international standards in the field of Sustainable Development.
4. NMDC Sustainability Policy is integrated with Environmental Policy, Occupational Health and Safety Policy, Corporate Social Responsibility Policy and together they provide the broad framework for driving business in a responsible manner.

System :

In order to ensure pollution-free environment, NMDC has built the following programmes into the day-to-day working of the mines:

- Environmental norms as laid down by the Ministry of Environment and Forests, and the State and the Central Pollution Control Boards are meticulously followed.
- Regular physical monitoring for all environmental parameters, like micro-meteorology, ambient air quality, surface and ground water quality and ground water levels, work zone and ambient

noise levels and soil quality through recognised environmental laboratories of MoEFCC/CPCB.

- Detailed Bio diversity conservation studies, carbon foot print, Energy audits, Water audit, SMI audit, etc.
- Environment up gradation works like afforestation at project sites, participating in C.G. Hariyar programme, reclamation of waste rock dumps.
- Disaster Management Plans for the tailing dams at the projects. Industrial Risk insurance for tailing dams constructed at NMDC projects.
- Protection measures for explosives' magazines at the projects. Public Liability Insurance towards handling explosives and other hazardous material.

Actions

- A separate department for environment management has been positioned to extensively monitor and effectively implement environment management programmes.
- Separate Cells at production projects have been set up with qualified and experienced Environment Scientists/Engineers.
- Expert organizations in the area are being engaged to measure and report periodically the various parameters.

Pollution Control Measures Covered

- Judicious and scientific planning of direct excavation, waste rock dumping and sitting infrastructure areas.
- Restricting use of forestlands to the barest minimum level.
- Constructing ameliorative measures like buttress walls, check dams, digging contour trenches, biological reclamation of waste rock dumps, etc. to minimize land erosion. Various soil bio-engineering and dump stabilisation measures terrace dumping, geo-coir matting is being taken up to ensure minimum surface run off in the neighbouring forest and water bodies.
- Effluent Treatment Plant for treating effluents from service centres, Sewage Treatment Plant, Auto shops, etc to avoid water pollution.
- Sewage Treatment Plants with SBR technology have been constructed at Bacheli and proposed to be constructed at Kirandul and Donimalai for treatment of township domestic wastewater.
- Regular water sprinkling and grading of haul roads, scientific and massive afforestation for abating air pollution.
- Create green belts, densify open scrublands, good arboriculture, and follow avenue plantation practices for improving the overall environment as well as aesthetic value.
- Importance of value index of the region is envisaged and also to eradicate effects of visual intrusion by proper landscaping.
- Regular maintenance of Heavy Earth Moving Machineries and OCSL Plant equipment and adopting good housekeeping practices there by reducing noise pollution.
- Monitor all environmental parameters such as PM10, PM2.5, SO2, NOx, CO, Fugitive dust emissions in ambient air, water quality as per IS standards, discharge water from auto shops and service centres, tailing dam discharge water etc., on regular basis following the statutory acts and their amendments of the GOI viz.,
- Continuous Ambient Air Quality Monitoring Stations (CAAQMS) have been installed at mines. The results are recorded live and results are available on CPCB website.
- Regular monitoring of ground water levels and quality by engaging laboratories of repute.
- Preparation and timely submission of six-monthly reports to MOEF, GOI Regional offices and annual environmental audit reports to respective state pollution control boards.
- Creating environment awareness amongst all the employees and their children and the local population through celebration of Mines Environment & Mineral Conservation (MEMC) week under the aegis of Indian Bureau of Mines & World Environment Day celebrations.
- Basic and refresher Training of employees for environmental consciousness by conducting regular classes under mines Vocational Training Rules.
- Undertake of peripheral village community development works like improving roads, constructing school buildings, community halls, distributing books and stationery, extending schooling and medical facilities available in the project townships to the local people including adivasis as well.
- Providing safe drinking water to the township dwellers and extending drinking water supply to population of neighbouring villages.
- Obtaining consents for establishment and operation of mines / plants from the respective state pollution control boards.
- Obtaining environmental clearances for new / expansion projects from central Govt.
- Obtaining forestland clearances for renewal / fresh grant of mining leases.

- Massive afforestation drive through social forestry division of the local forest department.
- Scientific stabilization of all the passive waste rock dumps and mined out areas.

Performance during the year 2019-20

Environmental and Forest clearances from MoEF&CC New Delhi

Bacheli

- Obtained **NOC from Central Ground Water Authority (CGWA)** for Kumarmarenga Railway siding vide letter no. CGWA/NOC/INF/ORIG/2019/5352 dated 15.5.2019 for ground water withdrawal of 3650 m3/year. The NOC is valid for 2 years up to 14/05/2021
- **Obtained CTO for Deposit 10** vide letter dated 21.06.2019 from MS, CECB, Raipur for a period of one year starting from the date of issue of this letter.
- Obtained approval from MoEF&CC on 10/7/2019 for **change of nomenclature** from renewal of mining lease to infrastructure for Deposit-10 Float ore over an area of 142.80 Ha.
- **Obtained Forest clearance** extension for the mining leases of Dep-5 & Dep-10 upto 10.09.2035 from Govt. of CG vide Upper Secretary, Forest Dept letter dt 31.03.2020

Kirandul

- On 24/9/2019, **TOR obtained** from MOEFCC for Dep-11 ML for obtaining EC. Obtained **Public hearing exemption** from MOEFCC vide letter dated 01.11.2019
- Obtained Authorization for Dep-11B under **HWM & Transboundary movement Rules 2016** for used oil 75 KL etc from MS, CECB, Raipur vide letter dated 09.12.2019 for a period of 5 years w.e.f 23.08.2018 to 22.08.2023.
- Obtained **Consent to operate** for Dep-14/11C for 12 MTPA production vide letter dated 28.12.2019 from MS, CECB, Raipur for a period of one year from 01.01.2020 to 31.12.2020
- Obtained **Consent to operate** for Dep-11B for 7 MTPA production vide letter dated 28.12.2019 from MS, CECB, Raipur for a period of two years from 01.01.2020 to 31.12.2021
- Obtained **Forest clearance extension** for the mining leases of Dep-14 (upto 11.09.2035), Dep-14 NMZ (upto 06.12.2035)& Dep-11ML (upto 10.09.2037) from CG Govt vide Upper Secretary, Forest Dept,. letter dt 31.03.2020
- On 12/12/19, obtained transfer of EC of Deposit-13 from NMDC to NCL.

DIOM-KIOM

- Deputy Commissioner, Ballari has issued **FRA certificate** for following:
  - Diversion of 75.92 Ha (SPII) and 159.01Ha (Kumaraswamy Iron Ore Mine) at Donimalai to Pl. Chief Conservator of Forests (PCCF), Bengaluru on 13.09.2019 under FRA Act 2006.
  - For diversion of 235.64 Ha forest land for regularization of forest land at Donimalai Complex to Pl. Chief Conservator of Forests (PCCF), Bengaluru on 13.09.2019 under FRA Act 2006.
  - For diversion of 5.71 Ha forest land for approach road for Kumaraswamy Iron Ore Mine, Donimalai at Donimalai to Pl. Chief Conservator of Forests (PCCF), Bengaluru on 13.09.2019 under FRA Act 2006.
- **Amendment to TOR** obtained on 9/12/2019 from MoEF&CC for KIOM by withdrawing ToR point nos.: 1&2 for obtaining EC.

Nagarnar, Jagdalpur

- Obtained **CTO to NISP**, Nagarnar on 13/9/2019 within validity period of EC

Principle 8: Business should undertake initiatives to promote greater environmental responsibility.

Commitment

NMDC stands committed to promoting greater environmental responsibility in mining and processing of minerals in its mines for sustainable development.

NMDC's Sustainable Development Policy states:

1. We, at NMDC, aim at being responsible miners with commitment to sustainable development in all our locations. We ensure that the sustainable development ethos is considered and integrated in all our decision-making processes and business planning.
2. We believe that market competitiveness on a long run can be achieved only by adopting the best practices of health, safety and environmental management, community management, and actively engaging our stakeholders in addition to the economic performance of the organization.
3. We comply in full with the laws and regulations where we operate. We aspire to be a benchmark by adopting international standards in the field of Sustainable Development.
4. NMDC Sustainability Policy is integrated with Environmental Policy, Occupational Health and Safety Policy, Community Development Policy and together they provide the broad framework for driving business in a responsible manner.

Systems

- Environmental aspects are carefully considered and appropriately incorporated at the planning stage of a project itself.
- Training programmes are arranged for employees on environmental awareness.

Actions

- NMDC has implemented IMS covering ISO14001: EMS, 9001 and OSHAS 180001 and SA-8000 in its major production mines.
- Water used for washing of ore is reclaimed for re-use.
- The electricity generated in the downhill conveyors is fed back into the grid, thereby reducing the draw of electricity from the main grid at its projects in Bailadila and Donimalai.
- Copies of the Environmental Policy Distributed/ displayed printed of the company among its employees and local communities.

Performance during the year 2019-20

- As against the permissible limit of 80 microns per cu m of SO2 and Nox in ambient air, the values actually encountered at NMDC's mines were less than 30 microns per cu.m and carbon monoxide was observed to be below the detectable limit of the approved instruments.
- About 25% of the annual consumption of different lubricants in NMDC mines was disposed off to agencies duly authorized for recycling as per HWM Rules and its amendments issued by the Ministry of Environment and Forests, Government of India.

Principle 9: Business should encourage the development and diffusion of environmentally friendly technologies.

Commitment

NMDC stands committed to encouraging the development and diffusion of environment-friendly technologies,

NMDC's Environmental Policy states,

- Prevent and control environmental pollution due to mining and associated activities by adopting safe, scientific and environmental friendly methods of mining and mineral processing for applicable legal requirements like forest, environmental and other statutory clearances.
- Maintain the machineries in excellent condition to ensure minimum impact of their operation on environment.

Systems/Actions

- Dust collectors are provided to the drills to control fugitive emissions at source.
- Wet drilling is adopted to mitigate the effect of dust on the work force.
- Main mine haul roads are regularly graded and water mixed with additives is sprinkled to suppress dust.
- Jet sprinklers are provided at all strategic and transverse points to control dust during crushing and transportation of ore at the plant.
- Closed conveyor belt system is provided to control dust generation and spreading during ore transportation.
- Rubber screens and rubber linings are provided at transfer points and along conveyor system to control noise and dust generation.

Performance during the year 2019-20

Sustainable Development Performance

- Under Sustainable Development programme, construction of Sewage Treatment Plant with SBR technology at Bacheli at a cost of Rs.6.61 Cr has been constructed. Siilar treatment plant at Kirandul at a cost of Rs 8.0 Cr for treatment of domestic effluents is under construction stage.
- A total of 3 Million plants have been planted till date in and around the project locations of NMDC.
- Every year Carbon Footprint studies are being conducted for disclosure of Greenhouse Gas Emissions in Carbon Disclosure Project (CDP).
- Every year the Company is undertaking environmental pollution control work such as de-silting of check dams / check bunds, tailing dams, construction of buttress walls at toe of waste dumps and geo-coir matting on waste rock dumps for stabilization of dumps.
- In order to gainfully utilize slimes (low grade rejects), beneficiation & Pellet plant has been set up in Karnataka at the mine site itself. Larger scale similar plant is being set up in Bailadila sector also along with 15 MTPA slurry pipeline, which is a green and a cost-effective way of iron ore transportation.
- Indian Council for Forestry Research and Environment (ICFRE) was engaged for carrying out R&R and Environment Management studies at Kirandul and Donimalai projects. The protection measures suggested are being implemented at Kirandul and Donimalai Projects.
- Recently, NMDC engaged Visveswaraya National Institute of Technology (VNIT), Nagpur for

conducting a study on 'Metal Ion Contamination in mine run off' in Bailadila Iron Ore. The sample collection work has been done successfully. Work is under progress.

- Water audit was conducted at all the production projects for evaluation of water consumption. The recommendations of the audit are being implemented by replacing the worn out and leaking pumps. Apart from this regular maintenance of water appurtenances is being done. This will reduce the wastage of water and ensure optimum water use.
- BIOM, Bacheli complex was awarded Greentech Environment Award (Winner) and 4 first prizes and 2 second prizes in various categories including 1st prize in Overall Performance category in Mines Environment and Mineral Conservation Week.

Principle 10: Business should work against corruption in all its forms, including extortion and bribery.

Commitment

Vigilance Department guides and facilitates impartial, fair and transparent decision making and gives priority to preventive vigilance, with proactive measures.

Systems

- The Vigilance Dept. at the Corporate Office is headed by Chief Vigilance Officer and assisted by Vigilance Officers drawn from various branches. At each of the Projects, there are two Vigilance Officers.
- The Chief Vigilance Officer has the equal status of Functional Director of the Company. He is appointed by the Government of India on deputation.
- Vigilance Studies are monitored by the Vigilance Officers under the guidance of CVO.
- Surprise, regular checks, CTE type inspections and other major vigilance investigations are carried out based on the strength of complaint / source information.
- All the executives of the Corporation have to submit Annual Property Returns every year as on 1st January.
- Employees are required to furnish the information regarding acquisition/disposal of movable and immovable property. As per CDA Rules of the Company acquisition of movable property exceeding Rs. 50,000/- in case of executive and Rs. 35,000/- in case of workmen to be intimated to Vigilance Department within 30 days from the date of its acquisition. But in the case of Immovable property irrespective of its value, prior permission to be obtained before the acquisition.
- Foreign travels by employees are monitored.
- Continuously following up for updating/reviewing of Manuals.

Actions

- Action Plan for the year 2019-20 was finalized wherein various studies were carried out by the Vigilance Officers. The reports received were discussed in detail and improvements in systems / procedures were suggested wherever required.
- Surprise and regular checks were carried out in every quarter during the year. The deficiencies and deviations wherever noticed were brought to the knowledge of the Management for corrective action.
- Pending disciplinary / CTE / CBI cases were reviewed in the quarterly meetings of VOs held at Head Office, and follow-up actions were taken for timely completion of inquiries.
- Many system improvements such as maintaining of asset registers at Head office and Projects in respect of movable assets, Monitoring of Sensitive areas and installation of CCTV equipments, uniformity in recruitment process, banning of negotiations with L1 party, procurement and awarding of contracts on single tender / nomination basis, implementation of e-payment etc., were taken up as part of preventive vigilance.
- Vigilance Awareness week was observed in the Corporate Office and all units of NMDC. Various competitions, seminars and lecture programmes were arranged to create awareness of Vigilance amongst the employees during the week.
- No. of Training Programmes were conducted for Employees / Executives Trainees on preventive vigilance.
- The progress on vigilance activities and disciplinary cases were appraised through a Note to Board of Directors for review.
- System for lodging of online complaints and submission of Annual Property Returns by all the executives is in place.
- The Vigilance Department recommends for rotation of staff posted in sensitive posts in order to ensure that no vested interests are developed.
- Engineering Works Manual in place and put on NMDC website.
- Contracts Manual in place and put on NMDC in website.
- Materials Management Manual in place. The Manual is under updation.
- NMDC Recruitment and Promotion Policy – 2018 is in place and put on NMDC website.

Performance during the year 2019-20

Vigilance department had taken several initiatives during the year. Emphasis was laid on adequate checks and balances in the form of well-defined systems and procedures. Various programmes were conducted for awareness on vigilance matters for the employees of the Corporation. The vigilance functionaries at the projects have conducted regular training classes for the employees on the vigilance matters. Executives of Vigilance Department were nominated for training / workshops being organized in India.

The systems and procedures including the document handling, maintenance of records are done so as to ensure that the Vigilance Department is conforming to the Quality Management Systems as per ISO 9001:2015 Standards.

Vigilance Department in NMDC is upgrading to ISO 9001:2015 standards of Quality Management System (QMS). In this regard work order has been issued to M/s Vexil Business Process Services Private Limited, Delhi for certification. Accordingly Surveillance Audit was conducted by M/s Vexil on 7.01.2020. and ISO certificate valid up to 5th Feb,2022.

During the year (April'2019 – March 2020), 70 surprise checks, 82 regular inspections and 2 CTE type inspection was conducted by Vigilance Department. Complaints received were taken up for investigation and necessary suggestions for system improvement/ disciplinary action wherever required was recommended. During the period, 4 major penalties was imposed.

As part of implementation of "Leveraging of Technology for transparency" in all the transactions, details of contracts concluded above Rs. 10 lakhs, all works awarded on nomination basis, single tender basis above Rs. 1 lakh, information regarding bill payments to the contractors etc., are provided on the company's website. Efforts to encourage e-procurement, e-tender & e-auction are being made continuously.

NMDC has adopted implementation of Integrity Pact since November 2007. As per the suggestions given by Vigilance Department, the threshold value has been decreased to 1.0 Crore w.e.f. 07.09.2018 for both Procurement and Contracts as against the earlier threshold limit of Rs. 20 crores in case of Civil works and Contracts and Rs. 10 crores in case of Procurement on approval of NMDC Board. The Integrity Pact has been entered into 260 contracts with a value of Rs. 24,953.95 Crores. All the contracts wherein the Integrity Pact was to be signed as per the threshold limit was adhered to and more than 90% of the total values of the contracts are covered under Integrity Pact.

A Quarterly meeting of Vigilance Officers in NMDC is being conducted regularly and the last meeting was conducted on 1st & 2nd, July 2019.

System improvements undertaken / implemented During the Year 2019-20

As per the Action Plan, surprise and regular checks were conducted besides study of files. Irregularities and omissions under the provisions of the rules are identified and improvements in the systems suggested wherever required. Based on the observations of Vigilance, recoveries from the contractor's bills, for not conforming to the contractual terms were suggested.

The initiatives / system improvements studies / suggestions / recommendations made during the period are briefed as below:-

1. **SMS based Information System for concreting work** - During various site inspections, it was noticed that inadequate or lack of strict supervision resulted in poor quality of work on account of using less than stipulated reinforcement/ poor workmanship/ insufficient curing etc. In some cases, cubes were also not taken. To have a better control over quality of concreting work and as a system improvement an SMS system for sending information regarding start of concreting work at site has been introduced as the same was successfully implemented in Port Sector and DCI. Feasibility to use CCTV Cameras is also being explored.
2. **Computer generated "Material Requisition Number" (MRN) for issue of Diesel for Hired Vehicles** – Implementation of computerized MRN for issue of diesel for hired vehicles in existing Inventory Management System (IMS) done resulting in elimination of possible manipulations / overwriting in POL slips, manual intervention, excess drawl issues.
3. **Reward Point Management System** –The system was Introduced in place of manually printed coupons which were given to contract labourers for purchase of food items through co-operative stores. This prevented manipulations in signature, duplication / fake coupons submission etc.
4. **Visitor Management System (VMS)** at one of the projects was not in use and instead manual mode of gate pass was being issued. On vigilance intervention, usage of VMS software was restarted and issue was ensured through the software only and is operational from October, 2019 onwards.
5. **Module for Hospital Management System (HMS)** - To avoid issue of unaccounted medicines and irregularities in receipt & issue of medicines at Yashoda Aarogyavardhini Hospital at Donimalai, on intervention of Vigilance Department, new HMS has been ordered for the hospital in December, 2019.
6. **Review of CCTV Cameras installed** - CCTV cameras have been installed at various sensitive locations in offices / plant premises. Review of positions of the

cameras time to time is done with a view to cover all sensitive areas and also to ensure working of CCTV cameras, a committee is constituted and made responsible for regular monitoring of the same.

7. **Procurement of Medicines through Open Tender System** – Procurement through Open Tender System was initiated in place of purchase from manufacturer / Authorised Dealer against hospital price list to fulfil the annual requirement for the Project hospitals. During the financial year (2018 – 19), against the estimated value of Rs. 128.42 lakhs, actual procurement was made for Rs. 92.28 lakhs resulting in a saving of Rs. 36.14 lakhs to the Corporation, and for the financial year (2019 -2020 till December) against the estimated value of Rs. 79.43 lakhs, actual procurement was made for Rs. 57.08 lakhs resulting in saving of Rs. 22.35 lakhs.

8. **Engagement of hired vehicles** - As suggested, tendering process for engagement of hired vehicles in compliance with CVC guidelines was adopted at Donimalai Project.

9. **Action plan to improve INTEGRITY INDEX of the Organization** was prepared and various initiatives were already implemented like composition of Interview Board by including External Representative, policy review & changes at regular intervals like review of Fraud Prevention Policy, Banning of Business Policy etc. Further, the following are in the final stages of implementation like a) Implementation of ERP, b) Audit of existing contract terms and conditions with a view to reduce vulnerability for **arbitration**, c) Policy changes based on exit interview etc.

10. **Laboratory Information Management System** in Chemical Lab and Geology Department was implemented to improve transparency and avoid manual intervention while coding of samples being sent to Chemical Lab for analysis.

11. **Dual Locking System for Tender Boxes** - System Improvement is done by introducing dual locking system for tender boxes wherein the tender boxes were operated with dual locks, one kept with finance and other one with user department, both of them need to operate while opening.

12. **Improvement in Sampling activities at Loading Plant** - System Improvement is done in the sampling activities at loading plant wherein announcing the party name in the PA System has been discontinued, and Digital Display Monitors have been installed at loading sites for knowing the exact status of wagon filling on continuous basis for representative sampling.

13. **Calibration of Belt Scale Weighers** - Out of Vigilance intervention, Calibration of belt scale weighers through external agencies on monthly basis was agreed (previously monthly external calibration was done for loading plant belt scales only). Accordingly work order has been issued for all the belt scales. Further, plant electrical department has purchased 06 Nos. of new belt scales for replacing the old belt scales for better accuracy and precision in weighment and procurement action has been taken up.

14. **Recruitment and Promotion Policy** of NMDC: Given the history of issues cropped up during past phases of recruitment and promotions and in view of recommendations given by Vigilance Department, NMDC Recruitment and Promotion Policy,2018 and the rules framed there under in the Company was approved by the Competent Authority and put in place. An amendment was also issued on 04.09.2019 to the NMDC promotion Policy, 2018.

15. "**NMDC Fraud Prevention Policy**" was proposed for implementation since the year 2013, but did not happen. It's been followed up vigorously and modified and made more robust and will be implemented shortly with Board approval.

16. **Mine Transport Surveillance System (MTSS)** has been implemented to monitor production and despatches of Iron Ore in Kumaraswamy and Donimalai Projects of NMDC.

17. **Strengthening of Online Complaint Handling facility** by incorporating additional features to authenticate the complainant was done and is made available on NMDC website.

18. **Locking System** was provided to the diesel tanks and also to drain plugs of all the ambulances as a preventive measure to avoid theft / misuse of diesel.

19. Suggestion for **installation of weightometer on NMDC conveyor** instead of ESSAR conveyor at one of the projects for weighment of material dispatched to ESSAR was done.

20. System for **online submission of certificate** regarding award of contract on nomination basis has been implemented.

21. For further **strengthening of Online Vigilance Clearance System** certain modules were introduced like **outside employment, separation from the Company** etc., in addition to the existing modules such as Vigilance Clearance for HBA, Deputation, Superannuation etc.

22. Study of Estate Matters: Based on an elaborate and corrective study, Vigilance department had submitted suggestions for streamlining the Estate Matters so that valuable resources like Mining Areas, Potential Mines (Green field areas), Boundaries etc., are not embroiled in legal tangle.

In view of the Vigilance recommendations Domain experts were appointed for dealing with matters pertaining to Estate in the organization and necessary action has been initiated in this regard.

23. **Vigilance Awareness Week – 2019** - To spread awareness among employees and general public, Vigilance Awareness Week was observed from 28th October to 2nd November, 2019 and various activities were organized. In order to create awareness among the employees, text messages through SMS were sent regarding vigilance awareness and to take Integrity Pledge online. A link was provided on NMDC website for taking online Integrity Pledge.

    During the Vigilance Awareness Week, as desired by the Commission, competitions were conducted for school and college students by forming Integrity Club. Competitions included Debate, Panel Discussions, Poster Making, Elocution and Essay Writing on topics like Integrity- a way of life, Eradicate corruption- Build a New India, Moral Values and Ethics, Importance of morals and ethics in students etc. for inculcating greater awareness on prevention of corruption and anti-corruption measures.

    Banners and Slogans related to Vigilance Awareness were displayed at various places in the School / College premises during the entire Week. Banners & Slogans were also displayed in prominent places in the organization for creating awareness. Apart from the above, competitions like Elocution and Quiz were held among the employees of NMDC.

    The Week witnessed display of innovative ideas to spread awareness against corruption and promote integrity as a way of life. Events like CANDLE MARCH with a theme "Better to light a candle than curse the darkness" and "United against corruption", FORMATION OF CVC LOGO by School children's, WALKATHON/AWARENESS WALK, SIGNATURE CAMPAIGN in support of theme "Integrity – A way of Life", MOTIVATIONAL VIDEO SHOW, FORMATION OF HUMAN CHAIN & RALLY, GROUP SONG against corruption, SKITS by School Children etc. in various places in states of Chhattisgarh, Madhya Pradesh, Karnataka, Telangana etc. were conducted by NMDC Projects / Offices. More than 10,000 school / college students and employees participated in the events conducted by NMDC during this week.

24. **Bi-Annual Vigilance Conclave (5th to 7th Sep 2019)**– A Three day Vigilance Conclave by Ministry of Steel and co-organized by NMDC Ltd. for officials of CPSEs under Ministry of Steel to spread awareness regarding the basic principles and procedures to be followed while taking important administrative / commercial decisions on procurements, by way of addressing the concerns in the areas relating to the Procurement, Tendering, Vigilance, Finance, Arbitration, Materials Management etc. Eminent speakers addressed around 150 delegates from various disciplines from CPSEs like SAIL, NMDC, MECON, RINL, MOIL, MSTC, FSNL and KIOCL. During the Vigilance Conclave deliberations were made on public procurement and works contracts, delays in finalization of bill payments, Overview of GEM and GFR, PIDPI / Complaint Handling mechanism, a Workshop on Resolving Disputes through Arbitration, a Session on Cyber Forensic Audit was also included.

25. **Rotation of Officials working in sensitive posts** is being done on regular basis as per CVC guidelines.

26. **Uploading of Works awarded** on nomination basis, single tender basis, above 10 lakhs on NMDC Portal is done on monthly basis as per the CVC guidelines.

27. **Workshop on Contracts & Arbitration(6th &7th Feb'2020)** was conducted by Vigilance department at Hyderabad where in 70 executives from NMDC and also executives from Hyderabad based PSUs i.e M/s BDL,M/s Midhani and M/s ECIL were attended .The topics on Basics of contracts, Pre-tender stage, Post-tender stage ,Tender and Tender Scrutiny Committee and Arbitration were covered during the workshop.

ANNEXURE-VIII

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / ASSOCIATE COMPANIES / JOINT VENTURES (FORM AOC-1)

Part "A": Subsidiaries

Information in respect of each subsidiary to be presented with amounts in ₹

Sl.No	Particulars	Details							
1		1	2	3	4	5	6	7	8
2	Name of the subsidiary	J&K Mineral Development Corporation Limited Jammu	NMDC SARL * Madagascar	NMDC Power Limited, Hyderabad	Legacy Iron Ore Limited, Perth, Australia.	Karnataka Vijaynagar Steel Limited, Karnataka	NMDC Steel Limited, Chhattisgarh	Jharkhand Kolhan Steel Limited, Jharkhand	NMDC CSR Foundation(**)
3	Date since when subsidiary was acquired	19.05.1989	27.07.1999	12.12.2011	20.04.2007	29.12.2014	02.01.2015	24.09.2015	10.05.2018
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April- March	Jul-June	April- March	April- March	April- March	April- March	April- March	April- March
5	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Rupees	MGA	Rupees	AUD@47.80	Rupees	Rupees	Rupees	Rupees
6	Share Capital	297,400,300	1,000,000	5,500,000	3,415,607,452	100,000	600,000	1,600,000	200,000
7	Reserves & Surplus	(196,555,574)		(807,454)	(2,367,482,914)	(6,353,887)	(519,518)	(971,504)	69,127,817
8	Total Assets	313,458,725	764,072,266	4,730,334	1,063,255,962	6,412,907,664	116,052	662,716	89,704,558
9	Total Liabilities	211,863,289	763,072,266	37,788	15,131,424	6,418,261,551	35,570	34,220	576,741
10	Investments								
11	Turnover								
12	Profit before taxation	(37,966,348)		165,468	(43,288,282)	(4,854,926)	(73,864)	(92,331)	(29,221,729)
13	Provision for taxation								
14	Profit after taxation	(37,966,348)		165,468	(43,288,282)	(4,854,926)	(73,864)	(92,331)	(29,221,729)
15	Proposed Dividend								
16	% of Shareholding	95.86%	100%	100%	95.86%	100%	100%	100%	100%

* Amount is taken as MGA

** NMDC CSR Foundation is a Not-for-Profit company (incorporated under Sec 2 (7) of Companies Act, 2013. The company is not being considered for consolidation in preparation of Consolidated Financial statements as per Ind-AS 110

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations - All the subsidiary companies are yet to commence operations
2. Names of subsidiaries which have been liquidated or sold during the year - NIL

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

	Name of Associates/Joint Ventures	Associates					Joint Venture				
		International Coal Ventures (Pvt) Ltd.	Neelachal Ispat Nigam Limited	Krishnapatnam Railway Company Limited	Chhatishgarh Mega Steel Limited	Romelt-Sail (India) Limited	* Kopano-NMDC Minerals (Proprioetary) Limited	NMDC CMDC Limited, Raipur	Jharkhand National Mineral Development Corporation Limited, Ranchi	Bastar Raiway Pvt. Limited	NMDC-SAIL Limited
1.	Latest audited Balance Sheet Date	31.03.2020	31.03.2019	31.03.2020	31.03.2019		28.2.2018	31.03.2020	31.03.2020	31.03.2020	31.03.2019
2.	Shares of Associate/ Joint Ventures held by the company on the year end	376,357,143	74,799,878	40,000,000	13,000	105,000	50	98,347,236	6,000	152,674,600	-
3.	Date on which the Associate or Joint Venture was associated or acquired	14.01.2009	08.12.2004	13.10.2006	14.7.2016	02.09.1999	01.09.2010	19.06.2008	06.08.2012	05.05.2016	23.05.2016
4.	Amount of Investment in Associates / Joint Venture	3,763,571,430	1,005,997,560	400,000,000	130,000	1,050,000	324	983,472,360	60,000	1,526,746,000	-
	Extent of Holding %	25.94%	12.87%	14.82%	26%	25%	50%	51%	60%	52.00%	0%
5.	Description of how there is signficant influence										
6.	Reason why the associate / joint venture is not consolidated										
7.	Networth attributable to share holding as per latest audited Balance sheet (₹ In Crore)	559.29	(123.10)	104.02	0.004	-	-	96.94	(0.03)	152.29	0
8.	Profit /Loss for the year										
	i. Considered in Consolidation										
	ii. Not Considered in Consolidation										

1. Names of associates or joint ventures which are yet to commence operations.
   - International Coal Ventures (Pvt) Ltd. - Post acquisition of Benga Mines ICVL has been deemed to have commenced business.
   - Neelachal Ispat Nigam Ltd. - Commenced operations.
   - Krishnapatnam Railway Co. Ltd. - Out of total length of 113KM of New BG Rail Line Project from Obulavaripalle to Krishnapatnam, a portion of 21KM from Vankatachalam to Krishnapatnam is already operational. However, the balance portion of the project is under construction, which is expected to start commercial operations in October, 2017.
   - Romelt-SAIL (India) Ltd. - Under closure.
   - NMDC SAIL (India) Ltd. - Under closure.
   - Chhatishgarh Mega Steel Limited. - Under closure.
   - Kopano-NMDC Minerals (Pty) Ltd. - Yet to commence operations.
2. Names of associates or joint ventures which have been liquidated or sold during the year- NIL

*3. Accounts of 2017-18 was considered for consolidation of accounts based on un-audited results.

ANNEXURE-IX

ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN BOARD'S REPORT

1. **A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

NMDC has been one of the pioneers in the area of practicing Corporate Social Responsibility (CSR). At NMDC, CSR is a reflection of the Company's commitment towards its stakeholders and the societal well-being. NMDC strives for excellence in promoting sustainable development and improvement in quality of life of its surrounding communities through CSR, based on ethical, transparent and sound governance practices.

NMDC makes efforts to add value and augment quality of life of the people living primarily in and around NMDC's projects. NMDC is committed to uplift the underprivileged living in and around its establishments predominantly inhabited by Scheduled Castes and Scheduled Tribes population and other deprived sections of the society.

NMDC takes pride in transforming people and societies surrounding its operations through community engagement, assets building, creating massive educational infrastructure and providing health services. More importantly, the efforts directed by NMDC towards providing education, health services and employment opportunities to people in the surrounding locations have provided a direct stimulus in contributing to the economic growth through manpower development and management of natural resources.

NMDC has been steadily building high impact and perpetually value adding CSR interventions through well-articulated strategies that create societal value by leveraging the decades old stakeholder relationships, sound economic performance and institutionalized partnerships with State Governments and other Agencies. The successful outcomes that achieve meaningful scales are replicated and sustained with schemes covering all major aspects of Human Development Indices viz., Education, Health, Skill Development, Drinking Water and creation of infrastructure etc.

NMDC has been continuously refining the CSR Policy and Strategy to meet the ever-changing needs of the stakeholders and the aspirations of the country to become a fully developed society. NMDC has documented a comprehensive CSR Policy which outlines its commitment through Vision, Mission, Objectives, Scope, Guiding Principles, Coverage, Mechanism, Process, Focus Areas, Fund allocation & Expenditure, Planning & Implementation, Monitoring & Evaluation and Reporting & MIS. The Policy Document is uploaded on the NMDC website (https://www.nmdc.co.in//Docs/CSR/CSR%20Policy.pdf) for a transparent and effective communication on various facets of its CSR activities to the stakeholders, partner organizations and all the concerned individuals or agencies.

The status of flagship CSR programmes and new initiatives undertaken/initiated by the Company in 2019-20 are as follows:

A) Education

- Operation of Residential School for tribals at Nagarnar, Bastar District, Chhattisgarh,
- Operation of Industrial Training Institute (ITI) at Nagarnar, Bastar District, Chhattisgarh,
- Support to nutritious & wholesome Mid-Day Meal Scheme around Donimalai mines, Karnataka,
- Scholarship Scheme, Bastar Region, (Chhattisgarh) covering 18,000 students
- Education Hub at Jawanga Geedam in Dantewada District,
- Operation of Polytechnic College at Dantewada
- Operation of 'Astha Gurukul' – Residential School for SC, ST, Orphans etc,
- Support to 'Saksham' – Residential School for children with special needs,
- Balika Shiksha Yojana- sponsoring 40 students from Bastar Division, Chhattisgarh to Nursing Courses at Apollo School & College of Nursing, Hyderabad

Initiatives taken up during 2019-20

- Construction of Additional room in 13 primary school at 13 closed schools in Remote Area of Sukma District
- Internal electrification works in 10 (ten) Ashrams/Hostels in Bijapur District
- Construction of new Toilets in 10 Ashrams/Hostels in Bijapur District
- Lighting facility through solar high mast in 15 residential schools in Bijapur District

- Construction of Transit Hostel in Bijapur for guest teachers
- Construction of Boundary wall, Road, bridge etc. in Shiksha Parisar Garanji

B) **Healthcare, Nutrition, Water & Sanitation**

Free Treatment at Project Hospitals, Hospital on Wheels (mobile medical vans), Medical Camps, Visits of Project Hospital Doctors and Para medical staff to the Villages.

Initiatives taken up during 2019-20

- Construction of Medical Drugs Godown & Electrification works at District Hospital Sukma
- Construction of Sub Health Centres in 9 villages of Sukma District
- Upgradation works in PHC and Sub Health Centre, special care for patients provided fruits, nutritious diet, provided specialist Doctors, and full facilities accommodation for patient relatives/attendants and supply of CT Scan machine for Dantewada & Geedam Block
- Initiative of arrangements for Medical Doctors & Specialists for organizing Health Camps in Dantewada District under NMDC's CSR programme -Dantewada
- Provision of Solar Plants in 180 health centres & Solar Maternity cum Mother care Kits in 393 Health centres in Bastar Division
- Financial support to reduce the prevalence of Malnutrition & Anaemia among children and Adolescent girls & women of reproductive age group in Bastar Division
- Installation of 30 solar dual pump and laying of pipeline for providing drinking water at village level in Sukma & 15 Solar dual pump in Bijapur District.
- Providing Drinking water facilities in Nagar Palika of Bacheli- Installation of Borewells, Pumps, water purification, laying/extension of pipelines etc.
- Installation of Handpumps in 100 villages/ Ashrams/Hostels in Bijapur District
- Mehrar Cho Maan' initiative – a Menstrual Health Management programme called 'Mehrar-Cho-Maan' where by self-help groups of women are engaged in the production and distribution of sanitary napkins in the district of Dantewada. Besides, providing livelihood opportunity to around 120 women in production and distribution of sanitary napkins, the initiative is benefitting around 22,000 girls & women in terms of better awareness w.r.t. Menstrual Hygiene, besides providing low cost & bio-degradable sanitary napkins.

NMDC's contribution towards Fight against COVID -19

- NMDC provided financial assistance of ₹60.00lakhs to the District Administration, Bellary District, Karnataka for setting up COVID -19 treatment facilities in the District Hospital, Bellary
- NMDC contributed ₹5.00 crores to PM CARES Fund as its contribution in the fight against COVID-19 pandemic during the year
- Distribution of essential supplies to needy people residing around NMDC Projects, including kerosene to the migrant labour around its upcoming steel plant in Nagarnar
- Creating awareness about the Covid-19 Pandemic, maintenance of personal hygiene, including healthy hand washing techniques etc. through provision and display of posters in public places around its Projects
- Facilitating production and distribution of sanitizers and face masks by local self-help groups to the villagers around NMDC Projects. Besides this, soap were also provided for hand washing etc.

C) **Infrastructure Development**

Initiatives taken up during 2019-20

- Extension of Kadampal Village Access Road Kuakonda Block
- Construction of Uchit Mulya Shop at 20 villages of Sukma district
- Installation of Solar Street lights in 10 Villages – Bijapur District
- Construction of 03 span of 8.00m RCC slab medium bridge at Naimed to Musaloor Road etc.

D) **Promotion of Sports**

Initiatives taken up during 2019-20

- Organizing sports events in sports academy Bijapur.

E) **Skill Development**

Initiatives taken up during 2019-20

- NMDC has partnered with the State Authorities of Chhattisgarh in implementing the Bailadila Kaamdhenu project – a milk

dairy farm at Chalki Para in Dantewada District. Besides providing employment to 24 local dairy farming families, it has also empowered around 48 women in these families in terms of providing income generation opportunities.

- Initiated establishment of millet processing Unit in partnership with State Seed Development Corporation.

Besides continuing the successful implementation of its ongoing CSR initiatives, NMDC has taken up various initiatives in the year 2019-20, the following are a few noteworthy activities initiated in the concluded year.

- NMDC, as a value addition to the successful Choo-Lo-Asmaan initiative being implemented in partnership with the State Authorities of Chhattisgarh w.r.t. providing education from IX to XII Classes including tutorial assistance to students from Dantewada district, for admission to IITs/ AIIMS, has framed scholarship scheme for incentivising greater enrolment by the local SC/ST students for higher education courses in premier Institutions.
- NMDC as part of its support to the National Skill India Initiative has joined hands with the Chhattisgarh Swamy Vivekananda Technical University Bhilai to provide a Recognition of Prior Learning based Skill Certification Initiative to 1,600 local youth residing around NMDC Projects in Chhattisgarh. This initiative is likely to enhance employment opportunities for the otherwise skilled youth, who find it difficult to get employment due to lack of certificates.
- NMDC has finalized Plans to initiate a novel Healthcare initiative in partnership with the State Authorities of Chhattisgarh to improve access to people residing in remote/ inaccessible villages to Centre of Higher Medical care at its Project Hospitals in Bacheli & Kirandul through introduction of a Motorbike Ambulance Service.

1.1 **Comprehensive studies of the CSR Program:**

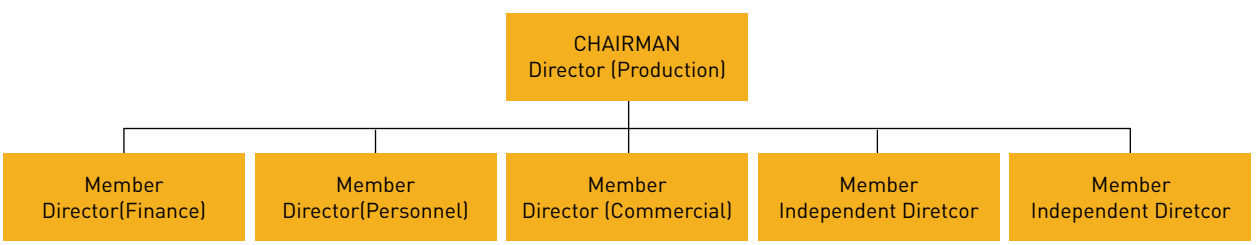
The comprehensive Studies commissioned by NMDC aimed at developing a clearer understanding of the impact of NMDC's CSR activities is at finalization stage. The relevant Reports w.r.t. Impact Assessment & Social Audit were placed before NMDC's Board level CSR & Sustainability Committee for their perusal and feedback thereon. The relevant Reports are likely to be finalized and submitted to NMDC.

1.2 **CSR Awards:**

- NMDC bagged the prestigious S&P Global Platts Global Metals Awards 2019 in Corporate Social Responsibility (CSR) Category for the second consecutive time in a row for the dedicated initiatives undertaken in the field of Education, Skill Development & Healthcare for the emancipation of local communities in an award ceremony held in May, 2019 at London,UK.
- NMDC received the ASSOCHAM National CSR Awards 2020 for Women Empowerment in January 2020.
- NMDC received the Governance now 7th PSU Awards for being the Best PSE (Navratna) in the category of 'CSR in Infrastructure Development work' in February 2020.
- NMDC was adjudged winner of the Indian Chamber of Commerce (ICC) Social Impact Awards 2020 in the Healthcare Mega Enterprise category in February, 2020.

2. **The composition of CSR Committee.**

In Compliance with the provisions of sec 135. (*1*) of Companies Act 2013, NMDC has Constituted a Board Level Sub Committee on CSR & sustainability.



3. **Average Net Profit of the Company for last three financial years.**

   ₹ 5890.11 Cr

4. **Prescribed CSR Expenditure (two per cent of the amount as in item 3 above.**

   While the 2 % of PBT of preceding three years calculates to ₹ 117.81 Crores, NMDC had allocated an amount of ₹ 167.24 Crore calculating to 2.84% of Average PBT of preceding 3 years. Apart from this an amount of ₹32.76 Cr of unspent CSR fund of 2018-19 has been carried forwarded to 2019-2020. Thus, the total annual CSR Budget for 2019-2020 was ₹200.00 Cr.

5. **Details of CSR Spent during the financial year 2019-2020**

   (a) Total amount spent during the financial year – ₹ 199.99 Cr

   (b) Manner in which the amount spent during the financial year- Enclosed at Annexure-IXA.

6. **In case company failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide reason for not spending the amount in its Board report.**

   NMDC has spent ₹199.99 Crores during the year 2019-2020 which is 3.40 % of the average net profit of 3 preceding years as specified in the Companies Act, 2013.

7. **A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.**

   Implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company.

Director (P) and Chairman,
CSR & Sustainability Committee

Director (Per) and Member,
CSR & Sustainability Committee

ANNEXURE-IX(A)

Statement of Details of CSR Budget & Expenditure during F.Y. 2019-2020 (Amount in ₹ Lakhs)

S no	CSR Project or activity identified	Sector in which the Project is covered	Projects or Programmes (1) Local area or other (2) State & Dist where Projects or Programmes was undertaken	Amount Outlay (Allocation) project or programme wise	Amount spent on the projects or programmes	Cumulative expenditure upto the Reporting Period	Amount spent: Direct or through implementing agency
1	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care, sanitation and making available safe drinking water;	Eradicating hunger, poverty & malnutrition, promoting health care, Sanitation, making available safe drinking water	**Local Area** Chhattisgarh, Karnataka, Madhya Pradesh, Telangana **Other Area** UP Kerala	9410.81	5842.25	5842.25	Directly, Through implementing Agencies & State Govt
2	Promoting education, including special education and employment enhancing vocation skills, especially among children, women, elderly, and the differently abled and livelihood enhancement projects,	promoting education including special education promoting employment enhancing vocation skills	**Local Area** Chhattisgarh, Karnataka, Madhya Pradesh, Telangana	13301.76	8034.66	8034.66	Directly, Through implementing Agencies & State Govt
3	Promoting gender equality, empowering women and reducing inequalities faced by socially and economically backward groups	promoting gender equality, empowering women, setting up homes & hostels for women & orphans; setting up old age homes measures for reducing inequalities faced by socially and economically backward groups	**Local Area**Chhattisgarh	175.00	161.78	161.78	Directly
4	Ensuring environmental sustainability, protection of flora & fauna and animal welfare;	Ensuring environmental sustainability, ecological balance, protection of flora & fauna & agroforestry Animal welfare conservation of natural resources	**Local Area** Karnataka	173.41	85.00	85	Through State Govt

S no	CSR Project or activity identified	Sector in which the Project is covered	Projects or Programmes (1) Local area or other (2) State & Dist where Projects or Programmes was undertaken	Amount Outlay (Allocation) project or programme wise	Amount spent on the projects or programmes	Cumulative expenditure upto the Reporting Period	Amount spent: Direct or through implementing agency
5	Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts	Protection of national heritage, art & culture including restoration of buildings & sites of historical importance and works of art setting up public libraries promotion & development of traditional arts & handicrafts	**Local Area** Chhattisgarh, Karnataka	946.74	460.11	460.11	Directly & State Govt
7	Training to promote rural sports, nationally recognized sports	Training to promote rural sports, nationally recognized sports, paralympic sports & olympic sports	**Local Area** Chhattisgarh Karnataka	770.64	597.93	597.93	Directly, Through implementing agencies & State Govt
8	Rural Development Projects	Infrastructure Development, Integrated Village Development	**Local Area** Chhattisgarh Karnataka Madhya Pradesh	9971.85	4342.43	4342.43	Directly & Through State Govt
9	Miscellaneous		**Local Area** Chhattisgarh Karnataka Madhya Pradesh	557.72	475.16	475.16	Directly & Through State Govt
	GRAND TOTAL			**35307.93**	**19999.32**	**19999.32**	

The CSR Programmes are carried out primarily in the following districts of States as mentioned below:

Chhattisgarh - Bastar, Dantewada, Sukma, Kondagaon, Narayanpur, Bijapur, Kanker

Karnataka- Bellary

Madhya Pradesh - Panna

Other Area

ANNEXURE-X

RECOMMENDATIONS MADE BY THE COMMITTEE ON PAPERS LAID ON THE TABLE (RAJYA SABHA) IN ITS 150TH REPORT – DETAILS TO BE PROVIDED IN THE ANNUAL REPORT.

I. Details to be provided in the Annual Report in terms of recommendations made by the Committee on Papers laid on the Table (Rajya Sabha) in its 150th Report are as under:-

Details of the vigilance cases for the FY 2019-20

Opening balance as on 01.04.2019	Vigilance cases received during 01.04.2019 to 31.03.2020	Disposed off	Balance
05	NIL	05	NIL

Details of 05 cases disposed off are:

1. Complaint dt. 14.07.2014 received at ACB, Hyderabad was forwarded by CBI regarding irregularities in the recruitment of AM (IS) in NMDC. Warning letters issued /Minor penalty imposed against all the Charged Officers including the one against whom Denovo Enquiry was ordered. DE has been closed.
2. Complaint dt. 31.08.2013 was received from Shri G. Ankamma Rao regardig irregularities in the recruitment of JO (Min.) at DIOM, Donimalai. Based on the enquiry findings all the charged officers were awarded major penalty of withholding of one increment with cumulative effect. DE has been closed.
3. Complaint regarding irregularities in recruitment of JGM(CC) in NMDC was forwarded by Ministry of Steel and others. Enquiry has been completed and findings of the Inquiry Officer has been put up to Disciplinary Authority for final orders.
4. Complaints regarding alleged irregularities in the recruitment of Diploma holders at Donimalai. Warning letters issued / minor penalty imposed upon three employees. Against another three charged officers DE for major penalty proceedings initiated and IO & PO have been appointed.
5. Complaint regarding irregularities in the execution of the work of Black topping of Road at Deposit 11B, Kirandul. Charge memorandum issued against the three employees alleged to be involved in the irregularities.

II. **Status of Pending CAG Paras and Management Replies**

	Name of the Audit Para	Brief of the Para	Reporting status
1	Para No. 14.1 of C&AG no 13 of 2013	Idle Investment of ₹65.55 crore	Regarding raising claim for compensation from Suzlon Energy Ltd (SEL) for the non-operating period and other claims: The Sole Arbitrator issued arbitral award dated 14.12.2018 in favour of NMDC. The gist of Arbitral Award is mentioned hereunder: The claim of the claimant (i.e. NMDC's) is allowed to the extent of ₹ 24,80,45,513/- (₹ 17,80,65,695/- being principal and ₹ 6,99,79,818/- being the interest from 22.08.2014 to 31.01.2018) with interest @ 12 percent per annum thereon from 1st February 2018 till the date of realization. The counter claim of the respondent (Suzlon) is allowed to the extent of ₹ 5,21,69,898/- (₹ 4,61,68,051/- being the principal and ₹ 60,01,847/- being the interest from 01.01.2017 to 31.01.2018) with interest @ 12 percent per annum thereon from 01.02.2018 till the date of realization. On review of the above award NMDC has requested M/s Suzlon vide letter dated 21.02.2019 to pay an amount of ₹ 19.58 Crores towards net amount receivable from M/s Suzlon (i.e. NMDC Claim allowed of ₹ 24.80 Crores minus Suzlon Claim allowed of ₹ 5.22 Crores) along with interest @ 12% PA from 01.02.2018 till date of settlement.

	Name of the Audit Para	Brief of the Para	Reporting status
			Notice of intimation regarding challenge of Arbitral award received from "Counsel of M/s Suzlon Energy Ltd (SEL)" vide letter of SEL dated 12.03.2019 NMDC has filed an execution petition before the Honorable Commercial Court –City Civil court, Hyderabad on 26.11.2019, seeking execution of award based on the verification of assets details presently held by Suzlon in four locations i.e. Pondicherry, Coimbatore, Padubidri, & Anantpur
2	Para no: 15.2 of CAG Report no 9 of 2017.	Avoidable Expenditure of ₹34.34 cr towards Interest on delayed payment of Royalty.	The company has filed writ petition no: 9859/2017 dated 4th Mar 2017 in the Hon'ble High Court of Karnataka challenging the demand notice issued by the Director, Mines and Geology Department, Bangalore demanding the interest on the alleged delayed payment of royalty. The Honorable High Court of Karnataka directed for listing the matter on 27th March 2018 and further adjourned to 26th April 2018. On 26th April 2018, Director, DMG has informed to Honorable High Court of Karnataka that he will convene a meeting with NMDC on 3rd May 2018. Later, DMG has convened meetings on 03.05.2018 & 16.05.2018 with NMDC and asked NMDC to submit certain information/records. NMDC submitted the documents and requested to waive off the interest. It was informed by Director, DMG, Bangalore that since NMDC is a PSU, they will peruse the issue in detail and pass suitable orders accordingly. During the hearing dated 29.11.2018, the Govt. Advocate has made submissions in the Hon'ble Court of Karnataka, that the orders need to be passed by Respondent (i.e. DMG). Accordingly, the matter was adjourned and directed to be listed in the month of January 2019. During the hearing on 21.01.2019, the Counsel of Govt. of Karnataka informed the Hon'ble Court that the Director of Karnataka had passed the order on the representations of NMDC on 07.12.2018 and rejected the request of NMDC. Accordingly, NMDC has to file a fresh Writ Petition challenging the orders dated 07.12.2018. The Standing Counsel informed to Hon'ble Court that as there is no change in the stand of Govt. of Karnataka, there is no need to file a fresh Writ Petition. The matter was adjourned and directed to be listed after 2 weeks. The case was listed for hearing on 23.04.2019. During the hearing, NMDC's Panel Advocate has informed that Government Advocate has requested to take up the case after summer vacation i.e. on 27.05.2019. The Hon'ble court has accepted the same and passed suitable order accordingly. Hon'ble High Court of Karnataka in their order dated 06.06.2019 has cancelled/ disposed the writ petition filed by NMDC Ltd and also granted liberty to NMDC to challenge the order passed by Respondent on 07.12.2018. Writ Petition filed by NMDC with Hon'ble High Court of Karnataka on 25.10.2019. The writ petition filed by NMDC is numbered as WP no 51121/2019. The same has been listed for preliminary hearing on 17.01.2020, however adjourned up to 25.02.2020, then up to 31.03.2020. The matter was listed for hearing on 02.07.2020. Statement of objection has been filed by Govt. of Karnataka. After submission of replies by NMDC, next hearing date will be decided.

	Name of the Audit Para	Brief of the Para	Reporting status
3	Para no 4.5.2.2 of CAG Report 9 of 2016.	**Non-issue of Bonus Shares by NMDC Ltd**	A comprehensive proposal was put up at the 516th meeting of the Board of Directors held on 08.01.2019, wherein feasibility report of the Merchant Banker i.e. M/s IDBI Capital Markets & Securities Ltd. was placed for review of the Board seeking exemption from issue of bonus shares of NMDC for the FY 2018-19 & 2019-20 The Board, inter alia, passed the following resolution:- RESOLVED THAT:- "The company may apply to DIPAM through its administrative ministry, i.e. Ministry of Steel, Govt. of India, seeking necessary exemption from issue of Bonus Shares for the FY 2018-19 in terms of Sl. No. 9.3 of DIPAM's O.M. No. 5/2/2016-Policy dated 27.05.2016" Keeping in view the directions of the Board, the company vide its letter dated 02.03.2019 has requested Ministry of Steel, Govt. of India to take up the matter with DIPAM to exempt NMDC from issue of bonus shares for the FY 2018-19. Secretary, Ministry of Steel vide DO letter dated 19.03.2019 intimated DIPAM to consider the request of NMDC for exempting from issue of Bonus Shares Further, Ministry of Steel (MOS) vide letter dated 11.04.2019 has forwarded the letter issued by DIPAM dated 09.04.2019 wherein it is indicated that request for exemption of issue of Bonus Shares will be considered after finalization of 2018-19 accounts. Board in its meeting held on 10.07.2019 has resolved to seek exemption from DIPAM. Further, letter seeking exemption has been sent to Ministry of Steel (MoS) for forwarding the same to DIPAM vide letter dated 09.09.2019.

Pending Paras forwarded by Ministry - C&AG Report no: 18 of 2019

Sl No	Name of the Audit Para	Brief of the Para	Reporting status
1	Para No. 3.3.4	Meeting of Board of Directors and Board Minutes Schedule IV (III) (3) of the Companies Act 2013 states that the independent Directors should strive to attend all the meetings of Board of Directors and Board Commitees of which he/she was a member. Some of the Independent Directors, however did not attend some of the meetings. The following table shows the number of such independent Directors	Independent Directors have actively participated in the various Board Meetings/Sub Committee meetings and there are only few occasions when they are not present. In case where Independent Directors could not attend the Board/ Sub Committee meetings, leave of absence was granted. The attendance of the Independent Directors attended the Board meetings are enclosed at Annexure.
2	Para No. 3.3.5	Attending General Meeting of the Company Schedule IV (III) (5) of the Companies Act, 2013 states that Independent Directors shall strive to attend the General Meetings of the Company. Tw Independent Directors of NMDC have not attended the general meeting of the Company.	In the recent conducted Annual General Meeting held on 30.08.2019, maximum Independent Directors have attended the meeting and hence it forms an appreciation that majority of Independent Directors have shown their interest to attend the meetings of NMDC.

Sl No	Name of the Audit Para	Brief of the Para	Reporting status
3	Para No. 8.5.4	**Non-achievements of expected realization from Employee OFS** Comprehensive guidelines on OFS were issued by the Securities and Exchange Board of India (SEBI) on 18th July 2012. As per the guidelines, the EOFS was to be conducted after a cooling of period of 12 months from the transaction of OFS. In order to further streamline the process of OFS with an objective to encourage greater participation by employees, the existing provision with regard to restriction on sale of shares by promoters post OFS was modified by SEBI vide its circular dated 27.06.2017 and 18.08.2017 respectively. These, inter alia, allowed the promoters to sell shares within a period of 2 weeks from the date of OFS transaction to the employees of such companies. Employees OFS was to be made a part of the OFS transaction and the allotment of shares to all eligible employees of CPSEs was allowed subject to the conditions that the allotment size would be up to a maximum of 5percent of the issue size of OFS. In the following case, the EOFS could not be executed after conduction of the OFS transaction. The expected realization through employees OFS is given below:- Date of CCEA approval: 19.02.15 Date of OFS completion: 9/10.01.18 No of shares to Employee Category: 3977732 Discounted price/ share: 145.83 Expected Realization (Rs in crores): 58.01 Audit noticed that NMDC Ltd informed (15th Jan'18) to DIPAM that they were in mining operations in far flung areas and most of the employees who were eligible to receive equity shares were working in mine areas, with limited access to internet. Accordingly, NMDC Ltd informed DIPAM that the issue of EOFS would be conducted after completing formalities on or after 25.01.2018 and subsequently informed (July 2018) DIPAM that as the share price of the company substantially dropped, the transaction of EOFS could not be conducted in the best interest of the employees. Thus due to non-conduct of EOFS by the Company, there was non-adherence to SEBI's guidelines and the expected realization to GOI of Rs 62.32 crores, did not materialize.	NMDC has submitted a letter dated 23.01.2018 to DIPAM by mentioning that as the Company's mines are operated in far flung areas in the state of Chhattisgarh, Karnataka and MP, a proper platform needs to be established in the Projects for subscription of shares by the employees in the Mines i.e. developing a program for online subscription by the employees, finalizing the eligible list of employees, appointment of nodal officers at Mines etc, which takes long time to process. Hence, it has been requested to permit for issue OFS to employees after completing all the formalities on or after 25.01.2018 Further, when the offer price is on higher side than the market price, letter & various email correspondences have been issued to DIPAM by mentioning that for the interest of the employees, the OFS was not offered to them It may also be noted that employees have their own discretion to subscribe to the OFS and are free to exercise their own commercial judgement specially when the prices show a falling trend.

<table>
<tr><th>Sl No</th><th>Name of the Audit Para</th><th>Brief of the Para</th><th>Reporting status</th></tr>
<tr><td>4</td><td>Para No. 4.5.2.1</td><td>Allocation of Funds
As per section 135 (5) of the Act, it is mandatory for any company to spend, annually at least 2% of average net profit of three immediate preceding financial years (calculated under section 198 of the Act).
As per the Annexure-XX(Allocation & actual spend including carry forward for the year 2017-18), out of the allocated amount of Rs 121.03 lakhs, total amount spend by NMDC under CSR is Rs 169.37 lakhs i.e. excess amount of Rs 48.34 lakhs, which includes last year carried forward amount of Rs 25.79 lakhs.</td><td>In the year 2017-18, NMDC has allocated 2% of the average PBT of the preceding 3 financial years for its CSR programme. Further, as per DPE guidelines, in case due to some reason, budget for the year remains unutilized, the same will not lapse instead it would be carried forward to the next year for CSR expenditure. Accordingly the following allocation of CSR expenditure for the year 2016-17 and 2017-18 is indicated below:
<table>
<tr><th>Year</th><th>Amount allocated (2% of PBT) Rs in Cr</th><th>Budget including carried forward amount of previous year (Rs in Cr)</th><th>Actual Amount Spent (Rs in Cr)</th><th>Balance carried Forward (Rs in Cr)</th></tr>
<tr><td>2016-17</td><td>160.22</td><td>248.32</td><td>174.18</td><td>74.14</td></tr>
<tr><td>2017-18</td><td>121.02</td><td>195.16 (121.02+74.14)</td><td>169.37</td><td>25.79</td></tr>
</table>
Hence, the amount carried forward to 2017-18 stands corrected to Rs 74.14 crores and amount carried forward to 2018-19 is Rs 25.79 crores. The actual amount spent is higher than 2% of the average PBT.</td></tr>
<tr><td>5</td><td>Para No. 4.5.3.1</td><td>Selection of CSR Project/Activities.: Conduct of Base line survey and assessment
Out of 82 CPSEs, 69 CPSEs had undertaken baseline survey and need assessment for identifying the CSR Project/activity out of which 34 CPSEs incurred Rs 16 crores on conduct of baseline and need assessment study. 13 CPSEs including NMDC have not conducted separate baseline survey.</td><td>(a) NMDCs CSR activities are being implemented in the following manner:
More than 75% of the aforesaid activities are implemented in partnership with the State Authorities.
(b) Rest of the activities are implemented directly or through NGO/Service providers and these are mostly continous/ongoing Projects/activities being implemented around NMDC Projects
Regarding (a), the said activities are proposed by the District Authorities and finalized through a detailed consultative process i.e. it involves consultation with District Administration, Divisional Commissioner, State Chief Secretary etc. Hence, having association with many Stake Holders based on respective District Development Plans from the District Administrations concerned, NMDC has not undertaken any specific baseline study till 2017-18, as it may not be practicably possible.
Regarding activities/projects directly implemented by NMDC as indicated at (b) above, most of the said activities are ongoing initiatives and also based on need assessed through NMDCs consultative process, which has also been appreciated and recommended by DPE for other CPSEs to follow.</td></tr>
<tr><td></td><td></td><td></td><td>However, in 2018-19, NMDC has done comprehensive studies on Baseline survey, Monitoring & Evaluation, Impact Assessment etc connected with CSR programme by entering a memorandum of undertaking (MoA). with M/s National Institute of Rural Development and Panchayati Raj (NIRD & PR) on 13.04.2018.</td></tr>
</table>

Sl No	Name of the Audit Para	Brief of the Para	Reporting status
6	Para No. 4.5.3.5	**Funding of Schemes/Projects introduced by GOI** Government of India (GOI) introduced various schemes and Projects for the benefit of Society and approached the CPSEs for funding. CPSE were free to decide on funding of such schemes/ Projects under CSR subject to fulfilling the conditions of Schedule-VII of the Act i.e should be under the ten broad categories mentioned therein i.e. Health, education, employment, skill development, environment, women empowerment, socio equality, protection of national heritage, measures for armed forces, rural development and slum development. The Projects and schemes failing under these broad heads will be eligible for funding under CSR. Audit reviewed funding of few GOI Projects by CPSEs under CSR and the findings are mentioned below **Swatch Bharat Mission**: To achieve the goal of clean India by Oct'19, DPE Directed (Aug 2016) CPSEs to spend 33 per cent of CSR funds on SB mission and clean Ganga fund for Ganga Rejuvenation. Also as per guidelines (Jan'18) for performance evaluation under MOU, CPSEs has to fulfil compliance on SB. The components allowed under SB mission were contributed to (i) SB Kosh, (ii) Pradhan Mantri Ujjwala Yogna (PMUY) & (iii) Clean Ganga Fund. Total fund on SB Mission by 73 CPSEs was 1019 crores i.e. 30.52% of the total CSR fund. 26 CPSES has contributed more than 33% and 47 CPSEs has spent less than 33% on Swatch Bharat (SB). As per the annexure-XXII, NMDC has contributed 18 crores to Swatch Bharat (SB) i.e. 10.63%.	Department of Public Enterprises has issued an office memorandum dated 01.08.2016 regarding allocation of CSR fund by CPSEs for Swatch Bharat activities. As per the memorandum, it is recommended for the CPSEs to spend 33% of the CSR funds by contribution/spending in a number of activities including sanitation, contribution to "Swatch Bharat Kosh" etc set up by the Central Government to achieve the Swatch Bharat Mission aimed at inculcating the culture of cleanliness and good hygiene. Hence, CPSEs are empowered to choose on the methodology of disbursing the CSR fund for achieving the objective of Swatch Bharat Mission. In this regard, NMDC has constructed 2089 toilets in the Govt. Schools in the 6 districts in CG State and Panna district of MP at a total cost of Rs 33.64 crores in the years 2014-15 and 2015-16. Further, DPE has issued another office memorandum dated 10.12.2018, wherein it is mentioned that "Concerned CPSE to ensure that all the CSR activities have to be undertaken as per the provisions of Companies Act 2013, its schedules and Rules issued under the said Act and there is no deviations from Statutory Provisions" and the said guidelines are in supersession of earlier memorandum dated 01.08.2016. In this regard, NMDC is undertaking CSR activities in line with the Companies Act 2013.
		Ministry in its response (Aug2019) has stated that PMUY is not a part of SB Kosh. Audit observed that as per modalities for implementation of PMUY scheme of June 2016 for 6 CPSEs, funds to the extent of 20% of 2% CSR funds would be used under PMUY. Also on MOPNG website, the PMUY scheme carried the logo of Swatch Bharat (SB).	

Sl No	Name of the Audit Para	Brief of the Para	Reporting status
7	Para No.**7.5.1**	**Policy and planning for undertaking R&D activities** Para 3.1 and 3.2 of the Guidelines on Research and Development (R&D Guidelines) for Central Public Sector Enterprises (CPSEs) issued by Department of Public Enterprises (DPE) in September 2011 requires that every CPSEs must have Corporate R&D Policy which may be aligned with the Company's Vision and Mission. Based on the Corporate R&D Policy, the company must develop an R&D manual and specific R&D plan. NMDC Ltd is not having R&D policy and Manual. It has developed (Nov'17) IMS Apex Framework document for R&D which mainly address the International Standards (International Organization for Standardization, Occupancy Health and Safety Assessment Series and Social Accountability norms).	NMDCs Board has approved NMDCs R&D policy which is aligned with the Company's vision and mission. Based on the above policy, NMDC R&D centre has developed specific R&D Plans. The same policy has been used for Quality Management System (ISO 9001) till implementation of Integrated Management System in the year 2016-17. The Integrated Management System manual includes policies, process and procedures for planning and execution in the core activities of NMDC Ltd.
8	Para No.**7.5.2**	**Funding of R&D Projects** Para 3.8 of the R&D Guidelines prescribes that the minimum expenditure on R&D as a percentage of Profit and tax (PAT) should be 1% in case of Maharatna/Navaratna CPSEs and 0.5% in case of Miniratna –I&II and below category CPSEs. NMDC during last 5 years up to 2017-18 has spent less than 1% of PAT i.e. 2013-14 Rs 16.74 crores which is 0.26% of PAT, 2014-15 Rs 18.49 crores which is 0.29% of PAT, 2015-16 Rs 17.64 crores which is 0.58% of PAT, 2016-17 Rs 20.30 crores which is 0.78% of PAT and in 2017-18, 22.03 crores which is 0.58% of PAT.	All In-House Research Projects and Collaborative Research Projects with Academic & Research Institutes, are funded by NMDC and being regularly monitored internally as well as by external Committee twice in a year. NMDC R&D Centre has been established to cater the need of Production and Development Projects. Major Projects at R&D centre are taken up on Beneficiation of Iron ore, agglomeration (Iron Ore Pellets and Iron Ore Sintering) & handling of Bulk Solids wherein expenditure has been incurred in the nature of power, manpower & consumables. Further, R&D center, has purchased various equipments during last 4-5 years for research works like XRF, XRD, Automatic Mineral Analyser, Pilot Coke Oven etc. Hence, R&D expenditure is being spent to cater the needs of the Production & Development Projects and it is limited to power, consumables, manpower etc. Regarding Audit observation of NMDC's R&D expenditure for the last 5 years less than 1% of PAT, it is to inform that the said circular has been issued vide O.M no 3(9)/2010-DPE(MoU) dated 23.09.2011, which stands withdrawn vide no M-05/0012/2014-DPE (MoU) dated 17.07.2019. Hence, the same has no relevance and materiality impact in the present situation and also in future proposals.
9	**Para No 7.5.4**	**Monitoring of R&D Projects** Para 5.1 of the Guidelines states that for proper and periodic monitoring of the R&D activities, CPSEs may appoint a Sub-Committee of the Board or a suitable Apex Group. Para 5.2 of the Guidelines further state that the R&D Projects undertaken by CPSEs shall be monitored and reviewed at regular intervals (monthly/quarterly/annually) and the Project Report submitted for review shall obtain both physical and financial progress of the Project. The progress report submitted by NMDC Ltd did not contain financial progress of the Project.	NMDC takes approval of Competent Authority before executing any R&D's MOU, Research & Collaborative Projects etc, by giving details of the Projects including schedule of activities. The said Projects are funded by NMDC and being regularly monitored internally (weekly & monthly basis) as well as through External Committee members twice in a year. Further, being a separate Unit, Accounts of the Company is being maintained separately containing all the transactions and separate Audit is being conducted in terms of Financial and Operational by Auditors including Govt Auditors.

TEN YEAR PERFORMANCE

(₹ In crore)

		Ind_AS 2019-2020	Ind_AS 2018-19	Ind_AS 2017-18	Ind_AS 2016-17	Ind_AS 2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
Operating Statistics:											
Production											
1	Iron Ore (WMT) (in lakh tonnes)	314.89	323.61	355.76	340.05	285.74	304.41	300.25	271.84	272.60	251.55
2	Diamonds (Carats)	28,537.23	38,148.77	39,393.72	35,635.99	35,558.31	35,085.46	37,081.70	31,533.39	18,043.44	10,865.93
3	Sponge Iron (in tonnes)	-	2,475.37	-	5,474.11	6,614.26	28,993.96	29,734.36	36,289.00	37,259.54	38,962.00
4	Pellets (in Tonnes)	110,481.19	115,622.89	58,070							
Sales											
1	Iron Ore (WMT) (in lakh tonnes)	315.16	323.56	360.75	356.21	288.39	305.16	305.00	262.74	273.01	263.15
2	Diamonds (Carats)	33,722.90	29,345.54	33,175.34	25,631.46	36,682.93	38,788.58	43,487.63	17,863.00	8,085.00	18,421.22
3	Sponge Iron (in tonnes)	1,943.88	495.58	-	8,579.42	8,364.52	25,191.38	30,572.34	37,600.00	33,732.00	39,775.00
4	Pellets (in Tonnes)	85,793.07	112,010	42,948	-						
Financial Statistics:											
Income											
1	Sales Iron Ore	11,569.00	11,997.98	11,490.93	8,708.90	6,327.93	12,197.69	11,899.52	10,558.71	11,167.56	11,285.33
i.	Sales Sponge Iron	4.39	0.94	-	13.13	13.14	48.09	56.01	73.50	65.93	62.75
ii	Sales Diamonds	34.29	38.86	35.17	41.91	52.61	50.06	49.85	28.51	9.84	12.88
iii	Sale of Power	5.40	5.51	6.50	7.48	6.30	5.96	1.05	-	-	4.48
iv	Sales Others	0.43	0.52	0.74	0.38	1.78	8.75	5.91	5.60	1.36	-
v	Sales of Pellet	55.55	76.52	25.40							
vi	Income from services	30.16	32.34	56.17	57.84	55.51	45.86	45.86	37.95	17.20	3.50
2	Sales: Other Products and Services (i to vi)	130.22	154.69	123.98	120.74	129.34	158.72	158.68	145.56	94.33	83.61
3	Net Revenue from Operation	11,699.22	12,152.67	11,614.91	8,829.64	6,457.27	12,356.41	12,058.20	10,704.27	11,261.89	11,368.94
4	Other Income	513.79	588.30	519.73	908.81	1,809.25	2,265.40	2,094.52	2,238.87	2,016.49	1,205.70
PROFIT											
1	**EBDITA**	**6,426.69**	**7,517.63**	**6,472.13**	**4,509.86**	**4,374.21**	9,930.07	9,865.98	9,616.84	10,891.12	9,848.69
2	Depreciation	294.38	278.89	256.04	196.18	216.60	162.23	104.93	138.52	130.17	121.52
3	Interest	9.88	40.32	37.10	20.76	65.59	-	1.85	13.20	1.48	
4	PBT	6,122.43	7,198.42	6,178.99	4,292.92	4,092.02	9,767.84	9,759.20	9,465.12	10,759.47	9,727.17
5	Taxes	1,555.33	2,752.48	2,141.39	1,619.92	1,566.06	3,345.98	3,339.12	3,122.75	3,494.08	3,227.95
6	PAT	3,610.12	4,642.11	3,805.88	2,589.14	2,712.22	6,421.86	6,420.08	6,342.37	7,265.39	6,499.22
7	Dividend	1,619.72	1,690.14	1,676.86	1,313.01	4,361.19	3,389.83	3,370.01	2,775.30	1,784.12	1,308.35
8	Dividend % of PAT	45%	36%	44%	51%	161%	53%	52%	44%	25%	20%
FINANCIAL POSITION											
1	Equity (^)	306.19	306.19	316.39	316.39	396.47	396.47	396.47	396.47	396.47	396.47
2	Reserves & Surplus	27,227.76	25,645.34	24,037.44	22,202.55	28,721.12	31,935.27	29,591.83	27,114.49	24,009.89	18,818.05
3	Gross Fixed Assets	4,481.04	3,681.38	3,368.53	2,406.26	2,170.98	2,944.65	2,769.91	2,581.95	2,388.12	2,272.82
4	Net Fixed Assets	3,010.15	2,720.69	2,671.70	1,952.81	1,918.45	1,333.69	1,362.28	1,264.66	1,188.80	1,099.26
5	Other Assets (intangible)		-	-	-	-	5.37	5.37	6.24	10.07	14.45
6	Capital Work-in-Progress	15,501.20	13,792.45	12,519.90	11,831.36	9,722.88	7,710.03	5,276.89	3,236.09	1,494.16	677.17
7	Current Assets	7,301.72	7,963.98	8,839.45	8,584.95	18,764.55	23,889.76	23,861.19	25,592.18	23,195.21	19,171.56
8	Current Liabilities	2,776.60	3,062.06	3,541.17	2,571.92	3,200.32	1,989.00	1,340.82	3,235.68	2,105.13	1,780.72
9	Deferred Tax Asset	397.06	582.73	385.71	453.36	263.17	(98.40)	(107.25)	(104.49)	(100.09)	(102.88)
10	Net Worth	27,533.95	25,951.53	24,353.83	22,518.94	29,117.59	32,326.37	29,982.93	27,504.72	24,396.29	19,200.07
11	Book value per share (Rs.) (^)	89.92	84.76	76.97	71.17	73.44	81.54	75.62	69.37	61.53	48.43
12	Earning per share (Rs.) (^)	11.79	14.70	12.03	7.22	6.84	16.20	16.19	16.00	18.33	16.39
13	Valued added per emp (Rs. In lakhs)	155.11	173.89	167.76	117.46	86.89	182.23	178.54	159.04	167.10	159.05

(^) During 2008-09, Equity share splitted from Rs.10/- per share to Rs.1/- per share and Bonus shares issued in the ratio of 1:2

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF NMDC LIMITED, HYDERABAD FOR THE YEAR ENDED 31 MARCH 2020

The preparation of financial statements of NMDC Limited, Hyderabad for the year ended 31 March 2020 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on the independent audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 16 June 2020.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of NMDC Limited, Hyderabad for the year ended 31 March 2020 under Section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report under section 143(6)(b) of the Act.

For and on behalf of the
Comptroller and Auditor General of India

M. S. Subrahmanyam

(M. S. Subrahmanyam)
Director General of Commercial
Hyderabad

Place: Hyderabad
Date: 31 August 2020

INDEPENDENT AUDITOR'S REPORT

To

The Members

NMDC Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **NMDC Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Standalone financial statement including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No	Key Audit Matter: NISP
1	**CWIP**
	Capital Work-in progress (CWIP) as on 31.03.2020 in the books of the unit is ₹14,970.24 Crores, out of which Incidental expenditure during Construction (IEDC) amounts to ₹ 1,897.03 Crores. Since the amount involved is substantial and the original schedule date of completion has elapsed, this is considered to be a key audit matter.
	Auditor's Response
	We obtained a view of the management and examined the process of capitalisation. We have relied on the management expertise regarding commissioning of the Project.
	Key Audit Matter : Donimalai Unit
2	**Trade receivables:**
	As at 31st March 2020, current asset in respect of trade receivable includes receivables from monitoring committee amounting to Rs 2144.64 crores which are pending adjudication. Since it is an area of higher assessed risk of material misstatement, this is considered to be a key audit matter. (Ref. Note No.2.34.6 of financial statements)
	Auditor's Response
	We have involved our internal experts to review the nature of the amounts recoverable, the sustainability and the likelihood of recoverability upon final resolution.

Sr. No	Key Audit Matter: NISP
Sr. No	**Key Audit Matter : Head Office**
3	Mine Closure Obligation (MCO):
	The company creates Mine closure obligation liability based on the present cost of closure of mining project of the latest mine. The rate of closure arrived at based on such cost is uniformly applied to other mines for arriving at the total MCO liability. The matter was considered to be a key audit matter because there is estimate involved as per management's policy.
	Auditor's Response
	We have involved our internal expertise to review the estimates of the rate of MCO considered by the company and whether any change was required to management's position on these matters.
Sr. No	**Key Audit Matter : Head Office**
4	Investment in Subsidiary, Joint Ventures and Associates :
	Investment in Subsidiary, Joint Ventures and Associates are valued at cost and adjusted for impairment losses after carrying out impairment testing. Since judgment of the management is required to determine if there is any indication of possible impairment, we have considered it to be a key audit matter. (Ref. Note No.2.4.1)
	Auditor's Response
	Our audit procedure comprise of identification and understanding of the reasonableness of the principle assumptions used by the management to judge the need for impairment testing.

Emphasis of Matter

We draw your attention to the followings forming part of the financial statements without modifying our opinion in respect of:

1. Note No: 2.34.7 regarding Demand notice for ₹ 1623.44 crores having been served on Baildila project by the District Collector , South Bastar, Dantewada pursuant to judgment of Honorable Supreme court of India with reference to writ petition(Civil No.114 of 2014, dated 2nd August, 2017) and the company having paid an adhoc amount of ₹600 Crores under protest and filed writ petition in the Hon'ble High court of Bilaspur, Chattisgarh. The case is in the hearing stage as explained in the said note.
2. Note No. 2.34.11 on the Management's assessment of the impact of covid-19 pandemic and the resultant lockdown in Financial Year(FY) 2019-2020 which resulted in a loss in sale of revenue and Profit Before Tax(PBT) given in the said note. Further management assessed that no operational disruptions are anticipated in FY 2020-21.Except for scale down in operations, no material risks are anticipated necessitating their provisioning in the accounts for FY 2019-2020.
3. Note No: 2.34.12, regarding exceptional items, as directed by the Government of Karnataka in respect of Donimalai project, supplementary lease deed was executed for Kumaraswamy mines for the period from 18.10.1972 to 17.10.2022 and renewal of Mining leases in respect of Bailadila sector for the period from 2015 to 2035. It is also mentioned in the said Note regarding capitalization of certain assets which has an impact of Depreciation relating to previous years.
4. Note No: 2.34.14 on test of impairment of investment in Legacy Iron Ore Ltd (LIOL), though there is a difference between the net assets of the company and the market capitalization as at the year end, NMDC felt that, test of market capitalization for impairment of Exploration and Evaluation (E&E) assets may not be appropriate as the investment was made to maximize the cash flow by exploring the mines in line with the core activity and to reach main objective of NMDC. As such no impairment of investment in LIOL is felt necessary as explained in the said note.
5. Note No: 2.34.15 regarding test of impairment of investment and Loan to Neelachal Ispat Nigam Ltd(NINL), Cabinet Committee on Economic Affairs (CCEA) had accorded in principle approval for strategic disinvestment of 100% shareholding of NMDC and other Public Sector Undertakings (PSUs) along with transfer of Management control to a Strategic Buyer and as per the loan agreement dated 30th December 2019, the loan amount outstanding along with interest shall be paid back to NMDC as first charge from the disinvestment proceeds as per the applicable laws before payment of other liabilities of NINL. As such no impairment of investment and Loan to NINL is felt necessary as explained in the said note.

Our opinion is not modified in respect of these matters.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance Report, and Shareholder Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind-AS) prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's

report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements and other financial information of 6 branches included in the accompanying standalone financial statements of the Company whose financial statements / financial information reflect total assets of ₹24,570.51 Crores as at March 31, 2020 and total revenues of ₹ 11,693.82 Crores for the year ended on that date. The financial statements and other financial information of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit we report that;

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.

   c) The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.

   d) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), Statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from the branches not visited by us.

   e) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules,2014.

   f) The provisions of Section 164(2) of the Act, in respect of disqualification of directors are not applicable to the company, being a Government company in terms of notification no:- G.S.R.463(E) dated 5th June 2015 issued by Ministry of Corporate Affairs, Government of India.

   g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure -A**".

   h) With respect to the other matters to be included in the auditor's report in accordance with the requirements of Section 197(16) of the Act, as amended:

      We are informed that the provisions of section 197 read with Schedule V of the Act, relating to managerial remuneration are not applicable to the company, being a Government Company, in terms of Ministry of Corporate Affairs notification no- G.S.R.(E) 5th June 2015.

   i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014,as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 2.31 to the financial statements

ii. The company has made provisions, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

3. We are enclosing our report in terms of section 143(5) of the Act, on the basis of such checks of books and records of the company as we consider appropriate and according to the information and explanations given to us, in "**Annexure-C**" on the directions issued by the Comptroller & Auditor General of India.

For **Sagar & Associates**
Chartered Accountants
(Firm's Registration No: 003510S)

B Aruna
Partner
(Membership No.216454)

Place: Hyderabad
Date: June 16, 2020
UDIN: 20216454AAAABW7621

"ANNEXURE – A" TO THE AUDITORS' REPORT

(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of NMDC Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of NMDC Limited ("the Company") as of March 31st, 2020 in conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Sagar & Associates**

Chartered Accountants
(Firm's Registration No: 003510S)

B Aruna
Partner
(Membership No.216454)

Place: Hyderabad
Date: June 16, 2020
UDIN: 20216454AAAABW7621

"ANNEXURE – B" TO THE AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of NMDC Limited of even date)

(1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which all the fixed assets are physically verified by the management over a period of three years. In our opinion the periodicity of the physical verification is reasonable having regard to the size of the company and the nature of fixed assets. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies have been noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the company as to whether the title deeds of immovable properties are held in the name of the company, our observations are listed below:

Sr. No.	Description of Leasehold Land Property	Area in Acres/ Hectares	Gross Block (Amount in ₹) as on 31.03.2020	Issues* (if any)
KIRANDUL				
1402	LAND LEASE HOLD (General)			
1.	Land Lease Hold Dep-14 Mines	322.368 Hectares	41,31,186	Unit Holds Possession Letter issued by Joint Secretary, Mining resources Department Raipur.
2.	Land Lease Hold Dep-14 Non Mining	506.742 Hectares	66,49,906	Unit Holds Possession Letter issued by Joint Secretary, Mining resources Department Raipur.
3.	Land Lease Hold of Dep No. 14 For Float Ore	317.79 Hectares	1	Unit Holds Possession Letter issued by Chief Secretary, Mining resources Dept.M.P.
4.	Land Lease Hold Dep-11C Mines & Fine Ore Dump	122.619 Hectares	21,84,430	No documents were made available for our verification, therefore we are unable to comment.
5.	Cap. of 11B Expenditure Dep-11B Mines	-	1,19,13,706	No documents were made available for our verification, therefore we are unable to comment.
6.	Stamp Duty & Registration Charges For 14ML	-	3,66,994	Unit Holds Challan No. 5805085 on dated 28.08.2007 for the amt. paid.
7.	Stamp Duty & Registration Charges For 14NML		6,76,128	Unit Holds Challan No. 5804857 on dated 28.08.2007 for the amt. paid.
8.	Add. Stamp Duty & Registration Charges For 11ML		41,944	Unit Holds Challan No. 5805150 on dated 28.08.2007 for the amt. paid.
9.	Mining Lease of Dep-14	17.81 Hectares	57,31,352	No documents were made available for our verification, therefore we are unable to comment.
10.	Add. NPV Charges 14ML	-	24,29,62,127	Unit Holds Deposit of amt. as recorded in minutes of meeting dated. 18.08.2015.
11.	Additional NPV Charges for 11ML		82,15,53,636	Unit Holds Deposit of amt. as mentioned in letter of GM for 11ML forest clearance.
12.	Addl. Stamp Duty for 14ML		61,60,499	Unit Holds e-Stamp dated 18.09.2015.
13.	Addl. Registration Fee14ML		46,20,374	Unit Holds Challan No. 329067 dated 18.09.2015.
14.	Add Reg fees 14NML		60,68,860	Unit Holds Challan No.12329241 dated 01.01.2016.
15.	Addl. Stamp Duty for 14NML		80,91,813	Unit Holds e-Stamp dated 01.01.2016.
16.	Addl. Stamp Duty for 14NMZ		47,58,30,738	Unit Holds Deposit of Amt. on dated 21.08.2015 as mentioned in letter of GM for 14NMZ forest clearance.

Sr. No.	Description of Leasehold Land Property	Area in Acres/ Hectares	Gross Block (Amount in ₹) as on 31.03.2020	Issues* (if any)
17.	Stamp duty of lease hold land 11ML	874.924 hectares	34,50,12,057	Unit holds the payment receipt.
18.	Reg fees of leasehold land 11ML	874.924 hectares	25,87,59,044	Unit holds the payment receipt.
19.	Application fees of leasehold land 11ML	874.924 hectares	32,07,075	Unit holds the payment receipt.
20.	Reg. Fees of LeaseHold Land -14ML(12.09.2015 TO 11.09.2035)	322.368 hectares	39,40,42,045	The Unit holds Possession Letter Issued by Mining Officer District South Bastar, Dantewada.
21.	Stamp Duty Fee Of Lease Hold Land-14ML	322.368 hectares	52,53,89,460	The Unit holds Possession Letter Issued by Mining Officer District South Bastar, Dantewada.
22.	Reg. Fee Of Lease Hold Land -14nmz(07.12.2015 To 06.12.2035)	506.742 hectares	39,65,57,615	The Unit holds Possession Letter Issued by Mining Officer District South Bastar, Dantewada.
23.	Stamp Duty Fee Of Lease Hold Land -14nmz (07.12.2015 To 06.12.2035)	506.742 hectares	52,87,43,553	The Unit holds Possession Letter Issued by Mining Officer District South Bastar, Dantewada.
1502	**LAND LEASE HOLD (Social Amenities)**			
1	Land Lease Hold (for Town Ship) Type Ii Qtr. In Kirandul	20.81 Hectares	Nil	No documents were made available for our verification, therefore we are unable to comment.
1401	**Land Free Hold (General)**			
1.	Land- Area in Bacheli Pargana	1.00 Acre	338	No documents were made available for our verification; therefore we are unable to comment.
2.	Land- Area in Bacheli Pargana (Kameli Kala)	2.10 Acres	557	No documents were made available for our verification, therefore we are unable to comment.
3.	Land- Area in Bacheli Pargana (PoroKameli)	3.27 Acres	1,341	No documents were made available for our verification, therefore we are unable to comment.
4.	Land- Area in Bacheli Pargana	2.58 Acres	958	No documents were made available for our verification, therefore we are unable to comment.
5.	Land- Area in Bacheli Pargana	0.09 Acre	31	No documents were made available for our verification, therefore we are unable to comment.
6.	Land- Area in Bacheli Pargana	0.80 Acre	212	No documents were made available for our verification, therefore we are unable to comment.
7.	Land- Area in Bacheli Pargana	0.22 Acre	58	No documents were made available for our verification, therefore we are unable to comment.
8.	Land- Area in Bacheli Pargana	5.44 Acres	2,216	No documents were made available for our verification, therefore we are unable to comment.
9.	Land- Area in Kodenar Pargana	1.03 Acres	419	No documents were made available for our verification, therefore we are unable to comment.
10.	Land- Area in Kodenar Pargana	0.65 Acre	271	No documents were made available for our verification, therefore we are unable to comment.
11.	Land- Area in Kirandul Pargana	0.93 Acre	514	No documents were made available for our verification, therefore we are unable to comment.
12.	Land- Area in Kirandul Pargana	11.50 Acres	8,525	No documents were made available for our verification, therefore we are unable to comment.
13.	Land- Area in Kirandul Pargana	2.20 Acres	1,866	No documents were made available for our verification, therefore we are unable to comment.
14.	Land- Area in Kirandul Pargana	4.59 Acres	3,090	-do-
15.	Land- Area in BadaBacheli	1.46 Acres	384	-do-

Sr. No.	Description of Leasehold Land Property	Area in Acres/ Hectares	Gross Block (Amount in ₹) as on 31.03.2020	Issues* (if any)
16.	Land- Area in Bada Bacheli Pargana	1.35 Acres	355	-do-
17.	Land- Area in Bada Bacheli Pargana	0.32 Acre	158	-do-
18.	Land- Area in Bada Bacheli Pargana	0.70 Acre	433	-do-
19.	Land- Area in Bada Bacheli Pargana	1.40 Acres	663	No documents were made available for our verification, therefore we are unable to comment.
20.	Land- Area in Bada Bacheli Pargana	1.81 Acres	477	No documents were made available for our verification, therefore we are unable to comment.
21.	Land- Area in Bada Bacheli Pargana	1.07 Acres	382	No documents were made available for our verification, therefore we are unable to comment.
22.	Land- Area in Bacheli Pargana	4.27 Acres	1,140	No documents were made available for our verification, therefore we are unable to comment.
23.	Land- Area in Padapur Pargana	1.00 Acre	263	No documents were made available for our verification, therefore we are unable to comment.
24.	Land- Area in Padapur Pargana	1.00 Acres	1,580	No documents were made available for our verification, therefore we are unable to comment.
25.	Land- Area in Padapur Pargana	1.06 Acres	279	No documents were made available for our verification, therefore we are unable to comment.
26.	Land- Area in Padapur Pargana	1.22 Acres	321	No documents were made available for our verification, therefore we are unable to comment.
27.	Land- Area in Kodenar Pargana	3.48 Acres	916	No documents were made available for our verification, therefore we are unable to comment.
28.	Land- Area in Jagdalpur	5.823 Hectares	1,05,778	No documents were made available for our verification, therefore we are unable to comment.
29.	Land for Accumulation of Slimes	39.58 Acres	7,09,502	No documents were made available for our verification, therefore we are unable to comment.
30.	Land at Madadi VIL	15.79 Acres	4,46,722	No documents were made available for our verification, therefore we are unable to comment.
1501	**Land Free Hold (Social Amenities)**			
1	Land Freehold in Kirandul Pargana	47.18 Acres	22,569	No documents were made available for our verification, therefore we are unable to comment.
2	Land Freehold (Construction of 100 Permanent Type-C Qtrs)	75.90 Acres	46,200	No documents were made available for our verification, therefore we are unable to comment.
3	Land Free Hold for Construction of K.V. School Near Praleosh Vidyalaya	21.62 Acres	22,39,610	No documents were made available for our verification, therefore we are unable to comment.
4	BUILDINGS (Social Amenities)		**Gross Block-**82, 04, 76, 261 **Net Block-** 75,87,42,071	Documents for construction have been verified. However, these buildings have been over the above land for which no title deeds have been made available for verification.
BACHELI				
	1402 : LAND LEASE HOLD (General)			
1	Land Magazine Building & Service Centre. Location : Hiltop	755.27 Acres	Nil	The Unit holds Possession Letter Dated 24.01.1977 M.P. Govt. gazette Notification dated 07.06.1977

Sr. No.	Description of Leasehold Land Property	Area in Acres/ Hectares	Gross Block (Amount in ₹) as on 31.03.2020	Issues* (if any)
2	Land acquisition for Screening Plant	470 Acres	Nil	No documents were made available for verification; therefore we are unable to comment.
3	Land acquisition for Intake arrangement Location-Bacheli	28.13 Acres	Nil	Original Sale Deed is available for Private Land of 14.13Acres (i.e. 5.718Hec.). Mutation of Land in favour of NMDC is under process with Tehsildar, Bacheli. However, paper for 14Acres Govt. Land not available.
4	Mining Lease of DEP.-05	1334.463 Acres	53,99,96,215	The Unit holds Possession Letter Issued by Mining Officer District South Bastar, Dantewada.
5	Mining Lease of DEP.-10	764.379 Acres	29,89,00,815	The Unit holds Possession Letter Issued by Mining Officer District South Bastar, Dantewada.
6	Mining Lease of DEP.-10(FO)	352.858 Acres	13,91,64,937	The Unit holds Possession Letter Issued by Mining Officer District South Bastar, Dantewada.
7	Mining Lease of DEP.-11A	764.379 Acres	38,45,514	The Unit holds Possession Letter Issued by Mining Officer District South Bastar, Dantewada.
8	Land for Sankini Nalla W/ supply scheme for 10 & 11 a proj.	2 Hectares	1,03,528	No documents were made available for verification; therefore we are unable to comment.
9	Land for Sankini Nalla W/supply scheme for 10 & 11 a proj.	3 Hectares	Nil	No documents were made available for verification; therefore we are unable to comment.
10	Land acquired for Central workshop Location : Bacheli	23.39 Acres	62,594	The Unit Holds Possession Letter of Lease Deed Dated 19.07.1991 From Tahsildar Bastar M.P.
11	Stamp Duty and Registration charges for Mining Lease renewal of Deposit 5 upto 10.09.2035		153,07,77,029	The Unit holds Possession Letter Issued by Mining Officer District South Bastar, Dantewada.
12	Mining Lease Renewal of deposit 11A (stamp duty, registration fees application fees)		3,84,79,242	The Unit holds Possession Letter Issued by Mining Officer District South Bastar, Dantewada.
13	Stamp Duty and Registration charges for mining lease renewal of Deposit 10 upto 10.09.2035		69,42,48,381	The Unit holds Possession Letter Issued by Mining Officer District South Bastar, Dantewada.
	LAND LEASEHOLD TOTAL		**324,55,78,255**	
	1401 - LAND FREEHOLD (General)			
1	Land for Bhansi Camp Location : Bacheli	Under recon-ciliation	7,840	Khasra Documents for Holding available
2	Land acquired for Const. Of Intake water supply to Screening-Plant Location : Bacheli	14 Acres	18,987	No documents were made available for our verification; therefore we are unable to comment.
3	Value of Private Land from Adivasi for Pipe Line from Nerli Dam to Screening-Plant. Location : Bacheli	1.54 Acres	7,375	No documents were made available for our verification; therefore we are unable to comment.

Sr. No.	Description of Leasehold Land Property	Area in Acres/ Hectares	Gross Block (Amount in ₹) as on 31.03.2020	Issues* (if any)
4	Value of Pvt. Land for Oxidation-Pond Location : Bacheli	17.77Acres	13,294	Sale Deed for the Land 17.77 Acres (i.e. 7.191Hect) available; Mutation is under process with Tehsildar.
5	4 Acres land for Rly Siding at Bacheli Location : Bacheli	4.00 Acres	5,502	Original Sale Deed is available, Mutation application for Land is under process with Tehsildar.
6	Land acquired from Adivasi for Tailing Dam near Parapur	81.35 Acres	2,11,395	Attested copy of Sale Deed obtained from Registrar, Dantewada is available; Mutation application is under process with Tehsildar.
7	Acquisition of Land for Tailing Dam and diff of Amt. paid vide JV NO/1246 1/88.	Under Reconciliation	30,635	No documents were made available for our verification; therefore we are unable to comment.
8	Forest Land for Uniflowrly. Dispatch system	4.94Acres	12,40,000	Ministry of Env. And Forest (MOEF) issued Letter No. 8B/007/2002/FCW/1313 dated 07.06.2002 is available.
	TOTAL		**15,35,028**	
1	BUILDINGS (General)		Gross Block - 39,13,98,545 Net Block - 32,53,58,760	No documents were made available for our verification; therefore we are unable to comment.
	1502 - Land lease Hold (Social Amenities)			
1	Land for Bhansi Base Camp Location : Bacheli	30.00 Acres	Nil	The Unit holds Possession Letter Dated 03.06.1966 M.P. Govt. Gazette Notification Dated 03.06.1966
2	Land for Bacheli town - Ship (Lease paid to DFO & cost of stamp for regn.	200.00 Acres	Ni	The Unit holds Possession Letter Dated 20.06.1976 M.P. Govt. Gazette Notification Dated 09.02.1976
3	Land for Bailadila Estate at Jagdalpur Location : Jagdalpur	10.00 Acres	Ni	No documents were made available for our verification; therefore we are unable to comment.
4	Land for Operation Township at Hill Top Location : Hilltop	307.06Acres	Ni	Copy of Gazette Notification issued by issued by Madhya Pradesh Govt. Dated 07.06.1977 de-notifying the area is available.
	TOTAL		0.00	
1	BUILDINGS(Social Amenities)		Gross Block - 104,12,34,441 Net Block - 96,50,22,596	No documents were made available for our verification; therefore we are unable to comment.
PANNA				
	LAND: FREEHOLD GENERAL			
1	Land	NA	2,68,392	No measurement details and documents available
2	Plot No. 1236/3 Land at Panna	2.063 Acres	5,176	No comments could be offered for the reason no document were made available for our verification.
3	Plot No. 76/2 Land at Panna	1.821 Acres	3,304	No comments could be offered for the reason no document were made available for our verification.
4	Plot No. 1237/2 Land at Panna	2.063 Acres	7,370	No comments could be offered for the reason no document were made available for our verification.
5	Plot No. 1236/2 Land at Panna	15.873Acres	30,085	No comments could be offered for the reason no document were made available for our verification.

Sr. No.	Description of Leasehold Land Property	Area in Acres/ Hectares	Gross Block (Amount in ₹) as on 31.03.2020	Issues* (if any)
NISP				
	LAND: FREEHOLD GENERAL			
1	Land at villages Nagarnar, kasturi, Amaguda & Maganpur	289 Acres	7,27,58,374	Freehold land in favour of NMDC Ltd.,Nagarnar. Possession Letter issued by (Kabja Praman Patra) Tahasildar, Jagdalpur
2	Land at villages Bhamani	1.82 Acres	1,36,380	Freehold land in favour of NMDC Ltd.,Nagarnar. Possession Letter issued by (Kabja Praman Patra) Tahasildar, Jagdalpur
3	Land at villages Nagarnar, Bijaput, Upanpal, Kasturi, Amaguda, Madpal, Chokawada & Maganpur	318.74 Acres	88,08,16,636	Freehold land in favour of NMDC Ltd.,Nagarnar. Possession Letter issued by (Kabja Praman Patra) Tahasildar, Jagdalpur
4	Karanpur	0.42 Acres	13,26,750	Freehold land in favour of NMDC Ltd.,Nagarnar. Possession Letter issued by (Kabja Praman Patra) Tahasildar, Jagdalpur
5	Land at villages Nagarnar, Bijaput, Upanpal, Kasturi, Amaguda, Madpal, Chokawada & Maganpur	145.95 Acres	Not finalised	104.41 Freehold land for which allotment letter issued by GM, DIC in 2001. 41.54 freehold land allotted by district collector to GM,DIC in 2010 for construction of steel plant
	LAND: LEASEHOLD GENERAL			
1	Land at Chokawada village	7.2 Acres	26,31,600	Leasehold land in favour of NMDC Ltd., Nagarnar for 30 years w.e.f 2010. Possession letter issued by (Kabja Praman Patra) Tahasildar, Jagdalpur
2	Land at village Dhanpunji	20.28 Acres	3,41,51,520	Leasehold land in favour of NMDC Ltd., Nagarnar for 30 years w.e.f 2010. Possession letter issued by (Kabja Praman Patra) Tahasildar, Jagdalpur
3	Dhanpunji	6.26 Acres	80,45,352	Leasehold land for 30 years, w.e.f 2010 for which allotment letter issued by Upper Secretary, Raipur
4	Nagarnar	9.6 Acres	7,00,000	Freehold land for which allotment letter was issued from GM DIC in 2001. Later, the matter has been challenged in Hon. HC of CG, Bilaspur, and decision is pending.
5	Jhanj, Raipur	0.60 Acres	69,02,294	Leasehold land for which possession letter has been issued by Raipur Development Authority
6	Kopaguda, Garavandkala	22.49 Acres	Not finalised	Leasehold land for 30 years, w.e.f 2010 for which allotment letter issued by Upper Secretary, Raipur
HEAD OFFICE				
1	R&D Centre (Leased Premises)	0.12 Acres	Nil	Lease period completed but lease agreement to be extended.
PALONCHA				
1	SIU NMDC Ltd, Paloncha	11.35 Acres	Nil	Not yet registered
2	SIU NMDC Ltd, Paloncha	2.08 Acres	Nil	During the survey 2.08 Acres found shortage out of 10.43 Acres is pending confirmation from APIIC.

(2) (a) The management has conducted the physical verification of inventory at reasonable Intervals.

(b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.

(3) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly the provisions of clause (3) (iii) (a) to (c) of the order are not applicable to the company and hence not commented upon.

(4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities as applicable.

(5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

(6) The Central Government has prescribed the maintenance of cost records under section 148(1) of the Act. Company is generally maintaining proper cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

(7) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities, except the following:

i. Donimalai Unit does not collect/remit GST on

a. Liquidated damage / penalty collected from the suppliers and

b. Interest received from Monitoring Committee.

ii. Also the branch could not deduct/remit TDS on commission charges levied by Monitoring Committee

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.

(c) According to the information and explanation given to us, there are no dues of income tax, sales tax, duty of customs, duty of excise, value added tax, goods and services tax outstanding on account of any dispute , except the following:

Unit	Name of Statue	Nature of Dues	Period	Forum where Dispute is Pending	Amount (In ₹ Crore)
Kirandul	The Finance Act, 1994	Service Tax	July 2012 – June 2014	Service tax Appellate Tribunal	17.44
	The Finance Act, 1994	Service Tax	2017 – 2018	CESTAT, New delhi	0.65
	MP Commercial Tax Act	Commercial Act	2002-03, 2005-06, 2008-09	Dy. Commissioner of Commercial Tax (Appeal)	1.6
	Nagar Palika, Kirandul	Export tax	1995-96, 1996-97 2008-09 to 2019-20	Hon'ble High Court of Bilaspur	5.72
	Nagar Palika, Kirandul	Interest on Export tax	1995-96, 1996-97 2008-09 to 2019-20	Hon'ble High Court of Bilaspur	12.16
	Nagar Palika, Kirandul	Conservancy Tax	1997-98 to 2005-06 2014-15 to 2017-18	Hon'ble High Court, Bilaspur	0.79
	Nagar Palika, Kirandul	Property Tax	2013-14 to 2016-17	Hon'ble High Court, Bilaspur	74.4
	Goods & Services Tax	GST	2017-18 to 2019-20	Hon'ble High Court, Bilaspur	8.85
	DFO, Dantewada and State of Chhattisgarh	Forest Permit Fee	14.06.2002 to 31.10.2012	Bilaspur bench of Hon'ble High Court, Chhattisgarh	63.29
	MMDR Act	Common Cause Notice	2018-19	Hon'ble High Court, Bilaspur	317.47

Unit	Name of Statue	Nature of Dues	Period	Forum where Dispute is Pending	Amount (In ₹ Crore)
Donimalai	Karnataka Forest Act 1963	Forest Development Tax	2008-09 to 2010-11	Hon'ble Supreme Court of India	243.69
	Karnataka Sales Act 1957	Tax on ERP Licenses	1991-92 1992-93	Dy. Commissioner of commercial Tax, Bellary	0.51
	Central sales tax, 1956	CST on FDT	FY 2011-12	JCCT, Davangere, Karnataka	0.25
	Karnataka value added Tax Act 2003	VAT-on FDT	2011-12	JCCT, Davangere, Karnataka	0.47
	Central Excise, Customs and Service Tax	Service tax on services provided to CISF	2012 – 13 to 2017-18	Commissioner of Central Excise (Appeals)	0.27
	Central Excise, Customs and Service Tax	Service Tax on LD and penalty	2013 – 14 to 2017-18	Commissioner of Central Excise (Appeals)	0.96
	Indirect taxes and customs	Trans-1 Credit	FY 2017-18	Super indent of central tax (CGST), Hospet	0.49
Panna	Commercial Tax	Sales & Entry tax	2016 – 2017	DCIT, Sagar	0.05
	Commercial Tax	Sales & Entry tax	2013-14	DCIT, Sagar	0.23
Bacheli	Nagar Palika, Kirandul	Export tax	March-2010 to March-2020	Hon'ble High Court of Chhattisgarh	1.2
	Nagar Palika, Kirandul	Interest on export tax	March-2010 to March-2020	Hon'ble High Court of Chhattisgarh	1.41
	Nagar Palika, Kirandul	Property tax	2015-16	Hon'ble High Court of Chhattisgarh	24.85
	Finance Act' 1994	Service tax	2017-18	Joint Commissioner Raipur Commissionerate	1.43
	Finance Act' 1994	Service Tax refund on freight related to export	July-2012 to June 2014	Service tax appellate tribunal	64.41
	Finance Act' 1994	Service tax under RCM on CISF service	2013-14 to 2016-17	Commissioner(Audit), Raipur	3.68
	Goods & Service Tax	Interest on GST for DMF and NMET	1.7.2017 to 31.03.2020	GST Authority	9.3
		Trans-1 Credit	2017	Director(C) GST	0.13
	DFO, Dantewada and State of Chhattisgarh	Forest permit fees	14.06.2002 to 31.10.2012	Hon'ble High Court of Chhattisgarh	80.51
	MMDR Act	Common Cause Notice	2018-2019	Hon'ble High Court of Chhattisgarh	705.97
RO Vizag	The Finance Act, 1994	Service Tax	2007-2008 to 2011-2012	Service Tax –Vishakapatam Sales Tax-Hyderabad	2.94
			Total		**1,645.12**

(8) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans and borrowing to any financial institution, banks, government or dues to debenture holders.

(9) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company

(10) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(11) In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(12) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

(13) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(14) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

(15) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(16) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Sagar & Associates**
Chartered Accountants
(Firm's Registration No: 003510S)

B Aruna
Partner
(Membership No. 216454)
UDIN: 20216454AAAABW7621

Place: Hyderabad
Date: June 16, 2020

"ANNEXURE – C" TO THE AUDITORS' REPORT

(Referred to in paragraph 3 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of NMDC Limited of even date)

Report on the Directions of the Comptroller and Auditor General of India required under sub section 5 of Section 143 of the Companies Act, 2013 ("the Act")

S No.	Point	Reply
1	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Yes, The company has a ERP system (Oracle) to process all the accounting transactions through IT system. However, for preparation of financial statements some manual interventions are carried.
2	Whether there is any restructuring of an existing loan or cases of waiver /write off of debts / loans / interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	Not Applicable
3	Whether funds received /receivable for specific schemes from central/ state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	Not Applicable

Report on the Central Public Sector Enterprises (CPSEs) Specific Directions of the Comptroller and Auditor General of India required under sub section 5 of Section 143 of the Companies Act, 2013 ("the Act")

S No.	Point	Reply
1	Examine and Comment on whether the Company has tested the Investment made in "Legacy Iron Ore Limited, Australia (LIOL) and provided for impairment loss, if any together with appropriate disclosures.	Company has done the test of impairment of investment in LIOL as per latest Financials of LIOL for the Financial Year 2019-2020. As per operational report and auditor's report included in the audited annual report of LIOL no impairment of the Investment in LIOL is felt necessary for the current Financial year 2019-2020. Disclosure was made in Note No: 2.34.14 of audited financials of 2019-2020 and auditor opinion is mentioned in the audit report in "emphasis of matter".

For **Sagar & Associates**
Chartered Accountants
(Firm's Registration No: 003510S)

B Aruna
Partner
(Membership No. 216454)
UDIN: 20216454AAAABW7621

Place: Hyderabad
Date: June 16, 2020

BALANCE SHEET

As at 31st March 2020

(₹ In Crore)

Particulars	Note No.	Figures as at the end of current reporting year 31st March 2020	Figures as at the end of previous reporting year 31st March 2019
ASSETS			
Non-Current Assets			
a) Property plant & equipment	2.1.1	2,610.26	2,554.49
b) Right- of -Use Assets	2.1.2	6.58	-
c) Capital work-in- progress	2.2	15,471.56	13,792.45
d) Other intangible assets	2.3	399.89	166.20
e) Intangible assets under development	2.4	29.64	-
f) Financial assets			
i) Investments	2.4.1	985.59	939.32
ii) Loans	2.4.2	866.16	796.49
g) Deferred tax assets (Net)	2.5	397.06	582.73
h) Other non-current assets	2.6	3,075.48	2,986.32
Total non-current assets		**23,842.22**	**21,818.00**
Current Assets :			
a) Inventories	2.7	723.51	666.17
b) Financial assets			
i) Trade receivables	2.8.1	2,223.71	1,424.51
ii) Cash and cash equivalents	2.8.2	60.87	38.33
iii) Bank balances other than (ii) above	2.8.3	2,331.47	4,569.39
iv) Other financial assets	2.8.4	370.93	401.01
c) Current tax assets (Net)	2.9	429.15	451.12
d) Other current assets	2.10	1,161.42	412.94
e) Assets held for disposal	2.11	0.66	0.51
Total current assets		**7,301.72**	**7,963.98**
Total Assets		**31,143.94**	**29,781.98**
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	2.12	306.19	306.19
b) Other equity	2.13	27,227.76	25,645.34
Total equity		**27,533.95**	**25,951.53**
Liabilities			
Non- Current Liabilities			
a) Financial liabilities	2.14.1	5.51	-
b) Provisions	2.14.2	827.88	768.39
Total non-current liabilities		**833.39**	**768.39**
Current Liabilities			
a) Financial liabilities			
i) Borrowings	2.15.1	565.57	364.15
ii) Trade payables	2.15.2		
a) Total Outstanding dues of Micro Enterprises and Small Enterprises		15.25	10.19
b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		210.30	192.55
iii) Other financial liabilities	2.15.3	1,219.34	1,667.15
b) Other current liabilities	2.16	543.67	786.76
c) Provisions	2.17	222.47	41.26
Total current liabilities		**2,776.60**	**3,062.06**
Total liabilities		**3,609.99**	**3,830.45**
Total equity and liabilities		**31,143.94**	**29,781.98**

Significant Accounting Policies and notes on accounts : 1 & 2

Subject to our Report of even date
For M/s Sagar & Associates
Chartered Accountants
Firm Regn No: 003510S

For and on behalf of the Board

(CA B. ARUNA)
Partner
Membership No: 216454

(AMITAVA MUKHERJEE)
Director (Finance)

(N.BAIJENDRA KUMAR)
Chairman-cum -Managing Director

Place : Hyderabad
Dated : 16th June 2020

(A S PARDHA SARADHI)
Company Secretary

STATEMENT OF PROFIT AND LOSS

For Year Ended 31st March 2020

(₹ In Crore)

Particulars	Note No	Figures for the current reporting year 31st March 2020		Figures for the previous reporting year 31st March 2019	
I. Revenue from operations	2.18		11,699.22		12,152.67
II. Other Income	2.19		513.79		588.30
III. Total Income (I+II)			**12,213.01**		**12,740.97**
IV. Expenses :					
Consumption of raw materials	2.20		36.48		52.00
Consumption of stores & spares			243.15		264.97
Changes in inventories of finished goods/ work in progress	2.21		(53.83)		(79.22)
Employee benefit expense	2.22		1,046.83		1,036.75
Power and electricity	2.23		114.70		109.39
Repairs & maintenance	2.24		156.86		159.11
Royalty & other levies			2,096.29		2,003.59
Selling expenses	2.25		702.43		368.18
Finance cost	2.26		9.88		40.32
Depreciation and amortization expense	2.1 & 2.3		294.38		278.89
Other expenses	2.27		1,345.92		1,307.93
Total expenses			**5,993.09**		**5,541.91**
V. Profit before exceptional items and tax (III-IV)			6,219.92		7,199.06
VI. Exceptional items (Income)/Expenditure	2.28		96.44		-
VII. Profit before tax (V-VI)			**6,123.48**		**7,199.06**
VIII. Extraordinary Items			-		-
IX. Profit before tax (VII-VIII)			**6,123.48**		**7,199.06**
X. Tax expense :					
(1) Current year	2.29	1555.59		2752.70	
(2) Earlier years (net)		771.32		0.85	
(3) Deferred tax	2.29	185.66		(197.02)	
			2,512.57		2,556.53
XI. Profit for the year from continuing operations (IX-X)			3,610.91		4,642.53
XI. Loss from discontinued operations			(1.05)		(0.64)
XII. Tax expense of discontinued operations	2.29		(0.26)		(0.22)
XIII Net loss from discontinued operations(XI-XII)			(0.79)		(0.42)
XIV Profit for the year (XI-XIII)			**3,610.12**		**4,642.11**
Other Comprehensive Income					
(i) Item that will not be reclassified to profit or loss (Re-measurements of post-employment benefit obligations)			(100.28)		(0.20)
(ii) Income tax relating to these items	2.29		25.24		0.07
XV Other Comprehensive income net of tax			**(75.04)**		**(0.13)**
Total Comprehensive income for the year (XIV + XV)			**3,535.08**		**4,641.98**
(Comprising Profit (Loss) and Other Comprehensive Income for the year)					
Earnings per equity share (for continuing operation)					
i) Basic	2.32.6		11.79		14.70
ii) Diluted	2.32.6		11.79		14.70
Earnings per equity share (for discontinued operation)					
i) Basic	2.32.6		-		-
ii) Diluted	2.32.6		-		-
Earnings per equity share (for discontinued & continuing operation)					
i) Basic	2.32.6		11.79		14.70
ii) Diluted	2.32.6		11.79		14.70

Significant Accounting Policies and notes on accounts : 1 & 2

Subject to our Report of even date
For M/s Sagar & Associates
Chartered Accountants
Firm Regn No: 003510S

For and on behalf of the Board

(CA B. ARUNA)
Partner
Membership No: 216454

(AMITAVA MUKHERJEE)
Director (Finance)

(N.BAIJENDRA KUMAR)
Chairman-cum -Managing Director

Place : Hyderabad
Dated : 16th June 2020

(A S PARDHA SARADHI)
Company Secretary

STATEMENT OF CHANGES IN EQUITY

For Year Ended 31st March 2020

a) Equity Share Capital (₹ In Crore)

	Note.no.	Amount
Balance as at 1st April 2018	2.12	316.39
Changes in Equity share capital (*)		(10.20)
Balance as at 31st March 2019	2.12	306.19
Changes in Equity share capital		-
Balance as at 31st March 2020		306.19

(*) Buyback of Equity shares refer to note No. 2.12

b) Other Equity

Particulars	General Reserve	Retained earnings	CRR	OCI	Total
Balance as at 1st April 2018	22,973.79	1,026.00	80.08	(42.43)	24,037.44
Profit for the year		4,642.11			4,642.11
Other Comprehensive Income net of tax				(0.13)	(0.13)
Transfer to Capital Redempion Reserve (CRR)	(10.20)	-	10.20		-
Buyback of shares (including transaction charges)	(996.53)	-			(996.53)
Interim dividend (2018-19)		(1,690.14)			(1,690.14)
DDT on Interim dividend (2018-19)		(347.41)			(347.41)
Transfer to General Reserve	2,000.00	(2,000.00)			-
Total	993.27	604.56	10.20	(0.13)	1,607.90
Balance as at 31st March 2019	23,967.06	1,630.56	90.28	(42.56)	25,645.34
Balance as at 1st April 2019	**23,967.06**	**1,630.56**	**90.28**	**(42.56)**	**25,645.34**
Profit for the year		3,610.12			3,610.12
Other Comprehensive Income net of tax				(75.04)	(75.04)
Interim dividend (2019-20)		(1,619.72)			(1,619.72)
DDT on Interim dividend (2019-20)		(332.94)			(332.94)
Transfer to General Reserve	1,500.00	(1,500.00)			-
Total	1,500.00	157.46	-	(75.04)	1,582.42
Balance as at 31st March 2020	25,467.06	1,788.02	90.28	(117.60)	27,227.76

Subject to our Report of even date
For M/s Sagar & Associates
Chartered Accountants
Firm Regn No: 003510S

For and on behalf of the Board

(CA B. ARUNA)
Partner
Membership No: 216454

(AMITAVA MUKHERJEE)
Director (Finance)

(N.BAIJENDRA KUMAR)
Chairman-cum -Managing Director

Place : Hyderabad
Dated : 16th June 2020

(A S PARDHA SARADHI)
Company Secretary

CASH FLOW STATEMENT

For Year Ended 31st March 2020

(₹ In Crore)

Particulars	Figures as at the end of current reporting year 31st March 2020	Figures as at the end of previous reporting year 31st March 2019
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before income tax from		
Continued Operations	6,123.48	7,199.06
Discontinued Operations	(1.05)	(0.64)
Profit before income tax including discontinued operations	**6,122.43**	**7,198.42**
Adjustments for non cash/non operational expenses:		
Depreciation & amortisation expense	294.38	278.89
Loss on disposal of property, plant & equipment	(0.02)	(0.28)
Expenditure on enabling facilities	229.91	194.92
Provision for bad & doubtful advances	211.78	249.55
Interest Income classified as investing cash flow	(367.42)	(449.65)
Finance Costs	9.88	40.32
Operating Profits before working capital changes	6,500.94	7,512.17
Adjustments for working capital changes:		
(Increase)/Decrease in trade receivables	(1,010.98)	(201.32)
(Increase)/Decrease in inventories	(57.34)	(94.48)
(Increase)/Decrease in other financial assets	(10.33)	(11.21)
(Increase)/Decrease loans to employees and related parties	(68.06)	(2.42)
(Increase)/Decrease in other non current assets	(283.32)	(356.64)
(Increase)/Decrease in other current assets	(748.48)	(105.65)
(Increase)/Decrease in assets held for disposal	(0.15)	(0.10)
Increase/(Decrease) in trade payables	22.81	43.20
Increase/(Decrease) in provisions	51.75	53.96
Increase/(Decrease) employee benefit obligations	113.73	13.85
Increase/(Decrease) in other financial liabilities	84.64	(117.15)
Increase/(Decrease) in other current liabilities	(237.59)	(180.07)
Cash generated from operations	4,357.62	6,554.14
Income Taxes paid	(2,304.68)	(2,602.35)
Net Cash Flow from operating activities	2,052.94	3,951.79
CASH FLOW FROM INVESTING ACTIVITIES		
Expenditure on acquisition of tangible and intangible assets and towards capital work in progress (net of sale proceeds)	(2,399.02)	(1,997.20)
Purchase of investments	(46.27)	(152.87)
Interest received	406.22	492.46
Investment in term deposits with more than three months	1,761.80	918.93
Net Cash Flow from investing activities	(277.27)	(738.68)

CASH FLOW STATEMENT (CONT...)

For Year Ended 31st March 2020

(₹ In Crore)

Particulars	Figures as at the end of current reporting year 31st March 2020	Figures as at the end of previous reporting year 31st March 2019
CASH FLOW FROM FINANCING ACTIVITIES		
Amount paid on buyback of Shares (including transaction charges)	-	(1,006.73)
(Repayment)/Proceeds from borrowings	201.42	(135.94)
Deposits paid towards LCs and BGs (towards non fund based facilities)	7.69	19.02
Interest paid	(9.70)	(40.12)
Dividends paid (including tax thereon and net off balances for unpaid dividends)	(1,952.54)	(2,036.98)
Net Cash Flow from financing activities	(1,753.13)	(3,200.75)
Net increase (decrease) in cash and cash equivalent	**22.54**	**12.36**
Cash & Cash equivalents at the beginning of the year	38.33	25.97
Cash & Cash equivalents at the end of the year	**60.87**	**38.33**
Details of the Cash and Cash Equivalents(Note No. 2.8.2)		
Cash in hand	-	-
On Current Accounts	60.87	38.33
On Deposit Accounts (Original Maturity less than 3 months)	-	-
Total Cash & Cash equivalents at the end of the year	60.87	38.33
Restricted Cash Balance	-	-

Subject to our Report of even date
For M/s Sagar & Associates
Chartered Accountants
Firm Regn No: 003510S

For and on behalf of the Board

(CA B. ARUNA)
Partner
Membership No: 216454

(AMITAVA MUKHERJEE)
Director (Finance)

(N.BAIJENDRA KUMAR)
Chairman-cum -Managing Director

Place : Hyderabad
Dated : 16th June 2020

(A S PARDHA SARADHI)
Company Secretary

SIGNIFICANT ACCOUNTING POLICIES

1. Significant accounting policies

1.1 Basis of preparation

(a) Statement of compliance

The standalone financial statements has been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and 2017 and other relevant provisions of the Act.

(b) Basis of measurement

The standalone financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

i) Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments);

ii) Defined benefit and other long-term employee benefits.

(c) Functional and presentation currency

The standalone financial statements are presented in Indian rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the entity operates. All financial information presented in Indian rupees has been rounded to the nearest crore except share and per share data.

(d) Use of estimates and judgement

The preparation of standalone financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

1.2 Summary of significant accounting policies

i. Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which these entities operate (i.e. the "functional currency"). The standalone financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

ii. Foreign currency transactions and balances

Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit and loss and reported within foreign exchange gains/ (losses).

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction

iii. Investment in subsidiaries and joint venture

Investment in subsidiaries is measured at cost. Dividend income from subsidiaries is recognized when its right to receive the dividend is established.

iv. Financial instruments

All financial instruments are recognized initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair

value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognized on trade date. While, loans and borrowings and payable are recognized net of directly attributable transactions costs.

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: non-derivative financial assets comprising amortized cost; non derivative financial liabilities at amortized cost.

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

Financial instrument is derecognized only when the company has transferred its right to receive/extinguish its obligation to pay cash flow from such financial instruments.

a) Non-derivative financial assets

Financial assets at amortized cost

A financial asset shall be measured at amortized cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.

Amortized cost is represented by security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.

Cash and cash equivalents comprise cash on hand and in banks and demand deposits with banks which can be withdrawn at any time without prior notice or penalty on the principal.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system.

b) **Non-derivative financial liabilities**

Financial liabilities at amortized cost

Financial liabilities at amortized cost represented by trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method.

v. **Property plant and equipment:**

a) **Recognition and measurement:** Normally Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset. The Company has elected to apply the optional exemption to use this previous GAAP value as deemed cost at 1 April 2015, the date of transition.

Depreciation: Normally the Company depreciates property, plant and equipment over the estimated useful life of the assets as prescribed in Schedule II of the Companies Act 2013 on a straight-line basis. Depreciation is charged on pro-rata monthly basis on additions / disposals of assets during the year taking the first

day of the month for acquisition / commissioning and the last day of the month for disposals. Wherever the useful life is determined by technical assessment for certain assets, such assets are depreciated as per their assessed life. Assets acquired under finance lease and leasehold improvements are amortized over the lower of estimated useful life and related term. Depreciation methods, useful lives and residual values are reviewed at each reporting date.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the standalone financial statements upon sale or disposition of the asset and the resultant gains or losses are recognized in the statement of profit and loss.

Fixed Assets costing ₹ 5,000 or less are fully depreciated in the year of purchase

b) Treatment of Enabling Assets:

"Expenditure incurred on any facility, the ownership of which is not vested with the company, but the incurrence of which is essential in bringing an asset/ projects of NMDC to the location and condition necessary to be capable of operating in the manner intended by the management, shall be capitalized as a part of the overall cost of the said asset/project. Else the same shall be charged to revenue."

vi. Intangible assets:

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Mining rights are accounted as Intangible assets and amortised over the period of life of the mining lease.

vii. Inventory

a) Raw materials, Stores and spares (including loose tools and implements), work in process and finished products are valued at lower of cost and net realizable value of the respective units.

b) The basis of determining the cost is

Raw materials: Weighted average cost

Stores and spares : Weighted average cost

Stores in Transit : At cost

Work in process and finished goods : Material cost plus appropriate share of labour, related overheads and levies.

c) In case of identified Obsolete/ Surplus/Non-moving items necessary provision is made and charged to revenue.

d) Stationery, Medical, Canteen, School Stores, Cotton Waste, Hospital Stores and Lab stores (excluding for R & D Lab) charged off to Revenue on procurement.

e) No credit is taken in respect of stock of run of mine ore, embedded ore, Iron ore slimes.

viii. Impairment

a) Financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss.

i) The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL

Lifetime ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive(i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

ii) All contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

iii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

Financial assets measured at amortised cost, contractual revenue receivable: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Untill the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

b) Non-financial assets

The Company assesses at each reporting date whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in profit or loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases

and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

ix. Employee benefits

a) Payments under Employees' Family Benefit Scheme:

Under the NMDC Employees' family benefit scheme, monthly payments are made till the normal date of retirement to the family members of those employees who are discharged from service due to medical reasons or death, on deposit of the amount envisaged in the scheme and liability for the payments are accounted for on the basis of actuarial valuation and the amount is administered by a separate Trust.

b) Gratuity & Provident fund:

Gratuity payable to eligible employees is administered by a separate Trust. Payments to the trust towards contributions and other demands are made on the basis of actuarial valuation.

c) The company's contribution to the provident fund is remitted to a separate trust based on a fixed percentage of the eligible employees' salary. Further, the company makes good the shortfall, if any, between the return from investments of trust and the notified rate of interest on actuarial valuation basis.

d) Pension Fund

Defined contributions to NMDC Employees' Contributory Pension Scheme are made on accrual basis at a rate as approved from time to time to a fund which is administered by a separate Trust.

e) Accrued Leave Salary:

Liability towards Accrued Leave Salary, as at the end of the year is recognized on the basis of actuarial valuation and the amount is administered by a separate trust.

f) Other Benefits :

Liability towards Long Service Award, Settlement Allowance and Post Retirement Medical Facilities to employees as at the end of the year is recognized on the basis of actuarial valuation. Such amounts towards Settlement Allowance and Post Retirement Medical Benefits are administered by a separate trust.

Actuarial gains or losses are recognized in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income.

Re-measurements comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

x) Provisions

All the provision are recognized as per Ind AS 37. Provisions (including mine closure) are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

xi) Revenue recognition:

Revenue from contracts with customers is recognized when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

All revenue from sale of goods is recognised at a point in time. Revenue from wind power and services is recognised over time.

The timing of transfer of control in case of sale of goods varies depending upon individual transfer terms of the contract.

Export sales: In Export sales control passes to the customer on the date of Bill of Lading.

Domestic sales: Control passes to the customer on the date of delivery which is generally the forwarding note (rail dispatches)/ lorry receipt/ delivery challan. However, in case of spot auction under electronic mode, control passes to the customer on conclusion of the auction and receipt of money.

Obsolete stores & scrap: Control passes to the customer on the date of realisation.

Contract asset

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liability

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made

or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

xii) Finance income and expense

Finance income consists of interest income on funds invested, dividend income and gains on the disposal of Fair value through profit and loss account financial assets. Interest income is recognized as it accrues in the statement of profit and loss, using the effective interest method.

Dividend income is recognized in the statement of profit and loss on the date that the Company's right to receive payment is established.

Finance expenses consist of interest expense on loans and borrowings. Borrowing costs are recognized in the statement of profit and loss using the effective interest method.

Foreign currency gains and losses are reported on a net basis. This includes changes in the fair value of foreign exchange derivative instruments, which are accounted at fair value through profit or loss.

xiii) Income tax

Tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

a) Deferred income tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction. Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred income tax liabilities are recognized for all taxable temporary differences. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

xiv) Earnings per share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity

shares are deemed converted as of the beginning of the year, unless issued at a later date. Dilutive potential equity shares are determined independently for each year presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

xv) **Borrowing costs**

Borrowings costs directly attributable to acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which it occur. Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds.

xvi) **Government grants**

Grants from the government are recognised when there is reasonable assurance that:(i) the Company will comply with the conditions attached to them; and (ii) the grant will be received. Government grants related to revenue are recognised on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense. When the grant relates to an asset, it is recognized as income over the expected useful life of the asset. Where the Company receives non-monetary grants, the asset is accounted for on the basis of its acquisition cost. In case a non-monetary asset is given free of cost it is recognised at a fair value. When loan or similar assistance are provided by government or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is recognized as government rate. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received.

Grant related to income are presented as part of profit or loss, as a deduction to the related expenses.

xvii) Lease:

a. Lease liability is initially recognised and measured at an amount equal to the present value of minimum lease payments during the lease term that are not yet paid.

b. Right of use asset is recognised and measured at cost, consisting of initial measurement of lease liability plus any lease payments made to the lessor at or before the commencement date less any lease incentives received, initial estimate of the restoration costs and any initial direct costs incurred by the lessee.

c. The lease liability is measured in subsequent periods using the effective interest rate method. The right-of-use asset is depreciated over the lease term.

d. Low Value leases up to ₹ 20 lakhs p.a. per lease and Short term leases of 12 months or less are fully charged to expense.

xviii) **Exploration and Evaluation:**

Exploration and evaluation expenditure comprise costs that are directly attributable to:

- researching and analysing existing exploration data;
- conducting geological studies, exploratory drilling and sampling;
- examining and testing extraction and treatment methods; and/or
- compiling pre-feasibility and feasibility studies.

Exploration expenditure relates to the initial search for deposits with economic potential.

Evaluation expenditure relates to a detailed assessment of deposits or other projects that have been identified as having economic potential. All evaluation and exploration expenses till high degree of confidence is achieved are expensed.

Evaluation expenditure are capitalised as Intangible assets when there is a high degree of confidence that the Company will determine that a project

is commercially viable, that is the project will provide a satisfactory return relative to its perceived risks, and therefore it is considered probable that future economic benefits will flow to the Company.

The carrying values of capitalized evaluation expenditure are reviewed for impairment every year by management.

xix) **Stripping cost:**

Development stripping cost:

Overburden and other mine waste material removed during the initial development of a mine in order to access mineral deposit are capitalized as Intangible Asset. Amortization of the same is done based on the life estimated by the management.

Production stripping cost:

During the Production phase, the stripping activity cost is charged to revenue to the extent the benefit from the stripping activity is realized in the form of inventory produced.

To the extent the benefit is improved access to ore, the entity shall recognise these costs as a non-current asset ie Stripping Activity Asset, if and only if all the following conditions are met:

a. It is probable that the future economic benefits associated with the stripping activity will be realized.

b. The component of the ore body for which access has been improved can be identified; and

c. The costs relating to the stripping activity associated with the improved access can be reliably measured.

To the extent the current period stripping ratio exceeds the planned stripping ratio as per mine plan, shall be considered as "Stripping Activity Asset'

The "Stripping Activity Asset" is subsequently depreciated on a unit of production basis over the life of the identified component of the ore body that become more accessible as a result of the stripping activity and is then stated at cost less accumulated depreciation and impairment loss, if any.

xx) **Prepaid Expenses:**

Expenses are accounted under prepaid expenses only when the amount relating to the unexpired period exceeds rupees Two crore in each case.

xxi) **Restatement of earliest prior period financials on material error/omissions**

The value of error and omissions is construed to be material for restating the opening balances of assets and liabilities and equity for the earliest prior period presented if the amount in each case of earlier period income/ expenses exceeds 1.00% of the previous year turnover of the company.

Subject to our Report of even date

For M/s Sagar & Associates
Chartered Accountants
Firm Regn No: 003510S

(CA B. ARUNA)
Partner
Membership No: 216454

Place : Hyderabad
Dated : 16th June 2020

For and on behalf of the Board

(AMITAVA MUKHERJEE)
Director (Finance)

(N.BAIJENDRA KUMAR)
Chairman-cum -Managing Director

(A S PARDHA SARADHI)
Company Secretary

Note - 2.1 : PROPERTY, PLANT & EQUIPMENT

(₹ In Crore)

ASSETS	GROSS BLOCK						DEPRECIATION BLOCK						NET BLOCK	
	As at 1st Apr, 2019	Additions during the year	Ded/Adj during the year	Transfer to/from	Internal transfer	As at 31st March 2020	As at 1st Apr, 2019	For the year	Asset Impairment	Deductions/ adjustments	Transfer to/from	upto 31st March 2020	As at 31st March 2020	As at 31st March 2019
A. General														
Land :														
- Free hold	271.72	0.42	-	-	(0.26)	**271.88**	-	-	-	-	-	**-**	**271.88**	**271.72**
- Lease hold	5.50	0.80	-	-	0.26	**6.56**	0.88	0.66	-	-	-	**1.54**	**5.02**	**4.62**
Buildings	307.34	11.73	(0.01)	-	-	**319.06**	30.66	12.02	1.33	(0.01)	-	**44.00**	**275.06**	**276.68**
Plant & Machinery	1,273.35	48.68	(2.73)	-	-	**1,319.30**	200.81	84.38	0.33	(2.70)	-	**282.82**	**1,036.48**	**1,072.54**
Heavy Mobile Equipt.	527.80	66.71	(6.61)	-	-	**587.90**	247.99	60.79	-	(6.61)	-	**302.17**	**285.73**	**279.81**
Furniture & fittings	15.69	0.94	-	-	-	**16.63**	6.66	1.91	0.01	-	-	**8.58**	**8.05**	**9.03**
Vehicles	32.58	2.73	(0.27)	-	-	**35.04**	13.60	4.24	-	(0.12)	-	**17.72**	**17.32**	**18.98**
Office Equipment	51.25	13.19	(0.45)	(0.18)	-	**63.81**	27.59	9.58	0.02	(0.45)	(0.14)	**36.60**	**27.21**	**23.66**
Others :														
Roads, bridges etc.	100.16	52.40	-	-	-	**152.56**	60.62	31.45	-	-	-	**92.07**	**60.49**	**39.54**
Dams, Wells & Pools	11.99	-	-	-	-	**11.99**	1.70	0.43	-	-	-	**2.13**	**9.86**	**10.29**
Adit & tunnel	-	1.76	-	-	-	**1.76**	-	0.02	-	-	-	**0.02**	**1.74**	**-**
Railway sidings	34.34	-	-	-	-	**34.34**	14.13	2.62	-	-	-	**16.75**	**17.59**	**20.21**
Locomotives	37.39	17.53	-	-	-	**54.92**	2.78	3.37	-	-	-	**6.15**	**48.77**	**34.61**
Electrical Installations	267.93	17.64	(0.29)	-	-	**285.28**	71.82	29.05	0.77	(0.16)	-	**101.48**	**183.80**	**196.11**
Sanitary & W. S. Installations	32.26	0.21	(0.14)	-	-	**32.33**	4.03	1.15	0.03	(0.02)	-	**5.19**	**27.14**	**28.23**
TOTAL 'A'	**2,969.30**	**234.74**	**(10.50)**	**(0.18)**	**-**	**3,193.36**	**683.27**	**241.67**	**2.49**	**(10.07)**	**(0.14)**	**917.22**	**2,276.14**	**2,286.03**
Previous year 2018-19	2,763.15	231.92	(25.63)	(0.14)		2,969.30	497.25	211.57	-	(25.48)	(0.07)	683.27	2,286.03	1,494.55
B. Social Facilities														
Land :														
- Free hold	0.29	-	-	-	-	**0.29**	-	-	-	-	-	**-**	**0.29**	**0.29**
- Lease hold	-	-	-	-	-	**-**	-	-	-	-	-	**-**	**-**	**-**
Buildings	242.37	71.90	-	-	-	**314.27**	16.88	5.93	0.79	-	-	**23.60**	**290.67**	**225.49**
Plant & Machinery	5.44	-	-	-	-	**5.44**	0.25	0.22	-	-	-	**0.47**	**4.97**	**5.19**
Furniture & fittings	10.41	1.29	(0.44)	0.04	-	**11.30**	3.28	1.19	-	(0.13)	0.02	**4.36**	**6.94**	**7.13**
Vehicles	1.94	0.12	(0.07)	-	-	**1.99**	0.80	0.22	-	(0.04)	-	**0.98**	**1.01**	**1.14**

ASSETS	GROSS BLOCK						DEPRECIATION BLOCK						NET BLOCK	
	As at 1st Apr, 2019	Additions during the year	Ded/Adj during the year	Transfer to/from	Internal transfer	As at 31st March 2020	As at 1st Apr, 2019	For the year	Asset Impairment	Deductions/ adjustments	Transfer to/from	upto 31st March 2020	As at 31st March 2020	As at 31st March 2019
Office Equipment	26.33	3.27	(0.78)	0.14	-	28.96	14.50	4.79	-	(0.52)	0.12	18.89	10.07	11.83
Others :					-		-			-		-	-	
Roads, bridges etc.	5.74	2.66	(0.01)	-	-	8.39	2.37	0.79	0.06	(0.01)	-	3.21	5.18	3.37
Cess fund quarters	6.57	-	-	-	-	6.57	0.68	0.17	-	-	-	0.85	5.72	5.89
Dams, Wells & Pools	0.32	0.64	-	-	-	0.96	0.02	0.05	-	-	-	0.07	0.89	0.30
Electrical Instaln.	3.76	0.93	-	-	-	4.69	1.39	0.48	0.01	-	-	1.88	2.81	2.37
Sanitary & W.S.Instlns.	6.44	0.43	(0.04)	-	-	6.83	0.98	0.27	0.02	(0.01)	-	1.26	5.57	5.46
Cess fund other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL 'B'	**309.61**	**81.24**	**(1.34)**	**0.18**	**-**	**389.69**	**41.15**	**14.11**	**0.88**	**(0.71)**	**0.14**	**55.57**	**334.12**	**268.46**
Previous year 2018-19	270.32	40.30	(1.15)	0.14		309.61	28.69	12.95		(0.56)	0.07	41.15	268.46	236.21
TOTAL 'A + B'	**3,278.91**	**315.98**	**(11.84)**	**-**	**-**	**3,583.05**	**724.42**	**255.78**	**3.37**	**(10.78)**	**-**	**972.79**	**2,610.26**	**2,554.49**
Previous Year 2018-19	3,033.47	272.22	(26.78)	-	-	3,278.91	525.94	224.52	-	(26.04)	-	724.42	2,554.49	1,730.76

Note 2.1.2 : RIGHT-OF USE ASSETS

General:

Assets	GROSS BLOCK					AMORTISATION BLOCK					NET BLOCK	
	As at 1st April, 2019	Additions/ Adjustments	Deductions/ Adjustments	Internal Transfer	As at 31st March 2020	As at 1st April, 2019	For the Year	Deductions/ adjustments	Internal transfer	As at 31st March 2020	As at 31st March 2020	As at 31st March 2019
Land (SP-RO- Vizag)	-	0.53	-	-	0.53	-	0.48	-	-	0.48	0.05	-
Buildings												
Delhi - PTI- Building	-	7.41	-	-	7.41	-	0.88	-	-	0.88	6.53	-
Delhi - KG Marg Surya Kiran Building	-	0.26	-	-	0.26	-	0.26	-	-	0.26	-	-
TOTAL	**-**	**8.20**	**-**	**-**	**8.20**	**-**	**1.62**	**-**	**-**	**1.62**	**6.58**	**-**
Previous year	-	-	-	-	-	-	-	-	-	-	-	-
Social Amenties:												
Buildings	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Previous year	-	-	-	-	-	-	-	-	-	-	-	-
Grand Total	**-**	**8.20**	**-**	**-**	**8.20**	**-**	**1.62**	**-**	**-**	**1.62**	**6.58**	**-**
Previous year	-	-	-	-	-	-	-	-	-	-	-	-

NON-CURRENT ASSETS

Note: 2.2 Capital Work in Progress

(₹ In Crore)

Particulars	Figures as at the end of 31st March 2020		Figures as at the end of 31st March 2019	
Construction work in progress		13,429.44		12,433.34
Add : Impairment reversed/ (provided)				
Construction Stores		1.77		1.86
Capital Assets in stores awaiting installation or in transit	65.69		53.22	
Less : Provision	-		-	
		65.69		53.22
Expenditure incidental to construction awaiting allocation (See note 2.2.2)		1,974.66		1,304.03
Total		**15,471.56**		**13,792.45**

Note - 2.2.1: Movement of Capital work in progress

(₹ In Crore)

Particulars	Construction Work in Progress	Construction Stores	Capital asset in stores awaiting installation or in transit	Expenditure Incidental to construction awaiting allocation	Total
Year ended 31st March 2019					
Gross carrying amount	11,388.18	1.46	56.76	1,073.50	12,519.90
Additions	1,104.27	3.67	134.58	230.53	1,473.05
Disposals/Capitalisation to PPE	59.11	3.27	138.12	-	200.50
Closing gross carrying amount	12,433.34	1.86	53.22	1,304.03	13,792.45
Accumulated amortization					
Amortization charge during the year					
Closing accumulated amortization	-	-	-	-	-
Closing net carrying amount	12,433.34	1.86	53.22	1,304.03	13,792.45
Year ended 31st March 2020					
Gross carrying amount					
Opening gross carrying amount	12,433.34	1.86	53.22	1,304.03	13,792.45
Additions	1,191.81	4.60	89.50	696.69	1,982.60
Disposals/Capitalisation to PPE	195.71	4.69	77.03	26.06	303.49
Closing gross carrying amount	13,429.44	1.77	65.69	1,974.66	15,471.56
Accumulated amortization					
Amortization charge during the year					
Closing accumulated amortization	-	-	-	-	-
Closing net carrying amount	**13,429.44**	**1.77**	**65.69**	**1,974.66**	**15,471.56**

Note : 2.2.2 Expenditure Incidental to Construction Awaiting Allocation (₹ In Crore)

Particulars		Figures as at the end of 31st March 2020		Figures as at the end of 31st March 2019
a. Opening balance		1,304.03		1,073.50
b. Net Expenditure incurred during the year				
Employee Benefit expense :				
Salaries, Wages & Bonus	147.55		71.05	
Contribution to Provident fund, EPS, DLI	6.79		4.70	
Contribution to Gratuity fund	5.91		5.64	
Staff Welfare expenses	16.35		8.90	
		176.60		90.29
Power, Electricity & Water		64.59		32.44
Repairs and Maintenance		5.91		2.02
Depreciation and amortisation		12.48		11.01
Other expenses :				
Rent, Insurance, Rates and taxes	7.04		1.21	
Payment to auditors : As auditors	0.06		0.04	
Payment to auditors : For Other Services	0.04		0.03	
Reimbursement of expenses	0.01		0.02	
		7.15		1.30
Travelling and Conveyance expenses		2.65		2.10
Consultancy expenditure		24.38		73.25
CISF/Security expenditure		5.85		4.98
Other expenditure		405.46		20.55
		705.07		**237.94**
Less : Recoveries/Income				
Interest Received		7.18		6.47
Other income		1.20		0.94
Total (b)		**696.69**		**230.53**
Sub-total (a+b)		2,000.72		1,304.03
Less : Amount allocated to Fixed assets/ Capital W I P		26.06		-
Total		**1,974.66**		**1,304.03**

Note 2.3 INTANGIBLE ASSETS

(₹ In Crore)

ASSETS	GROSS BLOCK				AMORTISATION BLOCK				NET BLOCK	
	As at 1st Apr, 2019	Additions during the year	Ded/ Adj during the year	As at 31st March 2020	As at 1st Apr 2019	For the year	Deductions/ adjustments	As at 31st March 2020	As at 31st March 2020	As at 31st March 2019
GENERAL										
Computer software	6.89	1.35	-	**8.24**	4.68	1.67	-	**6.35**	1.89	2.21
Mining rights	395.58	484.34	-	**879.92**	231.59	250.33	-	**481.92**	398.00	163.99
Total	**402.47**	**485.69**	**-**	**888.16**	**236.27**	**252.00**	**-**	**488.27**	**399.89**	166.20
Previous Year 2018-19	335.06	67.41		402.47	170.89	65.38		236.27	166.20	164.17

Additional notes to 2.1 & 2.3 : PPE (Property Plant and Equipment) and Intangible Assets

1. Lease hold land measuring 3021.35 sq.mtrs. (previous year 3021.35 sq.mtrs.) has been taken from Vizag Port Trust Authorities for construction of Regional Office building has been granted for the period of 30 years i.e. up to 01.01.2044. Action is on hand to renew the lease periods of the above lands. However, the rents have been accounted till 31.03.2020.

   Lease hold land measuring 1431.32sq.mtrs. (Previous year 1431.32sq. mtrs.) has been taken from Vizag Port Trust Authorities for construction of screening plant at port area and the lease deed will expiring on 17.06.2020 and applied for extension. However, Vizag Port Trust Authorities not granted the extension, hence the same has to be surrendered after auction of Screening Plant.

2. The value of land of 168.44 hectares taken over from District Industries Centre, Jagdalpur for construction of Steel Plant near Nagarnar has not been brought into the books as the amount payable is not ascertainable in the absence of any demand from the concerned authorities.

3. Formal agreements / Transfer deeds remain to be executed in respect of the following:

   (a) Renewal of Mining Leases at Deposit 10 (Float Ore) & Donimalai.

   (b) Lease deeds in respect of parts of land for township at Bacheli Complex, Kirandul Complex and Panna Project.

   (c) Mining lease to the extent of 33.58 hectares (Mining area) and 19.42 hectares (Plant area) of Silica Sand Plant near Lalapur (Allahabad).

   (d) Lease in respect of a portion of the total land at R&D Center measuring 9.12 acres has expired during Feb 07 (6.66 acres) and the balance in Feb 2010 (2.46 acres). The process of renewal of the lease is under progress.

   (e) Only Provisional allotment letters were issued for the land to the extent of 13.43 acres purchased from M/s APIIC at Industrial park, Paloncha. However, on physical survey found only 11.35 acres of land. No effect is given in books, pending confirmation from M/s APIIC.

   (f) Land to the extent of 26.39 acres was purchased at Patancheru, Hyderabad from the Official Liquidator of Allwyn Watches Ltd. However, on physical survey found only 24.23 acres of land and registration for 24.23 acres of the land has been executed in the name of NMDC.

   (g) Land at Raipur to the extent of 57,432.99 Sq. Ft. has been acquired from Chhattisgarh Housing Board, however as per the actual land measurement taken by surveyor the total land comes to 62,205.96 Sq. Ft. The registration formalities are in the process for the total land.

4. Reconciliation of Depreciation and Amortisation as per Statement of Profit and Loss:

Note no	Particulars	2019-2020	2018-19
2.1	Depreciation on PPE	255.78	224.52
2.1	Impairments of PPE	3.37	-
2.3	Amortisation of Intangible Assets	252.00	65.38
2.1.2	Amortisation of ROU Assets	1.62	-
	Total	512.77	289.90
2.2.2	Transferred to IEDC	(-) 12.48	(-) 11.01
2.28	Shown under Exceptional item	(-) 205.82	-
2.33.8	Transferred to Discontinue Operation	(-)0.09	-
Depreciation and amortisation as per Statement of Profit and Loss		294.38	278.89

Depreciation and Amortisation under Exceptional item (at note no. 2.28)

i)	Depreciation pertain to earlier period on PPE:	₹ 34.87 crore
ii)	Amortisation related to earlier period on mining lease:	₹ 170.95 crore
Total:		₹ 205.82 crore

5. Mining Lease of Donimalai:

   The Government of Karnataka, while renewing the lease of NMDC 's Donimalai Iron Ore Mine, has imposed a new condition asking for a premium of 80% on the average sale value. As the demand of the State Govt. is not as per the provisions of the MMDR Act 205 and Mineral (Mining by Government Company) Rules, 2015, the company requested the Govt. to reconsider its decision.

   Since there was no positive response from the State Govt., the company has suspended its operations from 4th November 2018 and moved the Hon'ble High Court of Karnataka praying for a suitable direction in the matter. The Hon'ble High Court of Karnataka in its judgement dated 10th July 2019 has passed an order setting aside the condition imposed for levying 80 % premium.

On the basis of the judgement, NMDC has request ed the State Govt. to consider the execution of Lease Deed of Donimalai Mine.

The Government of Karnataka issued an Order dated 17.08.2019 withdrawing the approval for extension of the Donimalai mining lease and with a direction to the Director of DMG to auction the said block. In this regard, the Company on 19.8.2019 filed 'Revision application' before The Hon'ble Mines Tribunal, Government of India. Meanwhile, the State Government issued a notification dated 20.08 .2019 inviting tender for auction of the Donimalai Mining block. On 21 .08 .20 19 Hon'ble Mines Tribunal heard the submissions and stayed the Order dated 17.08.2019 issued by the Government of Karnataka withdrawing the extension of lease and any consequent action thereon until the next date of hearing. The matter is pending with Hon'ble Mines Tribunal.

Meanwhile, Ministry of Mines has amended the 'Mineral (Mining by Government Company) Rules ,2015 with regard to renewal of mining leases allocated to Government Companies. Earlier the rule 3 (2) stated that if an application for renewal of mining leases is made to the State Government by a Government company, the State Government "may, for reasons to be recorded in writing , extend the period of the mining lease for further periods of up to twenty years at a time ". Now the rule is amended by substituting the word "may" with "shall ". Now the rule reads as "shall for reasons to be recorded in writing, extend the period of mining lease for further periods of up to twenty years at a time ".

Even though the company is regularly corresponding with the State Government for ex tending the lease, response of the State Government is still awaited.

The last hearing at Mines Tribunal took place on 04.03.2020 where in the State Government has requested adjournment upto 24.03.2020. No further hearings could take place due to Covid-19 situation.

6. During the year 2019-2020 a review of residual and useful life of PPE was done and as per the review there is no change recommended. The Useful life of all the PPE is as per schedule II except for the following PPE whose life as given under is determined as per technical assessment.

Equipment	Capacity	Use life (in Years)
Dumper	85-100 T	10
	50-60 T	9
Water Sprinkler	28 KL	9
Rope Shovel	8-10 Cu m	20
Hydraulic Shovel	5-7.5 Cum	9
	>7.5 Cum	10
Blast Hole Drill	165mm Diesel	9
	165mm Electric	12
	250mm single pass	16
	250 mm multiple pass	10
Top Hammer Drill	<160mm	9
Front End Loader	< 300 HP to >600HP	10
Track Dozer	<500 HP to >500HP	10
Wheel Dozer	<500 HP	12
Grader	<200HP	12
Mobile Crane	<12 ton	9
	12 – 40 ton	12
	>40 ton	15
Boom Stacker	2000 – 3000 TPH	30
Reclaimer	2000-3000 TPH	30

Note: 2.4 Intangible assets under development

(₹ In Crore)

Particulars	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Intangible assets under development	29.64	-
Total	**29.64**	**-**

Note : 2.4.1 Investments

(₹ In Crore)

Particulars		Figures as at the end of 31st March 2020		Figures as at the end of 31st March 2019	
In Equity Shares:					
Investments in Subsidiary Companies carried at cost :					
Trade & Quoted at cost:					
i)	576,72,53,980 (Previous year 115,34,50,796) Equity shares fully paid up in **Legacy Iron Ore Ltd. Australia**, No face value in Australia		214.70		168.53
Unquoted at cost:					
i)	28,51,002 (previous Year 28,51,002) Equity shares of ₹100 each fully paid up in Subsidiary company **J &K MDC Ltd., Jammu.**	28.51		28.51	
	Less: Investment deration	28.51		28.51	
			-		-
ii)	41,85,590 (previous Year 41,85,590) Equity shares) of FMG 2500/- each fully paid up in wholly owned subsidiary company **NMDC SARL, Madagaskar**	7.20		7.20	
	Less: Investment deration	7.20		7.20	
			-		-
iii)	5,50,000 (Previous Year 5,50,000) Equity shares of ₹10/- each fully paid up in **NMDC Power Ltd.**		0.55		0.55
iv)	1,00,000 (Previous Year 1,00,000) equity shares of ₹10/- each fully paid up in **Karnataka Vijayanagar Steel Limited (KVSL)**		0.10		0.10
v)	60,000 (previous year 60,000) equity shares of Rs10/- each fully paid up in **NMDC Steel Limited (NSL)**		0.06		0.06
vi)	1,60,000 (previous year 60,000) equity shares of ₹10/- each fully paid up in **Jharkhan Kolhan Steel Limited (JKSL)**		0.16		0.06
vii)	20,00,000 (previous year 20,00,000) equity shares of 10 each in NMDC CSR Foundation (NCF)		2.00		2.00
Investment in Joint Ventures :					
Unquoted at cost:					
i)	9,83,47,236 (Previous Year 9,83,47,236) Equity shares of Rs 10/- each fully paid up in **NMDC CMDC Ltd.**		98.35		98.35
ii)	6,000 (Previous year 6,000) equity shares of ₹10/- each in **Jharkhand National Mineral Development Corporation Ltd. (JNMDC)**		0.01		0.01
iii)	15,26,74,600 (previous year 15,26,74,600) equity shares of ₹10/- each in Bastar Railway Pvt. Ltd. (BRPL)		152.67		152.67
iv)	50 (Previous year 50) equity shares of South african Rand 1/- each in Kopano-NMDC Minerals (Proprietary) Limited (₹ 324/- only)		-		-
v)	25,500 (previous year 25,500) equity shares of ₹10/- each in NMDC-SAIL Ltd.	0.03		0.03	

Particulars	Figures as at the end of 31st March 2020		Figures as at the end of 31st March 2019	
Less: Investment deration	0.03		0.03	
		-		-
Investments in Associates :				
Unquoted at cost:				
i) 1,05,000 (previous year 1,05,000) Equity shares) of Rs 10/- each fully paid up in Romelt SAIL India Ltd., New Delhi	0.11		0.11	
Less: Investment deration	0.11		0.11	
		-		-
ii) 37,63,57,143 (Previous year 37,63,57,143) Equity shares of ₹10/- each fully paid in International Coal Ventures (P) Ltd.		376.36		376.36
iii) 4,00,00,000 (P.Y 4,00,00,000) equity shares of Rs 10/- each in fully paid up in Krishnapatnam Railway Co. ltd.		40.00		40.00
iv) 7,47,99,878 (previous year 7,47,99,878) equity shares of ₹ 10/- each fully paid up in NINL, Bhubaneswar		100.60		100.60
v) 13,000 (previous year 13,000) equity shares of ₹10/- each fully paid up in Chhattisgarh Mega steel Ltd		0.01		0.01
Unquoted shares in co-operative societies				
i) 150 Shares (previous year 150 Shares) of ₹ 1,000/- each fully paid up in Whole-sale Consumers Co-operative Stores, Kirandul Rs 1,50,000/- (Previous year ₹1,50,000/-)	0.02		0.02	
ii) 500 Shares (previous year 500 Shares) of ₹ 10/- each fully paid up in NMDC Employees Co-operative Society Ltd, Bacheli ₹5,000/- (previous year Rs 5,000/-)	-		-	
iii) 25 Shares (previous year 25 Shares) of ₹100/- each fully paid up in NMDC Employees Co-operative Society Ltd, Donimalai ₹2,500/- (previous year Rs 2,500/-)	-		-	
		0.02		0.02
Total		**985.59**		**939.32**
1. Aggregate amount of Quoted Investments		214.70		168.53
(Market value of quoted Investments)		53.10		16.96
2. Aggregate amount of Unquoted Investments		806.71		806.61
3. Aggregate amount of provision for diminution in value of investments:		35.85		35.85

Note: 2.4.2 : Loans

(₹ In Crore)

Particulars	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Loans to employees and outsiders	23.85	15.79
Loan to Subsidiaries	701.78	641.78
Deposit with Others	140.53	138.92
TOTAL	**866.16**	**796.49**
i) Considered Good, Secured	23.85	15.79
ii) Considered Good, Unsecured	842.31	780.70
iii) Which have significant increase in Credit risk	-	-
iv) Credit Impaired	-	-

Note: With respect to the accounting policy note no. 1. (b) ii, the long term Loans & advances to employees was to be measured at amortised cost. The same was carried out and considering the materiality, no effect has been made in the accounts.

Note: 2.5 Deferred tax assets (Net)

(₹ In Crore)

Particulars	Figures as at the end of 31st March 2020		Figures as at the end of 31st March 2019	
A. Deferred tax assets :				
1. Provision for bad & doubtful debt and advances	548.75		690.01	
2. Intangible Assets	26.52		-	
3. Asset retirement obligation and spares	4.68		6.03	
4. Investments	9.02		12.51	
5. Others	35.86		125.08	
Total Deferred Tax Assets		624.83		833.63
B. Deferred tax liabilities :				
1. Related to PPE	(226.11)		(250.90)	
2. Right-of-use Assets	(1.66)		-	
Total Deferred Tax Liabilities		(227.77)		(250.90)
Net Deferred Tax Assets		**397.06**		**582.73**

Note: 2.6 Other Non-Current Assets

(₹ In Crore)

Particulars	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Capital Advances (*)	417.13	611.29
ITC Receivables	1,517.93	1,454.18
Mines Closure Fund with Life Insurance Corporation	801.26	747.70
Other Advances	339.16	173.15
Total	**3,075.48**	**2,986.32**

* Capital Advances includes an amount of ₹ 30.12 crore (P.Y ₹ 84.28 crore) towards doubling of railway lines between Jagdalpur and Ambagoan.

Note: 2.7 Inventories

(As Valued and Certified by the Management)

(₹ In Crore)

Particulars	Figures as at the end of 31st March 2020		Figures as at the end of 31st March 2019	
Raw materials		-		
Iron Ore	1.03		0.76	
Lime Stone	0.36		-	
Bentolite	0.27		-	
Total R M		1.66		0.76
Work-in-Process :				
Pellets	1.85		4.78	
Diamonds	-		8.32	
Sponge Iron	0.93		0.91	
Total WIP		2.78		14.01
Finished Goods:				
Iron Ore	504.14		447.43	
Sponge Iron	0.01		4.77	
Pellets	28.12		12.80	
Diamonds & Precious Stones	46.27		48.47	
Total Finished Goods		578.54		513.47
Inventories are valued at cost or NRV whichever is lower.				
Total (A)		582.98		528.24

Note: 2.7 Inventories

(₹ In Crore)

Particulars	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Stores & Spares	140.42	137.75
Loose tools and Implements	0.11	0.18
Total (B)	140.53	137.93
G. Total (A+B)	**723.51**	**666.17**
1. Stores and Spares include:		
a) Stores-in-transit	**11.76**	**9.40**
b) Obsolete stores & spares valued at		
Re1 per unit of their original value of ₹3.35 crore	**0.01**	0.02
(previous year ₹3.75 crore)		

Notes: 2.8.1 Trade Receivables

(₹ In Crore)

Particulars	Figures as at the end of 31st March 2020		Figures as at the end of 31st March 2019	
Trade receivables outstanding for a period exceeding				
six months from the due date of payment	2,615.33		1,876.42	
Other trade receivables	1,770.89		1,506.24	
Total Receivables*	4,386.22		3,382.66	
Less: Provision for bad & doubtful trade receivables	17.87		23.75	
Less: Provision for bad & doubtful (Monitoring Committee)	2,144.64		1,934.40	
Total Provision	2,162.51	2,223.71	1,958.15	1,424.51
TOTAL		**2,223.71**		**1,424.51**
Break-up security details :				
i) Considered good, Secured		0.06		-
ii) Considered good, Unsecured		2,223.65		1,424.51
iii) Which have significant increase in Credit Risk				
iv) Credit impaired		2,162.51		1,958.15

* Trade Receivables includes ₹2,434.79 crore_(Previous year ₹ 2,655.54 crore) dues from Monitoring Committee.

Notes: 2.8.2 Cash And Cash Equivalents

(₹ In Crore)

Particulars	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Cash in hand	-	-
Balance with Banks		
on current Accounts	60.87	38.33
On Deposit Accounts	-	-
(Original Maturity less than 3 months)		
Total	**60.87**	**38.33**

Notes: 2.8.3 Bank Balances Other than Note no. 2.8.2

(₹ In Crore)

Particulars	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Balances with bank on 'Deposits accounts (Original maturity more than 3 months but less than 12 months)	2,322.72	4,084.52
Balances with banks for Unpaid Dividend	2.77	471.20
Bank deposits offered as security for Bank guarantees and letter of credit	5.98	13.67
Total	**2,331.47**	**4,569.39**

Note: 2.8.4 Other Financial Assets (₹ In Crore)

Particulars	Figures as at the end of 31st March 2020		Figures as at the end of 31st March 2019	
Related Parties				
Advances to Directors		0.08		0.02
Advances to Subsidiaries	65.78		62.74	
Less: Provision	13.86		13.86	
		51.92		48.88
Employees and outsiders				
Advances to Employees and outsiders		233.42		251.58
Interest Accrued				
Accrued interest on deposits with banks		27.65		66.11
Accrued interest on Other		6.04		6.38
Other Receivables		51.82		28.04
Total		**370.93**		**401.01**

Note: 2.9 Current Tax Asset (Net)

(₹ In Crore)

Particulars	Figures as at the end of 31st March 2020		Figures as at the end of 31st March 2019	
Advance Income tax & TDS	6,724.51		7,250.17	
Less : Provision	6,295.36		6,799.05	
		429.15		451.12
Total		**429.15**		**451.12**

Note: 2.10 Other Current Assets

(₹ In Crore)

Particulars	Figures as at the end of 31st March 2020		Figures as at the end of 31st March 2019	
Advances to Employee and outsiders (*)	868.18		300.18	
Less: Provision for bad and doubtful advances	3.98		2.60	
		864.20		297.58
ITC Receivables		297.22		115.36
Total		**1,161.42**		**412.94**

(*) Inclueds an amount of ₹ 600 crore, paid to South Bastar Dantewada under protest against the demand notice for Common Cause.

Note: 2.11 Assets Held for Disposal

(₹ In Crore)

Particulars	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Assets held for disposal	0.66	0.51
Total	**0.66**	**0.51**

Note: 2.12 Equity Share Capital

(₹ In Crore)

Particulars	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Authorised:		
400,00,00,000 Equity Shares of Re. 1/- each		
(Previous year 400,00,00,000 Equity Shares of Re.1/- each)	400.00	400.00
Issued, Subscribed & Paid up:		
Opening Balance	306.19	316.39
3,06,18,49,659 (Previous year 3,16,38,90,474 Equity shares) of Re.1/- each fully paid up		
Add: issue of shares during the year		
Less: Buyback of shares during the year		
Nil (Previous year 10,20,40,815 Equity shares of Re.1/- each fully paid up)	-	10.20
3,06,18,49,659 Equity Shares of Re.1/- each fully paid up (Previous year 3,06,18,49,659 of Re.1/- each fully paid)	306.19	306.19
Total	306.19	306.19

Addl. Notes :

1) No new shares were issued, during the current year.

2) Terms/Rights attached to equity shares :

The company has only one class of equity shares having par value of Re.1/- each and each holder of equity shares is entitled to one vote per share.

3) The details of shares in the company held by each shareholder holding more than 5% shares :

Name of the Share holder	31st March 2020		31st March 2019	
	%of Holding	No. of Shares	%of Holding	No. of Shares
i) President of India	69.65	2,132,453,593	72.28	2,213,035,712
ii) LIC of India (incl all schemes)	12.89	394,591,074	12.89	394,591,074

Note: 2.13 Other Equity

(₹ In Crore)

Particulars	General Reserve	Retained earnings	CRR	OCI	Total
Balance as at 1st April 2018	22,973.79	1,026.00	80.08	(42.43)	24,037.44
Profit for the year		4,642.11			4,642.11
Other Comprehensive Income net of tax				(0.13)	(0.13)
Transfer to Capital Redempion Reserve (CRR)	(10.20)	-	10.20		-
Buyback of shares (including transaction charges)	(996.53)	-			(996.53)
Interim dividend (2018-19)		(1,690.14)			(1,690.14)
DDT on Interim dividend (2018-19)		(347.41)			(347.41)
Transfer to General Reserve	2,000.00	(2,000.00)			-
Total	993.27	604.56	10.20	(0.13)	1,607.90
Balance as at 31st March 2019	23,967.06	1,630.56	90.28	(42.56)	25,645.34
Balance as at 1st April 2019	**23,967.06**	**1,630.56**	**90.28**	**(42.56)**	**25,645.34**
Profit for the year		3,610.12			3,610.12
Other Comprehensive Income net of tax				(75.04)	(75.04)
Interim dividend (2019-20)		(1,619.72)			(1,619.72)
DDT on Interim dividend (2019-20)		(332.94)			(332.94)
Transfer to General Reserve	1,500.00	(1,500.00)			-
Total	1,500.00	157.46	-	(75.04)	1,582.42
Balance as at 31st March 2020	25,467.06	1,788.02	90.28	(117.60)	27,227.76

NON-CURRENT LIABILITIES

Note 2.14.1 Financial Liability (Non- Current) (₹ In Crore)

Particulars	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Lease Liabilties	5.51	
Total	5.51	-

Note 2.14.2 Provisions (Non- Current) (₹ In Crore)

Particulars	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Employee Benefits :		
Long Service Reward	27.38	19.64
Mine closure obligation	800.50	748.75
Total	827.88	768.39

Note: 2.15.1 Borrowings (₹ In Crore)

Particulars	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Loan against FDs (*)	565.57	364.15
Total	**565.57**	**364.15**

(*) Over Drafts have been taken on pledge of Fixed Deposites for ₹ 637.50 crore

Note: 2.15.2 Trade Payables (₹ In Crore)

Particulars	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Total outstanding dues of micro and small enterprises	15.25	10.19
Other than micro and small enterprises	210.30	192.55
Total	**225.55**	**202.74**

Disclosure Relating to Micro and Small Enterprises	31st March 2020	31st March 2019
i) (a). The principal amount remaining unpaid to the supplier as at the end of the year	15.25	10.19
ii) (b). The interest due on the above amount, remaining unpaid to the supplier as at the end of the year	Nil	Nil
iii) the amount of interest paid in terms of section 16, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
iv) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro,Small and Medium Enterprises Development Act,2006;	Nil	Nil
(v) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
(vi) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of Micro,Small and Medium Enterprises Development Act,2006.	Nil	Nil

Note: 2.15.3 Other Financial Liabilities (₹ In Crore)

Particulars	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Unpaid Dividend	2.77	2.65
Deposits from Suppliers, Contractors and Others	169.66	134.29
Capital Creditors	427.53	491.67
Other financial Liabilities	619.38	1,038.54
Total	**1,219.34**	**1,667.15**

Note : 2.16 Other Current Liabilities

(₹ In Crore)

Particulars	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Contract Liabilities	202.95	216.53
Other Payables	121.08	417.58
(like withholding and other taxes payable, amounts payable to employees and others)		
Statutory Dues	219.64	152.65
Total	**543.67**	**786.76**

Note: 2.17 Provisions

(₹ In Crore)

Particulars	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Employee Benefits :		
i) Long Service Reward	2.99	2.03
ii) Provision for gratuity, leave salary, family benefit scheme and post employment medical benefits	216.97	36.90
Provisions for de-commissioning liability (ARO Obligation)	2.51	2.33
Total	**222.47**	**41.26**

Note: 2.18 Revenue from Operations

(₹ In Crore)

Particulars	Figures as at the end of 31st March 2020		Figures as at the end of 31st March 2019	
Sale of Products :				
a) Iron Ore				
i) Export through MMTC		1,573.18		545.65
ii) Domestic				
Basic price	8,167.22		9,427.62	
Royalty	1,395.96		1,574.42	
Development Cess	43.21		33.04	
Forest Permit Fee	32.99		33.04	
District Mineral Fund (DMF)	334.16		360.20	
National Mineral Exploration Trust (NMET)	22.28		24.01	
Total Domestic Sales		9,995.82		11,452.33
Total Iron Ore Sales		11,569.00		11,997.98
b) Sponge Iron		4.39		0.94
c) Diamonds		34.29		38.86
e) Sale of Power		5.40		5.51
f) Sale of Services		30.16		32.34
g) Sale of Pellets		55.55		76.52
h) Other operating revenue		0.43		0.52
Total		11,699.22		12,152.67

Note: 2.19 Other Income

(₹ In Crore)

Particulars	Figures as at the end of 31st March 2020		Figures as at the end of 31st March 2019	
a) Interest Income:				
i) Deposits with Banks	288.13		377.33	
ii) Others	79.29		72.32	
		367.42		449.65
b) Gain in Exchange		0.09		0.04
c) Profit on sale/adjustment of assets		0.77		0.79
d) Profit on sale of Current investments(MF)		41.98		31.94
f) Other non operating income		103.53		105.88
Total		**513.79**		**588.30**

Note: 2.20 Consumption of Raw Materials

(₹ In Crore)

Particulars	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Iron ore	35.00	49.13
Coal	-	1.48
Lime Stone	0.68	0.73
Internal handling of raw materials	0.80	0.66
Total	**36.48**	**52.00**

Note: 2.21 Changes in Inventories of Finished Goods and Work in Progress

(₹ In Crore)

Particulars	Figures as at the end of 31st March 2020		Figures as at the end of 31st March 2019	
Work-in-process:				
Balance as at the beginning of the Year	14.01		5.91	
Less: Balance as at close of the Year	2.79		14.01	
		11.22		(8.10)
Finished Goods:				
Balance as at the beginning of the Year	500.68		433.42	
Less: Balance as at close of the Year	550.41		500.68	
		(49.73)		(67.26)
Finished Goods: (Pellets)				
Balance as at the beginning of the Year	12.80		8.94	
Less: Balance as at close of the Year	28.12		12.80	
		(15.32)		(3.86)
Total		**(53.83)**		**(79.22)**

Note: 2.22 Employee Benefit Expense

(₹ In Crore)

Particulars	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Salaries, Wages & Bonus	797.50	785.93
Contribution to Provident fund and other funds		
Provident Fund, FPS & DLI	51.49	52.91
Pension Fund	33.48	35.06
Group Gratuity Fund	20.90	27.99
Staff Welfare Expenses	143.46	134.86
Total	1,046.83	1,036.75

Note: 2.23 Power,Electricity and Water Charges

(₹ In Crore)

Particulars	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Power charges	92.63	90.89
Electricity charges	19.14	16.35
Water charges	2.93	2.15
Total	**114.70**	**109.39**

Note: 2.24 Repairs & Maintenance

(₹ In Crore)

Particulars	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Buildings	17.47	16.31
Plant and Machinery	60.74	77.25
Vehicles	0.82	0.67
Others	77.83	64.88
Total	**156.86**	**159.11**

Note: 2.25 Selling Expense

(₹ In Crore)

Particulars	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Railway freight	301.94	155.47
Export duty	158.37	54.07
Infrastructure Development cess	24.03	17.49
Environmental Development cess	24.03	17.49
Other selling expenses	194.06	123.66
Total	**702.43**	**368.18**

Note: 2.26 Finance Cost

(₹ In Crore)

Particulars	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
i) Interest on Short term Borrowings	3.27	1.88
ii) Interest - Others	6.43	38.24
iii) Interest on deposit from contractors, suppliers & others	0.18	0.20
Total	**9.88**	**40.32**

Interest on short term borrowing is for meeting working capital requirement.

Note: 2.27 Other Expenses

(₹ In Crore)

Particulars	Figures as at the end of 31st March 2020		Figures as at the end of 31st March 2019	
Rent		2.02		3.60
Insurance		4.59		3.66
Rates & Taxes		4.39		11.94
Directors' Travelling expenses		2.94		2.25
Directors' Sitting Fees		0.23		0.35
Payment to Auditors:				
As audit Fee	0.42		0.30	
For taxation matters	0.03		0.02	
For Management Services	0.01		0.01	
For Other Services	0.18		0.25	
For reimbursement of expenses	0.09		0.12	
		0.73		0.70
Loss on sale/adjustment of Assets		0.75		0.51
Miscellaneous losses written off		4.33		0.10
Provision for doubtful debts/advances		211.78		249.55
Mine closure Obligation		51.75		53.95
Raising and Transportation		52.95		57.91
Local Area Development (Towards SPV in Karnataka)		188.06		249.17
Compensation paid to Statutory Agencies		-		10.12
Entertainment		2.32		1.88
Donations		10.00		-
Travelling & Conveyance		34.99		33.74
Advertisement & Publicity		21.17		20.15
Postage, Telephone & Telex		5.46		3.57
Stationery & Printing		3.03		3.93
Consultancy charges		17.05		15.37
CISF/Security guards		173.91		125.17
Safety expenses		1.15		1.66
Corporate Social Responsibility (*)		199.99		167.24
Loss in Exchange variation (net)		0.06		1.21
Environmental Development		41.40		16.38
Other expenses		80.96		78.90
Expenditure on enabling facilities for the company		229.91		194.92
Total		**1,345.92**		**1,307.93**
(*) CSR Expenditure During the Year		199.99		167.24
CSR Expenditure as per Statutory obligation		117.80		97.09
CSR Expenditure made Voluntarly		82.19		70.15

Note: 2.28 Exceptional Items

(₹ In Crore)

Particulars	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Expenditure		
i) Depreciation on PPER, Amortisation of the of Miming rights, (refer note no.2.34.12)	205.82	-
ii) Risk & Hardship allowance payable to CISF from 01.03.2009 to 31.03.2019 (*)	68.01	-
Total Expenditure	273.83	- -
Less: Income		
iii) Withdrawl of Prov. For Service Tax on Royalty & Int. thereon (Ref. Note no. 2.34.1)	177.39	-
Total Expenditure/(Income)	96.44	-

(*) There was a demand from CISF for payment of 'Risk and Hardship allowance for the periods 2009 onwards. An amount of Rs 68.01 Cr provided in the acccounts pertaining to previous years is shown under exceptional items above.

Note: 2.29 Tax Expenses

Reconciliation of Effective Tax rate and Statutory tax Rate as on 31st March 2020

(₹ In Crore)

Particulars	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
CURRENT TAX		
Current Tax on profit for the year	1,530.09	2,752.40
Adj. of current tax for prior period	771.32	0.85
Total current tax expenses	**2,301.41**	**2,753.25**
DEFERRED TAX		
Decrease/(increase) in deferred tax assets	261.24	(272.14)
Decrease/(increase) in deferred tax liabilities	(65.96)	75.12
Total deffered tax expenses/(benefit)	**195.28**	**(197.02)**
Total Expenditure	**2,496.69**	**2,556.23**

The company has opted for the reduced Income Tax rate @ 22% under section 115BAA of Income Tax Act,1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. The net saving in the tax is ₹ 440 crore

Particulars	Amount ₹ In crore	Tax - ₹ In crore	Tax %
Accounting profit before tax from continuing operations	6,123.48		
Profit/(loss) before tax from discontinued operations	(1.05)		
Accounting profit before income tax	6,122.43		
Tax at Income tax rate(INR in crore)/Income tax rate(%)		1540.9	25.17
Tax effect of amount not deductible in calculating taxable income			
CSR exp.	117.80	29.65	0.48
Prov. For bad & doubtful exp.	211.78	53.30	0.87
Change in Depreciation	13.47	3.39	0.06
OCI due to Actuarial Gain/Loss	(100.28)	(25.24)	(0.41)
Deduaction U/S 80G	(160.64)	(40.43)	(0.66)
Other items	(125.07)	(31.48)	(0.51)
Taxable income	6,079.49		
Current Tax on Profit for the year	1,530.09	1,530.09	24.991

NOTE 2.30 ADDITIONAL INFORMATION

(₹ In Crore)

	Figures as at the end of 31st March 2020		Figures as at the end of 31st March 2019	
2.30.1. Value of imports calculated on CIF basis:				
i. Components & Spare parts		14.57		5.71
ii. Capital Goods		71.43		50.88
2.30.2. Expenditure in foreign currency:				
i. Consultancy charges		0.16		-
ii. Others		23.58		1.27
2.30.3. Particulars of consumption of raw material				
Raw material	Value	Percentage	Value	Percentage
a) Imported	-	-	-	-
b) Indigenous	36.48	100.00	49.08	100.00
	36.48	100.00	49.08	100.00
2.30.4. Particulars of consumption of Stores & spares:				
Components & spare parts	Value	Percentage	Value	Percentage
(including consumable stores)				
a) Imported	9.50	3.91	8.00	3.02
b) Indigenous	233.65	96.09	256.97	96.98
	243.15	100.00	264.97	100.00
2.30.5. Foreign Exchange earnings :	-	-	-	-

2.31. Contingent liabilities and Commitments (to the extent not provided for)

A. Contingent liabilities

(₹ In Crore)

	Particulars	As at 31-Mar-2019	Additions	Deletions	As at 31-Mar-2020
1.1	**Claims against the company not acknowledged as debts consisting of:**				
A	Disputed claims under Property tax, Export tax, Conservancy Tax, Sales tax, Service Tax, Income tax etc.,	2348.87	1,698.64	1,707.60	2,339.91
B	Claims by contractors under arbitration				
	i. On capital account	125.45	866.53	109.57	882.41
	ii. On revenue account	-			-
C	Other claims on company not acknowledged as debts	97.87	311.75	0.16	409.46
	Total	2,572.19	2,876.92	1,817.33	3,631.78
			31-Mar-2020		31-Mar-2019
1.2	**Contingent liability on bills discounted/ LCs/BG's**		985.41		820.14

The Company has issued letter of comfort in favour of International Coal Venture (P) Limited (ICVL) in furtherance for providing Corporate Guarantee of US$ 30 Mn by them to EXIM Bank on behalf of Minas De Benalmadena, Mozambique (Borrower), a downstream operating subsidiary of ICVL, New Delhi in respect of short term working capital loan. The said letter of comfort does not in any way constitute the guarantee or security by the Company of the duties of the borrower to meet its obligation under the said facility.

B. Commitments: (INR in crore) (₹ In Crore)

Particulars		As at 31-Mar-2020	As at 31-Mar-2019
1.1	Estimated Amount of contracts remaining to be executed on Capital account	3,924.56	6,346.72
1.2	Other commitments- commitments to subsidiaries and JV	Nil	Nil

1.3 Income Tax Act.

An amount of Rs 1,692 Crore has been shown under 'Contingent Liabilities' as on 31.3.2019 against Income tax disputes at various forums pertaining to various Assessment years.

During the year Govt has enacted 'Vivad Se Vishwas' scheme for settlement of pending disputes whereby certain concession on the payable amounts was offered with waiver of interest and Penalty. The Board Directors of the Company has approved settlement of the disputes under the scheme. Accordingly, the Company has opted to settle the disputes under the scheme and as against the total disputed amount of ₹ 1,869 Crore (as per joint statement of company and tax authority) for Assessment years up to 2017-18, an amount of ₹ 981 Crore has been paid in full settlement of the disputes. This has an impact in reduction of current year PAT by ₹ 795 crores.

Accordingly, the amounts shown under the Contingent Liabilities has been withdrawn.

1.4: Disputed claims under ' Karnataka Forest Act:

Government of Karnataka had introduced Forest Development Tax (FDT), to pay @ 12% on the sale value of iron ore with effect from 27.08.2008. NMDC preferred an appeal before Hon'ble High Court of Karnataka and the court passed an interim order directing the Company to pay 50% of FDT, consisting of 25% in cash and balance 25% in the form of Bank Guarantee. As against the total FDT demand of ₹487.27 Crore(from August 2008 to Sep-2011), the Company has deposited an amount of Rs 121.84 Crore (25%) in cash which has been shown as amount recoverable and submitted a bank guarantee for similar amount. An amount of ₹ 365.43 Crore (balance 50% amount of ₹ 243.69 Crore plus 121.84 Crore paid and accounted as amount recoverable) is included under disputed claims at 1.1.A. The amount of ₹ 121,84 Crore for which BG was given is included under contingent liability on BGs' at 1.2.

Hon'ble High Court of Karnataka vide order dated 03.12.2015 has quashed the orders of Government of Karnataka levying the FDT and ordered refund of the tax collected within three months and accordingly the Company has lodged refund claims. However, Government of Karnataka has filed a Special Leave Petition with Hon'ble Supreme Court of India, challenging the orders of Hon'ble High Court of Karnataka. Hon'ble Supreme Court of India has accepted the same and imposed stay on refund of the FDT amount.

Meanwhile Karnataka State Govt. had enacted Karnataka Forest (Amendment) Act 2016 vide Gazette notification dated 27.07.2016. The amendment substituted the word 'Tax' in the principal act to 'Fee' w.e.f 16th day of Aug 2008. Based on this the Monitoring Committee had started billing the Forest Development Fee in its invoices. Meanwhile consumers in Karnataka had filed separate Writ Petitions in Hon'ble High Court of Karnataka on the above. Karnataka High Court vide its order dated 20th Sept. 2016, had ordered that State Govt may restrain from collecting FDF during the pendency of the writ petition, subject to the condition of furnishing bank guarantee in respect of 25% of the demand in relation to future transactions. Karnataka State Govt. had approached Hon'ble Supreme Court on this. Hon'ble Supreme Court vide its order dated 13.02.2017 modified the order of High Court of Karnataka and ordered for payment of 50% of the demanded amount and furnish Bond for balance amount.

The amount billed by the monitoring committee amounting to ₹93.85 crore towards FDF has been accounted under sales revenue during the Financial year 2017-18. As, the Karnataka High Court vide its judgement dated 4th October 2017 has declared the Karnataka Forests (Amendment) Act, 2016 which was introduced for collection of Forest Development Fee (FDF) as unconstitutional, No FDF was collected nor paid with effect from 5th October 2017.

2.32 DISCLOSURES UNDER ACCOUNTING STANDARDS

2.32.1 EMPLOYEE BENEFITS AS PER Ind - AS-19

GENERAL DESCRIPTION OF DEFINED/CONTRIBUTORY BENEFIT PLANS :

PLAN	DESCRIPTION
1. Provident fund	The company's contribution to the provident fund is remitted to a separate trust based on a fixed percentage of the eligible employees' salary. Further, the company makes good the shortfall, if any, between the return from investments of trust and the notified rate of interest on actuarial valuation basis.
2. Gratuity	Eligible amount is paid to the employees on separation by NMDC Group Gratuity Trust.
3. Accrued Leave Salary	Encashment of accumulated leave payable as per the rules of the Company to the employees on separation is made by NMDC Employees Superannuation Benefit Fund Trust.
4. Settlement Allowance	Employees are paid eligible amount at the time of retirement for their settlement by the NMDC Employees Superannuation Benefit Fund Trust.
5. Post Retirement Medical Facilities	Retired employees opting for the Post Retirement Medical Benefit Scheme on contribution of prescribed amount can avail medical benefits as per the Scheme and the liability is funded to NMDC Employees Superannuation Benefit Fund Trust.
6. Family Benefit Scheme	Monthly payments to disabled separated employees/legal heirs of deceased employees on deposit of prescribed amount, till the notional date of superannuation and the liability is funded to NMDC Employees Superannuation Benefit Fund Trust.
7. Long Service Award	Employees are presented with an award in kind on rendering prescribed length of service.
8. Contribution to Defined Contribution Pension scheme	The company's contribution to the defined contribution pension scheme is remitted to a separate trust based on a fixed percentage of the eligible employees' salary.

OTHER DISCLOSURES :

i) Provident fund :

The company has conducted Actuarial valuation of its PF trust and the trust do not have any deficit as on 31st March 2020.

ii) Other defined benefit plans : (₹ In Crore)

Particulars	Gratuity	Accrued Leave Salary	Settlement Allowance	Post retirement medical facilities	Family Benefit Scheme	Long Service Award
A. Changes in the present value of obligation as on 31st March 2019						
Present value of obligation at the beginning of the year	315.48	154.02	12.87	410.91	38.92	21.38
Interest cost	24.42	11.92	-	31.80	-	-
Current service cost	31.38	10.21	-	27.23	-	-
Past service cost	-	-	-	-	-	-
Benefits paid/payable	(34.78)	(8.14)	(0.43)	(31.29)	(5.69)	(2.12)
Actuarial gain/loss on obligation	(10.74)	2.95	(0.37)	21.02	12.93	2.41
Present value of obligation at the end of the period	**325.76**	**170.96**	**12.07**	**459.67**	**46.16**	**21.67**

Particulars	Gratuity	Accrued Leave Salary	Settlement Allowance	Post retirement medical facilities	Family Benefit Scheme	Long Service Award
31st March 2020						
Present value of obligation at the beginning of the year	325.76	170.96	12.07	459.67	46.16	21.67
Interest cost	24.92	13.08	-	35.16	-	-
Current service cost	21.18	53.16	-	30.87	-	-
Past service cost	-	-	-	-	-	-
Benefits paid/payable	(38.99)	(19.56)	(0.72)	(57.33)	(8.11)	(2.29)
Actuarial gain/loss on obligation	26.67	6.48	2.42	57.91	(1.36)	10.99
Present value of obligation at the end of the period	**359.54**	**224.12**	**13.77**	**526.28**	**36.69**	**30.37**
B. Changes in the fair value of the Plan Assets as on						
31st March 2019						
Fair value of plan assets at the beginning of the year	327.17	161.66	37.13	412.66	23.97	-
Expected return on plan assets	25.25	12.48	2.81	34.03	3.23	-
Contributions	0.30	0.00	-	-	14.95	-
Benefits paid/payable	(34.78)	(4.73)	(0.43)	(30.10)	(5.69)	-
Actuarial gain/loss on plan assets	(2.05)	(0.37)	-	27.68	(0.01)	-
Fair value of plan assets at the end of the period	**315.89**	**169.04**	**39.51**	**444.27**	**36.45**	**-**
31st March 2020						
Fair value of plan assets at the beginning of the year	315.89	169.04	39.51	444.27	36.45	-
Expected return on plan assets	24.17	11.54	2.80	30.54	2.22	-
Contributions	10.21	1.93	-	15.40	9.71	-
Benefits paid/payable	(38.99)	(19.56)	(0.72)	(57.33)	(8.11)	-
Actuarial gain/loss on plan assets	(3.64)	-	-	-	(0.01)	-
Fair value of plan assets at the end of the period	**307.64**	**162.95**	**41.59**	**432.88**	**40.26**	**-**
C. Amounts recognised in the Balance sheet as on						
31st March 2019						
Present value of the obligations at the end of the year	325.76	170.96	12.07	459.67	46.16	21.67
Fair value of plan assets at the end of the year	315.89	169.04	39.51	444.27	36.45	-
Liability(+)/Asset (-) recognised in the balance sheet	9.87	1.92	(27.44)	15.40	9.71	21.67
31st March 2020						
Present value of the obligations at the end of the year	359.54	224.12	13.77	526.28	36.69	30.37
Fair value of plan assets at the end of the year	307.64	162.95	41.59	432.88	40.26	-
Liability(+)/Asset (-) recognised in the balance sheet	51.90	61.17	(27.82)	93.40	(3.57)	30.37

Particulars	Gratuity	Accrued Leave Salary	Settlement Allowance	Post retirement medical facilities	Family Benefit Scheme	Long Service Award
D. Amounts recognised in the Statement of P&L for the period ended						
31st March 2019						
Current service cost	31.38	10.21	-	27.23	-	-
Past service cost	-	-	-	-	-	-
Interest cost	24.42	11.92	-	31.80	-	-
Expected return on plan assets	(25.25)	(12.48)	(2.81)	(34.03)	(3.23)	-
Net acturarial gain/loss recognised in the year (OCI)	(8.69)	3.32	(0.37)	(6.66)	12.94	2.41
Total	21.86	12.97	(3.18)	18.34	9.71	2.41
31st March 2020						
Current service cost	21.18	53.16	-	30.87	-	-
Past service cost	-	-	-	-	-	-
Interest cost	24.92	13.08	-	35.16	-	-
Expected return on plan assets	(24.17)	(11.54)	(2.80)	(30.54)	(2.22)	-
Net acturarial gain/loss recognised in the year (OCI)	30.31	6.48	2.42	57.91	(1.35)	10.99
Total	52.24	61.18	(0.38)	93.40	(3.57)	10.99

E. PRINCIPAL ACTUARIAL ASSUMPTIONS :

DESCRIPTION	2019-2020	2018-2019	2017-2018
i. Discount Rate	6.80%	7.65%	7.74%
ii. Mortality Rate	LIC 1994-96 ultimate	LIC 1994-96 ultimate	LIC 1994-96 ultimate
iii. Medical Cost Trend rates	5%	5%	5%
iv. Withdrawal rate	1% to 3%	1% to 3%	1% to 3%
iv. Future salary increase	6.50%	6.50%	6.50%

i) The discount rate adopted above is based on market yields at the balance sheet date on government bonds.

ii) In line with the report of the 3rd Pay Revision Committee,the ceiling of gratuity enhanced from ₹10 lakhs to ₹20 lakhs for provision of gratuity

F. Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumption is :

a) Gratuity (₹ In Crore)

	1% Increase	1% Decrease	1% Increase	1% Decrease
	31/3/ 2020	31/3/ 2020	31/3/ 2019	31/3/ 2019
A Effect of 1% Change in the Assumed Discount Rate	332.79	390.51	303.38	351.50
1. Effect on DBO	(7.44)	8.61	(6.87)	7.90
A Effect of 1% Change in the Assumed Salary Rate	378.69	339.16	343.49	307.35
2. Effect on DBO	5.33	(5.67)	5.44	(5.65)
A Effect of 1% Change in the Assumed Attrition Rate	380.67	336.07	345.92	303.44
3. Effect on DBO	5.88	(6.53)	6.19	(6.85)

b) Accrued Leave Salary (₹ In Crore)

	1% Increase	1% Decrease	1% Increase	1% Decrease
	31/3/ 2020	31/3/ 2020	31/3/ 2019	31/3/ 2019
A Effect of 1% Change in the Assumed Discount Rate	197.03	238.89	150.40	180.44
1. Effect on DBO	(8.89)	10.47	(8.43)	9.87
A Effect of 1% Change in the Assumed Salary Rate	245.71	191.48	186.09	145.84
2. Effect on DBO	13.62	(11.46)	13.31	(11.20)
A Effect of 1% Change in the Assumed Attrition Rate	234.33	195.98	179.48	147.19
3. Effect on DBO	8.36	(9.37)	9.29	(10.38)

c) Post Retirement Medical Facilities (₹ In Crore)

	1% Increase	1% Decrease	1% Increase	1% Decrease
	31/3/ 2020	31/3/ 2020	31/3/ 2019	31/3/ 2019
A Effect of 1% Change in the Assumed Discount Rate	471.79	591.41	419.28	507.33
1. Effect on DBO	(10.36)	12.38	(8.79)	10.37
A Effect of 1% Change in the Assumed Salary Rate	593.92	470.28	509.47	417.95
2. Effect on DBO	12.85	(10.64)	10.84	(9.08)

(G) Defined benefit liability

The weighted average duration of the defined benefit obligation is 13.30 years for Leave encahement benefit , 10.60 years for gratuity scheme as on 31 March 2020 .The expected maturity analysis of gratuity and compensated absenses is as under :

	Less than a year	Between 2 - 5 years	between 5 -10 years	Over 10 years	Total
31 March 2020					
Gratuity scheme	24.97	93.16	81.14	160.26	359.53
Accrued leave salary	8.68	40.26	43.75	123.57	216.26
Post retirement medical benefits	34.03	125.75	132.35	234.14	526.27
Total	67.68	259.17	257.24	517.97	1,102.06

The weighted average duration of the defined benefit obligation is 12.98 years for Leave encahement benefit , 9.95 years for gratuity scheme as on 31 March 2019 .The expected maturity analysis of gratuity and compensated absenses is as under :

	Less than a year	Between 2 - 5 years	between 5 -10 years	Over 10 years	Total
31 March 2019					
Gratuity scheme	28.03	88.09	75.14	134.50	325.76
Accrued leave salary	8.72	30.13	34.07	91.30	164.22
Post retirement medical benefits	30.06	108.00	106.90	214.70	459.66
Total	66.81	226.22	216.11	440.50	949.64

2.32.2. Segment Reporting as per Ind - AS-108

A. Basis for segmentation

An operating segment is a component of the company that engages in business activities from which it may earn revenues and incur expenses and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Board of Directors to make decisions about resources to be allocated to the segments and assess their performance.

The company has two reportable segments, as described below, which are the company's strategic business units. These business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the business units, the company's Board reviews internal management reports on a periodic basis.

The following summary describes the operations in each of the company's reportable segments:

B. Information about reportable segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), segment revenue and segment capital employed as included in the internal management reports that are reviewed by the board of directors. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

Reportable Segments

Business Segments

(INR Crore)

	Iron Ore		Pellets , Other Minerals & Services		Other reconciliation items		Grand Total	
	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year
1.REVENUE								
External Sales	**11,569.01**	11,997.98	**129.64**	154.42	**0.57**	0.27	**11,699.22**	12,152.67
Inter-Segment Sales	**(0.11)**	3.83	**-**	-	**0.11**	(3.83)	-	-
Total Revenue	**11,568.90**	12,001.81	**129.64**	154.42	**0.68**	(3.56)	**11,699.22**	12,152.67
2. RESULT								
Segment Result	**6,135.20**	7,156.93	**(131.73)**	(129.60)	**11.10**	7.94	6,014.57	7,035.27
Unallocated Corporate Exps							(249.68)	(246.18)
Operating Profit							5,764.89	6,789.09
Finance Cost							(9.88)	(40.32)
Interest Income							367.42	449.65
Income Taxes							(2,512.31)	(2,556.31)
Net Profit							**3,610.12**	4,642.11
3. OTHER INFORMATION								
Segment Assets	**6,960.21**	4,904.88	**615.67**	663.88	**23,171.00**	23,630.49	**30,746.88**	29,199.25
Segment Liabilities	**1,340.40**	1,421.66	**35.17**	38.77	**2,234.42**	2,370.02	**3,609.99**	3,830.45
Additions to assets during the year :								
Tangible Assets	**218.37**	222.42	**0.77**	0.71	**96.84**	49.09	**315.98**	272.22
Intangible Assets	**484.78**	65.97	**-**	0.19	**0.91**	1.26	**485.69**	67.42
ROU Assets	**-**		**-**		**8.20**		**8.20**	-
Depreciation, Amortisation and Impairment	**240.01**	228.56	**40.46**	37.49	**13.91**	12.84	**294.38**	278.89
expenses during the year								
Impairment reversal/ provided	**-**	-	**-**	-	**-**	-	**-**	-
Non-Cash expenses other than	**214.44**	249.62	**0.04**	0.02	**1.63**	0.01	**216.11**	249.65
Depreciation & amortization								

Geographical Segments

Sales Revenue by location of Customers: (INR Crore)

	Curr. Year	Prev. Year
Revenue from External customers		
- Domestic	**10,126.04**	11,607.02
- Export : Through MMTC	**1,573.18**	545.65
Total	**11,699.22**	12,152.67

Assets by Geographical Location: (INR Crore)

Location	Carrying amount of Segment Assets		Additions to Tangible and Intangible Assets	
	Curr. Year	Prev. Year	Curr. Year	Prev. Year
Chattisgarh	**22,612.35**	18,615.08	**587.39**	271.09
Telangana & Andhra Pradesh	**6,183.07**	8,109.49	**10.36**	8.73
Others	**1,951.46**	2,474.68	**203.92**	59.82
Total	**30,746.88**	**29,199.25**	**801.67**	**339.64**

Note No. 2.32.3 Disclosures – Revenue (Ind AS 115)

a) Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contract with customers (₹ In Crore)

Segment	Year ended 31st March 2020	Year ended 31st March 2019
	INR crores	INR crores
Type of goods or service		
Sale of goods		
-Iron ore	11,569.00	11,997.98
-Sponge iron	4.39	0.94
-Diamonds	34.29	38.86
-Sale of pellets	55.55	76.52
-Sale of power	5.40	5.51
Sale of services		
-Sale of services	30.16	32.34
Others		
Other operating revenue	0.43	0.52
Total revenue from contracts with customers	**11,699.22**	**12,152.67**
India	10,126.04	11,607.02
Outside India	1,573.18	545.65
Total revenue from contracts with customers	**11,699.22**	**12,152.67**
Timing of revenue recognition		
Goods transferred at a point in time	11,669.06	12,120.33
Services transferred over time	30.16	32.34
Total revenue from contracts with customers	**11,699.22**	**12,152.67**

Set out below, is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment reporting

	31st March 2020		31st March 2019	
	Sale of goods	Sale of services	Sale of goods	Sale of services
Revenue	INR crores			
External customer	11,669.06	30.16	12,120.33	32.34
Inter-segment	(0.11)	-	2.54	-
Inter-segment adjustment and elimination	(0.11)	-	2.54	-
Total revenue from contracts with customers	**11,669.06**	**30.16**	**12,120.33**	**32.34**

b) Contract balances (₹ In Crore)

	31st March 2020	31 March 2019 (Restated)	01 April 2019 (Restated)
	INR crores	INR crores	INR crores
Trade receivables	2,223.71	1,424.51	-
Contract assets	-	-	-
Contract liabilities	202.95	216.53	-

Trade receivables are non-interest bearing . In March 2020, Rs 2,162.51 crore (March 2019: Rs 1,958.15 crore) was recognised as provision for expected credit losses on trade receivables.

Contract assets are generally recognised in case of supply of services only when the receipt of money is conditional on milestone even after satisfaction of performance obligation. In case of sale of goods, directly receivable is recognised as company has unconditional right to payment from the moment performance obligation is satisfied.

Contract liabilities includes advance received from customer which will be adjusted towards supply of goods or services.

c) Significant accounting judgements, estimates and assumptions

The Company applied the following judgement that significantly affect the determination of the amount and timing of revenue from contract with customers:

Determining method to estimate variable consideration and assessing the constraint

Contract price for sale of goods is subject to adjustment towards difference in goods composition then what was agreed and forex gain or loss, which results in variable consideration. In estimating the variable consideration, the Company is required to use either the expected value method or the most likely amount method based on which method better predicts the amount of consideration to which it will be entitled.

The Company determined that the expected value method is the appropriate method to use in estimating the variable consideration for the sale of goods with adjustment towards difference in goods composition then what was agreed and forex gain or loss, given the large number of possible outcome under such contracts.

Before including any amount of variable consideration in the transaction price, the Company considers whether the amount of variable consideration is constrained. The Company determined that the estimates of variable consideration are not constrained based on its historical experience, business forecast and the current economic conditions. In addition, the uncertainty on the variable consideration will be resolved within a short time frame.

2.32.4: Accounting policies, change in Accounting Estimates and Errors (As per Ind-AS 8):

I. **Review of Accounting Policies**

a. **Property Plant and Equipment: Intangible Assets (Accounting Policy No. 1(1.2)(vi))**

To reflect the existing practice of the company the following has being added to the existing policy, *"Mining rights are accounted as Intangible assets and amortised over the period of life of the mining lease.*

The said revision has nil impact on the financials of the company.

b. **Stripping Cost: (Accounting Policy No.1(1.2)(xix))**

To be at par with Ind-AS, the policy on treating stripping cost during production phase has been revised as stated under Accounting Policy"

The said revision has nil impact on the financials of the company.

II. **Ind AS issued and effective from 1st April-2019:**

Ind AS 116 Leases:

Ministry of Corporate Affairs has notified 'The Companies (Indian Accounting Standards) Amendment Rules, 2019 dated March 30, 2019 which inter alia includes the new standard on Leases Ind AS 116 replacing the existing standard Ind AS 17, to be effective from the 1st April 2019. The company has applied the Standard to its leases using the modified retrospective approach and comparative information is not restated.

This has resulted in recognising a Right-of-Use Assets and a corresponding Lease Liability of ₹8.20 crore as at 1st April 2019. The impact on the profit for the period is not material.

2.32.5 : Related Party Disclosures (IndAS-24)-:

i) List of related parties (₹ In Crore)

A. Subsidiaries	Country of incorporation	No. of Shares Hold	Holding as at March 31, 2020	Holding as at March 31, 2019
Legacy Iron Ore Limited	Australia	576,72,53,980	**92.32%**	78.56%
J & K Mineral Development Corporation Limited	India	28,51,002	95.86%	95.86%
NMDC Power Limited	India	5,50,000	100%	100%
Karnataka Vijaynagar Steel Limited	India	1,00,000	100%	100%
NMDC Steel Limited	India	60,000	100%	100%
Jharkhand Kolhan Steel Limited	India	1,60,000	100%	100%
NMDC-SARL, Madagaskar (Under closure)	Africa	41,85,590	100%	100%
NMDC-CSR Foundation	India	20,00,000	100%	100%
B.Joint Ventures				
Kopano-NMDC Minerals(Proprietary) Limited	South Africa	50	50%	50%
Jharkhand National Mineral Development Corporation Ltd.	India	6,000	60%	60%
NMDC-CMDC Ltd., Raipur	India	9,83,47,236	51%	51%
NMDC-SAIL Ltd.	India	25,500	51%	51%
Bastar Railway Pvt. Ltd.	India	15,26,74,600	52%	52%
C. Associates				
Romelt-Sail(India) Limited	Africa	1,05,000	25%	25%
International Coal Ventures (Pvt.) Ltd.	India	37,63,57,143	25.94%	25.94%
Krishnapatnam Railway Company Ltd.	India	4,00,00,000	6.40%	6.40%
NeelachalIspat Nigam Ltd	India	7,47,99,878	12.87%	12.87%
Chhattisgarh Mega Steel Ltd.	India	13,000	26%	26%

D: Key Management Personnel: (Directors) as on 31/03/2020

Directors :

1.	Shri N.Baijendra Kumar	CMD
2.	Shri P K Satpathy	Director (Production)
3.	Shri Amitava Mukherjee	Director (Finance)
4.	Shri. Alok Kumar Mehta	Director (Commercial)
5.	Shri Sumit Deb	Director (Personnel)

Company Secretary :

Sri A.S Pardha Saradhi

ii. RELATED PARTY RANSACTIONS:

INR in crore

INVESTMENTS IN SUBSIDIARIES: (₹ In Crore)

INVESTMENTS IN SUBSIDIARIES:	OB 1.4.2019	Additions	Deletions	CB 31.3.2020
Legacy Iron Ore Limited	168.53	46.17	-	214.70
J&K Mineral Development Corporation	28.51	-	-	28.51
NMDC Power Limited	0.55	-	-	0.55
Karnataka Vijaynagar Steel Limited	0.10	-	-	0.10
NMDC Steel Limited	0.06	-	-	0.06
Jharkhand Kolhan Steel Limited	0.06	0.10	-	0.16
NMDC-SARL Madagaskar (under closure)#	7.20	-	-	7.20
NMDC-CSR Foundation	2.00	-	-	2.00
Sub total	**207.01**	**46.27**	**-**	**253.28**
Investment Deration- J&KMDC	28.51	-	-	28.51
Investment Deration- NMDC- SARL	7.20	-	-	7.20

LOANS AND ADVANCES IN SUBSIDIARIES: (₹ In Crore)

	OB 1.4.2019	Additions	Deletions	CB 31.3.2020
Legacy Iron Ore Limited	-	-	-	-
J&K Mineral Development Corporation	16.45	3.12	0.06	19.51
NMDC Power Limited	-	-	-	-
Karnataka Vijaynagar Steel Limited	641.78	-	-	641.78
NMDC CSR	-	0.01	-	0.01
Jharkhand Kolhan Steel Limited	0.03	-	0.03	-
NMDC-SARL Madagaskar (under closure)#	-	-	-	-
Sub total	**658.26**	**3.13**	**0.09**	**661.30**
Advances Deration- J&KMDC	13.86	-	-	13.86

INVESTMENTS IN JOINT VENTURE COMPANIES (including advance against equity) (₹ In Crore)

	OB 1.4.2019	Additions	Deletions	CB 31.3.2020
Kopano-NMDC Minerals (Proprietary) Limited (Rs 324/-)	-	-	-	-
Jharkhand National Mineral Development Corporation Ltd	0.01	-	-	0.01
NMDC-CMDC Ltd, Raipur	98.35	-	-	98.35
NMDC-SAIL Ltd	0.03	-	-	0.03
Bastar Railway Pvt Ltd	152.67	-	-	152.67
Sub total	**251.06**	**-**	**-**	**251.06**
Investment Deration- NMDC-SAIL Ltd	0.03			0.03

LOANS AND ADVANCES TO JOINT VENTURES: (₹ In Crore)

	OB 1.4.2019	Additions	Deletions	CB 31.3.2020
Kopano-NMDC Minerals (Proprietary) Limited (Rs 324/-)	0.10	-	-	0.10
Jharkhand National Mineral Development Corporation Ltd	0.05	0.01	-	0.06
NMDC-CMDC Ltd, Raipur	46.10	-	-	46.10
NMDC-SAIL Ltd	-	-	-	-
Bastar Railway Pvt Ltd	-	-	-	-
Sub total	46.25	0.01	-	46.26

INVESTMENT IN ASSOCIATE COMPANIES:(including advance against equity): (₹ In Crore)

	OB 1.4.2019	Additions	Deletions	CB 31.3.2020
Romelt-SAIL (India) Limited	0.11	-	-	0.11
International Coal Ventures (Pvt) Ltd	376.36	-	-	376.36
Krishnapatnam Railway Company Ltd	40.00	-	-	40.00
Chhattisgarh Mega Steel Ltd	0.01	-	-	0.01
Neelachal Ispat Nigam Ltd	100.60	-	-	100.60
Sub total	**517.08**	**-**	**-**	**517.08**
Investment Deration- Romelt-SAIL Ltd	0.11	-	-	0.11

LOANS AND ADVANCES TO ASSOCIATE COMPANIES: (₹ In Crore)

	OB 1.4.2019	Additions	Deletions	CB 31.3.2020
Neelachal Ispat Nigam Ltd	-	60.00	-	60.00
Sub total	-	60.00	-	60.00

Aggregate amount of unquoted investments Gross ₹806.72 crore and net ₹770.87 crore(Previous year Gross ₹806.61 crore and net ₹770.79 crore)

Particulars	As at March 31, 2020	As at March 31, 2019
Key Management Personnel:		
Key Managerial Personnel Remuneration	5.41	5.62

The Company has so far deposited an amount of ₹639.61 Crore (previous year 639.61 crore) with Karnataka Industrial Area Development Board (KIADB) for acquisition of land for setting up of Steel plant at Karnataka and an amount of Rs 2.17 Crore was spent for fencing the land during the previous year. The amount of Rs 641.78 Crore is included under Advances to Subsidiaries under the note 2.4.2.

The execution of agreement and registration of private land is pending. Pending execution, the land is capitalised in the books of KVS during Financial Year 2018-19.

2.32.6 Earnings per share (IND AS-33)-: The details are as under: (₹ In Crore)

Particulars	Year ended	
	31-MAR-2020	31-MAR-2019
1. Profit after Tax (INR in Crore)	3,610.12	4,641.98
2. No of Equity shares	306,18,49,659	306,18,49,659
3. Nominal value per Equity share (Rs)	1	1
4. Basic and Diluted Earnings per share (Rs) (*)	11.79	14.70

Note: (*) The earnings per share (EPS) of previous year ended 31st March 2019 has been adjusted on account of buyback.

2.32.7 Accounting for Deferred Taxes on income (Ind-As-12) : Necessary details have been disclosed in note no: 2.5.

2.32.8 Discontinuing Operations (IndAS-105) :

On 25/02/2008 the Board of directors had announced a plan to dispose-off the plant and machinery of Silica Sand Project, Lalapur which is included in the segment of "Other minerals and services." Pending disposal, the unit is kept under care & maintenance.

On screening Plant:

Board of director in its 525th meeting held on 10th December 2019 approved the termination of Screening Plant operation located at Vizag. Detailed are as below:

(₹ In Crore)

Particulars	As at 31-Mar-2020	As at 31-Mar-2019
Silica Sand Project, Lalapur		
Carrying value of Assets	0.29	0.29
Carrying value of liabilities	0.73	0.73
Screening Plant -Vizag		
Carrying value of Assets	0.86	-
Carrying value of liabilities	0.29	-

The following statement shows the revenue and expenses of discontinued operations:

(₹ In Crore)

Particulars	For the year ended 31-Mar-2020	For the year ended 31-Mar-2019
A. Revenue		
Revenue from operations		
Other income	0.00	0.00
Total Revenue	0.00	0.00
B. Expenses		
Power, Electricity and Water	0.25	0.29
Repairs and Maintenance	0.00	0.00
Depreciation & Amortisation	0.09	0.00
Other expenses	0.71	0.35
Total Expenses	1.05	0.64
C.Profit(+)/Loss(-) from discontinued operations before tax (A-B)	(1.05)	(0.64)

2.32.9 Intangible Assets (IndAS-38) : R&D

The Research & Development expenditure, charged to Statement of Profit & Loss during the year is ₹23.79 crore (previous year ₹23.81 crore), including expenditure of ₹0.64 crore (previous year ₹0.35 crore) on feasibility studies.

The amount of revenue expenditure incurred at Research & Development unit, Hyderabad is as under:

(₹ In Crore)

Head of account	2019-2020	2018-2019
Consumption of Stores and Spares	0.35	0.25
Power, Electricity & Water	0.62	0.61
Employee benefit expense	14.92	14.13
Repairs and Maintenance	0.49	0.82
Other expenditure	4.28	4.76
Depreciation & Amortisation	3.85	3.97
Total expenditure	24.51	24.54
Less : Other income	1.36	1.08
Total net R&D expenditure	23.15	23.46

During the year, at R&D unit, the additions to tangible assets (except land and buildings) are ₹7.00 crore. (Previous year ₹7.50 crore).

2.32.10 Joint Ventures (IndAS- 28) Jointly Controlled entities:

Sl no	Name of the Joint Venture	Country of Incorporation	Proportion of ownership 2019-2020	Proportion of ownership 2018-2019
1	Kopano-NMDC Minerals (Proprietary) Limited	South Africa	50%	50%
2	NMDC CMDC Limited, Raipur	India	51%	51%
3	Jharkhand National Mineral Development Corporation Limited, Ranchi	India	60%	60%
4	NMDC SAIL Ltd	India	51%	51%
5	Bastar Railway Pvt Ltd	India	52%	52%

2.32.11 Impairment of Assets (IndAS – 36):

The impairment of assets has been reviewed during the year in respect of the following cash generating units, included under the segment 'Other Minerals and Services'. The Assets of the SIIL have been impaired in this financial year:

(₹ In Crore)

Unit	Year of impairment	Impaired Amount as on 01-04-2019	Adjustments during 2019-2020			Impaired Amount as on 31-03-2020
			Reversal	Deletion	Addition	
SSP, Lalapur	2005-06	12.54	--	-	--	12.54
SAF Plant at Sponge Iron Unit	2004-05	15.48	-	-	-	15.48
SIIL	2019-2020	-	-	-	3.37	3.37

1. The Recoverable amount of the assets of SSP, Lalapur unit has been arrived at considering the 'value in use'. Since the value in use has resulted in negative cash flows, the recoverable amount has been taken as nil without applying any discount rate.
2. In the case of SAF plant at the Sponge Iron Unit, the impairment is based on net selling price as assessed by the approved Valuer.
3. In case of SIIL plant, Impairment is based on the assessed receivable value.
4. Earlier, as per the MMDR Amendment Act, 2015, Supplementary Mining Lease of Panna was extended for a period of 50 years from the initial grant i.e. upto 30.06.2020. Consequently, Forest Clearance was extended upto lease validity as per MoEF&CC Circular dated 01.04.2015. Further after extension of supplementary mining lease upto 30.06.2040, request has been made to state government to take the above circular into cognizance and extent the existing Forest Clearance for a period Co-terminus with the lease validity i.e. upto 30.06.2040.

2.32.12 Provisions, Contingent Liabilities and Contingent Assets (IndAS-37) :

Necessary details in regard to provisions have been disclosed in notes 2.14.2,2.17& 2.31.

2.33: Disclosure as required under Regulation 34(3) and 53(f) of SEBI (LODR) Regulations, 2015

2.33.1 Loans and advances in the nature of loans to Subsidiaries/Jvs' where there is no repayment schedule or no interest:

(₹ In Crore)

Name of the Subsidiary	Maximum Balance outstanding	
	As at 31-Mar-2020	As at 31-Mar-2019
J&K Mineral Development Corporation Limited, Jammu (*)	16.45	16.45
NMDC Power Ltd, Hyderabad	-	-
Jharkhand Kolhan steel Limited	-	0.03
Karnataka Vijayanagar Steel Limited	641.78	641.78
NMDC Steel Limited	-	-
NMDC CSR	0.01	-
Total	658.24	658.26
* Advances derated / Provision made during the year	13.86	13.86
Name of the Joint Venture	Maximum Balance outstanding	
	As at 31-Mar-2020	As at 31-Mar-2019
Kopano-NMDC Minerals (Proprietary) Limited	0.10	0.10
Jharkhand National Mineral Development Corporation Ltd.	0.06	0.05
NMDC-CMDC Ltd., Raipur	46.10	46.10
Bastar Railway Pvt. Ltd.	-	-
Total	46.26	46.25

1.33.2 There are no Investments by the loanees as mentioned in 2.36.1 in the shares of NMDC Ltd.

1.33.3 : Loans to Associate Companies

(₹ In Crore)

Name of the Associates	Maximum Balance outstanding	
	As at 31-Mar-2020	As at 31-Mar-2019
Neelachal Ispat Nigam Ltd	60.00	-
Total	60.0	-

No Loans and Advances were given to the Associate Companies except the above company.

1.33.4 There are no loans and advances in the nature of loans to firms/companies in which directors are interested except as stated above.

2.34. Others:

2.34.1 Service tax on Royalty:

The Company has been disputing the payment of Service Tax on Royalty for the period 01.04.2016 to 30.06.2017, at various Courts. However, Provision has been made in the books towards the service tax on Royalty for the above period and interest on the same upto 31st March 2019. The total liability as on 31.3.2019 was ₹ 281.47 crore (Rs 211.85 Crore towards Service tax and Rs 69.62 Crore towards interest).

The Govt has notified the scheme "Sabka Vishwas (Legacy dispute Resolution) Scheme-2019" during the year to resolve all disputes relating to the erstwhile Service Tax and Central Excise Acts, which are now subsumed under GST, as well as other Indirect Tax enactments. The scheme provided for substantial relief by partial payment of disputed service tax dues with waiver of interest and Penalty. The Company has opted to avail the concessions offered under 'Sabka Vishwas" scheme and has withdrawn all the pending cases with regard to Service tax on Royalty with various courts.

Under the Legacy dispute scheme, the Company has paid an amount of Rs 104.08 Crore towards Service tax on Royalty as well as ₹ 33.40 crore towards Service tax on DMF and NMET (total of ₹ 137.48 crores) for the period from 1st April 2016 to 30th June 2017.

Accordingly, the excess Liability of Rs 177.39 Crore has been withdrawn shown as 'Exceptional Item' in the accounts at note no. 2.28..

2.34.2 Enabling Facilities:

During the year an amount of ₹38.54 crore and ₹ 189.76 crore is utilised by Railways for the doubling of Railway line between Jagdalpur to Ambagaon and Kirandul to Jagdalpur respectively and the total amount of ₹ 228.29 crore is included in "Other Expenses ".

2.34.3 Disinvestment of NISP:

The Govt of India has accorded 'in principle' approval for strategic disinvestment of Nagarnar Steel Plant of NMDC Limited on 27.10.2016. However, the process of disinvestment has been deferred.

2.34.4 Property, Plant & Equipment (PPE)

As per Ind AS 16 items such as spare parts, stand by equipment and service equipment are to be capitalized when they meet the definition of PPE and are expected to be used for more than one accounting year. After review of the inventory values and its consumption patterns in the major production Units, Company based on materiality has fixed a threshold limit of Rs 20 Lakhs for such spare parts, stand by equipment and service equipment meeting the definition of PPE. On issue of said PPE, the WDV is allowed to be depreciated over the life of the main asset or the life of the equipment whichever is less.

2.34.5 NMET:

As per the Gazette Notification dated 27thMarch 2015 enacting the Mines and Minerals (Development and Regulation) (Amendment) Act, 2015 and subsequent notifications dated 14th Aug 2015 for contribution of National Mineral Exploration Trust (NMET), the Company was required to pay 2% of royalty towards NMET with effect from 12th Jan 2015 respectively.

The Hon'ble High Court of Bilaspur in its judgement dated 24.11.2017 clarified that contribution towards NMET shall be payable w.e.f. 14.8.2015, the date of promulgation of NMET Rules plus constitution of NMET Trust.

With regard to NMET, Company has made the payment w.e.f 12.01.2015. As per the Hight Court judgement the units in state of Chattisgarh the payments made from 12.01.2015 till 13.08.2015 are recognised under Amount Recoverable to be adjusted from future payments to State Government.

2.34.6 Dues from Monitoring Committee- Donimalai complex in Karnataka:

The total trade receivables from monitoring Committee as on 31.3.2020 is ₹2434.79 crore. This includes regular dues of ₹ 290.15 crore and ₹ 2122.46 crore towards 10% of sale proceeds retained by Monitoring Committee for the period from 04.10.2011 to 31.03.2020 pending directions from Hon'ble Supreme Court and ₹ 22.18 crore long pending dues for which company has made a total provision of ₹ 2144.64 crore.

2.34.7 Common Cause Judgement for Bailadila Sector:

The Company had received Show Cause Notices dated 31 .07.2018 from Dist. Collector, South Bastar Dantewada as to why NMDC should not be asked to deposit an amount of ₹7,241.35 crore as compensation as calculated by Collector based on the Hon'ble Supreme Court Common Cause Judgement related to Orissa Iron ore mines (Writ Petition Civil No 114 of 2014 dated 2nd August 2017). The Company had been contesting the Show Cause Notices with Dist. Collector, South Bastar Dantewada on the ground that the said judgement is not applicable to NMDC .

Meanwhile, revised showcause notices dated 26.09.2019 were received for a revised amount of Rs 1,623.44 Crore from Dist. Collector, South Bastar, Dantewada, to be replied within 21 days of notice. NMDC while reiterating the fact of non-applicability of the Hon'ble Supreme Court Judgement in the state of Chhattisgarh, has sought time for replying to the show cause notices. Further to above, Dist. Collector, South Bastar, Dantewada had issued Demand notices dated 15/11 /2019 for the amount to Rs 1,623.44 Crore (Bacheli - Rs 1,131.97 Crore & Kirandul Rs 491.47 Crore) asking to deposit the amount within 15 days. As the Mining Leases of the company in the State of Chhattisgarh were expiring on 31 .3.2020 and due for renewal , the Company has paid an adhoc amount of Rs 600 Crore under protest and filed writ petitions in the Hon'ble High Court of Bilaspur, Chhattisgarh and a Revision application with Mines Tribunal, Ministry of mines, Government of India , New Delhi praying to set aside the demand notices.

Hon'ble High Court of Bilaspur has heard the WPs on 19.02.2020 and sought certain clarifications from the respondent and directed 'no coercive action till 12.3.2020 and listed the case for 12.3.2020. However due to COVID-19 situation, no further hearings could take place

The demand amount of Rs 1,623.44 crores has been shown under 'Contingent Liabilities'.

2.34.8 Mining Lease of Donimalai:

The Government of Karnataka, while renewing the lease of NMDC 's Donimala i Iron Ore Mine, has imposed a new condition asking for a premium of 80% on the average sale value. As the demand of the State Govt. is not as per the provisions of the MMDR Act 2015 and Mineral (Mining by Government Company) Rules, 2015 , the company requested the Govt. to reconsider its decision.

Since there was no positive response from the State Govt, the company has suspended its operations from 4th November 2018 and moved to the Hon'ble High Court of Karnataka praying for a suitable direction in the matter. The Hon'ble High Court of Karnataka in its judgement dated 10th July 2019 has passed an order setting aside the condition imposed for levying 80 % premium. On the basis of the judgement, NMDC has request ed the State Govt. to consider the execution of Lease Deed of Donimalai Mine.

The Government of Karnataka issued an Order dated 17.08.2019 withdrawing the approval for extension of the Donimalai mining lease and with a direction to the Director of DMG to auction the said block. In this regard, the Company on 19.8.2019 filed 'Revision application' before The Hon'ble Mines Tribunal, Government of India. Meanwhile, the State Government issued a notification dated 20.08 .2019 inviting tender for auction of the Donimalai Mining block. 0n 21 .08 .20 19 Hon'ble Mines Tribunal heard the submissions and stayed the Order dated 17.08.2019 issued by the Government of Karnataka withdrawing the extension of lease and any consequent action thereon until the next date of hearing. The matter is pending with Hon'ble Mines Tribunal.

Meanwhile, Ministry of Mines has amended the 'Mineral (Mining by Government Company) Rules, 2015 with regard to renewal of mining leases allocated to Government Companies. Earlier the rule 3 (2) stated that if an application for renewal of mining leases is made to the State Government by a Government company, the State Government "MAY'', for reasons to be recorded in writing , extend the period of the mining lease for further periods of up to twenty years at a time ". Now the rule is amended by substituting the word "MAY" with "SHALL ". Now the rule reads as "SHALL'' for reasons to be recorded in writing, extend the period of mining lease for further periods of up to twenty years at a time".

Even though the company is regularly corresponding with the State Government for extending the lease, response of the State Government is still awaited.

The last hearing at Mines Tribunal took place on 04.03.2020 where in the State Government has requested adjournment upto 24.03.2020. No further hearings could take place due to COVID-19 situation.

2.34.9 Closure of SPVs':

Ministry of Steel vide its record note of discussion dated 23.4.2018 has taken the decision 'not to pursue the SPV's – NMDC Power Limited and NMDC-SAIL Limited. NMDC Board has approved for closure of the companies. Accordingly, an amount of Rs 2.50 Lakhs investment in NMDC_SAIL Limited has been derated as application for striking off the name has been filed with ROC on 3rd April 2019. Status quo is maintained with regard to Investment in NMDC- Power Limited as action for closure is yet to be initiated.

2.34.10 Allotment of Coal Block

Nominated Authority, Ministry of Coal has declared NMDC as successful allottee of Tokisud North Coal Mine (Non-Coking Coal) & Rohne Coal Mine (Coking Coal) block in the state of Jharkhand on 16th December 2019 and 17th March 2020 respectively. For Tokisud block initial payment of ₹ 235.63 crore, which includes upfront payment of ₹10.86 crore and fixed amount of ₹ 224.77 crore, is made. Pending receipt of allotment order the amount is shown under Capital Advance at note no. 2.6.

2.34.11 **Disclosures with regard to COVID-19 and its impact:**

A. **Financial Impact:**

The COVID 19 had a marginal impact on the operations of the company due to the lock down in the country in March 20. There has been a loss of around 10.01 LMT of Production and 5.50 LMT of Sale of Iron ore during FY 2019-20 (in March 20). This has resulted in a loss in sale revenue of around Rs 219 Crore and PBT of Rs 120 crore.

B. **Impact of corona virus on financial reporting - Assets & Liabilities**

- **Inventory:** There was no complete halt in the despatch of Iron ore to customers. However the scale of operations have come down since 21st March 2020. Management do not see any need to write down the inventories in view of COVID-19.
- **Impairment test for assets:** No impairment of non-financial assets like property, plant & equipment, intangibles and goodwill, is felt necessary due to COVID-19.
- **Change in useful life of fixed assets:** No change in useful life of assets is felt necessary due to COVID-19.
- **Fair value of financial assets / instruments:** There is no impact due to COVID 19 in fair value of financial assets/instruments
- **Trade receivables – Expected Credit Loss:** No additional ECL is felt necessary due to COVID-19 situation.
- **Leased assets:** No change in conditions in Lease agreements due to COVID-19.
- **Capitalization of borrowing cost:**No borrowings for Capex. Hence not applicable to NMDC.
- **Provision for onerous contract:**No provision is felt necessary of onerous contracts like expected loss which will be incurred to fulfil the commitment give to customer to supply the products at contract prices which are lower than the procurement prices.
- **Going concern assumption need to be reassessed by management:** The management feels that there shall not be any impact on Going Concern Assumption due to COVID 19 as on balance sheet date and next 12 months.
- **Impact of COVID 19 on significant uncertainties:** No significant uncertainties have been emerged by the outbreak of the COVID -19 in measuring various assets and liabilities. However due to the overall economic situation in the country, there could be scale down in the operations compared to previous year.

B. **Impact of coronavirus on financial reporting- Revenue & Expenses**

- **Revenue recognition:** No reassessment of Revenue is felt necessary considering the impact of COVID 19.
- **Recognition of insurance claims filed due to loss on account of COVID 19:** There has been no Loss for which insurance claims need to be filed due to loss on account of COVID 19
- **Re-measurement of deferred taxes:** No changes in the deferred taxes is expected due to COVID 19.
- **Revision in risk assessment and materiality:** Management feels that the demand position of iron ore in FY 20-21 shall be lower as compared to FY 19-20 especially in the Q1 and Q2 and things are expected to improve in Q3 and Q4. The prices are also expected to be subdued during the First Half of current year. No operational disruptions are anticipated except for scale down in operations No material risks are anticipated necessitating their provisioning in the accounts for FY19-20.
- **Year-end physical verification:** Physical verification of Inventory has been carried out at various projects.
- **External confirmations:** Letters seeking confirmations have been sent to Debtors and Creditors as per every year practice.

2.34.12 Exceptional items (Depreciation and Amortisation) : (At note no. 2.28)

1) **Kumaraswamy Mine:**

Govt of Karnataka vide notification dated 14.08.2019 directed NMDC to execute a supplementary/rectification mining lease deed in r/o ML No 1111 of Kumaraswamy mine for the period from 18.10.1972 to 17.10.2022. Accordingly, Supplementary lease deed was executed on 20.03.2020. A demandnote amounting ₹ 77.36 crore was received towards Stamp duty and Registration Fee. The same is provided in the books and amortised over the revised lease period. The total amortisation amount for the period from 18th Oct 1972 to 31st March 2020 has come to ₹ 73.49 crore. The amortisation amount of ₹ 71.95 crore pertaining to previous years upto 31st March 2019 is provided in the books and included under Exceptional Item.

During Current Financial year, an amount of Rs, 92.90 crore of PPE items are capitalized which has an impact of Rs 34.88 crore of Depreciation relating to Previous years. Similarly, under Mining Rights under Intangible assets, an amount of ₹30.74 crore is amortisied towards DIOM & KIOM Mining rights. The total amount of ₹ 65.62 crore is included under exceptional items in the consolidated accounts of the company.

2) **Bailadila Mines**

Registration fee and Stamp duty of ₹ 402.32 crore was paid for renewal of Mining leases in Bailadila Sector for the period of twenty years starting from 2015 to 2035 included in the Intangible assets. The Amortisation for the period from 2015 to 31st March 2019 amounting to ₹68.26 crore is provided in the books of accounts and included under Exceptional Item.

2.34.13 Sale of Iron Ore to Pellet Plant at Kumaraswamy, Karnataka:

Due to restrictions imposed in Karnataka for purchase/sale of iron ore, Pellet Plant is purchasing iron ore fines from NMDC, DIOM/ KIOM through E-auction conducted by Monitoring Committee. As per the terms of the conditions of acceptance letter issued by Monitoring committee and as per the guidelines given by Hon'ble Supreme Court of India, Pellet plant is paying Basic value, Royalty Value and bulk permit fee value to MC and GST amount to NMDC Donimalai account. After receipt of GST amount from Pellet Plant, DIOM/KIOM is issuing advance receipt confirming the receipt of GST from Pellet Plant along with necessary statutory Documents to MC in the prescribed format. Based on the advance receipt issued by DIOM/KIOM, Monitoring Committee is issuing bulk permit to Pellet Plant for lifting of materials. DIOM/KIOM is raising Tax invoice on Pellet Plant for the dispatched quantity, showing it as sales and also paying GST to Government.

Simultaneously, Pellet Plant is recognizing the same as purchases and availing input credit. The above procedure is followed due to Compulsion made by MC as they have denied permission for Pellet Plant to lift the Iron Ore without participating in auction and accordingly, separate GST registration is also taken as per MC instructions.

However, the entry for un-realized profit on sale of Iron Ore to Pellet Plant is accounted.

2.34.14 Review for Impairment of Investment in Legacy Iron Ore Ltd, Australia (LIOL):

The total investment of the Company in LIOL is ₹ 214.70 Crores as on 31.3.2020 which is 92.32% of the total shareholding (Previous year ₹ 168.53 Crores which is 78.56% of the total shareholding). The Company has examined the investment for impairment with reference to Ind AS 36 and noted that the period of exploration has not expired and the exploration activities are being continued and the company has not reached the stage of establishing commercial viability of the tenements. It is also pertinent to mention here that NMDC has further infused an equity of ₹ 46.17 Crores during the current financial year 2019-2020 for continuing the exploration activity.

Further, it is noted that LIOL has recognized exploration and evaluation assets of ₹54.77 Crores (A$ 11.46 million) as on 31.3.2020. For an exploration company the future cash flows are from the exploration tenements which have been recognized as assets ie. Exploration and Evaluation assets (E&E assets). LIOL had also tested the E&E assets for impairment and concluded that there is no indication for impairment of E&E assets after testing the compliance of the following conditions:.

1. The rights to tenure of the area of interest are current and
2. The exploration and evaluation expenditures are expected to be recouped thorough successful development and exploration of the area of interest, or alternatively, by the sale and
3. exploration and evaluation activities in the area of interest have not, at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in or in relation to the area of interest are continuing.

Further the quoted price of LIOL share is presently at $0.002 in a market that is thinly traded and on low volumes, resulting in a market capitalization of $ 12.49 million. There is a difference between the net assets of the company and the market capitalization as at the year end. Management of NMDC felt that, test of market capitalization for impairment of E&E assets may not be appropriate as the investment made to maximize the cash flow by exploring the mines in line with the core activity and main objective of NMDC. Further shares are very thinly traded which can't be compared with the controlling interest held by NMDC. On review of information provided by LIOL, it is inferred that future cash flows are more than the NMDC's investment in LIOL.

Further LIOL, planning to continue exploration in all the tenements and does not intend to surrender the current list of tenements.

In view of above, no impairment of the Investment in LIOL is felt necessary for the current Financial year 2019-2020.

2.34.15 Neelachal Ispat Nigam Ltd (NINL) disinvestment:

Cabinet Committee on Economic Affairs (CCEA) had accorded in principle approval for strategic disinvestment of 100% shareholding of MMTC, NMDC, Mecon, BHEL, IPICOL and OMC in Neelachal Ispat Nigam Ltd (NINL) along with transfer of Management control to a Strategic Buyer. Department of Investment and Public Asset Management (DIPAM) had already appointed a transaction advisor, Legal advisor and asset valuer for strategic disinvestment shareholding in NINL. However, the issue of Request for Proposal (RFP) for strategic sale could not take place due to COVID-19 situation in the country.

NMDC holds total exposure of ₹160.60 crores in the form of Equity investment of ₹100.60Crores and a Loan of ₹60 Crores as on 31.3.2020. The shareholding of NMDC in NINL is also being put up for strategic disinvestment and the entire value of ₹160.60 Crores is expected to be recovered. Further, as per the loan agreement dated 30th December 2019, the loan amount outstanding along with interest shall be paid back to NMDC as first charge from the disinvestment proceeds as per the applicable laws before payment of other liabilities of NINL.

In view of above, no impairment of the investment in NINL was felt necessary as on 31.3.2020.

2.34.16 CSR Expenditure :

a) Gross amount required to be spent by the company during the year is ₹ 117.80 crore (2% of the last three years average PBT ₹ 5,890.12 crore), (Previous Year ₹ 97.09 crore (2% of the last three years average PBT ₹ 4854.64 crore).

b) Amount spent during the year on account of CSR activities is ₹ 199.99 crore.(Previous Year ₹167.24 crore)

Particular	In Cash	Yet to be paid in Cash	Total
1. Construction/acquisition of any assets	-	-	-
2. On purpose other than (1) above	199.99	-	199.99

2.34.17 General:

i. The company owns certain office space at New Delhi. It is not the company's intention to hold the property for a long term for capital appreciation nor for rental purpose. Hence the same is not treated as Investment Property and included under PPE.

ii. Some of the balances appearing under Trade receivables, Trade payables, advances, Security deposits and other payables are subject to confirmations.

iii. Figures for the previous year have been regrouped/ rearranged wherever considered necessary so as to confirm to the classification of the current year.

Note. No. 2.34.18 : Fair Value Measurement ₹ In crore

Financial instruments by category

	As at 31st March 2020			As at 31st March 2019		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets						
Investments						
Trade receivables			2,223.71			1,424.51
Cash and cash equivalents			60.87			38.33
Other bank balances			2,331.47			4,569.39
Loans			866.16			796.49
Other financial assets			370.93			401.01
Total	-	-	5,853.14	-	-	7,229.73
Financial liabilities						
Borrowings			565.57			364.15
Trade payables			225.55			202.74
Other financial liabilities			1,219.34			1,667.15
Total	-	-	2,010.46	-	-	2,234.04

(1) Assets that are not financial assets (such as receivables from statutory authorities, prepaid expenses, advances paid and certain other receivables) as of 31st March 2020, and 1st April 2019, respectively, are not included.

(2) Other liabilities that are not financial liabilities (such as statutory dues payable, advances from customers and certain other accruals) as of 31st March 2020, and 1st April 2019, respectively, are not included.

The carrying amounts of above financial assets and liabilties are considered to be same as their fair values, due to their short-term nature.

Note No: 2.34.19 Financial Risk Management

a) Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors monitors the compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The Company has exposure to the following risks arising from financial instruments:

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, loans	Ageing analysis and Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of deposits with differing maturities & committed borrowing facilities to facilitate the day today working capital requirements.
Market risk- currency risk	Imports giving rise to foreign currency payables*	-	-

A. **Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and deposits with banks.

(a) Trade receivables

The Company sales are generally based on advance payments and through LC's. The trade receivables in the books are mainly on account of credit sales to M/s RINL Limited, CPSE under the Ministry of Steel and the Sales of Iron Ore in the State of Karantaka which is through Montoring Committee (MC) appointed by Hon'ble Supreme Court of India.

credit loss for trade receivables under simplified approach is detailed as per the below tables

Year ended 31st March 2020 **₹ In crore**

Ageing	< 6 months	6-12 months	>12 months	Total
Gross carrying amount	1,769.24	412.97	2,204.01	4,386.22
Expected loss rate	4.23%	27.13%	89.64%	49.30%
Expected credit losses (loss allowance provision)	74.77	112.05	1,975.69	2,162.51
Carrying amount of trade receivables (net of impairment)	1,694.47	300.92	228.32	2,223.71

Year ended 31st March 2019

Ageing	< 6 months	6-12 months	>12 months	Total
Gross carrying amount	1,506.24	155.81	1,720.61	3,382.66
Expected loss rate	9.69%	66.25%	99.32%	57.89%
Expected credit losses (loss allowance provision)	145.95	103.22	1,708.98	1,958.15
Carrying amount of trade receivables (net of impairment)	1,360.29	52.59	11.63	1,424.51

iii. Reconciliation of loss allowance provision - trade receivables

Loss allowance on 1st April 2018	1,708.98
Changes in loss allowance	249.17
Loss allowance on 31st March 2019	1,958.15
Changes in loss allowance	204.36
Loss allowance on 31st March 2020	2,162.51

The impairment provisions for trade receivables disclosed above are based on assumptions about risk of default and expected loss rates.

(b) Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Company's treasury department in accordance with DPE guidelines & Company's policy. Investments of surplus funds are made only with scheduled commercial banks having a minimum networth of Rs 500 Crore within limits assigned to each bank and Debt based mutual funds of public sector AMCs. The limits are reviewed by the Company's Board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

B. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. In addition, the Company has taken fund based limits with banks to meet its short term financial obligations.

i. Financing arrangements

The Company has access to the following undrawn borrowing facilities at the end of reporting period

₹ in crore

	31st March 2020	31st March 2019
Flexible rate		
Expiring within one year (bank overdraft and other facilities)	510	136
Working capital Limits with Banks	130	130

ii. Maturities of financial liabilities

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

₹ in crore

Year ended 31 March 2020	On demand	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1and 2 years	Between 2 and 5 years	Total
Borrowings	-	565.57	-	-	-	-	565.57
Trade payables	63.21	68.14	92.82	1.38	-	-	225.55
Other financial liabilities	424.32	625.29	108.54	61.19	-	-	1,219.34
	487.53	1,259.00	201.36	62.57	-	-	2,010.46
Year ended 31 March 2019	On demand	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1and 2 years	Between 2 and 5 years	Total
Borrowings	-	364.15	-	-	-	-	364.15
Trade payables	68.97	133.77		-	-	-	202.74
Other financial liabilities	888.46	521.77	232.90	24.02	-	-	1,667.15
	957.43	1,019.69	232.90	24.02	-	-	2,234.04

C. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Foreign currency risk

Since majority of the company's operations are being carried out in India and since all the material balances are denominated in its functional currency, the company does not carry any material exposure to currency fluctuation risk.

The Company's exposure to foreign currencies is minimal and hence no sensitivity analysis is presented.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company quite often bridges its short term cash flow mismatch by availing working capital loans from banks against its fixed deposits. Such loans have a very short tenure and the interest rate on such loans is based upon the rates offered by banks on fixed deposits increased by a few basis points. Since the interest rates on fixed deposits are fixed, the company does not have any interest rate risk on such loans availed on a loan to loan basis.

The Company's exposure to interest rate risk is minimal and hence no sensitivity analysis is presented.

Note No. : 2.34.20 Capital Management

a) Risk management

The primary objective of the Company's capital management is to maximise the shareholder value. The Company's objectives when managing the capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders.

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors and senior management monitors the return on capital, which the Company defines as result from operating activities divided by total shareholders' equity.

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders the company has no external borrowings as on 31st March 2020.

b) Dividends

₹ In crore

	31st March 2020	31st March 2019
(i) Equity shares		
Final dividend for the year ended 31st March 2020 of ₹Nil (31st March 2019: NIL) per equity share.	-	-
Interim dividend for the year ended 31st March 2020 of ₹ 5.29 (31st March 2020: Rs 5.52) per fully paid share	1,619.72	1,690.14

₹ In crore

Particulars	31st- March 2020	31st- March 2019
Net Debt (excluding short term)	0	0
Total equity	27,533.95	25,951.53
Net debt to equity ratio	0%	0%

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF NMDC LIMITED FOR THE YEAR ENDED 31 MARCH 2020

The preparation of consolidated financial statements of NMDC Limited for the year ended on 31 March 2020 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) read with Section 129(4) of the Act are responsible for expressing opinion on these financial statements under Section 143 read with Section 129(4) of the Act based on the independent audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 16 June 2020.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of NMDC Limited for the year ended on 31 March 2020 under Section 143(6)(a) read with Section 129(4) of the Act. We conducted a supplementary audit of the financial statements of NMDC Limited, subsidiaries, associate companies and jointly controlled entities listed in Annexure-I, but did not conduct supplementary audit of the financial statements of subsidiaries, associate companies and jointly controlled entities listed in Annexure-II for the year ended on that date. Further, section 139(5) and 143(6)(b) of the Act are not applicable to the subsidiary Legacy Iron Ore Limited, Perth, Australia and joint venture Kopano-NMDC Minerals (Proprietary) Limited, South Africa being private entities incorporated in Foreign countries under the respective laws, for appointment of their Statutory Auditors nor for conduct of supplementary audit. Accordingly, C&AG has neither appointed Statutory Auditors nor conducted the supplementary audit of these companies. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditor and Company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report under section 143(6)(b).

For and on the behalf of the
Comptroller and Auditor General of India

M. S. Subrahmanyam

(M. S. Subrahmanyam)
Director General of Commercial Audit
Hyderabad

Place: Hyderabad
Date: 31 August 2020

Annexure I

NIL

Annexure II

Subsidiaries

1. NMDC Power Limited, Hyderabad
2. NMDC Steel Limited, Hyderabad
3. NMDC CSR Foundation
4. Karnataka Vijaynagar Steel Limited, Bangalore
5. J&K Mineral Development Corporation Limited, Jammu
6. Jharkhand Kolhan Steel Limited, Ranchi

Joint Ventures

1. Bastar Railways Private Limited
2. NMDC CMDC Limited, Raipur
3. Jharkhand National Mineral Development Corporation Limited, Ranchi

Associate Companies

1. International Coal Ventures (Pvt) Limited, New Delhi (audit is progress)
2. Krishnapatnam Railway Company Limited, Secunderabad
3. Chhattisgarh Mega Steel Limited
4. Nilachal Ispat Nigam Limited, Bhubaneswar

INDEPENDENT AUDITOR'S REPORT

To the Members of

NMDC Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of NMDC Limited (hereinafter referred to as the 'Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2020, and the consolidated Statement of Profit and Loss, (including Other Comprehensive income), the consolidated statement of changes in Equity and the consolidated cash flows statement for the year ended on that date and the notes to the Consolidated Financial Statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, joint ventures and associates as referred to in sub-paragraph (a) and (b) of the "Other Matters" paragraph given below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India (Ind AS), of the consolidated state of affairs of the Group as at March 31, 2020, their consolidated profit, consolidated total Comprehensive income, consolidated changes in equity and consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its Jointly controlled entities and Associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) , and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Emphasis of Matter

We draw your attention to the following matters in the Notes to the Consolidated Financial Statements:

1. Note No: 2.35.7 regarding Demand notice for ₹ 1623.44 crores having been served on Baildila project by the District Collector , South Bastar, Dantewada pursuant to judgment of Honorable Supreme court of India with reference to writ petition(Civil No.114 of 2014, dated 2nd August, 2017) and the company having paid an adhoc amount of ₹600 Crores under protest and filed writ petition in the Hon'ble High court of Bilaspur, Chattisgarh. The case is in the hearing stage as explained in the said note.

2. Note No. 2.35.11 on the Management's assessment of the impact of covid-19 pandemic and the resultant lockdown in Financial Year(FY) 2019-2020 which resulted in a loss in sale of revenue and Profit Before Tax(PBT) given in the said note. Further management of the Holding Company assessed that no operational disruptions are anticipated in FY 2020-21.Except for scale down in operations, no material risks are anticipated necessitating their provisioning in the accounts for FY 2019-2020.

3. Note No: 2.35.12, regarding exceptional items, as directed by the Government of Karnataka in respect of Donimalai project, supplementary lease deed was executed for Kumaraswamy mines for the period from 18.10.1972 to 17.10.2022 and renewal of Mining leases in respect of Bailadila sector for the period from 2015 to 2035. It is also mentioned in the said Note regarding capitalization of certain assets which has an impact of Depreciation relating to previous years.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Considering the requirement of Standard on Auditing (SA 600) on "Using the work of Another Auditor" including materiality, below Key Audit Matters have been reproduced from the Independent Auditors' Report on the audit of Standard Financial Statements of the Holding Company.

Sr. No	Key Audit Matter NISP Unit
	CWIP:
1	Capital Work-in progress (CWIP) as on 31.03.2020 in the books of the unit is ₹14,970.24 Crores, out of which Incidental expenditure during Construction (IEDC) amounts to ₹ 1,897.03 Crores. Since the amount involved is substantial and the original schedule date of completion has passed, this is considered to be a key audit matter.
	Auditor's Response
	We obtained a view of the management and examined the process of capitalisation. We have relied on the management expertise regarding commissioning of the Project.
	Key Audit Matter : Donimalai Unit
2	**Trade receivables:**
	As at 31st March 2020, current asset in respect of trade receivable includes receivables from monitoring committee amounting to ₹2144.64 crores which are pending adjudication. Since it is an area of higher assessed risk of material misstatement, this is considered to be a key audit matter.
	(Ref. Note No.2.35.6 of financial statements)
	Auditor's Response
	We have involved our internal experts to review the nature of the amounts recoverable, the sustainability and the likelihood of recoverability upon final resolution.
	Key Audit Matter : Head Office
3	Mine Closure Obligation(MCO):
	The company creates Mine closure obligation liability based on the present cost of closure of mining project of the latest mine. The rate per RoM provided for Mine Closure Obligation is arrived at based on such cost which is uniformly applied to other mines for arriving at the total MCO liability.
	The matter was considered to be a key audit matter because there is estimate involved as per management's policy.
	Auditor's Response
	We have involved our internal expertise to review the estimates of the rate of MCO considered by the company and whether any change was required to management's position on these matters.
	Key Audit Matter : Head Office
5	Investment in Subsidiary, Joint Ventures and Associates
	Investment in Subsidiary, Joint Ventures and Associates are valued at cost and adjusted for impairment losses after carrying out impairment testing. Since judgment of the management is required to determine if there is any indication of possible impairment, we have considered it to be a key audit matter.(Ref. Note No.2.4.1)
	Auditor's Response
	Our audit procedure comprise of identification and understanding of the reasonableness of the principle assumptions used by the management to judge the need for impairment testing.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report related to the Consolidated Financial Statements, but does not include the Consolidated Financial Statements and our auditor's report there on. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions, if required.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act, that give a true and fair view of

the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for assessing the ability of the Group and of its associates and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and jointly controlled entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and jointly controlled entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and jointly controlled entities to express an opinion on the consolidated financial statements. We are responsible for the direction,

supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements / financial information of two subsidiaries, whose financial statements / financial information reflect total assets of ₹747.62 crores as at 31st March, 2020, total Income of ₹0.42 crores and net cash flows amounting to ₹ 0.73 crores (Net Inflow) for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit/(loss) of Rs 0.54 crores for the year ended 31st March, 2020, as considered in the consolidated financial statements, in respect of One jointly controlled entity whose financial statement / financial information has not been audited by us. **These financial statements / financial information have been audited by other auditors** whose reports have been furnished to us by the Management, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors.

(b) We did not audit the financial statements / financial information of five subsidiaries whose financial statements / financial information reflect total assets of ₹31.90 crores as at 31st March, 2020, total revenues of ₹0.15 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit/(loss) of ₹ (29.10) crores for the year ended 31st March, 2020, as considered in the consolidated financial statements, in respect of Four associates and Four jointly controlled entities, whose financial statements / financial information have not been audited by us. **These financial statements / financial information are unaudited and have been furnished to us by the Management** and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements / financial information are not material to the Group.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the matters as stated in para (a) & (b) above, with respect to our reliance on the work done and the reports of the other auditors, the financial statements / financial information certified by the Holding Company's Management

and the adjustments made to the comparative Consolidated Financial Statements.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of other auditors on separate financial statements and other financial information of subsidiaries, jointly controlled entities and associates as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) Being a Government Company, pursuant to the Notification No. GSR 463 (E) dated 5th June 2015, issued by the Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of Section 164 of the Act are not applicable to the Holding Company and its Subsidiaries. Further, on the basis of the information and explanation received from the Holding Company's Management, none of the directors of the associate companies and jointly controlled companies incorporated in India is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act, wherever applicable.

(f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure.1

(g) As per Notification No. GSR 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 of the Act is not applicable to the Government Companies. Accordingly, reporting in accordance with requirement of provisions of section 197(16) of the Act is not applicable to the Holding company and its subsidiaries. Further, on the basis of the information and explanation received from the Holding Company's Management, all the Jointly controlled Companies and the Associate Companies of the Holding Company are Deemed Government Companies and as such, pursuant to the aforesaid Notification, provisions of section 197 of the Act are not applicable to the Holding Company, its Subsidiaries, Joint Ventures and Associates.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities– Refer Note 2.32 to the consolidated financial statements.

ii. The Group, its associates and jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and jointly controlled companies incorporated in India.

For Sagar & Associates
Chartered Accountants
(FRN.003510S)

(CA B. Aruna)
(Membership No:216454)
UDIN: 20216454AAAABV8427

Hyderabad
Date: 16-June-2020

"ANNEXURE – 1" TO THE AUDITORS' REPORT

(Referred to in paragraph (f) under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the Financial Statements of NMDC Limited on the Consolidated Financial Statements for the year ended March 31,2020.)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the Consolidated Financial Statements of NMDC Limited as of and for the year ended 31 March 2020, we have audited the internal financial controls with reference to Consolidated Financial Statements of NMDC Limited (hereinafter referred as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred as "the Group") and its Jointly controlled entities and Associates as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

As per our attached report of even date.

For Sagar & Associates
Chartered Accountants
(FRN.003510S)

(CA B. Aruna)
(Membership No:216454)
UDIN: 20216454AAAABV8427

Hyderabad
Date: 16-June-2020

CONSOLIDATED BALANCE SHEET

As at 31st March 2020

(₹ In Crore)

Particulars	Note No.	Figures as at the end of current reporting year 31st March 2020	Figures as at the end of previous reporting year 31st March 2019
ASSETS			
Non-current Assets			
a) Property, plant & equipment	2.1.1	3,253.87	3,198.51
b) Right- of -Use Assets	2.1.2	7.08	-
c) Capital work-in- progress	2.2	15,500.22	13,818.90
d) Goodwill		93.89	93.89
e) Other intangible assets	2.3	454.66	220.01
f) Intangible assets under development	2.4	29.64	-
g) Financial assets			
i) Investments	2.4.1	910.10	858.87
ii) Loans	2.4.2	224.38	154.71
h) Deferred tax assets (Net)	2.5	397.07	582.73
i) Other non-current assets	2.6	3,075.48	2,986.32
Total non-current assets		**23,946.39**	**21,913.94**
Current Assets :			
a) Inventories	2.7	723.51	666.17
b) Financial assets			
ii) Trade receivables	2.8.1	2,223.71	1,424.51
iii) Cash and cash equivalents	2.8.2	105.57	45.67
iv) Bank balances other than (ii) above	2.8.3	2,331.89	4,573.72
v) Other financial assets	2.8.4	365.40	398.44
c) Current tax assets (Net)	2.9	429.24	451.20
d) Other current assets	2.10	1,168.06	417.07
e) Assets held for disposal	2.11	0.66	0.51
Total current assets		**7,348.04**	**7,977.29**
Total Assets		**31,294.43**	**29,891.23**
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	2.12	306.19	306.19
b) Other Equity	2.13	27,366.88	25,737.81
Equity attributable to owners of NMDC Ltd		27,673.07	26,044.00
Non-controlling interest		8.05	13.89
Total equity		**27,681.12**	**26,057.89**
Liabilities			
Non- current liabilities			
a) Financial liabilities	2.14.1	5.83	-
b) Provisions	2.14.2	827.96	768.52
Total non-current liabilities		**833.79**	**768.52**
Current liabilities			
a) Financial liabilities			
i) Borrowings	2.15.1	565.57	364.15
ii) Trade payables	2.15.2		
a) Total Outstanding dues of Micro Enterprises and Small Enterprises		15.25	10.19
b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		210.65	192.60
iii) Other financial liabilities	2.15.3	1,220.02	1,668.07
b) Other current liabilties	2.16	545.25	788.36
c) Provisions	2.17	222.78	41.45
Total current liabilities		**2,779.52**	**3,064.82**
Total liabilities		**3,613.31**	**3,833.34**
Total equity and liabilities		**31,294.43**	**29,891.23**

Significant Accounting Policies and notes on accounts: 1 & 2

Subject to our Report of even date
For M/s Sagar & Associates
Chartered Accountants
Firm Regn No: 003510S

(CA B. ARUNA)
Partner
Membership No: 216454

Place : Hyderabad
Dated : 16th June 2020

For and on behalf of the Board

(AMITAVA MUKHERJEE)
Director (Finance)

(N.BAIJENDRA KUMAR)
Chairman-cum -Managing Director

(A S PARDHA SARADHI)
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for Year Ended 31st March 2020

(₹ In Crore)

Particulars	Note No	Figures for the current reporting year 31st March 2020		Figures for the previous reporting year 31st March 2019	
I. Revenue from operations	2.18		11,699.22		12,152.67
II. Other Income	2.19		514.36		588.96
III. Total Income (I+II)			**12,213.58**		**12,741.63**
IV. Expenses :					
Consumption of raw materials	2.20		36.48		52.00
Consumption of Stores & Spares			243.15		264.97
Changes in inventories of finished goods/ Work in progress	2.21		(53.83)		(79.22)
Employee benefit expense	2.22		1,049.36		1,039.40
Power and electricity	2.23		114.73		109.45
Repairs & maintenance	2.24		156.95		159.18
Royalty & other Levies			2,096.29		2,003.78
Selling Expenses	2.25		702.43		368.18
Finance cost	2.26		9.88		40.32
Depreciation and amortisatioon expense	2.1 & 2.3		294.93		279.04
Other expenses	2.27		1,351.74		1,310.51
Total expenses			**6,002.11**		**5,547.61**
V. Profit before exceptional items and tax (III-IV)			6,211.47		7,194.02
VI. Exceptional items (Income)/Expenditure	2.28		96.44		-
VII. Profit before tax (V-VI)			**6,115.03**		7,194.02
VIII. Tax expense :					
(1) Current year	2.29	1,555.59		2,752.70	
(2) Earlier years (net)		771.47		0.85	
(3) Deferred tax	2.29	185.66		(197.02)	
			2,512.72		2,556.53
IX. Profit for the year from continuting operations (VII-VIII)			3,602.31		4,637.49
X. Loss from discontinued operations			(1.05)		(0.64)
XI. Tax expense of discontinued operations	2.29		(0.26)		(0.22)
XII Loss from discontinued operations(X-XI)			**(0.79)**		**(0.42)**
XIII Profit for the year (IX +XII)			**3,601.52**		**4,637.07**
XIV. Share of non controling interest (Loss)			(0.33)		(0.89)
XV. Share of Profit /(Losses) of Associates			(28.56)		(19.12)
XVI. Profit after adjusting minority interest and share of loss of Associates (XIII-XIV+XV)			**3,573.29**	-	**4,618.84**
Other Comprehensive Income					
Item that will not be reclassified to profit or loss Re-measurements of post-employment benefit obligations			(20.49)		52.37
Income tax relating to these items	2.29		25.24		0.07
B) (i) Item that will be reclassified to profit or loss			2.24		
(ii) Income tax relating to itmes that will be reclassified to profit or loss					
XVII. Other Comprehensive income (Net of tax)			**6.99**		**52.44**
XVIII. Total Comprehensive income for the year (XVI-XVII)			**3,580.28**		**4,671.28**
Profit is attibutable to :					
Owners of the parent			3,572.96		4,617.95
Non Controling Interest			(0.33)		(0.89)
			3,573.29		**4,618.84**
Other Comprehensive Income/(Expenses) attributable to:					
Owners of the parent			6.99		52.44
Non Controling Interest			-		-
			6.99		**52.44**
TotalComprehensive attributable to:					
Owners of the parent			3,579.95		4,670.39
Non Controling Interest			(0.33)		(0.89)
			3,580.28		***4,671.28***
Earnings per equity share (for continuing operation)					
i) Basic	2.33.5		11.67		14.69
ii) Diluted	2.33.5		11.67		14.69
Earnings per equity share (for discontinued operation)					
i) Basic	2.33.5				
ii) Diluted	2.33.5				
Earnings per equity share (for discontinued & continuing operation)					
i) Basic	2.33.5		11.67		14.69
ii) Diluted	2.33.5		11.67		14.69

Significant Accounting Policies and notes on accounts: 1 & 2

Subject to our Report of even date
For M/s Sagar & Associates
Chartered Accountants
Firm Regn No: 003510S

(CA B. ARUNA)
Partner
Membership No: 216454

Place : Hyderabad
Dated : 16th June 2020

For and on behalf of the Board

(AMITAVA MUKHERJEE)
Director (Finance)

(N.BAIJENDRA KUMAR)
Chairman-cum -Managing Director

(A S PARDHA SARADHI)
Company Secretary

STATEMENT OF CHANGES IN EQUITY

For Year Ended 31st March 2020

a) Equity Share Capital (₹ In Crore)

	Note.no.	Amount
Balance as at 1st April 2018	2.12	316.39
Changes in Equity share capital (*)		(10.20)
Balance as at 31st March 2019	2.12	306.19
Changes in Equity share capital		-
Balance as at 31st March 2020		306.19

(*) Buyback of Equity shares refer to note No. 2.12

b) Other Equity

Particulars	Reserve & Surplus						
	General Reserve	Retained earnings	CRR	OCI	Capital Reserve	Total Owners Equity	Non-controlling interest
Balance as at 1st April 2018	22,973.79	816.03	80.08	(7.12)	238.24	24,101.02	14.89
Profit for the year		4,618.84				4,618.84	(0.89)
Other Comprehensive Income net of tax				52.44		52.44	
Transfer to Capital Redemption Reserve (CRR)	(10.20)		10.20			-	
Buyback of shares (including transaction charges)	(996.53)	-				(996.53)	
Interim Dividends (2018-19)		(1,690.14)				(1,690.14)	
DDT -Interim Dividends (2018-19)		(347.41)				(347.41)	
Foreign Exchange Translation Reserve (OCI)				(0.41)		(0.41)	(0.11)
Transfer to General Reserve	2,000.00	(2,000.00)				-	
Total	993.27	581.29	10.20	52.03	-	1,636.79	(1.00)
Balance as at 31st March 2019	23,967.06	1,397.32	90.28	44.91	238.24	25,737.81	13.89
Balance as at 1st April 2019	**23,967.06**	**1,397.32**	**90.28**	**44.91**	**238.24**	25,737.81	**13.89**
Profit for the year		3,573.29				3,573.29	(0.33)
Other Comprehensive Income net of tax				9.47		9.47	0.40
Interim Dividends (2019-20)		(1,619.72)				(1,619.72)	
DDT -Interim Dividends (2019-20)		(332.94)				(332.94)	
Foreign Exchange Translation Reserve (OCI)				(1.76)		(1.76)	(0.05)
Adjustment on consolidation		0.73		-		0.73	(5.86)
Transfer to General Reserve	1,500.00	(1,500.00)				-	
Total	1,500.00	121.36	-	7.71	-	1,629.07	(5.84)
Balance as at 31st March 2020	25,467.06	1,518.68	90.28	52.62	238.24	27,366.88	8.05

Subject to our Report of even date
For M/s Sagar & Associates
Chartered Accountants
Firm Regn No: 003510S

(CA B. ARUNA)
Partner
Membership No: 216454

Place : Hyderabad
Dated : 16th June 2020

For and on behalf of the Board

(AMITAVA MUKHERJEE)
Director (Finance)

(N.BAIJENDRA KUMAR)
Chairman-cum -Managing Director

(A S PARDHA SARADHI)
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31st March 2020

(₹ In Crore)

Particulars	Figures as at the end of current reporting year 31 March 2020	Figures as at the end of previous reporting year 31 March 2019
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before income tax from		
Continued Operations	6,115.03	7,194.02
Discontinued Operations	(1.05)	(0.64)
Profit before income tax including discontinued operations	**6,113.98**	**7,193.38**
Adjustments for non cash/non operational expenses:		
Depreciation & amortisation expense	294.93	279.04
(Profit)/Loss on disposal of property, plant & equipement	(0.02)	(0.28)
Expenditure on enabling facilities	229.91	194.92
Provision for bad & doubtful advances	211.78	249.55
Interest Income classified as investing cash flow	(367.72)	(450.27)
Finance Costs	9.88	40.32
Operating Profits before working capital changes	6,492.74	7,506.66
Adjustments for working capital changes:		
(Increase)/ Decrease in Investments	-	-
(Increase)/ Decrease in trade receivables	(1,010.98)	(201.32)
(Increase)/Decrease in inventories	(57.34)	(94.48)
(Increase)/Decrease in other financial assets	(7.30)	(12.75)
(Increase)/Decrease loans to employees and related parties	(68.06)	(0.25)
(Increase)/Decrease in other non current assets	(283.32)	(356.64)
(Increase)/Decrease in other current assets	(750.99)	(103.87)
(Increase)/Decrease in assets held for disposal	(0.15)	(0.10)
Increase/(Decrease) in trade payables	23.11	43.15
Increase/(Decrease) in provisions	51.75	53.96
Increase/(Decrease) employee benefit obligations	168.35	66.46
Increase/(Decrease) in other financial liabilities	85.04	(117.13)
Increase/(Decrease) in other current liabilities	(237.28)	(179.88)
Cash generated from operations	4,405.57	6,603.81
Income Taxes paid	(2,279.60)	(2,602.27)
Net Cash Flow from operating activities	2,125.97	4,001.54
CASH FLOW FROM INVESTING ACTIVITIES		
Expenditure on acquisition of tangible and intangible assets and towards capital work in progress (net of sale proceeds)	(2,403.49)	(2,005.96)
Purchase of investments	(81.43)	(205.58)
Interest received	406.45	493.28
Investment in term deposits with more than three months	1,765.71	929.03
Net Cash Flow from investing activities	(312.76)	(789.23)

CONSOLIDATED CASH FLOW STATEMENT (CONT...)

For Year Ended 31st March 2020

(₹ In Crore)

Particulars	Figures as at the end of current reporting year 31 March 2020	Figures as at the end of previous reporting year 31 March 2019
CASH FLOW FROM FINANCING ACTIVITIES		
Amount paid on buyback of Shares (including transaction charges)	-	(1,006.73)
(Repayment)/Proceeds from borrowings	201.42	(135.94)
Deposits paid towards LCs and BGs (towards non fund based facilities)	7.69	18.94
Interest paid	(9.88)	(40.32)
Dividends paid (including tax thereon and net off balances for unpaid dividends)	(1,952.54)	(2,036.98)
Net Cash Flow from financing activities	(1,753.31)	(3,201.03)
Net increase (decrease) in cash and cash equivalent	**59.90**	**11.28**
Cash & Cash equivalents at the beginning of the year	45.67	34.39
Cash & Cash equivalents at the end of the year	**105.57**	**45.67**
Details of the Cash and Cash Equivalents (Note no. 2.82.2)		
Cash in hand	-	-
On Current Accounts	64.33	39.59
On Deposit Accounts (Original Maturity less than 3 months)	41.24	6.08
Ear Marked Balance	-	-
Total Cash & Cash equivalents at the end of the year	**105.57**	**45.67**
Restricted Cash Balance	-	-

Subject to our Report of even date
For M/s Sagar & Associates
Chartered Accountants
Firm Regn No: 003510S

(CA B. ARUNA)
Partner
Membership No: 216454

Place : Hyderabad
Dated : 16th June 2020

For and on behalf of the Board

(AMITAVA MUKHERJEE)
Director (Finance)

(N.BAIJENDRA KUMAR)
Chairman-cum -Managing Director

(A S PARDHA SARADHI)
Company Secretary

SIGNIFICANT ACCOUNTING POLICIES

1. Significant accounting policies

1.1 Basis of preparation

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and other relevant provisions of the Act.

(b) Basis of measurement

The consolidated financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

i. Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments);

ii. Defined benefit and other long-term employee benefits.

(c) Functional and presentation currency

The consolidated financial statements are presented in Indian rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the entity operates. All financial information presented in Indian rupees has been rounded to the nearest crore except share and per share data.

(d) Use of estimates and judgement

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

(e) Principles of Consolidation

The consolidated Financial Statements have been prepared on the following basis:

i) The consolidated financial statements are prepared to the extent possible by using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements except as otherwise stated.

ii) The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses as specified in Indian Accounting Standard 110 – "Consolidated Financial Statements".

iii) Investments in Associates/ Joint Ventures are accounted for using equity method as per Indian Accounting Standard 28 – "Investments in Associates and Joint Ventures"

iv) Investments in Joint Operations are accounted for using the proportionate consolidate method as per Ind AS 111 'Joint Arrangements".

v) The difference between the cost of investment in the subsidiaries, joint ventures, and associates and the Company's share of net assets at the time of acquisition of shares in the subsidiaries, joint ventures and associates is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.

vi) Non controlling interest in net profit/loss of the subsidiaries for the year is identified and adjusted

against the income of the group in order to arrive at the net income attributable to the shareholders of the company

vii) Non controlling interest in the net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separately from liabilities and equity of the Company's shareholders.

viii) The financial statements of Legacy Iron Ore Ltd, Australia have been prepared in accordance with Australian Accounting Standards and the relevant Australian Laws and also on accrual basis and according to the historical cost basis assuming the company is a going concern and converted in Indian Rupees considering as non-integral operation as per Indian Accounting Standard 21 -"The Effects of Changes in Foreign Exchange Rates" for the purpose of Consolidated Financial Statements.

1.2 Summary of significant accounting policies

i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which these entities operate (i.e. the "functional currency"). The consolidated financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

ii) Foreign currency transactions and balances

Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit and loss and reported within foreign exchange gains/ (losses).

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

iii) Investment in subsidiaries and joint venture

Investment in subsidiaries is measured at cost. Dividend income from subsidiaries is recognized when its right to receive the dividend is established.

iv) Financial instruments

All financial instruments are recognized initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognized on trade date. While, loans and borrowings and payable are recognized net of directly attributable transactions costs.

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: non-derivative financial assets comprising amortized cost; non derivative financial liabilities at amortized cost.

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

Financial instrument is derecognized only when the company has transferred its right to receive/extinguish its obligation to pay cash flow from such financial instruments.

a) Non-derivative financial assets

Financial assets at amortized cost

A financial asset shall be measured at amortized cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.

Amortized cost is represented by security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.

Cash and cash equivalents comprise cash on hand and in banks and demand deposits with banks which can be withdrawn at any time without prior notice or penalty on the principal.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system.

b) **Non-derivative financial liabilities**

Financial liabilities at amortized cost

Financial liabilities at amortized cost represented by trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method.

v) **Property plant and equipment:**

a) **Recognition and measurement:** Normally Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset. The Company has elected to apply the optional exemption to use this previous GAAP value as deemed cost at 1 April 2015, the date of transition.

Depreciation: Normally the Company depreciates property, plant and equipment over the estimated useful life of the assets as prescribed in Schedule II of the Companies Act 2013 on a straight-line basis. Depreciation is charged on pro-rata monthly basis on additions / disposals of assets during the year taking the first day of the month for acquisition / commissioning and the last day of the month for disposals. Wherever the useful life is determined by technical assessment for certain assets, such assets are depreciated as per their assessed life. Assets acquired under finance lease and leasehold improvements are amortized over the lower of estimated useful life and related term. Depreciation methods, useful lives and residual values are reviewed at each reporting date.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the consolidated financial statements upon sale or disposition of the asset and the resultant gains or losses are recognized in the statement of profit and loss.

Fixed Assets costing ₹ 5,000 or less are fully depreciated in the year of purchase

b) **Treatment of Enabling Assets**:

"Expenditure incurred on any facility, the ownership of which is not vested with the company, but the incurrence of which is essential in bringing an asset/ projects of NMDC to the location and condition necessary to be capable of operating in the manner intended by the management, shall be capitalized as a part of the overall cost of the said asset/project. Else the same shall be charged to revenue."

vi) **Intangible assets**:

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Mining rights are accounted as Intangible assets and amortised over the period of life of the mining lease.

vii) **Inventory**

a) Raw materials, Stores and spares (including loose tools and implements), work in process and finished products are valued at lower of cost and net realizable value of the respective units.

b) The basis of determining the cost is

Raw materials :
Weighted average cost

Stores and spares :
Weighted average cost

Stores in Transit: At cost

Work in process and finished goods : Material cost plus appropriate share of labour, related overheads and levies

c) In case of identified Obsolete/ Surplus/Non-moving items necessary provision is made and charged to revenue.

d) Stationery, Medical, Canteen, School Stores, Cotton Waste, Hospital Stores and Lab stores (excluding for R & D Lab) charged off to Revenue on procurement.

e) No credit is taken in respect of stock of run of mine ore, embedded ore, Iron ore slimes.

viii) **Impairment**

a) Financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL

Lifetime ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that

are possible within 12 months after the reporting date

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive(i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

(i) All contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

(ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

Financial assets measured at amortised cost, contractual revenue receivable: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Untill the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

b) Non-financial assets

The Company assesses at each reporting date whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in profit or loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

ix) Employee benefits

a) Payments under Employees' Family Benefit Scheme:

Under the NMDC Employees' family benefit scheme, monthly payments are made till the normal date of retirement to the family members of those employees who are discharged from service due to medical reasons or death, on deposit of the amount envisaged in the scheme and liability for the payments are accounted for on

the basis of actuarial valuation and the amount is administered by a separate Trust.

b) **Gratuity & Provident fund:**

Gratuity payable to eligible employees is administered by a separate Trust. Payments to the trust towards contributions and other demands are made on the basis of actuarial valuation.

c) The company's contribution to the provident fund is remitted to a separate trust based on a fixed percentage of the eligible employees' salary. Further, the company makes good the shortfall, if any, between the return from investments of trust and the notified rate of interest on actuarial valuation basis.

d) **Pension Fund**

Defined contributions to NMDC Employees' Contributory Pension Scheme are made on accrual basis at a rate as approved from time to time to a fund which is administered by a separate Trust.

e) **Accrued Leave Salary:**

Liability towards Accrued Leave Salary, as at the end of the year is recognized on the basis of actuarial valuation and the amount is administered by a separate trust.

f) **Other Benefits :**

Liability towards Long Service Award, Settlement Allowance and Post Retirement Medical Facilities to employees as at the end of the year is recognized on the basis of actuarial valuation. Such amounts towards Settlement Allowance and Post Retirement Medical Benefits are administered by a separate trust.

Actuarial gains or losses are recognized in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income.

Remeasurements comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

x) **Provisions**

All the provision are recognized as per Ind AS 37. Provisions (including mine closure) are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

xi) **Revenue recognition:**

Revenue from contracts with customers is recognized when control of the

goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

All revenue from sale of goods is recognised at a point in time. Revenue from wind power and services is recognised over time.

The timing of transfer of control in case of sale of goods varies depending upon individual transfer terms of the contract.

Export sales: In Export sales control passes to the customer on the date of Bill of Lading.

Domestic sales: Control passes to the customer on the date of delivery which is generally the forwarding note (rail dispatches)/ lorry receipt/ delivery challan. However, in case of spot auction under electronic mode, control passes to the customer on conclusion of the auction and receipt of money.

Obsolete stores & scrap: Control passes to the customer on the date of realisation.

Contract asset

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liability

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

xii) Finance income and expense

Finance income consists of interest income on funds invested, dividend income and gains on the disposal of Fair value through profit and loss account financial assets. Interest income is recognized as it accrues in the statement of profit and loss, using the effective interest method.

Dividend income is recognized in the statement of profit and loss on the date that the Company's right to receive payment is established.

Finance expenses consist of interest expense on loans and borrowings. Borrowing costs are recognized in the statement of profit and loss using the effective interest method.

Foreign currency gains and losses are reported on a net basis. This includes changes in the fair value of foreign exchange derivative instruments, which are accounted at fair value through profit or loss.

xiii) Income tax

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

a) Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be

recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

b) Deferred income tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction. Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred income tax liabilities are recognized for all taxable temporary differences. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

xiv) Earnings per share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. Dilutive potential equity shares are determined independently for each year presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

xv) Borrowing costs

Borrowings costs directly attributable to acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which it occurs. Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds.

xvi) Government grants

Grants from the government are recognised when there is reasonable assurance that:(i) the Company will comply with the conditions attached to them; and (ii) the grant will be received. Government grants related to revenue are recognised on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense. When the grant relates to an asset, it is recognized as income over the expected useful life of the asset. Where the Company receives non-monetary grants, the asset is accounted for on the basis of its acquisition cost. In case a non-monetary asset is given

free of cost it is recognised at a fair value. When loan or similar assistance are provided by government or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is recognized as government rate. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received.

Grant related to income are presented as part of profit or loss, as a deduction to the related expenses.

XVII) Lease:

a. Lease liability is initially recognised and measured at an amount equal to the present value of minimum lease payments during the lease term that are not yet paid.

b. Right of use asset is recognised and measured at cost, consisting of initial measurement of lease liability plus any lease payments made to the lessor at or before the commencement date less any lease incentives received, initial estimate of the restoration costs and any initial direct costs incurred by the lessee.

c. The lease liability is measured in subsequent periods using the effective interest rate method. The right-of-use asset is depreciated over the lease term.

d. Low Value leases up to ₹20 lakhs p.a. per lease and Short term leases of 12 months or less are fully charged to expense.

XVIII) **Exploration and Evaluation:**

Exploration and evaluation expenditure comprises costs that are directly attributable to:

- researching and analysing existing exploration data;
- conducting geological studies, exploratory drilling and sampling;
- examining and testing extraction and treatment methods; and/or
- compiling pre-feasibility and feasibility studies.

Exploration expenditure relates to the initial search for deposits with economic potential.

Evaluation expenditure relates to a detailed assessment of deposits or other projects that have been identified as having economic potential. All evaluation and exploration expenses till high degree of confidence is achieved are expensed.

Evaluation expenditure are capitalised as Intangible assets when there is a high degree of confidence that the Company will determine that a project is commercially viable, that is the project will provide a satisfactory return relative to its perceived risks, and therefore it is considered probable that future economic benefits will flow to the Company.

The carrying values of capitalized evaluation expenditure are reviewed for impairment every year by management.

In respect of legacy Iron Ore Ltd.

Mineral tenements are carried at cost, less accumulated impairment loss. Mineral exploration and evaluation is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area of interest or sale of that area of interest, or exploration and evaluation activities have not reached a stage of that area of interest or exploration and evaluation activities have not reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active or significant operations on or in relation to, the area of interest are continuing.

Accumulated costs in relation to an abandoned area of interest are written off in full against profit in the year in which the decision to abandon that area is made. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

XIX) **Stripping cost:**

Development stripping cost:

Overburden and other mine waste material removed during the initial

development of a mine in order to access mineral deposit are capitalized as Intangible Asset. Amortization of the same is done based on the life estimated by the management.

Production stripping cost:

During the Production phase, the stripping activity cost is charged to revenue to the extent the benefit from the stripping activity is realized in the form of inventory produced.

To the extent the benefit is improved access to ore, the entity shall recognise these costs as a non-current asset ie Stripping Activity Asset, if and only if all the following conditions are met:

a. It is probable that the future economic benefits associated with the stripping activity will be realized.

b. The component of the ore body for which access has been improved can be identified; and

c. The costs relating to the stripping activity associated with the improved access can be reliably measured.

To the extent the current period stripping ratio exceeds the planned stripping ratio as per mine plan, shall be considered as "Stripping Activity Asset'

The "Stripping Activity Asset" is subsequently depreciated on a unit of production basis over the life of the identified component of the ore body that become more accessible as a result of the stripping activity and is then stated at cost less accumulated depreciation and impairment loss, if any.

XX) Prepaid Expenses:

Expenses are accounted under prepaid expenses only when the amount relating to the unexpired period exceeds rupees Two crore in each case.

XXI) Restatement of earliest prior period financials on material error/omissions

The value of error and omissions is construed to be material for restating the opening balances of assets and liabilities and equity for the earliest prior period presented if the amount in each case of earlier period income/ expenses exceeds 1.0% of the previous year turnover of the company

Subject to our Report of even date
For M/s Sagar & Associates
Chartered Accountants
Firm Regn No: 003510S

(CA B. ARUNA)
Partner
Membership No: 216454

Place : Hyderabad
Dated : 16th June 2020

For and on behalf of the Board

(AMITAVA MUKHERJEE)
Director (Finance)

(N.BAIJENDRA KUMAR)
Chairman-cum -Managing Director

(A S PARDHA SARADHI)
Company Secretary

Note - 2.1.1 : PROPERTY, PLANT & EQUIPMENT

(₹ In Crore)

ASSETS	GROSS BLOCK						DEPRECIATION BLOCK						NET BLOCK	
	As at 1st Apr, 2019	Additions during the year	Ded/Adj during the year	Transfer to/from	Internal transfer	As at 31st March 2020	Upto 1st 1st Apr, 2019	For the year	Asset Impairment	Deductions/ adjustments	Transfer to/from	Upto 31st March 2020	As at 31st March 2020	As at 31st March 2019
A. General														
Land :														
- Free hold	913.73	0.42	(0.05)	-	(0.26)	**913.84**	0.06	-	-	-	-	**0.06**	913.78	913.67
- Lease hold	5.50	0.80	-	-	0.26	**6.56**	0.88	0.66	-	-	-	**1.54**	5.02	4.62
Buildings	307.34	11.73	(0.01)	-	-	**319.06**	30.66	12.02	1.33	(0.01)	-	**44.00**	275.06	276.68
Plant & Machinery	1,273.35	48.68	(2.73)	-	-	**1,319.30**	200.80	84.38	0.33	(2.70)	-	**282.81**	1,036.49	1,072.55
Heavy Mobile Equipt.	527.80	66.71	(6.61)	-	-	**587.90**	247.98	60.79	-	(6.61)	-	**302.16**	285.74	279.82
Furniture & fittings	15.86	0.98	0.35	-	-	**17.19**	6.82	1.93	0.01	0.37	-	**9.13**	8.06	9.04
Vehicles	32.57	2.73	(0.27)	-	-	**35.03**	13.60	4.24	-	(0.12)	-	**17.72**	17.31	18.97
Office Equipment	52.00	13.19	(0.47)	(0.18)	-	**64.72**	28.23	9.60	0.02	(0.49)	(0.14)	**37.36**	27.36	23.77
Others :														
Roads, bridges etc.	102.33	52.40	-	-	-	**154.73**	60.73	31.88	-	-	-	**92.61**	62.12	41.60
Dams, Wells & Pools	11.99	-	-	-	-	**11.99**	1.70	0.43	-	-	-	**2.13**	9.86	10.29
Adit & tunnel	-	1.76	-	-	-	**1.76**	-	0.02	-	-	-	**0.02**	1.74	-
Railway sidings	34.34	-	-	-	-	**34.34**	14.13	2.62	-	-	-	**16.75**	17.59	20.21
Locomotives	37.39	17.53	-	-	-	**54.92**	2.78	3.37	-	-	-	**6.15**	48.77	34.61
Electrical Installations	267.93	17.64	(0.29)	-	-	**285.28**	71.82	29.05	0.77	(0.17)	-	**101.47**	183.81	196.11
Sanitary & W. S. Installations	32.26	0.21	(0.14)	-	-	**32.33**	4.03	1.15	0.03	(0.02)	-	**5.19**	27.14	28.23
TOTAL 'A'	**3,614.39**	**234.78**	**(10.22)**	**(0.18)**	**-**	**3,838.95**	**684.22**	**242.14**	**2.49**	**(9.75)**	**(0.14)**	**919.10**	**2,919.85**	**2,930.17**
Previous Year 2018-19	3,406.33	234.09	(26.03)	-		3,614.39	498.32	211.72	-	(25.82)	(0.07)	684.22	2,930.17	2,908.01
B. Social Facilities														
Land :														
- Free hold	0.29	-	-	-	-	**0.29**	-	-	-	-	-	**-**	0.29	0.29
- Lease hold	-	-	-	-	-	**-**	-	-	-	-	-	**-**	-	-
Buildings	242.37	71.90	-	-	-	**314.27**	16.88	5.93	0.79	-	-	**23.60**	290.67	225.49
Plant & Machinery	5.44	-	-	-	-	**5.44**	0.25	0.22	-	-	-	**0.47**	4.97	5.19
Furniture & fittings	10.32	1.29	(0.44)	0.04	-	**11.17**	3.27	1.17	-	(0.13)	0.02	**4.31**	6.86	7.05
Vehicles	1.94	0.12	(0.07)	-	-	**1.99**	0.81	0.22	-	(0.06)	-	**0.97**	1.02	1.13

ASSETS	GROSS BLOCK						DEPRECIATION BLOCK						NET BLOCK	
	As at 1st Apr, 2019	Additions during the year	Ded/Adj during the year	Transfer to/from	Internal transfer	As at 31st March 2020	Upto 1st 1st Apr, 2019	For the year	Asset Impairment	Deductions/ adjustments	Transfer to/from	Upto 31st March 2020	As at 31st March 2020	As at 31st March 2019
Office Equipment	26.22	3.27	(0.78)	0.14	-	**28.71**	14.42	4.78	-	(0.53)	0.12	**18.67**	10.04	11.80
Others :												**-**		
Roads, bridges etc.	5.74	2.66	(0.01)	-	-	**8.39**	2.37	0.79	0.06	(0.01)	-	**3.21**	5.18	3.37
Cess fund quarters	6.57	-	-	-	-	**6.57**	0.68	0.17	-	-	-	**0.85**	5.72	5.89
Dams, Wells & Pools	0.32	0.64	-	-	-	**0.96**	0.02	0.05	-	-	-	**0.07**	0.89	0.30
Electrical Instaln.	3.76	0.93	-	-	-	**4.69**	1.39	0.48	0.01	-	-	**1.88**	2.81	2.37
Sanitary & W.S.Instlns.	6.44	0.43	(0.04)	-	-	**6.83**	0.98	0.27	0.02	(0.01)	-	**1.26**	5.57	5.46
TOTAL 'B'	**309.41**	**81.24**	**(1.34)**	**0.18**	**-**	**389.31**	**41.07**	**14.08**	**0.88**	**(0.74)**	**0.14**	**55.29**	**334.02**	**268.34**
Previous Year 2018-19	270.26	40.30	(1.15)			309.41	28.66	12.95		(0.54)	0.07	41.07	268.34	241.60
TOTAL 'A + B'	**3,923.80**	**316.02**	**(11.56)**	**-**	**-**	**4,228.26**	**725.29**	**256.22**	**3.37**	**(10.49)**	**-**	**974.39**	**3,253.87**	**3,198.51**
Previous Year 2018-19	3,676.59	274.39	(27.18)	-	-	3,923.80	526.98	224.67	-	(26.36)	-	725.29	3,198.51	3,149.61

Note 2.1.2 : RIGHT-OF USE ASSETS

(₹ In Crore)

General:	GROSS BLOCK					AMORTISATION BLOCK					NET BLOCK	
	As at 1st April, 2019	Additions/ Adjustments	Deductions/ Adjustments	Internal Transfer	As at 31st March 2020	As at 1st April, 2019	For the Year	Deductions/ adjustments	Internal transfer	As at 31st March 2020	As at 31st March 2020	As at 31st March 2019
Assets												
Land	-	1.14	-	-	**1.14**	-	0.58	-	-	0.58	0.55	-
Buildings		-	-	-	**-**	-	-	-	-			
Delhi - PTI- Building	-	7.41	-	-	**7.41**	-	0.88	-	-	0.88	6.53	-
Delhi - KG Marg Surya Kiran Building	-	0.26	-	-	**0.26**	-	0.26	-	-	0.26	-	-
TOTAL	**-**	**8.81**	**-**	**-**	**8.81**	**-**	**1.72**	**-**	**-**	**1.72**	**7.08**	**-**
Previous year	-	-	-	-	**-**	-	-	-	-	**-**	-	-
Social Amenties:												
Buildings	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Previous year	-	-	-	-	**-**	-	-	-	-	**-**	-	-
Grand Total	**-**	**8.81**	**-**	**-**	**8.81**	**-**	**1.72**	**-**	**-**	**1.72**	**7.08**	**-**
Previous year	-	-	-	-	-	-	-	-	-	-	-	-

NON-CURRENT ASSETS

Note: 2.2 CAPITAL WORK IN PROGRESS

(₹ In Crore)

PARTICULARS	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Construction work in progress	13,458.10	12,459.79
Add : Impairment reversed/ (provided)	-	-
Construction Stores	1.77	1.86
Capital Assets in stores awaiting installation or in transit	65.69	53.22
Less : Provision	-	-
	65.69	53.22
Expenditure incidental to construction awaiting allocation (See note 2.2.2)	1,974.66	1,304.03
Total	**15,500.22**	**13,818.90**

Note - 2.2.1 : Movement of Capital work in progress

(₹ In Crore)

Particulars	Construction Work in Progress	Construction Stores	Capital asset in stores awaiting installation or in transit	Expenditure Incidental to construction awaiting allocation	Total
Year ended 31 March 2019					
Opening gross carrying amount	11,413.34	1.46	56.76	1,073.50	12,545.06
Additions	1,105.56	3.67	134.58	230.53	1,474.34
Disposals/Capitalisation to PPE	59.11	3.27	138.12	0.00	200.50
Closing gross carrying amount	**12,459.79**	**1.86**	**53.22**	**1,304.03**	**13,818.90**
Accumulated amortisation					
Amortisation charge during the year					
Closing accumulated amortisation	0.00	0.00	0.00	0.00	0.00
Closing net carrying amount	12,459.79	1.86	53.22	1,304.03	13,818.90
Year ended 31 March 2020					
Opening gross carrying amount	12,459.79	1.86	53.22	1,304.03	13,818.90
Additions	1,194.02	4.60	89.50	696.69	1,984.81
Disposals/Capitalisation to PPE	195.71	4.69	77.03	26.06	303.49
Closing gross carrying amount	**13,458.10**	**1.77**	**65.69**	**1,974.66**	**15,500.22**
Accumulated amortisation					
Amortisation charge during the year					
Closing accumulated amortisation	0.00	0.00	0.00	0.00	0.00
Closing net carrying amount	**13,458.10**	**1.77**	**65.69**	**1,974.66**	**15,500.22**

Note : 2.2.2 EXPENDITURE INCIDENTAL TO CONSTRUCTION AWAITING ALLOCATION

(₹ In Crore)

PARTICULARS	Figures as at the end of 31st March 2020		Figures as at the end of 31st March 2019	
a. Opening balance		1,304.03		1,073.50
b. Net Expenditure incurred during the year				
Employee Benefit expense :				
Salaries, Wages & Bonus	147.55		71.05	
Contribution to Provident fund, EPS, DLI	6.79		4.70	
Contribution to Pension Fund	-		-	
Contribution to Gratuity fund	5.91		5.64	
Staff Welfare expenses	16.35		8.90	
		176.60		90.29
Power, Electricity & Water		64.59		32.44
Repairs and Maintenance		5.91		2.02
Depreciation and amortisation		12.48		11.01
Other expenses :				
Rent, Insurance, Rates and taxes	7.04		1.21	
Payment to auditors : As auditors	0.06		0.04	
Payment to auditors : For Other Services	0.04		0.03	
Reimbursement of expenses	0.01		0.02	
		7.15		1.30
Travelling and Conveyance expenses		2.65		2.10
Consultancy expenditure		24.38		73.25
CISF/Security expenditure		5.85		4.98
Other expenditure		405.46		20.55
		705.07		**237.94**
Less : Recoveries/Income				
Interest recived		7.18		6.47
Other income		1.20		0.94
Total (b)		**696.69**		**230.53**
Sub-total (a+b)		2,000.72		1,304.03
Less : Amount allocated to Fixed assets/ Capital W I P		26.06		-
Total		**1,974.66**		**1,304.03**

Note -2.3 : INTANGIBLE ASSETS

(₹ In Crore)

ASSETS	GROSS BLOCK				AMORTISATION BLOCK				NET BLOCK	
	As at 1st Apr-19	Additions during the year	Ded/Adj during the year	As at 31st March 2020	As at 1s Apr 2019 t	For the year	Deductions/ adjustments	Up to 31st March 2020	As at 31st March 2020	As at 31st March 2019
Goodwill	93.89	-	-	**93.89**	-	-	-	-	93.89	*93.89*
Total	**93.89**	-	-	**93.89**	-	-	-	-	**93.89**	*93.89*
Previous Year 2018-19	*93.89*			*93.89*	-			-	*93.89*	*93.89*
GENERAL										
Computer software	6.89	1.33	0.01	**8.23**	4.68	1.67	-	**6.35**	1.88	*2.21*
Mining rights	449.39	487.85	(2.54)	**934.70**	231.59	250.33	-	**481.92**	452.78	*217.8*
Total	**456.28**	**489.18**	**(2.53)**	**942.93**	**236.27**	**252.00**	-	**488.27**	**454.66**	*220.01*
Previous Year 2018-19	*480.40*	*72.23*	*(2.46)*	*550.17*	*172.80*	*65.38*	*(1.91)*	***236.27***	*313.90*	*313.90*
Total	**550.17**	**489.18**	**(2.53)**	**1,036.82**	**236.27**	**252.00**	-	**488.27**	**548.55**	213.71
Previous Year 2018-19	*574.29*	*72.23*	*(2.46)*	*644.06*	*172.80*	*65.38*	*(1.91)*	*236.27*	*407.79*	*307.60*

Additional notes to 2.1 & 2.3 : PPE (Property Plant and Equipment) and Intangible Assets

1. Lease hold land measuring 3021.35 sq.mtrs. (previous year 3021.35 sq.mtrs.) has been taken from Vizag Port Trust Authorities for construction of Regional Office building has been granted for the period of 30 years i.e. up to 01.01.2044. Action is on hand to renew the lease periods of the above lands. However, the rents have been accounted till 31.03.2020.

   Lease hold land measuring 1431.32sq.mtrs. (Previous year 1431.32sq. mtrs.) has been taken from Vizag Port Trust Authorities for construction of screening plant at port area and the lease deed will expiring on 17.06.2020 and applied for extension. However, Vizag Port Trust Authorities not granted the extension, hence the same has to be surrendered after auction of Screening Plant.

2. The value of land of **168.44** hectares taken over from District Industries Centre, Jagdalpur for construction of Steel Plant near Nagarnar has not been brought into the books as the amount payable is not ascertainable in the absence of any demand from the concerned authorities.

3. Formal agreements / Transfer deeds remain to be executed in respect of the following:

   (a) Renewal of Mining Leases at Deposit 10 (Float Ore) & Donimalai.

   (b) Lease deeds in respect of parts of land for township at Bacheli Complex, Kirandul Complex and Panna Project.

   (c) Mining lease to the extent of 33.58 hectares (Mining area) and 19.42 hectares (Plant area) of Silica Sand Plant near Lalapur (Allahabad).

   (d) Lease in respect of a portion of the total land at R&D Center measuring 9.12 acres has expired during Feb 07 (6.66 acres) and the balance in Feb 2010 (2.46 acres). The process of renewal of the lease is under progress.

   (e) Only Provisional allotment letters were issued for the land to the extent of 13.43 acres purchased from M/s APIIC at Industrial park, Paloncha. However, on physical survey found only 11.35 acres of land. No effect is given in books, pending confirmation from M/s APIIC.

   (f) Land to the extent of 26.39 acres was purchased at Patancheru, Hyderabad from the Official Liquidator of Allwyn Watches Ltd. However, on physical survey found only 24.23 acres of land and registration for 24.23 acres of the land has been executed in the name of NMDC

   (g) Land at Raipur to the extent of 57,432.99 Sq. Ft. has been acquired from Chhattisgarh Housing Board, however as per the actual land measurement taken by surveyor the total land comes to 62,205.96 Sq. Ft. The registration formalities are in the process for the total land.

4. Reconciliation of Depreciation and Amortisation as per Statement of Profit and LosS: (₹ In Crore)

Note no	Particulars	2019-2020	2018-2019
2.1	Depreciation on PPE	256.22	224.67
2.1	Impairment of PPE	3.37	
2.3	Amortisation of Intangible Assets	252.01	65.38
2.1.2	Amortisation of ROU Assets	1.72	
	Total	513.32	290.05
2.2.2	Transferred to IEDC	(-)12.48	(-)11.01
2.28	Shown under Exceptional Item	(-) 205.82	-
2.33.7	Transfer to Discontinue Operation	(-) 0.09	-
Depreciation, amortisation and Impairment as per Statement of Profit and Loss		294.93	279.04

Depreciation and Amortisation under Exceptional item (at note no. 2.28)

i)	Depreciation pertain to earlier period on PPE:	₹ 34.87 crore
ii)	Amortisation related to earlier period on mining lease:	₹ 170.95 crore
Total:		₹ 205.82 crore

5. Mining Lease of Donimalai:

The Government of Karnataka, while renewing the lease of NMDC 's Donimala i Iron Ore Mine, has imposed a new condition asking for a premium of 80% on the average sale value. As the demand of the State Govt. is not as per the provisions of the MMDR Act 2005 and Mineral (Mining by Government Company) Rules, 2015, the company requested the Govt. to reconsider its decision.

Since there was no positive response from the State Govt., the company has suspended its operations from 4th November 2018 and moved the Hon'ble High Court of Karnataka praying for a suitable direction in the matter. The Hon'ble High Court of Karnataka in its judgement dated 10th July 2019 has passed an order setting aside the condition imposed for levying 80 % premium. On the basis of the judgement, NMDC has request ed the State Govt. to consider the execution of Lease Deed of Donimalai Mine.

The Government of Karnataka issued an Order dated 17.08.2019 withdrawing the approval for extension of the Donimalai mining lease and with a direction to the Director of DMG to auction the said block. In this regard, the Company on 19.8.2019 filed 'Revision application' before The Hon'ble Mines Tribunal, Government of India.

Meanwhile, the State Government issued a notification dated 20.08 .2019 inviting tender for auction of the Donimalai Mining block. 0n 21 .08 .20 19 Hon'ble Mines Tribunal heard the submissions and stayed the Order dated 17.08.2019 issued by the Government of Karnataka withdrawing the extension of lease and any consequent action thereon until the next date of hearing. The matter is pending with Hon'ble Mines Tribunal.

Meanwhile, Ministry of Mines has amended the 'Mineral (Mining by Government Company) Rules, 2015 with regard to renewal of mining leases allocated to Government Companies. Earlier the rule 3 (2) stated that if an application for renewal of mining leases is made to the State Government by a Government company, the State Government "may, for reasons to be recorded in writing , extend the period of the mining lease for further periods of up to twenty years at a time ". Now the rule is amended by substituting the word "may" with "shall ". Now the rule reads as "shall for reasons to be recorded in writing, extend the period of mining lease for further periods of up to twenty years at a time ".

Even though the company is regularly corresponding with the State Government for ex tending the lease, response of the State Government is still awaited.

The last hearing at Mines Tribunal took place on 04.03.2020 where in the State Government has requested adjournment upto 24.03.2020. No further hearings could take place due to Covid-19 situation.

6. During the year 2018-19 a review of residual and useful life of PPE was done and as per the review there is no change recommended. The Useful life of all the PPE is as per schedule II except for the following PPE whose life as given under is determined as per technical assessment adopted.

Equipment	Capacity	Use life (in Years)
Dumper	85-100 T	10
	50-60 T	9
Water Sprinkler	28 KL	9
Rope Shovel	8-10 Cu m	20
Hydraulic Shovel	5-7.5 Cum	9
	>7.5 Cum	10
Blast Hole Drill	165mm Diesel	9
	165mm Electric	12
	250mm single pass	16
	250 mm multiple pass	10
Top Hammer Drill	<160mm	9
Front End Loader	< 300 HP to >600HP	10
Track Dozer	<500 HP to >500HP	10
Wheel Dozer	<500 HP	12
Grader	<200HP	12
Mobile Crane	<12 ton	9
	12 – 40 ton	12
	>40 ton	15
Boom Stacker	2000 – 3000 TPH	30
Reclaimer	2000-3000 TPH	30

Note: 2.4 Intangible assets under development

(₹ In Crore)

Particulars	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Intangible assets under development	29.64	
Total	**29.64**	

Note : 2.4.1 INVESTMENTS (₹ In Crore)

PARTICULARS	Figures as at the end of 31st March 2020		Figures as at the end of 31st March 2019	
In Equity Shares:				
i) 41,85,590 (previous Year 41,85,590) Equity shares) of FMG 2500/each fully paid up in wholly owned subsidiary company NMDC SARL, Madagaskar	7.20		7.20	
Less: Investment deration	7.20		7.20	
ii) 20,00,000 (previous year 20,00,000) equity shares of 10 each in NMDC CSR Foundation (NMDC CSR)		2.00		2.00
Investment in Joint Ventures :				
Unquoted at cost:				
i) 50 (Previous year 50) equity shares of South african Rand 1/- each in Kopano-NMDC Minerals (Proprietary) Limited (₹324/- only)		-		-
ii) 9,83,47,236 (Previous Year 9,83,47,236) Equity shares of Rs 10/- each fully paid up in NMDC CMDC Ltd.		95.24		96.94
iii) 15,26,74,600 (previous year 15,26,74,600) equity shares of ₹ 10/- each fully paid up in Bastar Railway Pvt. Ltd. (BRPL)		152.77		152.23
iv) 25,500 (previous year 25,500) equity shares of ₹10/- each fully paid up in NMDC-SAIL Ltd.	0.03		0.03	
Less: Investment deration	0.03		0.03	
v) 6,000 (Previous year 6,000) equity shares of ₹10/- each fully paid up in Jharkhand National Mineral Devlopment Corporation Ltd.		-		
Investments in Associates :				
Unquoted at cost:				
i) 105,000 (previous year 105,000) Equity shares) of Rs 10/- each fully paid up in Romelt SAIL India Ltd., New Delhi	0.11		0.11	
Less: Investment deration	0.11		0.11	
ii) 37,63,57,143 (Previous year 37,63,57,143) Equity shares of ₹10/- each fully paid in International Coal Ventures (P) Ltd.		614.83		559.38
iii) 4,00,00,000 (P.Y 4,00,00,000) equity shares of Rs 10/- each in Krishnapatnam Railway Co. ltd fully paid		45.23		48.29
iv) 7,47,99,878 (previous year 7,47,99,878) equity shares of ₹ 10/- each fully paid up in NINL, Bhubaneswar*		-		-
v) 13,000 (previous year 13,000) equity shares of ₹10/- each in Chhatishgarh Mega steel Ltd		0.01		0.01
Non-trade and unquoted shares in co-operative societies				
i) 150 Shares (previous year 150 Shares) of ₹ 1,000/- each fully paid up in Whole-sale Consumers Co-operative Stores, Kirandul Rs 1,50,000 (Previous year ₹1,50,000)	0.02		0.02	
ii) 500 Shares (previous year 500 Shares) of ₹ 10/- each fully paid up in NMDC Employees Co-operative Society Ltd, Bacheli ₹5,000 (previous year Rs 5,000)	-		-	
iii) 25 Shares (previous year 25 Shares) of ₹100 each fully paid up in NMDC Employees Co-operative Society Ltd, Donimalai ₹2,500 (previous year Rs 2,500)				
		0.02		0.02
Total		**910.10**		**858.87**
1. Aggregate amount of Quoted investments (Market value of quoted Investments)		-		-
2. Aggregate amount of Unquoated Investments		**915.43**		**864.20**
3. aggregate amount of provision for diminution in value investments		**7.34**		**7.34**

* The investment in NINL has become NIL since 2016-17 after adjustment of NINL losses to the extent of NMDC share as per equity method of accounting.

Note: 2.4.2 : Loans (₹ In Crore)

PARTICULARS	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Loans to employees & outsiders	23.85	15.79
Loan to Subsidiaries	60.00	-
Deposit with Others	140.53	138.92
TOTAL	**224.38**	**154.71**
i) Considered Good, Secured	23.85	15.79
ii) Considered Good, Unsecured	140.53	138.92
iii) Which have significant increase in Credit risk		
iv) Credit Impaired		

Note: With respect to the accounting policy note no. 1. (b) ii, the long term Loans & advances to employees was to be measured at amortised cost. The same was carried out and considering the materiality, no effect has been made in the accounts.

Note: 2.5 Deferred tax assets (Net)

(₹ In Crore)

PARTICULARS	Figures as at the end of 31st March 2020		Figures as at the end of 31st March 2019	
A. Deferred tax assets :				
1. Provision for bad & doubtful debts	548.75		690.01	
2. Intangible Assets	26.52		-	
3. Asset retirement obligation and spares	4.68		6.03	
4. Investments	9.02		12.51	
5. Others	35.87		125.08	
Total Deferred Tax Assets		624.84		833.63
B. Deferred tax liability :				
1. Related to PPE	(226.11)		(250.90)	
2. Accrued expenses	(1.66)		-	
Total Deferred Tax Liability		(227.77)		(250.90)
Net Deferred Tax Assets		**397.07**		**582.73**

Note 2.6 : Other non-current Assets

(₹ In Crore)

PARTICULARS	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Capital Advances (*)	417.13	611.29
ITC Receivables	1,517.93	1,454.18
Mines Closure Fund with Life insurance Corporation	801.26	747.70
Other Advances	339.16	173.15
Total	**3,075.48**	**2,986.32**

* Capital Advances includes an amount of ₹ 30.12 crore (P.Y ₹ 84.28 crore) towards doubling of railway lines between Jagdalpur and Ambagoan ,

CURRENT ASSETS

Note: 2.7 INVENTORIES

(As Valued and Certified by the Management) (₹ In Crore)

PARTICULARS	Figures as at the end of 31st March 2020		Figures as at the end of 31st March 2019	
Raw materials				
Iron Ore	1.03		0.76	
Lime Stone	0.36		-	
Bentolite	0.27		-	
		1.66		0.76
Work-in-Process :				
Pellets	1.85		4.78	
Diamonds	-		8.32	
Sponge Iron	0.93		0.91	
		2.78		14.01
Finished Goods:				
Iron Ore	504.14		447.43	
Sponge Iron	0.01		4.77	
Pellets	28.12		12.80	
Diamonds & Precious Stones	46.27		48.47	
Total Finished Goods		**578.54**		**513.47**
Total		582.98		528.24
Stores & Spares		140.42		137.75
Loose tools and Implements		0.11		0.18
Total		140.53		137.93
G. Total		**723.51**		**666.17**
Inventories are valued at cost or NRV whichever is lower.				
1. Stores and Spares include:				
a) Stores-in-transit		**11.76**		**9.40**
b) Obsolete stores & spares valued at		**0.01**		**0.02**
Re1 per unit of their original value of ₹3.35 crore				
(previous year ₹3.75 crore)				

Notes: 2.8.1 Trade Receivables (₹ In Crore)

PARTICULARS	Figures as at the end of 31st March 2020		Figures as at the end of 31st March 2019	
Trade receivables outstanding for a period exceeding				
six months from the due date of payment	2,615.33		1,876.42	
Other trade receivables	1,770.89		1,506.24	
Total receivable*	4,386.22		3,382.66	
Less: Provision for bad & doubtful trade receivables	17.87		23.75	
Less: Provision for bad & doubtful (Monitoring Committee)	2,144.64		1,934.40	
Total provision	2,162.51		1,958.15	
		2,223.71		1,424.51
TOTAL		**2,223.71**		**1,424.51**
Break-up security details				
i) Considered good, Secured		0.06		-
ii) Considered good, Unsecured		2,223.65		1,424.51
iii) Which have significant increase in Credit Risk		-		
iv) Credit impaired		2,162.51		1,958.15

* Trade Receivables includes ₹2,434.79 crore_(Previous year ₹ 2655.54 crore) dues from Monitoring Committee.

Notes: 2.8.2 Cash and cash equivalents (₹ In Crore)

PARTICULARS	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Cash in hand	-	-
Balance with Banks		
on current Accounts	64.33	39.59
On Deposit accounts (Original maturity less then 3 months)	41.24	6.08
Total	105.57	45.67

Notes : 2.8.3 Bank Balances other than (ii) above (₹ In Crore)

PARTICULARS	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Balance with bank on 'Deposits Accounts (original maturity more than 3 months but less than 12 months	2,323.04	4,088.75
Balance with bank for Unpaid Dividend	2.77	471.20
Bank deposits offered as security for Bank guarantees and letter of credit	6.08	13.77
Total	**2,331.89**	**4,573.72**

Note: 2.8.4 Other Financial Assets (₹ In Crore)

PARTICULARS	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Related Parties		
Advances to Directors	0.08	0.02
Advances to Subsidiaries/ Jv's/ Associates	46.28	46.26
Less: Prov. Made	-	-
	46.28	46.26
Employees and outsiders		
Advances to Employees and outsiders	233.42	251.58
Interest Accrued		
Accrued interest on deposits with banks	27.75	66.14
Accrued interest on Other	6.04	6.38
Other Receivables	51.83	28.06
Total	**365.40**	**398.44**

Note: 2.9 Current Tax Asset (Net)

(₹ In Crore)

PARTICULARS	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Advance Income tax & TDS	6,724.60	7,250.25
Less : Provision	6,295.36	6,799.05
	429.24	451.20
Total	**429.24**	**451.20**

Note: 2.10 Other Current Assets

(₹ In Crore)

PARTICULARS	Figures as at the end of 31st March 2020		Figures as at the end of 31st March 2019	
Advances to employee & outsiders (*)	868.84		300.61	
Provision for bad and doubtful advances	3.98		2.60	
Net		864.86		298.01
Current Investments		5.89		3.66
ITC Receivables		297.31		115.40
Total		**1,168.06**		**417.07**

(*) Inclueds an amount of ₹ 600 crore, paid to South Bastar Dantewada under protest against the demand notice for Common Cause.

Note: 2.11 Assets Held for disposal

(₹ In Crore)

PARTICULARS	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Assets held for disposal	0.66	0.51
Total	**0.66**	**0.51**

Note: 2.12 Equity Share Capital

(₹ In Crore)

PARTICULARS	Figures as at the end of 31st March 2020		Figures as at the end of 31st March 2019	
Authorised:				
400,00,00,000 Equity Shares of Re. 1/- each				
(Previous year 400,00,00,000 Equity Shares of Re.1/- each)		400.00		400.00
Issued, Subscribed & Paid up:				
306,18,49,659 Equity Shares of Re.1/- each fully paid up (Previous year 316,38,90,474 of Re.1/- each fully paid)	306.19		316.39	
Less : Repurchase 10,20,40,815 (Previous year Nil Equity shares of Re.1/- each fully paid up) (Previous year NIL) Equity share of ₹1/- each fully paid up	-		10.20	
306,18,49,659 Equity Shares of Re.1/- each fully paid up (Previous year 306,18,49,659 of Re.1/- each fully paid)		306.19		306.19
Addl. Notes :				
1) No new shares were issued, during the current year.				
2) Terms/Rights attached to equity shares : The company has only one class of equity shares having par value of Re.1/- each and each holder of equity shares is entitled to one vote per share.				
3) The details of shares in the company held by each shareholder holding more than 5% shares :				

Name of the Share holder	31st March 2020		31st March 2019	
	% of shareholding	Number of shares	% of shareholding	Number of shares
i) President of India	69.65	2,132,453,593	72.28	2213035712
ii) LIC of India (incl all schemes)	12.89	394,591,074	12.89	394591074

Note: 2.13 Other Equity

(₹ In Crore)

Particulars	Reserve & Surplus						
	General Reserve	Retained earnings	CRR	OCI	Capital Reserve	Total Owners Equity	Non-controlling interest
Balance as at 1st April 2018	22,973.79	816.03	80.08	(7.12)	238.24	24,101.02	14.89
Profit for the year		4,618.84				4,618.84	(0.89)
Other Comprehensive Income net of tax				52.44		52.44	
Transfer to Capital Redemption Reserve (CRR)	(10.20)		10.20			-	
Buyback of shares (including transaction charges)	(996.53)	-				(996.53)	
Interim Dividends (2018-19)		(1,690.14)				(1,690.14)	
DDT -Interim Dividends (2018-19)		(347.41)				(347.41)	
Foreign Exchange Translation Reserve (OCI)				(0.41)		(0.41)	(0.11)
Transfer to General Reserve	2,000.00	(2,000.00)				-	
Total	993.27	581.29	10.20	52.03	-	1,636.79	(1.00)
Balance as at 31st March 2019	23,967.06	1,397.32	90.28	44.91	238.24	25,737.81	13.89
Balance as at 1st April 2019	**23,967.06**	**1,397.32**	**90.28**	**44.91**	**238.24**	25,737.81	**13.89**
Profit for the year		3,573.29				3,573.29	(0.33)
Other Comprehensive Income net of tax				9.47		9.47	0.40
Interim Dividends (2019-20)		(1,619.72)				(1,619.72)	
DDT -Interim Dividends (2019-20)		(332.94)				(332.94)	
Foreign Exchange Translation Reserve (OCI)				(1.76)		(1.76)	(0.05)
Adjustment on consolidation		0.73		-		0.73	(5.86)
Transfer to General Reserve	1,500.00	(1,500.00)				-	
Total	1,500.00	121.36	-	7.71	-	1,629.07	(5.84)
Balance as at 31st March 2020	25,467.06	1,518.68	90.28	52.62	238.24	27,366.88	8.05

NON-CURRENT LIABILITIES

Note 2.14.1 Financial Liability (Non- Current) (₹ In Crore)

PARTICULARS	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Lease Liabilties	5.83	-
Total	5.83	-

Note 2.14.2 Provisions(Non- Current) (₹ In Crore)

PARTICULARS	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Employee Benefits :		
Gratuity	0.07	0.13
Accrued leave	0.01	-
Long Service Reward	27.38	19.64
Mine closure Liability	800.50	748.75
Total	827.96	768.52

Note: 2.15.1 Borrowings (₹ In Crore)

PARTICULARS	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Loan against FDs(*)	565.57	364.15
Total	**565.57**	**364.15**

(*) Over Drafts have been taken on pledge of Fixed Deposites for ₹ 637.50 crore.

Note: 2.15.2 Trade & Other Payables (₹ In Crore)

PARTICULARS	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Total outstanding dues of micro and small enterprises	15.25	10.19
Other than micro and small enterprises	210.65	192.60
Total	**225.90**	**202.79**

DISCLOSURE RELATING TO MICRO AND SMALL ENTERPRISES		
i) (a). The principal amount remaining unpaid to the supplier as at the end of the year	15.25	10.19
i) (b). The interest due on the above amount, remaining unpaid to the supplier as at the end of the year	Nil	Nil
ii) the amount of interest paid in terms of section 16, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro,Small and Medium Enterprises Development Act,2006;	Nil	Nil
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of Micro,Small and Medium Enterprises Development Act,2006.	Nil	Nil

Note: 2.15.3 Other Financial Liabilities (₹ In Crore)

PARTICULARS	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Unpaid Dividend	2.77	2.65
Deposits from Suppliers, Contractors	169.66	134.29
Capital Creditors	427.77	492.55
Other financial Liabilities	619.82	1,038.58
Total	**1,220.02**	**1,668.07**

Note : 2.16 Other Current Liabilities

(₹ In Crore)

PARTICULARS	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Contract Liabilities	202.95	216.53
Other Payables	121.33	418.11
(like withholding and other taxes payable, amounts payable to employees and others)		
Statutory Dues	220.97	153.72
Total	**545.25**	**788.36**

Note: 2.17 Provisions

(₹ In Crore)

PARTICULARS	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Employee Benefits :		
Accrued leave	0.28	-
Long service reward	2.99	2.22
Provision for gratuity, leave salary, family benefit scheme and post employment medical benefits	217.00	36.90
Provisions for de-commissioning liability (ARO Obligation)	2.51	2.33
Total	**222.78**	**41.45**

Note: 2.18 Revenue from operations

(₹ In Crore)

PARTICULARS	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Sale of Products :		
Iron ore :		
Export through MMTC	1,573.18	545.65
Domestic		
Basic price	8,167.22	9,427.62
Royalty	1,395.96	1,574.42
Development Cess	43.21	33.04
Forest Permit Fee	32.99	33.04
District Mineral Fund (DMF)	334.16	360.20
National Mineral Exploration Trust (NMET)	22.28	24.01
Total Domestic	9,995.82	11,452.33
Total Iron Ore Sales	11,569.00	11,997.98
Sponge Iron	4.39	0.94
Diamonds	34.29	38.86
Sale of Power	5.40	5.51
Sale of Services	30.16	32.34
Sales of Pellets	55.55	76.52
Other operating revenue	0.43	0.52
Total	11,699.22	12,152.67

Note: 2.19 Other Income

(₹ In Crore)

PARTICULARS	Figures as at the end of 31st March 2020		Figures as at the end of 31st March 2019	
Interest Income:				
On Deposits with Banks	288.43		377.95	
Others	79.29		72.32	
		367.72		450.27
Gain in Exchange		0.09		0.04
Profit on sale/adjustment of assets		0.77		0.79
Profit on sale of Current investments(MUF)		41.98		31.94
Other non operating income		103.81		105.92
Total		**514.36**		**588.96**

Note: 2.20 Consumption of Raw Materials

(₹ In Crore)

PARTICULARS	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Iron ore	35.00	49.13
Coal	-	1.48
Lime Stone	0.68	0.73
Internal handling of raw materials	0.80	0.66
Total	**36.48**	**52.00**

Note: 2.21 Changes in inventories of finished goods and work in progress

(₹ In Crore)

PARTICULARS	Figures as at the end of 31st March 2020		Figures as at the end of 31st March 2019	
Work-in-process:				
Balance as at the beginning of the Year	14.01		5.91	
Less: Balance as at close of the Year	2.79		14.01	
		11.22		(8.10)
Finished Goods:				
Balance as at the beginning of the Year	500.68		433.42	
Less: Balance as at close of the Year	550.41		500.68	
		(49.73)		(67.26)
Finished Goods: (Pellets)				
Balance as at the beginning of the Year	12.80		8.94	
Less: Balance as at close of the Year	28.12		12.80	
		(15.32)		(3.86)
Total		**(53.83)**		**(79.22)**

Note: 2.22 Employee Benefit Expense

(₹ In Crore)

PARTICULARS	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Salaries, Wages & Bonus	799.61	788.16
Contribution to Provident fund and other funds		
Providend Fund, FPS & DLI	51.70	53.15
Pension Fund	33.48	35.06
Group Gratuity Fund	20.90	27.99
Staff Welfare Expenses	143.67	135.04
Total	1,049.36	1,039.40

Note: 2.23 Power,Electricity And Water Charges

(₹ In Crore)

PARTICULARS	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Power charges	92.63	90.89
Electricity charges	19.17	16.41
Water charges	2.93	2.15
Total	**114.73**	**109.45**

Note: 2.24 Repairs & Maintenance

(₹ In Crore)

PARTICULARS	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Buildings	17.47	16.31
Plant and Machinery	60.74	77.25
Vehicles	0.82	0.67
Others	77.92	64.95
Total	**156.95**	**159.18**

Note: 2.25 Selling Expense

(₹ In Crore)

PARTICULARS	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Railway freight	301.94	155.47
Export duty	158.37	54.07
Infrastructure Development cess	24.03	17.49
Environmental Development cess	24.03	17.49
Other selling expenses	194.06	123.66
Total	**702.43**	**368.18**

Note: 2.26 Finance Cost

(₹ In Crore)

PARTICULARS	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
i) Interest on Short term Borrowings	3.27	1.88
ii) Interest - Others	6.43	38.24
iii) Interest on deposit from contractors, suppliers & others	0.18	0.20
Total	**9.88**	**40.32**

Note: 2.27 Other Expenses

(₹ In Crore)

PARTICULARS	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Rent	2.64	4.29
Insurance	4.79	3.83
Rates & Taxes	4.39	11.94
Directors' Travelling expenses	2.95	2.28
Directors, Sitting Fees	0.45	0.58
Payment to Auditors:		
As audit Fee	0.58	0.46
For taxation matters	0.03	0.02
For Management Services	0.01	0.01
For Other Services	0.18	0.25
For reimbursement of expenses	0.09	0.12
	0.90	0.86
Loss on sale/adjustment of Assets	0.75	0.51
Miscellaneous losses written off	4.33	0.10
Provision for doubtful debts/advances	211.78	249.55
Mine closure Obligation	51.75	53.95
Raising and Transportation	52.95	57.91
Local Area Development (Towards SPV in Karnataka)	188.06	249.17
Compensation paid to Statutory Agencies	-	10.12
Entertainment	2.32	1.88
Donations	10.00	-
Travelling & Conveyance	35.32	33.90
Advertisement & Publicity	21.17	20.15
Postage, Telephone & Telex	5.52	3.63
Stationery & Printing	3.04	3.94
Consultancy charges	20.31	15.87
CISF/Security guards	174.11	125.30
Safety expenses	1.15	1.66
Corporate Social Responsibility	199.99	167.24
Loss in Exchange variation (net)	0.06	1.21
Environmental Development	41.40	16.38
Other expenses	81.71	79.34
Exp. On Enabling Assets for the compnay	229.91	194.92
Total	**1,351.74**	**1,310.51**
(*) CSR Expenditure During the Year	199.99	167.24
CSR Expenditure as per Statutory obligation	117.80	97.09
CSR Expenditure made Voluntarly	82.19	70.15

Note: 2.28 Exceptional Items

(₹ In Crore)

PARTICULARS	Figures as at the end of 31st March 2020	Figures as at the end of 31st March 2019
Expenditure:		
i) Depreciation on PPER, Amortisation of the of Miming rights,(refer note no.2.34.12)	205.82	-
ii) Risk & Hardship allowance payable to CISF from 01.03.2009 to 31.03.2019 (*)	68.01	
Total Expenditure	273.83	
Less:		
iii) Withdrawl of Prov. For Service Tax on Royalty & Int. thereon (Ref. Note no. 2.34.1)	177.39	-
Total Expenditure/ (Income)	96.44	-

(*) There was a demand from CISF for payment of 'Risk and Hardship allowance for the periods 2009 onwards. An amount of Rs 68.01 crore provided in the acccounts pertaining to previous years is shown under exceptional items above.

Note: 2.29 Tax Expenses

Reconciliation of Effective Tax rate and Statutory tax Rate as on 31st March 2020

(₹ In Crore)

PARTICULARS	Figures as at the end of 31st March 2020		Figures as at the end of 31st March 2019
	Income	Expenditure	
CURRENT TAX			
Current Tax on profit for the year		1,530.09	2,752.40
Adj. of current tax for prior period		**771.47**	**0.85**
Total current tax expenses		**2,301.56**	**2,753.25**
DEFERRED TAX			
Decrease/(increase) in defferred tax assets		261.24	(272.14)
Decrease/(increase) in defferred tax liabilities	-	(65.96)	75.12
Total deffered tax expenses/(benefit)	-	195.28	(197.02)
Total Expenditure		2,496.84	2,556.23

The company has opted for the reduced Income Tax rate @ 22% under section 115BAA of Income Tax Act,1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. The net saving in the tax is ₹ 440 crore

Particulars	Amount ₹ In crore	Tax - ₹ In crore	Tax %
Accounting profit before tax from continuing operations	6,115.03		
Profit/(loss) before tax from discontinued operations	(1.05)		
Accounting profit before income tax	6,113.98		
Tax at Income tax rate/Income tax rate		1,538.77	25.17
Tax effect of amount not deductible in calculating taxable income			
CSR exp.	117.80	29.65	0.48
Prov. For bad & doubtful exp.	211.78	53.30	0.87
Change in Depreciation	15.71	3.96	0.06
Provision for deration of inv. and advance	(100.28)	(25.24)	(0.41)
Investment allowance	(160.64)	(40.43)	(0.66)
Other items	(118.87)	(29.92)	(0.49)
Taxable income	6,079.48		
Current Tax on Profit for the year	1,530.08	1,530.09	25.03

NOTE 2.30 ADDITIONAL INFORMATION

(₹ In Crore)

	Figures as at the end of 31st March 2020		Figures as at the end of 31st March 2019	
2.30.1. Value of imports calculated on CIF basis:				
i. Components & Spare parts		14.57		5.71
ii. Capital Goods		71.43		50.88
2.30.2. Expenditure in foreign currency:				
i. Consultancy charges		0.16		-
ii. Others		23.58		1.27
2.30.3. Particulars of consumption of raw material				
Raw material	Value	Percentage	Value	Percentage
a) Imported	-	-	-	-
b) Indigenous	36.48	100	49.08	100
	36.48	100	49.08	100
2.30.4. Particulars of consumption of Stores & spares:				
Components & spare parts	Value	Percentage	Value	Percentage
(including consumable stores)				
a) Imported	9.50	3.91	8	3.02
b) Indigenous	233.65	96.09	256.97	96.98
	243.15	100.00	264.97	100.00
2.30.5. Foreign Exchange earnings :	-	-	-	-

2.31.1 :Related Party Disclosures (IndAS-24)-:

i) List of related parties

(₹ In Crore)

A. Subsidiaries	**Country of incorporation**	**No. of Shares Held**	**Holding as at March 31, 2020**	**Holding as at March 31, 2019**
Legacy Iron Ore Limited	Australia	576,72,53,980	92.32%	78.56%
J & K Mineral Development Corporation Limited	India	28,51,002	95.86%	95.86%
NMDC Power Limited	India	5,50,000	100%	100%
Karnataka Vijaynagar Steel Limited	India	1,00,000	100%	100%
NMDC Steel Limited	India	60,000	100%	100%
Jharkhand Kolhan Steel Limited	India	1,60,000	100%	100%
NMDC-SARL, Madagaskar(Under closure)	Africa	41,85,590	100%	100%
NMDC CSR Foundation	India	20,00,000	100%	100%
B.Joint Ventures				
Kopano-NMDC Minerals(Proprietary) Limited	South Africa	50	50%	50%
Jharkhand National Mineral Development Corporation Ltd.	India	6,000	60%	60%
NMDC-CMDC Ltd., Raipur	India	9,83,47,236	51%	51%
NMDC-SAIL Ltd.	India	25,500	51%	51%
Bastar Railway Pvt. Ltd.	India	15,26,74,600	52%	52%
C. Associates				
Romelt-Sail(India) Limited*	Africa	1,05,000	25%	25%
International Coal Ventures (Pvt.) Ltd.	India	37,63,57,143	25.94%	25.94%
Krishnapatnam Railway Company Ltd.	India	4,00,00,000	6.40%	6.40%
NeelachalIspat Nigam Ltd	India	7,47,99,878	12.87%	12.87%
Chhattisgarh Mega Steel Ltd.	India	13,000	26%	26%

D: Key Management Personnel: (Directors) as on 31/03/2020

Directors :

1.	Shri N.Baijendra Kumar	CMD
2.	Shri P K Satpathy	Director(Production)
3.	Shri Amitava Mukherjee	Director (Finance)
4.	Shri Alok Kumar Mehta	Director (Commercial)
5.	Shri. Sumit Deb	Director (Personnel)

Company Secretary :

Sri A.S PardhaSaradhi

i) The consolidated financial statements are drawn by considering unaudited financial statements of the above-mentioned subsidiaries for the year ended 31/03/2020 except Karnataka Vijayanagr Limited and Legacy Iron Ore Limited.

ii) In respect of Associate companies, the consolidated financial statements are drawn by considering the unaudited financial statements for the period ending 31/03/2020 except ICVL (P) Ltd.

iii) In respect of Joint Venture i.e. Kopano -NMDC Minerals (Proprietary) Limited, South Africa, the consolidated financial statements are drawn by considering the latest available unaudited financial statements up to 28th Feb 2018 In respect of other joint ventures companies, the consolidated financial statements are drawn by considering the unaudited financial statements for the period ending 31/03/2020.

iv) NMDC has infused Nil (Previous year ₹ 10.00 crore) in NMDC CSR Foundation (NCF) a not-for -profit company. NMDC CSR Foundation is a Not-for-Profit company (incorporated under Sec 2 (7) of Companies Act, 2013. The company is not being considered for consolidation in preparation of Consolidated Financial statements as per Ind-AS 110.

2.31.2 The following subsidiary/JV/Associate companies are not consolidated for the following reasons:

a) The accounts of the subsidiary company i.e. NMDC SARL, Madagaskar as the company is under closure and in the process of winding up.

b) The accounts of the associate Company Romelt-SAIL (India) Limited, New Delhi as the company is in the process of winding up and suffers from significant impairment in its ability to transfer funds to the investor.

ii. RELATED PARTY TRANSACTIONS

Investment in Joint Venture Companies (including advance against equity) (₹ In Crore)

	OB 1.4.2019	Additions	Deletions	CB 31.3.2020
Kopano-NMDC Minerals (Proprietary) Limited (Rs 324/-)	-	-	-	-
Jharkhand National Mineral Development Corporation Ltd	0.01	-	-	0.01
NMDC-CMDC Ltd, Raipur	98.35	-	-	98.35
NMDC-SAIL Ltd	0.03	-	-	0.03
Bastar Railway Pvt Ltd	152.67	-	-	152.67
Sub total	**251.06**	**-**	**-**	**251.06**
Investment Deration- NMDC-SAIL Ltd	0.03	-	-	0.03

LOANS AND ADVANCES TO JOINT VENTURES: (₹ In Crore)

	OB 1.4 .2019	Additions	Deletions	CB 31.3.2020
Kopano-NMDC Minerals (Proprietary) Limited (Rs 324/-)	0.10	-	-	0.10
Jharkhand National Mineral Development Corporation Ltd	0.05	0.01	-	0.06
NMDC-CMDC Ltd, Raipur	46.10	-	-	46.10
NMDC-SAIL Ltd	-	-	-	-
Bastar Railway Pvt Ltd	-	-	-	-
Sub total	**46.25**	**0.01**	**-**	**46.26**

INVESTMENT IN ASSOCIATE COMPANIES: (including advance against equity): (₹ In Crore)

	OB 1.4.2019	Additions	Deletions	CB 31.3.2020
Romelt-SAIL (India) Limited	0.11	-	-	0.11
International Coal Ventures (Pvt) Ltd	376.36	-	-	376.36
Krishnapatnam Railway Company Ltd	40.00	-	-	40.00
Chhattisgarh Mega Steel Ltd	0.01	-	-	0.01
NeelachalIspat Nigam Ltd	100.60	-	-	100.60
Sub total	**517.08**	**-**	**-**	**517.08**
Investment Deration- Romelt-SAIL Ltd	0.11	-	-	0.11

LOANS AND ADVANCES TO ASSOCIATE COMPANIES: (₹ In Crore)

	OB 1.4.2019	Additions	Deletions	CB 31.3.2020
Neelachal Ispat Nigam Ltd	-	60.00	-	60.00
Sub total	-	60.00	-	60.00

(₹ In Crore)

Particulars	As at March 31, 2020	As at March 31, 2019
Key Management Personnel:		
Key Managerial Personnel Remuneration	5.41	5.62

2.32. Contingent liabilities and Commitments (to the extent not provided for)

A. Contingent liabilities (₹ In Crore)

	Particulars	As at 31st March 2019	Additions	Deletions	As at 31st March 2020
1.1	**Claims against the company not acknowledged as debts consisting of:**				
A	Disputed claims under Property tax, Export tax, Conservancy Tax, Sales tax, Service Tax, Income tax etc.,	2,353.02	1,698.64	1,711.75	2,339.91
B	Claims by contractors under arbitration i. On capital account ii. On revenue account	125.45 -	866.53	109.57	882.41 -
C	Other claims on company not acknowledged as debts	156.13	313.19	58.43	410.89
	Total	2,634.60	2,878.36	1,879.75	3,633.21
		31st March 2020		31st March 2019	
1.2	**Contingent liability on bills discounted/ LCs/BG's**		985.51		820.24
1.3	**a. Corporate Guarantee of USD 30 million submitted to EXIM bank on behalf of ICVL Maruritius in respect of short term working capital loan**		58.67		54.04
	b. Corporate Guarantee by NINL to MMTC Ltd for Rs 945 crore- (Company y share 12.87%)		Nil		NIL

The Company has issued letter of comfort in favour of International Coal Venture (P) Limited (ICVL) in furtherance for providing Corporate Guarantee of US$ 30 Mn by them to EXIM Bank on behalf of Minas De BengaLimitada, Mozambique (Borrower), a downstream operating subsidiary of ICVL, New Delhi in respect of short term working capital loan. The said letter of comfort does not in any way constitute the guarantee or security by the Company of the duties of the borrower to meet its obligation under the said facility.

B. Commitments: (₹ In Crore)

	Particulars	As at 31st March 2020	As at 31st March 2019
1.1	Estimated amount of contracts remaining to be executed on Capital account	3,924.56	6370.33
1.2	Other commitments- commitments to subsidiaries and JV	Nil	Nil

1.3 Income Tax Act.

An amount of Rs 1,692 Crore has been shown under 'Contingent Liabilities' as on 31.3.2019 against Income tax disputes at various forums pertaining to various Assessment years.

During the year Govt has enacted 'Vivad Se Vishwas' scheme for settlement pending disputes whereby certain concession on the payable amounts was offered with waiver of interest and Penalty. The Board of the Company has approved settlement of the disputes under the scheme. Accordingly, the Company has opted to settle the disputes under the scheme and as against the total disputed amount of ₹ 1,869 Crore (as per joint statement of company and tax authority) for Assessment years up to 2017-18, an amount of ₹ 981 Crore has been paid in full settlement of the disputes. This has an impact in reduction of current year PAT by ₹ 795 crores.

Accordingly, the amounts shown under the Contingent Liabilities has been withdrawn.

1.4: Disputed claims under ' Karnataka Forest Act:

Government of Karnataka had introduced Forest Development Tax (FDT), to pay @ 12% on the sale value of iron ore with effect from 27.08.2008. NMDC preferred an appeal before Hon'ble High Court of Karnataka and the court passed an interim order directing the Company to pay 50% of FDT, consisting of 25% in cash and balance 25% in the form of Bank Guarantee. As against the total FDT demand of ₹487.27 Crore(from August 2008 to Sep-2011), the Company has deposited an amount of Rs 121.84 Crore (25%) in cash which has been shown as amount recoverable and submitted a bank guarantee for similar amount. An amount of ₹ 365.43 Crore (balance 50% amount of ₹ 243.69 Crore plus 121.84 Crore paid and accounted as amount recoverable)is included under disputed claims at 1.1.A. The amount of ₹ 121,84 Crore for which BG was given is included under contingent liability on BGs' at 1.2.

Hon'ble High Court of Karnataka vide order dated 03.12.2015 has quashed the orders of Government of Karnataka levying the FDT and ordered refund of the tax collected within three months and accordingly the Company has lodged refund claims. However, Government of Karnataka has filed a Special Leave Petition with Hon'ble Supreme Court of India, challenging the orders of Hon'ble High Court of Karnataka. Hon'ble Supreme Court of India has accepted the same and imposed stay on refund of the FDT amount.

Meanwhile Karnataka State Govt. had enacted Karnataka Forest (Amendment) Act 2016 vide Gazette notification dated 27.07.2016. The amendment substituted the word 'Tax' in the principal act to 'Fee' w.e.f 16th day of Aug 2008. Based on this the Monitoring Committee had started billing the Forest Development Fee in its invoices. Meanwhile consumers in Karnataka had filed separate Writ Petitions in Hon'ble High Court of Karnataka on the above. Karnataka High Court vide its order dated 20th Sept. 2016, had ordered that State Govt may restrain from collecting FDF during the pendency of the writ petition, subject to the condition of furnishing bank guarantee in respect of 25% of the demand in relation to future transactions. Karnataka State Govt. had approached Hon'ble Supreme Court on this. Hon'ble Supreme Court vide its order dated 13.02.2017 modified the order of High Court of Karnataka and ordered for payment of 50% of the demanded amount and furnish Bond for balance amount.

The amount billed by the monitoring committee amounting to ₹93.85 crore towards FDF has been accounted under sales revenue during previous year. As, the Karnataka High Court vide its judgement dated 4th October 2017 has declared the Karnataka Forests (Amendment) Act, 2016 which was introduced for collection of Forest Development Fee (FDF) as unconstitutional, No FDF was collected nor paid with effect from 5th October 2017.

2.33 DISCLOSURES UNDER ACCOUNTING STANDARDS

2.33.1 EMPLOYEE BENEFITS AS PER Ind - AS-19

GENERAL DESCRIPTION OF DEFINED/CONTRIBUTORY BENEFIT PLANS :

PLAN	DESCRIPTION
1. Provident fund	The company's contribution to the provident fund is remitted to a separate trust based on a fixed percentage of the eligible employees' salary. Further, the company makes good the shortfall, if any, between the return from investments of trust and the notified rate of interest on actuarial valuation basis.
2. Gratuity	Eligible amount is paid to the employees on separation by NMDC Group Gratuity Trust.
3. Accrued Leave Salary	Encashment of accumulated leave payable as per the rules of the Company to the employees on separation is made by NMDC Employees Superannuation Benefit Fund Trust.
4. Settlement Allowance	Employees are paid eligible amount at the time of retirement for their settlement by the NMDC Employees Superannuation Benefit Fund Trust.
5. Post Retirement Medical Facilities	Retired employees opting for the Post Retirement Medical Benefit Scheme on contribution of prescribed amount can avail medical benefits as per the Scheme and the liability is funded to NMDC Employees Superannuation Benefit Fund Trust.
6. Family Benefit Scheme	Monthly payments to disabled separated employees/legal heirs of deceased employees on deposit of prescribed amount, till the notional date of superannuation and the liability is funded to NMDC Employees Superannuation Benefit Fund Trust.
7. Long Service Award	Employees are presented with an award in kind on rendering prescribed length of service.
8. Contribution to Defined Contribution Pension scheme	The company's contribution to the defined contribution pension scheme is remitted to a separate trust based on a fixed percentage of the eligible employees' salary.

i) Provident fund :

The company has conducted Actuarial valuation of its PF trust and the trust do not have any deficit as on 31st March 2020.

ii) Other defined benefit plans : (₹ In Crore)

Particulars	Gratuity	Accrued Leave Salary	Settlement Allowance	Post retirement medical facilities	Family Benefit Scheme	Long Service Award
A. Changes in the present value of obligation as on						
31st March 2019						
Present value of obligation at the beginning of the year	315.48	154.02	12.87	410.91	38.92	21.38
Interest cost	24.42	11.92	-	31.80	-	-
Current service cost	31.38	10.21	-	27.23	-	-
Past service cost	-	-	-	-	-	-
Benefits paid/payable	(34.78)	(8.14)	(0.43)	(31.29)	(5.69)	(2.12)
Actuarial gain/loss on obligation	(10.74)	2.95	(0.37)	21.02	12.93	2.41
Present value of obligation at the end of the period	**325.76**	**170.96**	**12.07**	**459.67**	**46.16**	**21.67**
31st March 2020						
Present value of obligation at the beginning of the year	325.76	170.96	12.07	459.67	46.16	21.67
Interest cost	24.92	13.08	-	35.16	-	-
Current service cost	21.18	53.16	-	30.87	-	-
Past service cost	-	-	-	-	-	-
Benefits paid/payable	(38.99)	(19.56)	(0.72)	(57.33)	(8.11)	(2.29)
Actuarial gain/loss on obligation	26.67	6.48	2.42	57.91	(1.36)	10.99
Present value of obligation at the end of the period	**359.54**	**224.12**	**13.77**	**526.28**	**36.69**	**30.37**
B. Changes in the fair value of the Plan Assets as on						
31st March 2019						
Fair value of plan assets at the beginning of the year	327.17	161.66	37.13	412.66	23.97	-
Expected return on plan assets	25.25	12.48	2.81	34.03	3.23	-
Contributions	0.30	0.00	-	-	14.95	-
Benefits paid/payable	(34.78)	(4.73)	(0.43)	(30.10)	(5.69)	-
Actuarial gain/loss on plan assets	(2.05)	(0.37)	-	27.68	(0.01)	-
Fair value of plan assets at the end of the period	**315.89**	**169.04**	**39.51**	**444.27**	**36.45**	**-**
31st March 2020						
Fair value of plan assets at the beginning of the year	315.89	169.04	39.51	444.27	36.45	-
Expected return on plan assets	24.17	11.54	2.80	30.54	2.22	-
Contributions	10.21	1.93	-	15.40	9.71	-

Particulars	Gratuity	Accrued Leave Salary	Settlement Allowance	Post retirement medical facilities	Family Benefit Scheme	Long Service Award
Benefits paid/payable	(38.99)	(19.56)	(0.72)	(57.33)	(8.11)	-
Actuarial gain/loss on plan assets	(3.64)	-	-	-	(0.01)	-
Fair value of plan assets at the end of the period	**307.64**	**162.95**	**41.59**	**432.88**	**40.26**	**-**
C. Amounts recognised in the Balance sheet as on						
31st March 2019						
Present value of the obligations at the end of the year	325.76	170.96	12.07	459.67	46.16	21.67
Fair value of plan assets at the end of the year	315.89	169.04	39.51	444.27	36.45	-
Liability(+)/Asset (-) recognised in the balance sheet	9.87	1.92	(27.44)	15.40	9.71	21.67
31st March 2020						
Present value of the obligations at the end of the year	359.54	224.12	13.77	526.28	36.69	30.37
Fair value of plan assets at the end of the year	307.64	162.95	41.59	432.88	40.26	-
Liability(+)/Asset (-) recognised in the balance sheet	51.90	61.17	(27.82)	93.40	(3.57)	30.37
D. Amounts recognised in the Statement of P&L for the period ended						
31st March 2019						
Current service cost	31.38	10.21	-	27.23	-	-
Past service cost	-	-	-	-	-	-
Interest cost	24.42	11.92	-	31.80	-	-
Expected return on plan assets	(25.25)	(12.48)	(2.81)	(34.03)	(3.23)	-
Net acturarial gain/loss recognised in the year (OCI)	(8.69)	3.32	(0.37)	(6.66)	12.94	2.41
Total	21.86	12.97	(3.18)	18.34	9.71	2.41
31st March 2020						
Current service cost	21.18	53.16	-	30.87	-	-
Past service cost	-	-	-	-	-	-
Interest cost	24.92	13.08	-	35.16	-	-
Expected return on plan assets	(24.17)	(11.54)	(2.80)	(30.54)	(2.22)	-
Net acturarial gain/loss recognised in the year (OCI)	30.31	6.48	2.42	57.91	(1.35)	10.99
Total	52.24	61.18	(0.38)	93.40	(3.57)	10.99

E. PRINCIPAL ACTUARIAL ASSUMPTIONS :

DESCRIPTION	2019-2020	2018-2019	2017-2018
i. Discount Rate	6.80%	7.65%	7.74%
ii. Mortality Rate	LIC 1994-96 ultimate	LIC 1994-96 ultimate	LIC 1994-96 ultimate
iii. Medical Cost Trend rates	5%	5%	5%
iv. Withdrawal rate	1% to 3%	1% to 3%	1% to 3%
iv. Future salary increase	6.50%	6.50%	6.50%

i) The discount rate adopted above is based on market yields at the balance sheet date on government bonds.

ii) In line with the report of the 3rd Pay Revision Committee,the ceiling of gratuity enhanced from ₹10 lakhs to ₹20 lakhs for provision of gratuity

F. Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumption is :

a) Gratuity (₹ In Crore)

DESCRIPTION	1% Increase 31/3/ 2020	1% Decrease 31/3/ 2020	1% Increase 31/3/ 2019	1% Decrease 31/3/ 2019
A Effect of 1% Change in the Assumed Discount Rate	332.79	390.51	303.38	351.50
1. Effect on DBO	(7.44)	8.61	(6.87)	7.90
A Effect of 1% Change in the Assumed Salary Rate	378.69	339.16	343.49	307.35
2. Effect on DBO	5.33	(5.67)	5.44	(5.65)
A Effect of 1% Change in the Assumed Attrition Rate	380.67	336.07	345.92	303.44
3. Effect on DBO	5.88	(6.53)	6.19	(6.85)

b) Accrued Leave Salary

DESCRIPTION	Accrued Leave Salary			
	1% Increase 31/3/ 2020	1% Decrease 31/3/ 2020	1% Increase 31/3/ 2019	1% Decrease 31/3/ 2019
A Effect of 1% Change in the Assumed Discount Rate	197.03	238.89	150.40	180.44
1. Effect on DBO	(8.89)	10.47	(8.43)	9.87
A Effect of 1% Change in the Assumed Salary Rate	245.71	191.48	186.09	145.84
2. Effect on DBO	13.62	(11.46)	13.31	(11.20)
A Effect of 1% Change in the Assumed Attrition Rate	234.33	195.98	179.48	147.19
3. Effect on DBO	8.36	(9.37)	9.29	(10.38)

c) Post Retirement Medical Facilities

DESCRIPTION	1% Increase 31/3/ 2020	1% Decrease 31/3/ 2020	1% Increase 31/3/ 2019	1% Decrease 31/3/ 2019
A Effect of 1% Change in the Assumed Discount Rate	471.79	591.41	419.28	507.33
1. Effect on DBO	(10.36)	12.38	(8.79)	10.37
A Effect of 1% Change in the Assumed Salary Rate	593.92	470.28	509.47	417.95
2. Effect on DBO	12.85	(10.64)	10.84	(9.08)

(G) Defined benefit liability (₹ In Crore)

The weighted average duration of the defined benefit obligation is 13.30 years for Leave encahement benefit , 10.60 years for gratuity scheme as on 31 March 2020 .The expected maturity analysis of gratuity and compensated absenses is as under :

DESCRIPTION	Less than a year	Between 2 - 5 years	between 5 -10 years	Over 10 years	Total
31 March 2020					
Gratuity scheme	24.97	93.16	81.14	160.26	359.53
Accrued leave salary	8.68	40.26	43.75	123.57	216.26
Post retirement medical benefits	34.03	125.75	132.35	234.14	526.27
Total	67.68	259.17	257.24	517.97	1,102.06

The weighted average duration of the defined benefit obligation is 12.98 years for Leave encahement benefit , 9.95 years for gratuity scheme as on 31 March 2019 .The expected maturity analysis of gratuity and compensated absenses is as under :

DESCRIPTION	Less than a year	Between 2 - 5 years	between 5 -10 years	Over 10 years	Total
31 March 2019					
Gratuity scheme	28.03	88.09	75.14	134.50	325.76
Accrued leave salary	8.72	30.13	34.07	91.30	164.22
Post retirement medical benefits	30.06	108.00	106.90	214.70	459.66
Total	66.81	226.22	216.11	440.50	949.64

2.33.2. Segment Reporting as per Ind - AS-108

A. Basis for segmentation

An operating segment is a component of the company that engages in business activities from which it may earn revenues and incur expenses and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Board of Directors to make decisions about resources to be allocated to the segments and assess their performance.

The company has two reportable segments, as described below, which are the company's strategic business units. These business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the business units, the company's Board reviews internal management reports on a periodic basis.

The following summary describes the operations in each of the company's reportable segments:

B. Information about reportable segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), segment revenue and segment capital employed as included in the internal management reports that are reviewed by the board of directors. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

Repotable Segments

Business Segments (₹ In Crore)

	Iron Ore		Other Minerals & Services		Other reconciliation items		Grand Total	
	Current	Previous	Current	Previous	Current	Previous	Current	Previous
1.REVENUE								
External Sales	**11,569.01**	11,997.98	**129.64**	154.42	**0.57**	0.27	**11,699.22**	12,152.67
Inter-Segment Sales	**(0.11)**	3.83	**-**	-	**0.11**	(3.83)	-	-
Total Revenue	**11,568.90**	12,001.81	**129.64**	154.42	**0.68**	(3.56)	**11,699.22**	12,152.67
2. RESULT								
Segment Result	**6,130.88**	7,152.78	**(135.38)**	(130.34)	**10.61**	7.79	6,006.12	7,030.23
Unallocated Corporate Exps							(249.68)	(246.18)
Operating Profit							5,756.44	6,784.05
Finance Cost							(9.88)	(40.32)
Interest Income							367.42	449.65
Income Taxes							(2,512.46)	(2,556.31)
Non-controlling Interest							0.33	0.89
Share of associates							(28.56)	(19.12)
Net Profit							**3,573.29**	**4,618.84**
3. OTHER INFORMATION							-	
Segment Assets	**6,945.73**	4,895.79	**599.00**	651.38	**23,352.63**	23,761.33	**30,897.36**	29,308.50
Segment Liabilities	**1,341.91**	1,422.41	**36.92**	40.89	**2,234.48**	2,370.04	**3,613.31**	3,833.34
Additions to assets during the year :								
Tangible Assets	**218.41**	222.43	**0.77**	0.71	**96.84**	51.25	**316.02**	274.39
Intangible Assets	**488.28**	70.78	**-**	0.19	**0.90**	1.26	**489.18**	72.23
ROU Assets	**0.00**		**-**		**8.20**	0.00	**8.20**	-
Depreciation and Amortisation	**240.13**	228.60	**40.46**	37.49	**14.34**	12.95	**294.93**	279.04
expenses during the year								
Impairment reversal/provided	**-**	-	**-**	-	**-**	-	**-**	-
Non-Cash expenses other than	**214.44**	249.62	**0.04**	0.02	**1.63**	0.01	**216.11**	249.65
Depreciation & amortization								

Geographical Segments

Sales Revenue by location of Customers: (₹ In Crore)

	Curr. Year	Prev. Year
Revenue from External customers		
- Domestic	**10,126.04**	11,607.02
- Export : Through MMTC	**1,573.18**	545.65
Total	**11,699.22**	12,152.67

Assets by Geographical Location: (₹ In Crore)

Location	Carrying amount of Segment Assets		Additions to Tangible and Intangible Assets	
	Curr. Year	Prev. Year	Curr. Year	Prev. Year
Chattisgarh	**22,597.87**	18,605.99	**587.39**	271.09
Telangana & Andhra Pradesh	**6,348.03**	8,227.83	**10.36**	8.73
Others	**1,951.46**	2,474.68	**207.45**	66.80
Total	**30,897.36**	**29,308.50**	**805.20**	**346.62**

Note No. 2.33.3

Disclosures – Revenue (Ind AS 115)

a) Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contract with customers (₹ In Crore)

	Year ended	
Segment	31-Mar-20	31-Mar-19
Type of goods or service		
Sale of goods		
-Iron ore	11,569.00	11,997.98
-Sponge iron	4.39	0.94
-Diamonds	34.29	38.86
-Sale of pellets	55.55	76.52
-Sale of power	5.40	5.51
Sale of services		
-Sale of services	30.16	32.34
Others		
Other operating revenue	0.43	0.52
Total revenue from contracts with customers	**11,699.22**	**12,152.67**
India	10,126.04	11,607.02
Outside India	1,573.18	545.65
Total revenue from contracts with customers	**11,699.22**	**12,152.67**
Timing of revenue recognition		
Goods transferred at a point in time	11,669.06	12,120.33
Services transferred over time	30.16	32.34
Total revenue from contracts with customers	**11,699.22**	**12,152.67**

Set out below, is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment reporting

(₹ In Crore)

	31-Mar-20		31-Mar-19	
	Sale of goods	Sale of services	Sale of goods	Sale of services
Revenue				
External customer	11,669.06	30.16	12,120.33	32.34
Inter-segment	(0.11)	-	2.54	-
Inter-segment adjustment and elimination	(0.11)	-	2.54	-
Total revenue from contracts with customers	**11,669.06**	**30.16**	**12,120.33**	**32.34**

b) Contract balances (₹ In Crore)

	31-Mar-20	31 March 2019 (Restated)	01 April 2019 (Restated)
	INR crores	INR crores	INR crores
Trade receivables	2,223.71	1,424.51	-
Contract assets	-	-	-
Contract liabilities	202.95	216.53	-

Trade receivables are non-interest bearing . In March 2020, Rs 1,958.15 crore (March 2019: Rs 1,958.15 crore) was recognised as provision for expected credit losses on trade receivables.

Contract assets are generally recognised in case of supply of services only when the receipt of money is conditional on milestone even after satisfaction of performance obligation.In case of sale of goods, directly receivable is recognised as company has unconditional right to payment from the moment performance obligation is satisfied.

Contract liabilities includes advance received from customer which will be adjusted towards supply of goods or services.

2.33.4: Accounting policies, change in Accounting Estimates and Errors (As per Ind-AS 8):

I. Review of Accounting Policies

a. Property Plant and Equipment: Intangible Assets (Accounting Policy No. 1(1.2)(vi))

To reflect the existing practice of the company the following has been added to the existing policy, "Mining rights are accounted as Intangible assets and amortised over the period of life of the mining lease.

The said revision has nil impact on the financials of the company.

b. Stripping Cost: (Accounting Policy No.1(1.2)(xix))

To be at par with Ind-AS, the policy on treating stripping cost during production phase has been revised as stated under Accounting Policy"

The said revision has nil impact on the financials of the company.

II Ind AS issued and effective from 1st April-2019:

Ind AS 116 Leases:

inistry of Corporate Affairs has notified 'The Companies (Indian Accounting Standards) Amendment Rules, 2019 dated March 30, 2019 which inter alia includes the new standard on Leases Ind AS 116 replacing the existing standard Ind AS 17, to be effective from the 1st April 2019. The company has applied the Standard to its leases using the modified retrospective approach and comparative information is not restated.

This has resulted in recognising a Right-of-Use Assets and a corresponding Lease Liability of ₹8.20 crore as at 1st April 2019. The impact on the profit for the period is not material.

2.33.5 Earnings per share (IND AS-33)-: The details are as under: (₹ In Crore)

Particulars	Year ended	
	31st March 2020	31st March 2019
1. Profit after Tax (Rs Crore)	3,573.31	4,618.84
2. No of Equity shares	306,18,49,659	306,18,49,659
3. Nominal value per Equity share (Rs)	1	1
4. Basic and Diluted Earnings per share (Rs) (*)	11.67	14.69

Note:(*) The earnings per share (EPS) of Previous year has been adjusted on account of buyback.

2.33.6 Accounting for Deferred Taxes on income (Ind-As-12): Necessary details have been disclosed in note no: 2.5.

2.33.7 Discontinuing Operations (IndAS-105) :

On 25/02/2008 the Board of directors had announced a plan to dispose-off the plant and machinery of Silica Sand Project, Lalapur which is included in the segment of "Other minerals and services." Pending disposal, the unit is kept under care & maintenance.

On screening Plant:

Board of director in its 525th meeting held on 10th December 2019 approved the termination of Screening Plant operation located at Vizag. Detailed are as below:

(₹ In Crore)

Particulars	As at 31-Mar-2020	As at 31-Mar-2019
Silica Sand Project, Lalapur		
Carrying value of Assets	0.29	0.29
Carrying value of liabilities	0.73	0.73
Screening Plant -Vizag		
Carrying value of Assets	0.86	-
Carrying value of liabilities	0.29	-

The following statement shows the revenue and expenses of discontinued operations:

(₹ In Crore)

Particulars	For the year ended 31-Mar-2020	For the year ended 31-Mar-2019
A. Revenue		
Revenue from operations		
Other income	0.00	0.00
Total Revenue	0.00	0.00
B. Expenses		
Power, Electricity and Water	0.25	0.29
Repairs and Maintenance	0.00	0.00
Depreciation and amortisation	0.09	-
Other expenses	0.71	0.35
Total Expenses	1.05	0.64
C.Profit(+)/Loss(-) from discontinued operations before tax (A-B)	(1.05)	(0.64)

2.33.8 Intangible Assets (IndAS-38) : R&D

The Research & Development expenditure, charged to Statement of Profit & Loss during the year is ₹23.79 crore (previous year ₹23.81 crore), including expenditure of ₹0.64 crore (previous year ₹0.35 crore) on feasibility studies.

The amount of revenue expenditure incurred at Research & Development unit, Hyderabad is as under:

(₹ In Crore)

Head of account	2019-2020	2018-2019
Consumption of Stores and Spares	0.35	0.25
Power, Electricity & Water	0.62	0.61
Employee benefit expense	14.92	14.13
Repairs and Maintenance	0.49	0.82
Other expenditure	4.28	4.76
Depreciation & Amortisation	3.85	3.97
Total expenditure	24.51	24.54
Less : Other income	1.36	1.08
Total net R&D expenditure	23.15	23.46

During the year, at R&D unit, the additions to tangible assets (except land and buildings) are ₹7.00 crore. (Previous year ₹7.50 crore).

2.33.9 Joint Ventures (IndAS-28) Jointly Controlled entities:

Sl no	Name of the Joint Venture	Country of Incorporation	Proportion of ownership 2019-20	Proportion of ownership 2018-19
1	Kopano-NMDC Minerals (Proprietary) Limited	South Africa	50%	50%
2	NMDC CMDC Limited, Raipur	India	51%	51%
3	Jharkhand National Mineral Development Corporation Limited, Ranchi	India	60%	60%
4	NMDC SAIL Ltd	India	51%	51%
5	Bastar Railway Pvt Ltd	India	52%	52%

2.33.10 Impairment of Assets (IndAS – 36):

The impairment of assets has been reviewed during the year in respect of the following cash generating units, included under the segment 'Other Minerals and Services'. The Assets of the SIIL have been impaired in this financial year:

INR in crore

Unit	Year of impairment	Impaired Amount as on 01-04-2019	Adjustments during 2019-2020			Impaired Amount as on 31-03-2020
			Reversal	Deletion	Addition	
SSP, Lalapur	2005-06	12.54	--	-	--	12.54
SAF Plant at Sponge Iron Unit	2004-05	15.48	-	-	-	15.48
SIIL	2019-2020	0	0	0	3.37	3.37

1. The Recoverable amount of the assets of SSP, Lalapur unit has been arrived at considering the 'value in use'. Since the value in use has resulted in negative cash flows, the recoverable amount has been taken as nil without applying any discount rate.
2. In the case of SAF plant at the Sponge Iron Unit, the impairment is based on net selling price as assessed by the approved Valuer.
3. In case of SIIL plant, Impairment is based on the assessed receivable value.
4. Earlier, as per the MMDR Amendment Act, 2015, Supplementary Mining Lease of Panna was extended for a period of 50 years from the initial grant i.e. upto 30.06.2020. Consequently, Forest Clearance was extended upto lease validity as per MoEF&CC Circular dated 01.04.2015. Further after extension of supplementary mining lease upto 30.06.2040, request has been made to state government to take the above circular into cognizance and extent the existing Forest Clearance for a period Co-terminus with the lease validity i.e. upto 30.06.2040.

2.33.11 Provisions, Contingent Liabilities and Contingent Assets (IndAS-37) :

Necessary details in regard to provisions have been disclosed in notes 2.14.2,2.17& 2.32.

2.34: Disclosure as required under Regulation 34(3) and 53(f) of SEBI (LODR) Regulations, 2015

2.34.1 Loans and advances in the nature of loans to Subsidiaries/Jvs' where there is no repayment schedule or no interest :

INR. in crore

Name of the Subsidiary	Maximum Balance outstanding	
	As at 31-Mar-2020	As at 31-Mar-2019
J&K Mineral Development Corporation Limited, Jammu (*)	16.45	16.45
NMDC Power Ltd, Hyderabad	-	-
Jharkhand Kolhan steel Limited	-	0.03
Karnataka Vijayanagar Steel Limited	641.78	641.78
NMDC Steel Limited	0.01	-
Total	658.24	658.26
* Advances derated /Provision made during the year	13.86	13.86

INR in crore

Name of the Joint Venture	Maximum Balance outstanding	
	As at 31-Mar-2020	As at 31-Mar-2019
Kopano-NMDC Minerals(Proprietary) Limited	0.10	0.10
Jharkhand National Mineral Development Corporation Ltd.	0.06	0.05
NMDC-CMDC Ltd., Raipur	46.10	46.10
Bastar Railway Pvt. Ltd.	-	-
Total	46.25	45.25

2.34.2 There are no Investments by the loanees as mentioned in 2.36.1 in the shares of NMDC Ltd.

2.34.3: Loans to Associate Companies

INR in crore

Name of the Associates	Maximum Balance outstanding	
	As at 31-Mar-2020	As at 31-Mar-2019
Neelachal Ispat Nigam Ltd	60.00	-
Total	60.00	-

No Loans and Advances were given to the Associate Companies except the above company.

2.34.4 There are no loans and advances in the nature of loans to firms/companies in which directors are interested except as stated above.

2.35. Others:

2.35.1 Service tax on Royalty:

The Company has been disputing the payment of Service Tax on Royalty for the period 01.04.2016 to 30.06.2017, at various Courts. However, Provision has been made in the books towards the service tax on Royalty for the above period and interest on the same upto 31st March 2019. The total liability as on 31.3.2019 was ₹ 281.47 crore (Rs 211.85 Crore towards Service tax and Rs 69.62 Crore towards interest)

The Govt has notified the scheme "Sabka Vishwas (Legacy dispute Resolution) Scheme-2019" during the year to resolve all disputes relating to the erstwhile Service Tax and Central Excise Acts, which are now subsumed under GST, as well as other Indirect Tax enactments. The scheme provided for substantial relief by partial payment of disputed service tax dues with waiver of interest and Penalty. The Company has opted to avail the concessions offered under 'Sabka Vishwas" scheme and has withdrawn all the pending cases with regard to Service tax on Royalty with various courts.

Under the Legacy dispute scheme, the Company has paid an amount of Rs 104.08 Crore towards Service tax on Royalty as well as ₹ 33.40 crore towards Service tax on DMF and NMET (total of ₹ 137.48 crores) for the period from 1st April 2016 to 30th June 2017.

Accordingly, the excess Liability of Rs 177.39 Crore has been withdrawn shown as 'Exceptional Item' in the accounts at note no. 2.28.

2.35.2 Enabling Facilities:

The During the year an amount of ₹38.54 crore and ₹ 189.76 crore is utilised by Railways for the doubling of Railway line between Jagdalpur to Ambagaon and Kirandul to Jagdalpur respectively and the total amount of ₹ 228.29 crore is included in "Other Expenses ".

2.35.3 Disinvestment of NISP:

The Govt of India has accorded 'in principle' approval for strategic disinvestment of Nagarnar Steel Plant of NMDC Limited on 27.10.2016. However, the process of disinvestment has been deferred.

2.35.4 Property, Plant & Equipment (PPE)

As per Ind AS 16 items such as spare parts, stand by equipment and service equipment are to be capitalized when they meet the definition of PPE and are expected to be used for more than one accounting year. After review of the inventory values and its consumption patterns in the major production Units, Company based on materiality has fixed a threshold limit of Rs 20 Lakhs for such spare parts, stand by equipment and service equipment meeting the definition of PPE.On issue of said PPE, the WDV is allowed to be depreciated over the life of the main asset or the life of the equipment whichever is less.

2.35.5 NMET:

SAs per the Gazette Notification dated 27thMarch 2015 enacting the Mines and Minerals (Development and Regulation) (Amendment) Act, 2015 and subsequent notifications dated 14th Aug 2015 for contribution of National Mineral Exploration Trust (NMET), the Company was required to pay 2% of royalty towards NMET with effect from 12th Jan 2015 respectively.

The Hon'ble High Court of Bilaspur in its judgement dated 24.11.2017 clarified that contribution towards NMET shall be payable w.e.f. 14.8.2015, the date of promulgation of NMET Rules plus constitution of NMET Trust.

With regard to NMET, Company has made the payment w.e.f 12.01.2015. As per the Hight Court judgement the units in state of Chattisgarh the payments made from 12.01.2015 till 13.08.2015 are recognised under Amount Recoverable to be adjusted from future payments to State Government.

2.35.6 Dues from Monitoring Committee- Donimalai complex in Karnataka:

The total trade receivables from monitoring Committee as on 31.3.2020 is ₹2434.79 crore. This includes regular dues of ₹ 290.15 crore and ₹ 2122.46 crore towards 10% of sale proceeds retained by Monitoring Committee for the period from 04.10.2011 to 31.03.2020 pending directions from Hon'ble Supreme Court and ₹ 22.18 crore long pending dues for which company has made a total provision of ₹ 2144.64 crore.

2.35.7 Common Cause Judgement for Bailadila Sector:

The Company had received Show Cause Notices dated 31 .07.2018 from Dist. Collector, South Bastar Dantewada as to why NMDC should not be asked to deposit an amount of ₹7,241.35 crore as compensation as calculated by Collector based on the Hon'ble Supreme Court Common Cause Judgement related to Orissa Iron ore mines (Writ Petition Civil No 114 of 2014 dated 2nd August 2017). The Company had been contesting the Show Cause Notices with Dist. Collector, South Bastar Dantewada on the ground that the said judgement is not applicable to NMDC .

Meanwhile, revised showcause notices dated 26.09.2019 were received for a revised amount of Rs 1,623.44 Crore from Dist. Collector, South Bastar, Dantewada, to be replied within 21 days of notice. NMDC while reiterating the fact of non-applicability of the Hon'ble Supreme Court Judgement in the state of Chhattisgarh, has sought time for replying to the show cause notices. Further to above, Dist. Collector, South Bastar, Dantewada had issued Demand notices dated 15/11 /2019 for the amount of Rs 1,623.44 Crore (Bacheli - Rs 1,131.97 Crore & Kirandul Rs 491.47 Crore) asking to deposit the amount within 15 days. As the Mining Leases of the company in the State of Chhattisgarh were expiring on 31 .3.2020 and due for renewal , the Company has paid an adhoc amount of Rs 600 Crore under protest and filed writ petitions in the Hon'ble High Court of Bilaspur, Chhattisgarh and a Revision application with Mines Tribunal, Ministry of mines, Government of India , New Delhi praying to set aside the demand notices.

Hon'ble High Court of Bilaspur has heard the WPs on 19.02.2020 and sought certain clarifications from the respondent and directed 'no coercive action till 12.3.2020 and listed the case for 12.3.2020. However due to COVID-19 situation, no further hearings could take place.

The demand amount of Rs 1,623.44 crores has been shown under 'Contingent Liabilities'.

2.35.8 Mining Lease of Donimalai:

The Government of Karnataka, while renewing the lease of NMDC 's Donimala i Iron Ore Mine, has imposed a new condition asking for a premium of 80% on the average sale value. As the demand of the State Govt. is not as per the provisions of the MMDR Act 2015 and Mineral (Mining by Government Company) Rules, 2015 , the company requested the Govt. to reconsider its decision.

Since there was no positive response from the State Govt, the company has suspended its operations from 4th November 2018 and moved to the Hon'ble High Court of Karnataka praying for a suitable direction in the matter. The Hon'ble High Court of Karnataka in its judgement dated 10th July 2019 has passed an order setting aside the condition imposed for levying 80 % premium. On the basis of the judgement, NMDC has request ed the State Govt. to consider the execution of Lease Deed of Donimalai Mine.

The Government of Karnataka issued an Order dated 17.08.2019 withdrawing the approval for extension of the Donimalai mining lease and with a direction to the Director of DMG to auction the said block. In this regard, the Company on 19.8.2019 filed 'Revision application' before The Hon'ble Mines Tribunal, Government of India. Meanwhile, the State Government issued a notification dated 20.08.2019 inviting tender for auction of the Donimalai Mining block. On 21.08.2019 Hon'ble Mines Tribunal heard the submissions and stayed the Order dated 17.08.2019 issued by the Government of Karnataka withdrawing the extension of lease and any consequent action thereon until the next date of hearing. The matter is pending with Hon'ble Mines Tribunal.

Meanwhile, Ministry of Mines has amended the 'Mineral (Mining by Government Company) Rules ,2015 with regard to renewal of mining leases allocated to Government Companies. Earlier the rule 3 (2) stated that if an application for renewal of mining leases is made to the State Government by a Government company, the State Government "MAY, for reasons to be recorded in writing , extend the period of the mining lease for further periods of up to twenty years at a time ". Now the rule is amended by substituting the word "MAY" with "SHALL ". Now the rule reads as "SHALL'' for reasons to be recorded in writing, extend the period of mining lease for further periods of up to twenty years at a time ".

Even though the company is regularly corresponding with the State Government for ex tending the lease, response of the State Government is still awaited.

The last hearing at Mines Tribunal took place on 04.03.2020 where in the State Government has requested adjournment upto 24.03.2020. No further hearings could take place due to COVID-19 situation.

2.35.9 Closure of SPVs :

Ministry of Steel vide its record note of discussion dated 23.4.2018 has taken the decision 'not to pursue the SPV's – NMDC Power Limited and NMDC-SAIL Limited. NMDC Board has approved for closure of the companies. Accordingly, an amount of Rs 2.50 Lakhs investment in NMDC_SAIL Limited has been derated as application for striking off the name has been filed with ROCE on 3rd April 2019. Status quo is maintained with regard to Investment in NMDC-Power Limited as action for closure is yet to be initiated.

2.35.10 Allotment of Coal Block:

Nominated Authority, Ministry of Coal has declared NMDC as successful allottee of Tokisud North Coal Mine (Non-Coking Coal) & Rohne Coal Mine (Coking Coal) block in the state of Jharkhand on 16th December 2019 and 17th March 2020 respectively. For Tokisud block initial payment of ₹ 235.63 crore, which includes upfront payment of ₹10.86 crore and fixed amount of ₹ 224.77 crore, is made. Pending receipt of allotment order the amount is shown under Capital Advance at note no. 2.6

2.35.11 Disclosures with regard to COVID-19 and its impact:

A. Financial Impact:

The COVID 19 had a marginal impact on the operations of the company due to the lock down in the country in March 20. There has been a loss of around 10.01 LMT of Production and 5.50 LMT of Sale of Iron ore during FY 2019-20 (in March 20). This has resulted in a loss in sale revenue of around Rs 219 crore and PBT of Rs 120 crore.

B. Impact of corona virus on financial reporting - Assets & Liabilities

- Inventory: There was no complete halt in the despatch of Iron ore to customers. However the scale of operations have come down since 21st March 2020. Management do not see any need to write down the inventories in view of COVID-19.

- Impairment test for assets: No impairment of non-financial assets like property, plant & equipment, intangibles and goodwill, is felt necessary due to COVID-19.
- Change in useful life of fixed assets: No change in useful life of assets is felt necessary due to COVID-19.
- Fair value of financial assets / instruments: There is no impact due to COVID 19 in fair value of financial assets/instruments
- Trade receivables – Expected Credit Loss: No additional ECL is felt necessary due to COVID-19 situation.
- Leased assets: No change in conditions in Lease agreements due to COVID-19.
- Capitalization of borrowing cost: No borrowings for Capex. Hence not applicable to NMDC.
- Provision for onerous contract: No provision is felt necessary of onerous contracts like expected loss which will be incurred to fulfil the commitment give to customer to supply the products at contract prices which are lower than the procurement prices.
- Going concern assumption need to be reassessed by management: The management feels that there shall not be any impact on Going Concern Assumption due to COVID 19 as on balance sheet date and next 12 months.
- Impact of COVID 19 on significant uncertainties: No significant uncertainties have been emerged by the outbreak of the COVID -19 in measuring various assets and liabilities. However due to the overall economic situation in the country, there could be scale down in the operations compared to previous year.

B. Impact of coronavirus on financial reporting- Revenue & Expenses

- Revenue recognition: No reassessment of Revenue is felt necessary considering the impact of COVID 19.
- Recognition of insurance claims filed due to loss on account of COVID 19: There has been no Loss for which insurance claims need to be filed due to loss on account of COVID 19
- Re-measurement of deferred taxes: No changes in the deferred taxes is expected due to COVID 19.
- Revision in risk assessment and materiality: Management feels that the demand position of iron ore in FY 20-21 shall be lower as compared to FY 19-20 especially in the Q1 and Q2 and things are expected to improve in Q3 and Q4. The prices are also expected to be subdued during the First Half of current year. No operational disruptions are anticipated except for scale down in operations No material risks are anticipated necessitating their provisioning in the accounts for FY19-20.
- Year-end physical verification: Physical verification of Inventory has been carried out at various projects.
- External confirmations: Letters seeking confirmations have been sent to Debtors and Creditors as per every year practice.

2.35.12 Exceptional items (Depreciation and Amortisation) : (At note. no. 2.28)

1) **Kumaraswamy Mine:**

Govt of Karnataka vide notification dated 14.08.2019 directed NMDC to execute a supplementary/rectification mining lease deed in r/o ML No 1111 of Kumaraswamy mine for the period from 18.10.1972 to 17.10.2022. Accordingly, Supplementary lease deed was executed on 20.03.2020. A demandnote amounting ₹ 77.36 crore was received towards Stamp duty and Registration Fee. The same is provided in the books and amortised over the revised lease period. The total amortisation amount for the period from 18th Oct 1972 to 31st March 2020 has come to ₹ 73.49 crore. The amortisation amount of ₹ 71.95 crore pertaining to previous years upto 31st March 2019 is provided in the books and included under Exceptional Item.

During Current Financial year, an amount of Rs, 92.90 crore of PPE items are capitalized which has an impact of Rs 34.88 crore of Depreciation relating to Previous years. Similarly, under Mining Rights under Intangible assets, an amount of ₹30.74 crore is amortisied towards DIOM & KIOM Mining rights. The total amount of ₹ 65.62 crore is included under exceptional items in the consolidated accounts of the company.

2) **Bailadila Mines**

Registration fee and Stamp duty of ₹ 402.32 crore was paid for renewal of Mining leases in Bailadila Sector for the period of twenty years starting from 2015 to 2035 included in the Intangible assets. The Amortisation for the period from 2015 to 31st March 2019 amounting to ₹68.26 crore is provided in the books of accounts and included under Exceptional Item.

2.35.13 Sale of Iron Ore to Pellet Plant at Kumaraswamy, Karnataka:

Due to restrictions imposed in Karnataka for purchase/sale of iron ore, Pellet Plant is purchasing iron ore fines from NMDC, DIOM/ KIOM through E-auction conducted by Monitoring Committee. As per the terms of the conditions of acceptance letter issued by Monitoring committee and as per the guidelines given by Hon'ble Supreme Court of India, Pellet plant is paying Basic value, Royalty Value and bulk permit fee value to MC and GST amount to NMDC Donimalai account. After receipt of GST amount from Pellet Plant, DIOM/KIOM is issuing advance receipt confirming the receipt of GST from Pellet Plant along with necessary statutory Documents to MC in the prescribed format. Based on the advance receipt issued by DIOM/KIOM, Monitoring Committee is issuing bulk permit to Pellet Plant for lifting of materials. DIOM/KIOM is raising Tax invoice on Pellet Plant for the dispatched quantity, showing it as sales and also paying GST to Government.

Simultaneously, Pellet Plant is recognizing the same as purchases and availing input credit. The above procedure is followed due to Compulsion made by MC as they have denied permission for Pellet Plant to lift the Iron Ore without participating in auction and accordingly, separate GST registration is also taken as per MC instructions.

However, the entry for un-realized profit on sale of Iron Ore to Pellet Plant is accounted.

2.35.14 CSR Expenditure:

a) Gross amount required to be spent by the company during the year is ₹ 117.80 crore (2% of the last three years average PBT ₹ 5,890.12 crore), (Previous Year ₹ 97.09 crore (2% of the last three years average PBT ₹ 4854.64 crore).

b) Amount spent during the year on account of CSR activities is ₹ 199.99 crore.(Previous Year ₹167.24 crore)

₹ in crore

Particular	In Cash	Yet to be paid in Cash	Total
1. Construction/acquisition of any assets	-	-	-
2. On purpose other than (1) above	199.99	-	199.99

2.25.15 General:

i) The company owns certain office space at New Delhi. It is not the company's intention to hold the property for a long term for capital appreciation nor for rental purpose. Hence the same is not treated as Investment Property and included under PPE.

ii) The goodwill of ₹ 93.89 crore is tested for impairment and concluded that as the project is still in exploration stage, it is to early to consider impairment loss on goodwill.

iii) Some of the balances appearing under Trade receivables, Trade payables, advances, Security deposits and other payables are subject to confirmations.

iv) Figures for the previous year have been regrouped/ rearranged wherever considered necessary so as to confirm to the classification of the current year.

Note. No. 2.35.16 : Fair Value Measurement

Financial instruments by category

	As at March 20			As at March 19		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets						
Investments						
Trade receivables			2,223.71			1,424.51
Cash and cash equivalents			105.57			45.67
Other bank balances			2,331.89			4,573.72
Loans			224.38			154.71
Other financial assets			365.40			398.44
Total	-	-	5,250.95	-	-	6,597.05
Financial liabilities						
Borrowings			565.57			364.15
Trade payables			225.90			202.79
Other financial liabilities			1,220.02			1,668.07
Total	-	-	2,011.49	-	-	2,235.01

(1) Assets that are not financial assets (such as receivables from statutory authorities, prepaid expenses, advances paid and certain other receivables) as of 31 March 2020, and 31 March 2019, respectively, are not included.

(2) Other liabilities that are not financial liabilities (such as statutory dues payable, advances from customers and certain other accruals) as of 31 March 2020, and 31 March 2019, respectively, are not included.

The carrying amounts of above financial assets and liabilties are considered to be same as their fair values, due to their short-term nature.

Note No: 2.35.17 Financial Risk Management

a) Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors monitors the compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The Company has exposure to the following risks arising from financial instruments:

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, loans	Ageing analysis and Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of deposits with differing maturities & committed borrowing facilities to facilitate the day today working capital requirements.
Market risk- currency risk	Imports giving rise to foreign currency payables*	-	-

A. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and deposits with banks.

(a) Trade receivables

The Company sales are generally based on advance payments and through LC's. The trade receivables in the books are mainly on account of credit sales to M/s RINL Limited, CPSE under the Ministry of Steel and the Sales of Iron Ore in the State of Karantaka which is through Montoring Committee (MC) appointed by Hon'ble Supreme Court of India.

Expected credit loss for trade receivables under simplified approach is detailed as per the below tables

Year ended 31 March 2020 (₹ In Crore)

Ageing	< 6 months	6-12 months	>12 months	Total
Gross carrying amount	1,769.24	412.97	2,204.01	4,386.22
Expected loss rate	4.23%	27.13%	89.64%	49.30%
Expected credit losses (loss allowance provision)	74.77	112.05	1,975.70	2,162.51
Carrying amount of trade receivables (net of impairment)	1,694.47	300.92	228.31	2,223.71

Year ended 31 March 2019 (₹ In Crore)

Ageing	< 6 months	6-12 months	>12 months	Total
Gross carrying amount	1,506.24	155.81	1,720.61	3,382.66
Expected loss rate	9.69%	66.25%	99.32%	57.89%
Expected credit losses (loss allowance provision)	145.95	103.23	1,708.98	1,958.15
Carrying amount of trade receivables (net of impairment)	1,360.29	52.58	11.63	1,424.51

iii. Reconciliation of loss allowance provision - trade receivables	(₹ In Crore)
Loss allowance on 1 April 2018	**1,708.97**
Changes in loss allowance	249.18
Loss allowance on 31 March 2019	**1,958.15**
Changes in loss allowance	204.36
Loss allowance on 31 March 2020	**2,162.51**

The impairment provisions for trade receivables disclosed above are based on assumptions about risk of default and expected loss rates.

(b) Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Company's treasury department in accordance with DPE guidelines & Company's policy. Investments of surplus funds are made only with scheduled commercial banks having a minimum networth of Rs 500 Crore within limits assigned to each bank and Debt based mutual funds of public sector AMCs. The limits are reviewed by the Company's Board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

B. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. In addition, the Company has taken fund based limits with banks to meet its short term financial obligations.

i. Financing arrangements

The Company has access to the following undrawn borrowing facilities at the end of reporting period

	31 March 2020	31 March 2019
Flexible rate		
Expiring within one year (bank overdraft and other facilities)	510	136
Working capital Limits with Banks	130	130

ii. Maturities of financial liabilities

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Year ended 31 March 2020	On demand	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1and 2 years	Between 2 and 5 years	Total
Borrowings	-	565.57	-	-	-	-	565.57
Trade payables	63.21	68.49	92.82	1.38	-	-	225.90
Other financial liabilities	424.32	626.01	108.54	61.19	-	-	1,220.06
	487.53	1,260.07	201.36	62.57	-	-	2,011.53

Year ended 31 March 2019	On demand	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1and 2 years	Between 2 and 5 years	Total
Borrowings	-	364.15	-	-	-	-	364.15
Trade payables	75.27	127.52	-	-	-	-	202.79
Other financial liabilities	888.46	522.63	232.90	24.02	-	-	1,668.01
	963.73	1,014.30	232.90	24.02	-	-	2,234.95

C. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Foreign currency risk

Since majority of the company's operations are being carried out in India and since all the material balances are denominated in its functional currency, the company does not carry any material exposure to currency fluctuation risk.

The Company's exposure to foreign currencies is minimal and hence no sensitivity analysis is presented.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company quite often bridges its short term cash flow mismatch by availing working capital loans from banks against its fixed deposits. Such loans have a very short tenure and the interest rate on such loans is based upon the rates offered by banks on fixed deposits , increased by a few basis points. Since the interest rates on fixed deposits are fixed, the company does not have any interest rate risk on such loans availed on a loan to loan basis.

The Company's exposure to interest rate risk is minimal and hence no sensitivity analysis is presented.

Note No. : 2.35.18 Capital Management

a) Risk management

The primary objective of the Company's capital management is to maximise the shareholder value. The Company's objectives when managing the capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders.

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors and senior management monitors the return on capital, which the Company defines as result from operating activities divided by total shareholders' equity.

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders the company has no external borrowings as on 31st March 2018.

b) Dividends (₹ In Crore)

	31 March 2020	31 March 2019
(i) Equity shares		
Final dividend for the year ended 31 March 2020 of ₹ Nil (31 March 2019: NIL) per equity share.	-	-
Interim dividend for the year ended 31 March 2020 of ₹ 5.29 (31 March 2019: Rs 5.52) per fully paid share	1,690.14	1,690.14

Particulars	31st- March 2020	31st- March 2019
Net Debt (excluding short term)	0	0
Total equity	27,681.12	26,057.89
Net debt to equity ratio	0%	0%

NOTICE

Notice is hereby given to the Members of NMDC Limited that the 62nd Annual General Meeting (AGM) of the Company will be held on Tuesday the 29th September 2020 at 1130 hours IST through video conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

A. ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (Standalone and Consolidated) of the Company for the financial year ended 31st March 2020 together with the reports of the Board of Directors', Statutory Auditors and Comptroller and Auditor General of India thereon.

2. To confirm the payment of Interim dividend of Rs. 5.29 ps per equity share of Re. 1.00 each already paid for the financial year 2019-2020.

3. To consider appointment of a Director in place of Shri P.K. Satpathy, Director (Production), (DIN: 07036432), who retires by rotation and being eligible, offers himself for re-appointment.

4. To consider appointment of a Director in place of Smt. Rasika Chaube Govt. Nominee Director, (DIN: 08206859), who retires by rotation and being eligible, offers herself for re-appointment.

5. To authorize the Board of Directors for fixing the remuneration of Statutory Auditors for the financial year 2020-21

   In terms of the Section 139 read with Section 142 of the Companies Act, 2013, the remuneration of Auditors of Government Companies, who are appointed by the Comptroller and Auditor-General of India, shall be fixed by the Company in General Meeting or in such manner as the Company in General Meeting may determine. Hence, it is proposed that the Members may authorize the Board of Directors for fixing the remuneration of the Statutory Auditors of the Company for the financial year 2020-21, as may be deemed fit.

B. SPECIAL BUSINESS:

6. To appoint Shri Sumit Deb (DIN: 08547819) as Chairman and Managing Director of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** Shri Sumit Deb (DIN: 08547819) who was appointed as Chairman and Managing Director of the Company, in terms of Order No. 3(1)/2019-BLA dated 28th July 2020 issued by Government of India, Ministry of Steel, from the date of his assumption of charge of the post i.e., 1st August 2020, till the date of his superannuation (28th February 2023), or until further orders, whichever is earlier, and subsequently appointed as an Additional Director and Chairman and Managing Director on the Board of the Company by the Board of Directors in terms of Section 161 of the Companies Act, 2013 (the Act) and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member signifying his intention to propose Shri Sumit Deb as a candidature for the office of Director, be and is hereby appointed as Chairman and Managing Director of the Company pursuant to the provisions of the Companies Act, 2013, and is liable to retire by rotation."

   "**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all acts, deeds, things, matters and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. To appoint Shri Duraipandi Kuppuramu (DIN: 08603976) as an Independent Director of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** Shri D Kuppuramu (DIN: 08603976), who was appointed as Non-Official Independent Director of the Company, vide Ministry of Steel Order F. No.1/(10)/2015-BLA (Vol. IV) dated 21st October 2019 for a period of three years from the date of notification of his appointment or until orders of Govt. of India, whichever is earlier, and subsequently appointed as an Additional Director and Non-Official Independent Director on the Board of the Company by the Board of Directors w.e.f. 6th November 2019, in terms of Section 161 of the Companies Act, 2013 (the Act) and

the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member signifying his intention to propose D Kuppuramu as a candidate for the office of Director and who meets the criteria of independence as provided under Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Act and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and is not liable to retire by rotation."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all acts, deeds, things, matters and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

8. To appoint Shri Vijoy Kumar Singh (DIN: 00592638) as Government Nominee Director of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** Shri Vijoy Kumar Singh (DIN: 00592638), AS & FA, Ministry of Textiles and having additional charge of FA in Ministry of Steel, who was appointed as Government Director of the Company with effect from 17th March 2020 until a regular incumbent joins the post of FA, Ministry of Steel or further orders, whichever is earlier, in terms of Ministry of Steel, Government of India's order No. 1/16/2015-BLA dated 17th March 2020, and subsequently appointed as an Additional Director and Government Nominee Director on the Board of the Company by the Board of Directors in terms of Section 161 of the Companies Act, 2013 (the Act) and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member signifying his intention to propose Shri Vijoy Kumar Singh as a candidate for the office of Director of the Company be and is hereby appointed as Government Nominee Director of the Company pursuant to the provisions of the Companies Act, 2013, and is liable to retire by rotation.

   "**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all acts, deeds, things, matters and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

9. To ratify the remuneration of the Cost Auditors of the Company for the financial year 2020-21 and in this regard to consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Company hereby ratifies the remuneration of Rs. 6.00 lakhs (excluding travelling, out-of-pocket expenses plus GST) payable to M/s B. Mukhopadhyay & Co., Cost Accountants, having office at B-20, Amarabati, Sodepur, Kolkata – 700110, West Bengal, appointed as the Cost Auditors by the Board of Directors of the Company for conducting the audit of the cost records of the Company and providing Cost Audit Report, and all such reports, annexures, records, documents etc., for the financial year 2020-21, that may be required to be prepared and submitted by the Cost Auditors under applicable statute."

   "**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, things, matters and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

10. To consider and, if thought fit, to pass with or without modifications, the following resolution as Special Resolution: Authorization to offer, issue and allot secured or unsecured Non Convertible Debentures (NCD's) or bonds on private placements aggregating Rs.5000 crores.

    "**RESOLVED THAT** pursuant to the provisions of Section 42 and 71 of the Companies Act, 2013 ('the Act'), Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and amendments made thereto, and other applicable provisions, if any, of the Act (including any statutory modifications or re-enactments thereof for the time

being in force) and in accordance with the provisions of Securities and Exchange Board of India (Issue & Listing of Debt Securities) Regulations, 2008, the Foreign Exchange Management Act, 1999, as amended, the Rules, Regulations, Guidelines, notifications, clarifications and Circulars, as amended from time to time, if any, prescribed by the Government of India, Reserve Bank of India, the Securities Contracts (Regulation) Act, 1956, or any other regulatory authority, whether in India or abroad, the Memorandum and Articles of Association of the Company and subject to such other approvals as may be required from regulatory authorities from time to time, consent of the shareholders be and is hereby accorded to the Board of Directors of the Company/ any Committee(s) constituted/ to be constituted by the Board to exercise its powers, including the powers conferred by this resolution to make offer, issue and allot, in one or more tranches Secured or Unsecured Non-convertible Debentures/Bonds, and / or other debt securities, etc., (NCD's) denominated in Indian Rupees or in any foreign currency on private placement basis upto an amount of Rs.5000 crore (Rupees Five Thousand Crore only), on such terms and conditions and at such times at par or at such premium, as may be decided by the Board / Committee and, to such person or persons as the Board / Committee may decide, however that the aggregate amount of funds to be raised by issue of NCD's shall not exceed Rs.5000 crore (Rupees Five Thousand Crore only) for such period as may be permitted under the Act and other applicable laws, as the Board in its absolute discretion deems fit and on such terms and conditions as may be decided by the Board".

"**RESOLVED FURTHER THAT** in connection with the above, the Board / Committee, be and is hereby authorized to determine and consider terms that are proper and most beneficial to the Company including, without limitation, the terms of issue including the class of investors to whom the NCDs are to be issued, time, securities to be offered, the number of NCDs, tranches, issue price, tenor, interest rate, premium/ discount, listing, utilization of the issue proceeds and to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto."

By Order of the Board

A.S. Pardha Saradhi
Company Secretary

Place: Hyderabad
Date: 30th July 2020

Copy to:

1. All Members
2. All Directors
3. Auditors

Enclosures:

1. Notes to Notice.
2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Special Business to be transacted at the Meeting.
3. A copy of the 62nd Annual Report of the Company for the year 2019-20.

NOTES TO NOTICE:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has, vide its General Circular No. 14/2020 dated 8th April 2020, General Circular No. 17/2020 dated 13th April 2020 and General Circular No. 20/2020 dated 5th May 2020 (collectively referred to as "MCA Circulars") permitted Companies to hold Annual General Meeting ("AGM") through video conferencing ("VC") / Other Audio Visual Means ("OAVM"), without physical presence of the Members at a common venue subject to compliance of various conditions mentioned therein. In compliance with the MCA Circulars, applicable provisions of the Companies Act, 2013 ("Act"), and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the AGM of the Company is being held through VC / OAVM. The deemed venue for 62nd AGM shall be the Registered Office of the Company at 10-3-311/A, Khanij Bhavan, Castle Hills, Masab Tank, Hyderabad - 500028, Telangana.
2. As per the Companies Act, 2013, a Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and, a proxy need not be a member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Institutional / corporate shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authorisation letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorised to vote, to attend the AGM through VC/OAVM and to vote on their behalf. The said resolution/ authorisation letter shall be sent to the Scrutinizer by e-mail through its registered email address to dhr300@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional investors are encouraged to attend and vote at the meeting through VC/OAVM.
4. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Special Businesses, as set out above is annexed hereto. All documents referred to in the accompanying Notice and the Explanatory Statement shall be available for inspection electronically. Members seeking to inspect such documents can send an email to ims@nmdc.co.in.
5. Details of the Directors seeking appointment / re-appointment at the 62nd AGM as mandated under Regulation 36(3) and Regulation 26(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto and forms part of the Notice.
6. The Register of Members and Share Transfer Books of the Company will remain closed from 24th September 2020 to 29th September 2020 (both days inclusive).
7. During the financial year, the Company declared and paid interim dividend @ Rs. 5.29 ps per Equity Share of Re. 1.00 each amounting to Rs. 1,619.72 crores.
8. Members are informed that the Company will be providing a facility to attend/view the 62nd AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at https://www.evoting.nsdl.com under shareholders/ members login by using their remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed.
9. Members who are holding shares in physical form are advised to submit particulars of their bank account, viz. name and address of the branch of the bank, MICR code of the branch, type of account and account number to the Registrar and Share Transfer Agent of the Company M/s Aarthi Consultants Pvt Ltd., D.No. 1-2-285, Domalguda, Hyderabad - 500 029. Phone Nos. 040-27638111/27634445, Fax No. 040-27632184, Email: ims@nmdc.co.in, info@aarthiconsultants.com, Website: www.aarthiconsultants.com.
10. Members holding shares in electronic form may please note that the bank account details and MICR Code of their Bankers, as noted in the records of their depository, shall be used for the purpose of remittance of dividend through Electronic Clearing Service (ECS), or for printing on dividend warrants wherever applicable. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, type of the bank and account number, MICR code, IFSC code, etc., to their Depository Participants in case the shares are held by them in electronic form and to M/s Aarthi Consultants Private Ltd., the Registrar and Share Transfer Agent in case the shares are held by them in physical form.
11. Members are requested to address all correspondence relating to divestment of 33,22,43,200 equity shares of the Company made by Government of India in the month of March, 2010 to the Registrars to the Issue, M/s KFin Technologies Private Limited (Karvy Computershare Pvt., Ltd.,) Karvy Selenium, Tower- B, Plot No. 31 & 32, Financial district, Nanakramguda, Serilingampally, Hyderabad - 500032, Telangana, Tel: 040-67161500, Fax: 040- 23001153, Email: nmdc.ipo@karvy.com/ einward.ris@kfintech.com Website: www.kfintech.com.

12. The Company has designated an exclusive e-mail ID: ims@nmdc.co.in for redressal of shareholders'/ investors' complaints/grievances. In case you have any queries/complaints or grievances, then please write to us at the above e-mail address.

13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or to the Registrar and Share Transfer Agent.

14. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 12th May 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 has been uploaded on the website of the Company: www.nmdc.co.in, and can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and is also available on the website of NSDL https://www.evoting.nsdl.com

15. Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form by writing to the Company's Registrar and Share Transfer Agent, M/s Aarthi Consultants Pvt Ltd., D.No. 1-2-285, Domalguda, Hyderabad - 500 029. Phone Nos. 040-27638111/27634445, Fax No. 040-27632184, Email: ims@nmdc.co.in, info@aarthiconsultants.com, Website: www.aarthiconsultants.com

16. Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/ OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

17. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

18. Voting rights of members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e., 23rd September 2020.

19. Any person, who acquires shares of the Company and becomes a member of the Company after sending the notice and holding shares as on the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote.

20. Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.

21. The Company has provided the facility to Members to exercise their right to vote by electronic means both through remote e-voting and casting through e-voting system during the AGM. The process of remote e-voting with necessary user id and password is given in the subsequent paragraphs. Such remote e-voting facility is in addition to voting that will take place at the 62nd AGM being held through VC/OAVM.

22. To support the 'Green initiative', Members are requested to register their e-mail address and changes therein from time to time with their respective Depository Participant or the Company's Registrar and Share Transfer Agent for service of documents, notices, annual reports etc. through registered e-mail.

23. Pursuant to Sections 124 and 125 of the Companies Act, 2013, dividends which had remained unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account of a company will have to be transferred to the 'Investor Education and Protection Fund' established by the Central Government. Shareholders who have not claimed their dividend/s so far for various years are requested to make their claim to M/s Aarthi Consultants Pvt. Limited, Hyderabad, Registrar and Share Transfer Agent of the Company. Shareholders are requested to note that no claims shall lie against the said Fund or the Company in respect of any amounts which were unclaimed and unpaid for a period of seven years from the dates that they first became due for payment and no payment shall be made in respect of any such claims. The unclaimed/unpaid dividends declared up to financial years 2011-12 & 2012-13 (1st and 2nd Interim) have been transferred to the Investor Education and Protection Fund. Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded

the details of unclaimed/ unpaid amounts lying with the Company as on 30th August 2019 (date of previous AGM) on the website of the Company (www.nmdc.co.in) at the weblink: https://www.nmdc.co.in/Dividends.aspx and also on the website of the Ministry of Corporate Affairs, the information in respect of such unclaimed/unpaid dividend.

24. Pursuant to the provisions of Sections 124(6) of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company in the name of Investor Education and Protection Fund along with a statement containing such details as prescribed in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. Accordingly, your Company has transferred the shares in respect of which dividend has not been paid or claimed for seven consecutive years or more to Investor Education and Protection Fund.

25. Members, whose unclaimed dividends/shares have been transferred to IEPF, are entitled to claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in Form IEPF-5. The Company Secretary of the Company is the Nodal Officer for the purpose of coordination with IEPF Authority. Further details are available at the weblink: https://www.nmdc.co.in/Docs/Investors/ruleshare.pdf

26. Members desirous of obtaining any information/ clarification(s) concerning the accounts and operations of the Company may send their questions in advance at least 10 days before the date of the Meeting, mentioning their name demat account number/folio number, email id, mobile number, to the Company Secretary through email: ims@nmdc.co.in. The same will be replied by the Company suitably by email.

27. Pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the website of the Company under the head "Investors" – "Financial Details".

28. Members who have not en-cashed their dividend warrants within its validity period are requested to either correspond with the Company at its Registered Office or M/s Aarthi Consultants Private Ltd., Registrar and Share Transfer Agent of the Company, for revalidation and encashment before due dates.

29. In terms of provisions of the Companies Act, 2013, nomination facility is available to individual shareholders. Members holding shares in physical form may nominate a person in respect of all the shares held by them whether singly or jointly. Members who hold shares on individual name are advised to avail of the nomination facility Form SH-13 in their own interest. Blank form can be obtained from M/s Aarthi Consultants Private Ltd., on request. Members holding shares in dematerialized form may contact their respective DPs for registration of nomination.

30. Members holding shares in physical form in multiple folios in identical order of names are requested to send the details of such folios together with their share certificates to Company's Registrar and Share Transfer Agent, M/s Aarthi Consultants Private Ltd., for consolidation. A consolidated share certificate will be issued to such Members after making requisite changes.

31. In case of joint holders, Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

32. In accordance with proviso to Regulation 40(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, securities of listed companies can be transferred only in dematerialized form with effect from 1st April 2019, except in case of request received for transmission or transposition of securities. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in corporate actions.

33. Members may note that the Income Tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company after 1st April 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of final dividend. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to submit the following documents in accordance with the provisions of the IT Act.

    For resident shareholders, taxes shall be deducted at source under Section 194 of the IT Act as follows-

    Members having valid PAN: 7.5% or as notified by the Government of India

    Members not having PAN / valid PAN: 20% or as notified by the Government of India

    However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during Financial Year

2020-21 does not exceed Rs.5,000 and also in cases where members provide Form 15G / Form 15H (applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / Nil withholding tax. Registered members may also submit any other document as prescribed under the IT Act to claim a lower / Nil withholding tax. PAN is mandatory for members providing Form 15G / 15H or any other document as mentioned above.

For non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the member, if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA, non-resident shareholders will have to provide the following:

- Copy of the PAN card allotted by the Indian Income Tax authorities duly attested by the member
- Copy of Tax Residency Certificate (TRC) for the FY 2020-21 obtained from the revenue authorities of the country of tax residence, duly attested by member
- Self-declaration in Form 10F
- Self-declaration by the shareholder of having no permanent establishment in India in accordance with the applicable tax treaty
- Self-declaration of beneficial ownership by the non-resident shareholder
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by member

In case of Foreign Institutional Investors, Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act @ 20% (plus applicable surcharge and cess)

34. Pursuant to Section 139 read with Section 142 of the Companies Act, 2013, the Auditors of a Government Company are appointed or re-appointed by the Comptroller and Auditor General (C&AG) of India. However, the remuneration of auditors shall be fixed by the Company in the Annual General Meeting. Members may authorise the Board to fix up an appropriate remuneration of Auditors for the financial year 2020-21 after taking into consideration including change, if any, in statutory requirements, increase in volume of work and change in inflation index.

35. Since the AGM will be held through VC / OAVM, the Route Map is not required and hence not annexed to this Notice.

36. The following documents will be available for inspection by the Members electronically during the 62nd AGM. Members seeking to inspect such documents can send an email to ims@nmdc.co.in.
    a. Register of Directors and Key Management Personnel and their shareholding
    b. Register of Contracts or Arrangements in which Directors are interested
    c. All the documents referred to in the accompanying notice.

37. NMDC, being a Government Company, all the appointments to the Board and terms and conditions thereto are fixed by the Government of India.

38. The details of remuneration / sitting fees paid to Board Members have been given in Corporate Governance Report.

39. None of the Directors have any relationship with other Directors, Manager(s) and other Key Managerial Personnel of the Company.

40. Voting through electronic means (Remote e-voting)

I. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and its amendments, and the Circulars issued by the Ministry of Corporate Affairs dated 8th April 2020, 13th April 2020 and 5th May 2020, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. The facility of casting votes by a member using remote e-voting system as well as voting during AGM will be provided by National Securities Depository Limited (NSDL).

II. Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

III. The remote e-voting period begins on 26th September 2020 (10.00 a.m. IST) and ends on 28th September 2020 (5.00 p.m. IST). The voting rights shall be proportionate to

the shares held on 23rd September 2020. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd September 2020 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

IV. **The instructions for shareholders for remote e-voting are as under:**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/

Step 2 : Cast your vote electronically on NSDL e-Voting system.

I. **Details on Step 1 are mentioned below (Log-in to NSDL e-Voting website):**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical		Your User ID is:
a)	For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b)	For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c)	For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered with the Company / Depository, please follow steps mentioned below in **process for those shareholders whose email ids are not registered at point no. 42.**

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
   a) Click on "**Forgot User Details/ Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) "**Physical User Reset Password**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

II. Details on Step 2 are given below (cast your vote electronically on NSDL e-Voting system):

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/ modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

V. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

In case of any grievances connected with facility for e-voting, please contact NSDL on evoting@nsdl.co.in/ 1800-222-990 or contact Mrs. Sarita Mote, Assistant Manager, NSDL at SaritaM@nsdl.co.in / Tel: 022-2499 4890/ or Mr. Y Santhosh Reddy, Assistant Manager, NSDL at ysanthosh@nsdl.co.in/ Tel: 040-4433 4178.

41. Instructions for members for e-voting during the AGM are as under:

(i) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

(ii) Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

(iii) Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote during the AGM.

(iv) The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM

shall be the same person mentioned for Remote e-voting.

42. **Process for those shareholders whose email ids are not registered with the depositories / Company/ Registrar and Share Transfer Agent for obtaining login credentials for e-voting:**

    (i) In case shares are held in physical mode - please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to the Company at: ims@nmdc.co.in and to Company's Registrar and Share Transfer Agent email id: info@aarthiconsultants.com.

    (ii) In case shares are held in demat mode - please provide DPID-Client ID (NSDL-16 digit DPID + CLID or CDSL-16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to the Company at: ims@nmdc.co.in and to Company's Registrar and Share Transfer Agent email id: info@aarthiconsultants.com.

    (iii) Alternatively, member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by providing the details mentioned in Point (i) or (ii) as the case may be.

43. **Instructions for members for attending the AGM through VC/OAVM are as under:**

    (i) Member will be provided with a facility to attend the 62nd AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at https://www.evoting.nsdl.com under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.

    (ii) Members are encouraged to join the Meeting through Laptops for better experience.

    (iii) Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

    (iv) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

    (v) Members who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request from 23rd September 2020 (9.00 a.m. IST) to 25th September 2020 (5.00 p.m. IST) mentioning their name, DP ID and Client ID /folio number, email id, mobile number at: ims@nmdc.co.in.

    (vi) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

    (vii) Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in/ 1800-222-990 or contact Mrs. Sarita Mote, Assistant Manager, NSDL at SaritaM@nsdl.co.in / Tel: 022-2499 4890/ or Mr. Y Santhosh Reddy, Assistant Manager, NSDL at ysanthosh@nsdl.co.in/ Tel: 040-4433 4178.

44. Shri D Hanumanta Raju (Membership No. FCS: 4044) of M/s D Hanumanta Raju & Co., Practicing Company Secretaries, Hyderabad, has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting during AGM in a fair and transparent manner.

45. The Scrutinizer shall after the conclusion of voting at the general meeting, first count the votes cast during the meeting and thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

46. The results declared along with Scrutinizer's Report shall be placed on the Company's website www.nmdc.co.in and on the website of NSDL: https://www.evoting.nsdl.com immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be communicated to the BSE Limited (BSE), National Stock Exchange of India Limited (NSE), and other stock exchanges, where the shares of the Company are listed.

Details of Directors seeking reappointment at the 62nd Annual General Meeting (Pursuant to Regulation 36 (3) and Regulation 26(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

(a) Brief Resume of the Directors		
Name of the Director	**Shri P K Satpathy**	**Smt Rasika Chaube**
Date of Birth & Age	28.08.1961 & 59 years	31.10.1963 & 56 years
Date of Appointment	13th December 2014	24th August 2018
Qualifications	B.E. (Mining)	(i) Post Graduate in Psychology (ii) M.Phil from Annamalai University
(b) Nature of expertise in specific functional areas	Shri P K Satpathy is a Bachelor of Engineering (Mining) from NIT, Raipur with 1st class Mine Manager Certificate of Competency. Shri Satpathy joined Hindustan Copper Ltd. (HCL) in Malanjkhand Mines and held various positions in the management. Thereafter, Shri Satpathy joined NMDC Ltd. and held key positions in various projects of NMDC. Prior to his appointment as Director (Production), he was General Manager of BIOM, Kirandul Complex, Chhattisgarh. He has varied experience in the field of iron ore and copper mining. He has attended various National and International seminars and presented paper in Fragblast - International Seminar in 2012 and also attended Management Development Programmes in IIM, Ahmedabad and IIM, Kolkata. He is also Director on the Board of NMDC-CMDC Limited, Jharkhand National Mineral Development Corporation Limited, International Coal Ventures Pvt. Ltd., Jharkhand Kolhan Steel Limited, Neelachal Ispat Nigam Ltd., NMDC-SAIL Limited and Federation of India Mineral Industries.	Smt. Rasika Chaube, an Officer of the Indian Defence Accounts Service (IDAS: 86) is a Post Graduate in Psychology and M.Phil from Annamalai University. During her vast and rich experience in the Civil Services, she has held several positions of importance which includes Joint Secretary & Financial Advisor to the President Secretariat, with 2 Hon'ble Presidents of India and Principal Integrated Financial Advisor to the Indian Airforce where her office was awarded the Raksha Mantri Award for Excellence – 2017. During her stint in Rashtrapati Bhawan she has worked in the areas of Culture, Women Empowerment, Agriculture and Environment. She has authored three books & has keen interest in Arts & Culture. She is also Director on the Board of MECON Limited.
(c) Disclosure of relationships between Directors inter-se	There exists no relationship between Directors inter-se.	There exists no relationship between Directors inter-se.
(d) Directorship held in other listed entities companies and the membership of Committees of the Board	NIL	NIL
(e) No. of Equity Shares held in NMDC Limited	320	NIL

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

SPECIAL BUSINESS

Item No 6: Appointment of Shri Sumit Deb (DIN: 08547819), as Chairman and Managing Director of the Company

Shri Sumit Deb (DIN: 08547819) was appointed as Chairman and Managing Director in terms of order issued by the Ministry of Steel, Government of India No. 3(1)/2019-BLA dated 28th July 2020, and was accordingly appointed as an Additional Director and Chairman and Managing Director on the Board of the Company by the Board of Directors with effect from 1st August 2020, subject to the approval of the Members of the Company in the Annual General Meeting and is liable to retire by rotation in terms of provisions of the Companies Act, 2013. In terms of Section 161 of the Companies Act, 2013 and Articles of Association of the Company, he would hold office up to the date of the ensuing Annual General Meeting. The notice under Section 160 of the said Act has been received from a member proposing the name of Shri Sumit Deb as a candidate for the office of Director of the Company.

The Brief Bio-Data of the above Director is given below:-

(a)	**Brief Resume of the Director**	
	Name	Shri Sumit Deb
	Date of Birth & Age	18.02.1963 & 57 years
	Date of Appointment	1st August 2020
	Qualifications	Degree in Mechanical Engineering
(b)	**Nature of expertise in specific functional areas**	Shri Sumit Deb is having Degree in Bachelor of Science in Mechanical Engineering from Orissa University of Agriculture and Technology, Bhubaneshwar. He is a thorough and hardworking Professional with the desirable aptitude required to be an effective Human Resource Professional. He has diverse experience in the field of Human Resources as well as Marketing and distribution of Steel & Iron ore, Sponge iron, pellets and Diamonds. He has demonstrated his performance capabilities by achieving various milestones along his career path. • Joined NMDC on 03.09.2015 as General Manager (Commercial) • Promoted as Executive Director (Commercial) on 11.02.2019 • Later on 14.03.2019 took charge of Executive Director (Personnel & Administration) • Assumed charge as Director (Personnel), NMDC on 01.09.2019 • Appointed as Chairman and Managing Director w.e.f. 01.08.2020 Shri Sumit Deb started his career with Rashtriya Ispat Nigam Limited (RINL) as Management Trainee in the year 1987. He worked with RINL for about 25 years accumulating rich and diverse experience in steel industry. He has worked in different regions of the country, dealing with heterogeneous mix of both external as well as internal customers and handling all domains of HR such as Manpower Planning, succession planning, Learning & development, Administration, Corporate Affairs etc. He was awarded with "Jawahar Purushkar" in the year 2007-08 by CMD, RINL for his outstanding performance. Shri Sumit Deb is also Director on the Board of the following Companies: 1. Legacy Iron Ore Ltd. 2. NMDC-CMDC Limited 3. NMDC CSR Foundation 4. Indian Iron and Steel Sector Skill Council. Other positions held: (i) Co-Chair to the "FICCI Committee on Mining" in 2020. (ii) Patron in Associated Chambers of Commerce and Industry of India, {ASSOCHAM}.
(c)	**Disclosure of relationships between Directors inter-se**	There exists no relationship between Directors inter-se.
(d)	**Directorship held in other listed entities companies and the membership of Committees of the Board**	Legacy Iron Ore Ltd. (listed on Australian Securities Exchange (ASX))
(e)	**No. of Equity Shares held in NMDC Limited**	NIL

Shri Sumit Deb is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Save and except Shri Sumit Deb and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors/Key Managerial personnel of the Company/their relatives are, in any way, concerned or interested financially or otherwise, in the Resolution set out at Item No.6 of the Notice.

Board considers it desirable that the Company should continue to avail itself of his services as Chairman and Managing Director and recommend this Resolution for approval of the shareholders.

Item No 7: Appointment of Shri D Kuppuramu (DIN: 08603976) as an Independent Director of the Company

Shri D Kuppuramu (DIN: 08603976), was appointed as Non-Official Independent Director in terms of order issued by the Ministry of Steel, Government of India F.No.1/10/2015-BLA (Vol. IV) dated 21st October 2019, and was accordingly appointed as an Additional Director and Non-Official Independent Director on the Board of the Company by the Board of Directors with effect from 6th November 2019 subject to the approval of the Members of the Company in the Annual General Meeting. In terms of Section 161 of the Companies Act, 2013 and Articles of Association of the Company, he would hold office up to the date of the ensuing Annual General Meeting. The notice under Section 160 of the said Act has been received from a member proposing the name of Shri D Kuppuramu as a candidate for the office of Director of the Company.

The Brief Bio-Data of the above Director is given below:-

(a)	**Brief Resume of the Director**	
	Name	Shri D Kuppuramu
	Date of Birth & Age	3rd July 1956 & 64 years
	Date of Appointment	6th November 2019
	Qualifications	(i) B.Sc. (Rural Development) (ii) Bachelor of Law
(b)	**Nature of expertise in specific functional areas**	An advocate by Profession has held various governmental positions as Central Government Standing Council in Ramanathapuram District Courts, and also as member of CAPART (Council for Advancement of Peoples Action and Rural Technology) Specializing in Rural Development, and also in Local Administration as Gram Panchayat President, was a Non Official Director nominated by Government of India in Pandiyan Grama Bank, Tamilnadu which was ranked No.1 among the 144 Regional Rural Banks in India and also as the member Tamilnadu Mission of Education for all, Government of Tamilnadu during a career spanning of about 30 years. Shri D Kuppuramu and has participated in various social activities in the state of Tamilnadu as all India Secretary, Rameshwaram Ramasethu Protection Movement (R.R.P.M), As Former State President - Vishwa Hindu Parishad, South Tamilnadu, Former State Vice President, Rashtriya Swayamsevak Sangh (R.S.S) South Tamilnadu, Former State President, Tamilnadu Bharathiya Meenavar Sangam (Affiliated to Bharathiya Mazdoor Sangh), Former Rameshwaram Zonal President, Seva Bharathi, Tamilnadu. He brings in a wealth of knowledge and experience in various Government related and people related issues and has been appointed as Independent Director on the Board of the Company. Shri D Kuppuramu holds a B.Sc. Degree in Rural Development Science and also a Bachelor of Law from the Madurai Kamaraj University. He is an eloquent Speaker and has represented the Government at various forums for the welfare of the people. He is also fluent in dealing with various people centric issues.
(c)	**Disclosure of relationships between Directors inter-se**	There exists no relationship between Directors inter-se.
(d)	**Directorship held in other listed entities companies and the membership of Committees of the Board**	NIL
(e)	**No. of Equity Shares held in NMDC Limited**	NIL

Shri D Kuppuramu submitted a declaration that he meets the criteria of independence under Section 149(7) of the Act. He is not liable to retire by rotation in terms of provision of Section 149(13) of the Companies Act, 2013.

Shri D Kuppuramu is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as Director.

Save and except Shri D Kuppuramu and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors/Key Managerial personnel of the Company/their relatives are, in any way, concerned or interested financially or otherwise, in the Resolution set out at Item No.7 of the Notice.

Board considers it desirable that the Company should continue to avail itself of his services as an Independent Director and recommend this Resolution for approval of the shareholders.

Item No 8: Appointment of Shri Vijoy Kumar Singh (DIN: 00592638), as Government Nominee Director of the Company

Shri Vijoy Kumar Singh (DIN: 00592638), was appointed as Government Director in terms of Ministry of Steel, Government of India's order No. 1/16/2015-BLA dated 17th March 2020, and was accordingly appointed as an Additional Director and Government Nominee Director on the Board of the Company by the Board of Directors with effect from 17th March 2020 subject to the approval of the Members of the Company in the Annual General Meeting and is liable to retire by rotation in terms of provisions of the Companies Act, 2013. In terms of Section 161 of the Companies Act, 2013 and Articles of Association of the Company, he would hold office up to the date of the ensuing Annual General Meeting. The notice under Section 160 of the said Act has been received from a member proposing the name of Shri Vijoy Kumar Singh as a candidate for the office of Director of the Company.

The Brief Bio-Data of the above Director is given below:-

(a)	**Brief Resume of the Director**	
Name		Shri Vijoy Kumar Singh
Date of Birth & Age		15th November 1964 & 55 years
Date of Appointment		17th March 2020
Qualifications		Mechanical Engineering
(b)	**Nature of expertise in specific functional areas**	Shri Vijoy Kumar Singh, an IAS Officer of the Punjab Cadre is Additional Secretary & Financial Advisor, Ministry of Textiles, Government of India with additional charge of Financial Advisor, Ministry of Steel. A Mechanical Engineer, Shri Vijoy Kumar has worked in various capacities with the Central as well as State Government. With varied experience spanning three decades, he has served in different Ministries/Sectors like Personnel and Training, Textiles, etc. at the Centre and Finance, Expenditure, Dairy/ Agriculture, Irrigation and Flood Control, Law and Justice, Department of Cooperation, Land Revenue Management, Sugar Industry & Cane Development, Food & Civil Supplies, Consumer Affairs, Education, Health, Industry and Commerce, etc., in the State. Shri Vijoy Kumar has attended several training programs in various fields, both in India and abroad. He has won several awards namely, President of India Silver Medal Award (The highest census medal) and Certificate of Honour during Census of India, 2001 for doing outstanding work, National Award for 2017 by Election Commission of India for innovative use of information technology for Election Management and voter facilitation, etc. He is also Director on the Board of Steel Authority of India Ltd., Rashtriya Ispat Nigam Ltd., KIOCL Limited, MECON Limited, National Jute Manufactures Corporation Limited and National Textile Corpn Limited.
(c)	**Disclosure of relationships between Directors inter-se**	There exists no relationship between Directors inter-se.
(d)	**Directorship held in other listed entities companies and the membership of Committees of the Board**	Director in Steel Authority of India Ltd. and KIOCL Limited
(e)	**No. of Equity Shares held in NMDC Limited**	NIL

Shri Vijoy Kumar Singh is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Save and except Shri Vijoy Kumar Singh and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors/Key Managerial personnel of the Company/their relatives are, in any way, concerned or interested financially or otherwise, in the Resolution set out at Item No.8 of the Notice.

Board considers it desirable that the Company should continue to avail itself of his services as Government Nominee Director and recommend this Resolution for approval of the shareholders.

Item No. 9: Ratification of the Remuneration of Cost Auditors of the Company for the financial year 2020-21

The Board at its meeting held on 27th August 2020 on the recommendation of the Audit Committee, has, inter-alia, approved the appointment and remuneration of M/s B. Mukhopadhyay & Co., Cost Accountants as the Cost Auditors to conduct the audit of the cost records of the Company across various segments, for the financial year 2020-21 at a remuneration of Rs. 6.00 lakhs (excluding travelling, out-of-pocket expenses plus GST).

M/s B. Mukhopadhyay & Co., have furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 9 to the Notice for ratification of the Remuneration payable to Cost Auditors of the Company for the financial year 2020-21.

The Board recommends the Ordinary Resolution set out at item no. 9 of the notice for approval by the members.

None of the Directors and/or Key Management Personnel of the Company and/or their relatives are, in any way, concerned or interested financially or otherwise in the Resolution set out at Item No. 9 of the Notice, except to the extent of their shareholding, if any.

Item No. 10: Authorization to offer, issue and allot secured or unsecured Non Convertible Debentures (NCD's) or bonds on private placements aggregating Rs.5000 crores.

The Board of Directors in their 520th Meeting held on 16th July 2019 has accorded approval to avail borrowings up to a limit of Rs.5000 crore for capex requirement of the Company by raising term loans from banks / financial institution or bonds perpetual, or redeemable debentures or debenture stock or external commercial borrowings from banks / financial institution or any mortgage, charge or other security on the undertaking of the whole or any part of the property of the Company (both present and future).

Board has further authorized CMD and Director (Finance) of the Company to decide on the mode of debt finance like Rupee term loans, Non-Convertible Debentures, ECB's & Other modes for financing capex, the quantum and timing of raising Debt, to take all steps considered necessary in the matter in order to give effect to this resolution like appointing Debt advisor, Arranger, Trustee & Other Agencies as required for raising Debt finance, sign and execute necessary documents for availing debt, to sub delegate the said authority to any executive(s) jointly or severally on behalf of the Company, creation of charge / additional charge on the whole or any part of the property of the Company (both present and future) including its uncalled capital in respect of term loans from banks / financial institution or bonds perpetual, or redeemable debentures or debenture stock or external commercial borrowings from banks / financial institution.

As per Sec 180(1)(c), shareholders' approval will be required to borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate of its paid up share capital, free reserves and securities premium apart from the temporary loans obtained from the company's bankers in the ordinary course of business. The total borrowing limit of Rs.10000 Cr (Rs.5000 Cr for capex and Rs.5000 Cr working capital limits) is lower than the net worth and with no loans outstanding as on date, the Board is empowered to exercise the powers to borrow under section 179(3)(d). The overall borrowing limits of the NCDs shall at all times be within the overall borrowing limits under Section 180(1)(c) of the Act and be subject to a cap of Rs.5,000 crores. However, for raising debt finance by issue of Non-convertible Debentures (NCD's) special resolution need to be passed by the Company.

As per Section 42 and 71 of the Companies Act, 2013 read with Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and its amendments and other applicable provisions of the Act and in accordance with the provisions of Securities and Exchange Board of India (Issue & Listing of Debt Securities) Regulations, 2008, the Rules, Regulations, Guidelines and Circulars, as amended from time to time, a company shall not make a Private Placement of its securities unless the proposed offer of securities or invitation to subscribe to securities has been previously approved by the Shareholders of the Company by a Special Resolution for each of the offers or invitations.

In view of the above and to meet the requirements of Section 42 of the Companies Act, 2013 read with applicable Rules, for making Private Placement of Unsecured/Secured Non-Convertible Bonds/Debentures upto Rs.5000 crore in one or more tranches, to such

person or persons, who may or may not be the bond / debenture holders of the Company, within the overall borrowings of the Company of Rs.5000 crore, as approved by the Board of Directors in its meeting held on 16.07.2019, approval of the Shareholders of the Company by way of Special Resolution is required.

Further, CMD and Director (Finance) of the Company as approved by the Board, shall be authorized to borrow money from time to time, in one or more tranches, from India or foreign, across various products including on private placement basis, as deemed to be requisite and proper for the business of the Company, on such terms and conditions, with or without creation of charges on the moveable and immoveable assets of the Company.

The Shareholders of the Company by way of Postal Ballot notice dated 11th October 2019, have passed Special Resolution and approved to make, offer, issue and allot, in one or more tranches Secured or Unsecured Non-convertible Debentures/Bonds, and / or other debt securities, etc., (NCD's) on private placement basis upto an amount of Rs.5000 crore, on such terms and conditions and at such times at par or at such premium, as may be decided by the Board / Committee and, to such person or persons as the Board / Committee may decide, however that the aggregate amount of funds to be raised by issue of NCD's shall not exceed Rs.5000 crore. Special Resolution approved by the Shareholders is valid up to a period of one year. However, to revalidate the approval for issuance of NCD's upto Rs. 5,000 crores for such further period as may be permitted under the Act and other applicable laws, as the Board in its absolute discretion deems fit and, on such terms, and conditions as may be decided by the Board, this Special Resolution is proposed for approval of the Members.

The Board recommends the Resolution set out at item no. 10 of the notice for approval by the members as a Special Resolution.

None of the Directors and/or Key Management Personnel of the Company and/or their relatives are, in any way, concerned or interested financially or otherwise in the Resolution set out at Item No. 10 of the Notice, except to the extent of their shareholding, if any.

By Order of the Board of Directors,
For and on behalf of **NMDC Limited**

(A.S. Pardha Saradhi)
Company Secretary

Place: Hyderabad
Date: 30th July 2020

2nd Bi-Annual 3-day Vigilance Conclave organized by Ministry of Steel and NMDC Limited at Hyderabad
around 200 delegates from various CPSEs under Ministry of Steel participated in this Conclave

Review meeting chaired by Shri Faggan Singh Kulaste,
Hon'ble Union Minister of State for Steel, Govt. of India at NMDC Head Office on 14.01.2020

एनएमडीसी
NMDC

NMDC Limited
(A Government of India Enterprise)
Khanij Bhavan, 10-3-311/A, Castle Hills,
Masab Tank, Hyderabad -500 028, Telangana, India

@nmdclimited | @nmdclimited | www.nmdc.co.in

एनएमडीसी
NMDC

एन एम डी सी लिमिटेड
NMDC Limited

(भारत सरकार का उद्यम) (A GOVT. OF INDIA ENTERPRISE)
पंजीकृत कार्यालय : 'खनिज भवन', 10-3-311/ए, कैसल हिल्स, मासाब टैंक, हैदराबाद - 500 028.
Regd. Office : 'Khanij Bhavan' 10-3-311/A, Castle Hills, Masab Tank, Hyderabad - 500 028.
नैगम पहचान संख्या / Corporate Identity Number : L13100TG1958 GOI 001674

Statement of Audited Standalone Financial Results for the Quarter and Year ended 31st March 2021

INR in crore

Particulars	Quarter Ended			Year Ended	
	31-Mar-21	31-Dec-20	31-Mar-20	31-Mar-21	31-Mar-20
	Audited	Un-audited	Audited	Audited	Audited
I. Revenue from operations	6,847.57	4,355.10	3,187.34	15,370.06	11,699.22
II. Other Income	84.98	104.83	133.25	349.88	513.79
III. Total income (I+II)	**6,932.55**	**4,459.93**	**3,320.59**	**15,719.94**	**12,213.01**
IV. Expenses					
(a) Consumption of raw materials	25.18	7.23	5.00	42.01	36.48
(b) Consumption of stores & spares	85.00	69.86	73.42	257.41	243.15
(c) Changes in inventories of finished goods and work -in-progress	(184.57)	32.14	(40.95)	(161.81)	(53.83)
(d) Employee benefit expense	289.10	271.87	289.87	1,081.81	1,046.83
(e) Royalty and other levies	1,545.98	622.25	584.08	2,969.38	2,096.29
(f) Selling exps incl. freight	226.71	223.89	203.18	695.27	702.43
(g) Depreciation and amortisation	56.67	60.48	67.47	227.83	294.38
(h) Finance cost	4.13	1.64	(21.33)	16.81	9.88
(i) Other expenses	617.92	359.30	580.80	1,690.13	1,617.48
Total expenses	**2,666.12**	**1,648.66**	**1,741.54**	**6,818.84**	**5,993.09**
V. Profit from ordinary activities before exceptional items and Tax (III-IV)	4,266.43	2,811.27	1,579.05	8,901.10	6,219.92
VI. Exceptional items - Expenses/(Income)	-	-	96.44	-	96.44
VII. Profit before tax (V-VI)	**4,266.43**	**2,811.27**	**1,482.61**	**8,901.10**	**6,123.48**
VIII. Tax expense					
a) Current Tax	1,089.04	718.82	336.05	2,316.46	1,555.59
b) Earlier Year Tax (Net)	343.20	-	771.32	343.20	771.32
c) Deferred Tax	(1.67)	(16.81)	23.70	(11.21)	185.66
Total tax expense	1,430.57	702.01	1,131.07	2,648.45	2,512.57
IX. Net Profit for the period from continuing operations (VII-VIII)	**2,835.86**	**2,109.26**	**351.54**	**6,252.65**	**3,610.91**
X. Profit/(Loss) from discontinued operations	2.30	(0.47)	(0.43)	0.53	(1.05)
XI. Tax Expenses of discontinued operations	0.58	(0.12)	(0.10)	0.13	(0.26)
XII. Profit/(Loss) from Discontinued operations (after tax)	1.72	(0.35)	(0.33)	0.40	(0.79)
XIII. Profit for the period (IX+XII) :	**2,837.58**	**2,108.91**	**351.21**	**6,253.05**	**3,610.12**
XIV. Other Comprehensive income/(expenses): Item that will not be reclassified to profit or loss (net of income tax)	0.21	(18.77)	(76.57)	(56.09)	(75.04)
XV. Total Comprehensive Income for the period (XIII+XIV)	**2,837.79**	**2,090.14**	**274.64**	**6,196.96**	**3,535.08**
XVI. Paid-up Equity Share Capital	293.07	306.19	306.19	293.07	306.19
XVII. Borrowings (#)				523.80	-
XVIII. Total Interest on Borrowings				22.63	-
XIX. Other equity excluding revaluation reserve as per balance sheet				29,463.07	27,227.76
XX. Net Worth				29,756.14	27,533.95
XXI. Debenture redemption reserve				-	-
XXII. Face value per share (Re)	1	1	1	1	1
XXIII. EPS for the period (Rs.)-basic and diluted before and after extraordinary items (*)	9.64	6.89	1.15	20.62	11.79
(*adjusted on account of buyback)	(*)			(*)	-
XXIV. Debt equity ratio				0.02	-
XXV. Debt service coverage ratio (DSCR)				16.24	-
XXVI. Interest service coverage ratio (ISCO)				231.89	-
	Not Annualised			Annualised	

(#) Include Long Term Borrowings only

NMDC LTD. Hyderabad.

SACB & ASSOCIATES Hyderabad Chartered Accountants

दूरभाष / Phones : 040-23538713-21 (9 Lines), 23538723, 23538767 फैक्स / Fax : +91-40-23538711
ई-मेल / E-mail : hois@nmdc.co.in वेबसाइट / Website : www.nmdc.co.in

Segment wise Standalone Revenue, Results and Capital Employed for the Quarter and Year ended 31st March 2021

INR in crore

Particulars	Quarter Ended			Year Ended	
	31-Mar-21	31-Dec-20	31-Mar-20	31-Mar-21	31-Mar-20
	Audited	Un-audited	Audited	Audited	Audited
1. Segment Revenue					
(Sale /income from each segment)					
a) Iron Ore	6,807.44	4,311.45	3,166.70	15,233.71	11,568.90
b) Pellet ,Other Minerals & Services	40.13	43.65	20.64	136.35	130.21
Total	6,847.57	4,355.10	3,187.34	15,370.06	11,699.11
Less: Inter segment revenue	-	-	-	-	(0.11)
Sales / Income from Operations	**6,847.57**	**4,355.10**	**3,187.34**	**15,370.06**	**11,699.22**
2. Segment Results					
(profit (+) / loss (-) before tax and interest from each segment)					
a) Iron Ore	4,366.35	2,824.21	1,599.88	9,261.86	6,135.20
b) Pellet, Other Minerals & Services	(47.99)	(21.28)	(141.38)	(131.46)	(131.73)
Total	4,318.36	2,802.93	1,458.50	9,130.40	6,003.47
Less: Finance Cost	4.13	1.64	(21.33)	16.81	9.88
Add : Other unallocable income net off unallocable expenditure	(45.50)	9.51	2.35	(211.96)	128.84
Total Profit Before Tax (incl discontinued operations)	**4,268.73**	**2,810.80**	**1,482.18**	**8,901.63**	**6,122.43**
3.Segment Assets					
a) Iron Ore	7,590.76	6,669.16	6,960.21	7,590.76	6,960.21
b) Pellet ,Other Minerals & Services	579.28	593.97	615.67	579.28	615.67
c) Unallocated	28,206.58	26,862.47	23,171.00	28,206.58	23,171.00
Total	**36,376.62**	**34,125.60**	**30,746.88**	**36,376.62**	**30,746.88**
4. Segment Liabilities					
a) Iron Ore	2,672.84	1,610.47	1,340.40	2,672.84	1,340.40
b) Pellet, Other Minerals & Services	39.27	29.65	35.17	39.27	35.17
c) Unallocated	4,316.65	1,998.96	2,234.42	4,316.65	2,234.42
Total	**7,028.76**	**3,639.08**	**3,609.99**	**7,028.76**	**3,609.99**
5. Capital Employed					
(Segment Assets-Segment Liabilities)					
a) Iron Ore	4,917.92	5,058.69	5,619.81	4,917.92	5,619.81
b) Pellet, Other Minerals & Services	540.01	564.32	580.50	540.01	580.50
c) Unallocated	23,889.93	24,863.51	20,936.58	23,889.93	20,936.58
Total	**29,347.86**	**30,486.52**	**27,136.89**	**29,347.86**	**27,136.89**

Cont...3

STATEMENT OF STANDALONE ASSETS AND LIABILITIES AS AT 31ST MARCH 2021

INR in crore

Sl.No.	Particulars	As at current period end 31st March 2021	As at previous period end 31st March 2020
		(Audited)	(Audited)
(A)	**ASSETS**		
	1) Non-current assets		
	a) Property, Plant and equipment	2,670.66	2,610.26
	b) Right- of -Use Assets	6.62	6.58
	c) Capital work-in-progress	17,076.68	15,471.56
	d) Intangible assets	441.17	399.89
	e) Intangible assets under development	51.42	29.64
	f) Financial assets		
	i) Investments	984.88	985.59
	ii) Loans	901.16	866.16
	g) Deferred tax assets (net)	408.28	397.06
	h) Other non-current assets	3,695.91	3,502.90
	Total Non-current assets	**26,236.78**	**24,269.64**
	2) Current assets		
	a) Inventories	921.72	723.51
	b) Financial assets		
	i) Trade receivables	2,139.89	2,223.71
	ii) Cash and cash equivalents	408.67	60.87
	iii) Bank balances other than (ii) above	5,397.34	2,331.47
	iv) Other Financial Assets	300.09	370.93
	c) Current Tax assets (Net)	257.04	429.15
	d) Other current assets	1,122.74	734.00
	e) Assets Held for disposal	0.63	0.66
	Total Current assets	**10,548.12**	**6,874.30**
	TOTAL ASSETS	**36,784.90**	**31,143.94**
(B)	**EQUITY AND LIABILITIES**		
	1) Equity		
	a) Equity Share Capital	293.07	306.19
	b) Other Equity	29,463.07	27,227.76
	Total Equity	**29,756.14**	**27,533.95**
	2) Liabilities		
	i) Non-current Liabilities		
	a) Borrowings	546.43	-
	b) Financial liabilities	4.57	5.51
	c) Provisions	945.16	827.88
	Total Non-current liabilities	**1,496.16**	**833.39**
	ii) Current Liabilities		
	a) Financial Liabilities		
	i) Borrowings	1,448.04	565.57
	ii) Trade Payables		
	a) Total outstanding dues of micro and small enterprises	12.66	15.25
	b) Total outstanding dues of other than micro and small enterprises	347.60	210.30
	iii) Other financial liabilities	1,775.39	1,219.34
	b) Other current liabilities	1,850.91	543.67
	c) Provisions	98.00	222.47
	Total Current liabilities	**5,532.60**	**2,776.60**
	Total Liabilities	**7,028.76**	**3,609.99**
	TOTAL EQUITY AND LIABILITIES	**36,784.90**	**31,143.94**

Cont. . 4

SAGAR & ASSOCIATES Hyderabad Chartered Accountants

Audited Standalone Cash Flow Statement for the year ended 31st March 2021

INR in Crore

Particulars	Year Ended 31st March 2021	Year Ended 31st March 2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before income tax from		
Continued Operations	8,901.10	6,123.48
Discontinued Operations	0.53	(1.05)
Profit before income tax including discontinued operations	**8,901.63**	**6,122.43**
Adjustments for non cash/non operational expenses:		
Depreciation & Amortisation expense	227.83	294.38
Loss on disposal of property, plant & equipement	0.74	(0.02)
Expenditure on enabling facilities	147.79	229.91
Provision for bad & doubtful advances	234.47	211.78
Interest Income	(238.77)	(367.42)
Finance Costs	16.81	9.88
Operating Profits before working capital changes	**9,290.50**	**6,500.94**
Adjustments for working capital changes:		
(Increase)/Decrease in Short Term Investment	-	-
(Increase)/Decrease in Trade Receivables	(150.65)	(1,010.98)
(Increase)/Decrease in Inventories	(198.21)	(57.34)
(Increase)/Decrease in Other Receivables	(500.23)	(1,110.34)
Increase/(Decrease) in Trade payables	134.71	22.81
Increase/(Decrease) in Other Payable	1,242.09	12.53
Cash generated from operations	9,818.21	4,357.62
Income Taxes paid	(2,487.68)	(2,304.68)
Net Cash Flow from operating activities	**7,330.53**	**2,052.94**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Expenditure on acquisition of tangible and intangible assets and towards capital work in progress (net of sale proceeds)	(1,598.05)	(2,399.02)
Purchase of investments (in Subsidiaries)	0.71	(46.27)
Interest received	241.24	406.22
Purchase of Investment (Term Deposits with more than three months)	(3,035.41)	1,761.80
Net Cash Flow from investing activities	(4,391.51)	(277.27)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Amount paid on buyback of Shares (including transaction charges)	(1,700.62)	-
(Repayment)/Proceeds from borrowings- Current	1,428.90	201.42
Deposits paid towards LCs and BGs (towards non fund based facilities)	(29.59)	7.69
Interest paid	(16.63)	(9.70)
Dividends paid (including Dividend Distribution tax)	(2,273.28)	(1,952.54)
Net Cash Flow from financing activities	(2,591.22)	(1,753.13)
Net increase (decrease) in Cash and Cash Equivalent	**347.80**	**22.54**
Opening Balance of Cash & Cash equivalents	60.87	38.33
Closing Balance of Cash & Cash equivalents	**408.67**	**60.87**

Cont...5

SAGAR & ASSOCIATES * Chartered Accountants * Hyderabad

NOTES :

1. The above results have been reviewed and approved by the Board of Directors in the meeting held on 22nd June 2021.

2. The financial results for the quarter and financial year ended 31st March 2021 have been audited by the Statutory Auditors as required under Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. An unqualified report has been issued by them there on.

3. The Audited Accounts are subject to Supplementary Audit by the Comptroller and Auditor General of India under Section 143(6) of the Companies Act, 2013.

4. The financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules 2015 (as amended). The Company adopted Ind AS from 1st April 2016 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles of Ind-AS, prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued there under and the other accounting principles generally accepted in India.

5. The figures of the last quarters are the balancing figures between the audited figures of the financial years and the published results up to the third quarter of the respective financial years.

6. Donimalai Iron Ore Mine of NMDC Ltd.at Karnataka has resumed mining operations w.e.f 18.02.2021.subsequent to extension of Mining lease by Govt. of Karnataka for a period of 20 years up to 03.11.2038.

7. Govt. of India has amended the MMDR Act-1957 on 28.03.2021 and as per amended provisions all such Government companies or corporations whose mining lease has been extended after the commencement of the MMDR Amendment Act, 2015, shall pay such additional amount as specified in the Fifth Schedule of the Act for the mineral produced after the commencement of the MMDR Amendment Act, 2021. For such Mining Leases of Iron Ore an additional amount equivalent to 150 percent of the royalty will be payable. The additional amount shall be in addition to royalty or payment to the District Mineral Foundation and National Mineral Exploration Trust or any other statutory payment.

   The impact of this amendment on all the iron ore mines of NMDC except Kumaraswamy Mines at Karnataka is Rs. 149 crore for the current period and is included under Royalty and other levies.

8. An amount of Rs. 226.48 crore is provided towards Expected Credit Loss (ECL) for the year towards amount recoverable from monitoring committee and included in other expenses.

9. The Company had received Show Cause Notices dated 31.07.2018 from Dist. Collector, South Bastar Dantewada as to why NMDC should not be asked to deposit an amount of Rs.7,241.35 crore as compensation as calculated by Collector based on the Hon'ble Supreme Court Common Cause Judgement related to Orissa Iron ore mines (Writ Petition Civil No 114 of 2014 dated 2nd August 2017). The Company had been contesting the Show Cause Notices with Dist. Collector, South Bastar Dantewada on the ground that the said Hon'ble Supreme Court judgement is not applicable to NMDC.

   Meanwhile, revised show cause notices dated 26.09.2019 were received for a revised amount of Rs 1,623.44 Crore from Dist. Collector, South Bastar, Dantewada, to be replied within 21 days of notice. NMDC while reiterating the fact of non-applicability of the Hon'ble Supreme Court Judgement in the state of Chhattisgarh, has sought time for replying to the show cause notices.

SAGAR & ASSOCIATES Hyderabad Chartered Accountants

Cont....6

Further to above, Dist. Collector, South Bastar, Dantewada had issued Demand notices dated 15/11/2019 for the amount of Rs 1,623.44 Crore (Bacheli- Rs 1,131.97 Cr & Kirandul Rs 491.47 Cr) asking to deposit the amount within 15 days. As the Mining Leases of the company in the State of Chhattisgarh were expiring on 31.3.2020 and due for renewal, the Company has paid an adhoc amount of Rs 600 Crore under protest and filed writ petitions in the Hon'ble High Court of Bilaspur, Chhattisgarh and a Revision application with Mines Tribunal, Ministry of mines, Government of India, New Delhi praying to set aside the demand notices.

The demand amount of Rs 1,623.44 crores has been shown under 'Contingent Liabilities'.

10. The Government of India has accorded in principle approval for strategic disinvestment of Nagarnar Steel Plant on 27th October 2016. Core Group of Secretaries for Disinvestment (CGD) in its meeting held on 3rd June 2019 and 28th November 2019 has approved to follow the demerger route for the strategic disinvestment of NISP.

    The Board of Directors of the company at their meeting held on 27th August 2020, inter-alia, have accorded in-principal approval to the proposal of demerge of NMDC Iron & Steel Plant (NISP), Nagarnar, Chhattisgarh.

11. Figures for the previous period have been regrouped wherever considered necessary so as to conform to the classification of the current period.

For M/s Sagar and Associates
Chartered Accountants
FRN No. 003510S

SAGAR & ASSOCIATES Hyderabad Chartered Accountants

(CA. D MANOHAR)
Partner
Membership No: 029644

UDIN: 21029644AAAABT6081
Place : Hyderabad
Date : 22nd June 2021

For NMDC Limited,

(Amitava Mukherjee)
Director (Finance)
DIN- No: 08265207

SAGAR & ASSOCIATES
CHARTERED ACCOUNTANTS

H.O.: H.No. 6-3-244/5, Sarada Devi Street,
Prem Nagar, Hyderabad - 500 004.
Phone: 040 - 2330 3371, 2339 55 88
Fax : 040 - 2339 0151
E-mail : sagarandassociates@yahoo.co.in
E-mail : sagarandassociates.ca@gmail.com
GST No: TS - 36AAJFS7295N1Z8
AP - 37AAJFS7295N2Z5

Independent Auditor's Report

To,
Board of Directors of NMDC Limited

Report on the Audit of Standalone Financial Results

Opinion

1. We have audited the accompanying standalone annual financial results of **NMDC Limited** (the 'Company') for the year ended March 31, 2021, being submitted by the company pursuant to the requirement of Regulation 33, Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure requirement) Regulations 2015.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial results:
   i. are presented in accordance with the requirements of regulation 33 ,regulation 52 read with regulation 63(2) of the SEBI (Listing Obligations and Disclosure requirement) Regulations 2015 and SEBI circular dated 5th July 2016 in these regards and
   ii. give a true and fair view in conformity with the recognition and measurement principles laid down in applicable accounting standards prescribed under section 133 of the Companies Act,2013(the "Act") and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Company for the year ended March 31,2021 and the standalone statement of assets and liabilities and the standalone cash flow statement as at and for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in standalone financial Results. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the standalone financial Results. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

SAGAR & ASSOCIATES Hyderabad Chartered Accountants

Emphasis Of matter

4. We draw your attention to the following matters;
   i. Note No: 9, regarding show cause notice having been served on Baildilla project by the District collector, South Bastar, Dantewada pursuant to judgment of Honorable Supreme court of India with the demand of Rs.1623.44 Crores against which company has paid an adhoc amount of Rs.600 Crores under protest and filed writ petition in the Hon'ble High court of Bilaspur, Chhattisgarh and a Revision application with Mines Tribunal, Ministry of mines, Government of India and disclosure of contingent liability as mentioned in the said note.
   ii. Note No:10, regarding the demerger of NMDC Iron & Steel Plant (NISP) which is in progress.
   iii. During the year, company has migrated from legacy system (oracle-based FAS) to SAP-ERP package in a phased manner. Pending completion of User Acceptance Testing (UAT) of the all the modules, the amount incurred towards the package is accounted under Intangible assets under development. The unaudited financial results as on 31-12-2020 were migrated into SAP and reconciled. As per the information and explanation provided by the management, migration audit will be conducted on completion of integration of all the modules.
   iv. NMDC holds total exposure of Rs. 182.20 Crores in Neelachal Ispat Nigam Ltd (NINL) in the form of Equity investment of Rs. 100.60 Crores and a Loan of Rs. 81.60 Crores and interest thereon of Rs.6.87 Crore as on 31.03.2021. Cabinet Committee on Economic Affairs (CCEA) had accorded in principle approval for strategic disinvestment of 100% shareholding of NMDC and other Public Sector Undertakings (PSUs) along with transfer of Management control to a Strategic Buyer. As per the loan agreement dated 30th December 2019, the amount outstanding along with interest shall be paid back to NMDC as first charge from the disinvestment proceeds as per the applicable laws before payment of other liabilities of NINL. As such, management has felt no impairment of investment and Loan to NINL is necessary.

Our opinion is not modified in respect of these matters

Board of Directors' Responsibilities for the Standalone Financial Results

5. These standalone financial results have been prepared on basis of standalone annual financial statements. The Company's Board of

SAGAR & ASSOCIATES Hyderabad Chartered Accountants

Directors are responsible for the preparation and presentation of the standalone financial results that give true and fair view of the net profit and other comprehensive income and other financial information of the company and the standalone statement of assets and liabilities and the standalone cashflow statement in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with regulation 33 and regulation 52 of the Listing Regulations. The Board of directors of the company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgement and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of standalone financial statements that give true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the standalone financial results by the directors of the company, as aforesaid

6. In preparing the standalone financial results, the Board of directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

7. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing (SA) will always detect a material misstatement when it exists. Misstatements can arise from

SAGAR & ASSOCIATES Hyderabad Chartered Accountants

fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial results

9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

   We also:

   - Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
   - Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
   - Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.

SAGAR & ASSOCIATES Hyderabad Chartered Accountants

10. We communicate with those charged with governance of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Matters

11. The standalone financial Results include the results for the quarter ended March 31, 2021 being the balancing figures between audited figures in respect of the full financial year and the published year to date unaudited figures up to the third quarter of the current financial year which were subjected to limited review by us.

12. The standalone annual financial results dealt with by this report has been prepared for the express purpose of filling with Stock Exchanges. These results are based on standalone financial statements and should be read with the audited standalone financial statements of the company for the year ended March 31,2021 on which we issued an unmodified opinion vide our report dated 22nd June, 2021.

For Sagar& Associates,
Chartered Accountants
FRN: 003510S

SAGAR & ASSOCIATES Hyderabad Chartered Accountants

CA D Manohar
Partner
Membership No. 029644
UDIN: 21029644AAAABT6081

Place: Hyderabad
Date: 22.06.2021.

एनएमडीसी

NMDC

एन एम डी सी लिमिटेड
NMDC Limited

(भारत सरकार का उद्यम) (A GOVT. OF INDIA ENTERPRISE)

पंजीकृत कार्यालय : 'खनिज भवन', 10-3-311/ए, कैसल हिल्स, मासाब टैंक, हैदराबाद - 500 028.

Regd. Office : 'Khanij Bhavan' 10-3-311/A, Castle Hills, Masab Tank, Hyderabad - 500 028.

नैगम पहचान संख्या / Corporate Identity Number : L13100TG1958 GOI 001674

Statement of Audited Consolidated Financial Results for the Quarter and Year ended 31st March 2021

INR in crore

Particulars	Quarter Ended			Year Ended	
	31-Mar-2021	31-Dec-2020	31-Mar-2020	31-Mar-2021	31-Mar-2020
	Audited	Un-audited	Audited	Audited	Audited
I. Revenue from operations	6,847.57	4,355.10	3,187.34	15,370.06	11,699.22
II. Other Income	85.18	105.87	133.61	351.60	514.36
III. Total income (I+II)	**6,932.75**	**4,460.97**	**3,320.95**	**15,721.66**	**12,213.58**
IV. Expenses					
(a) Consumption of raw materials	25.18	7.23	5.00	42.01	36.48
(b) Consumption of stores & spares	85.00	69.86	73.42	257.41	243.15
(c) Changes in inventories of finished goods and work -in-progress	(184.57)	32.14	(40.95)	(161.81)	(53.83)
(d) Employee benefit expense	290.09	272.72	290.56	1,085.24	1,049.36
(e) Royalty and other levies	1,545.98	622.25	584.08	2,969.38	2,096.29
(f) Selling exps incl. freight	226.71	223.89	203.18	695.27	702.43
(g) Depreciation and amortisation	56.93	60.59	67.68	228.54	294.93
(h) Finance cost	4.13	1.64	(21.33)	16.81	9.88
(i) Other expenses	618.91	360.24	584.32	1,693.29	1,623.42
Total expenses	**2,668.36**	**1,650.56**	**1,745.96**	**6,826.14**	**6,002.11**
V. Profit from ordinary activities before exceptional items and Tax (III-IV)	4,264.39	2,810.41	1,574.99	8,895.52	6,211.47
VI. Exceptional items - Expenses/(Income)	-	-	96.44	-	96.44
VII. Profit before tax (V-VI)	**4,264.39**	**2,810.41**	**1,478.55**	**8,895.52**	**6,115.03**
VIII. Tax expense					
a) Current Tax	1,089.04	718.82	336.05	2,316.46	1,555.59
b) Earlier Year Tax (Net)	343.20	-	771.47	343.20	771.47
c) Deferred Tax	(1.67)	(16.81)	23.70	(11.21)	185.66
Total tax expense	1,430.57	702.01	1,131.22	2,648.45	2,512.72
IX. Profit for the period from continuing operations (VII-VIII)	**2,833.82**	**2,108.40**	**347.33**	**6,247.07**	**3,602.31**
X. Profit/(Loss) from discontinued operations	2.30	(0.47)	(0.43)	0.53	(1.05)
XI. Tax Expenses of discontinued operations	0.58	(0.12)	(0.10)	0.13	(0.26)
XII. Profit/(Loss) from Discontinued operations (after tax)	1.72	(0.35)	(0.33)	0.40	(0.79)
XIII. Profit for the period (IX+XII) :	**2,835.54**	**2,108.05**	**347.00**	**6,247.47**	**3,601.52**
XIV Share of Loss of Associates/JVs	0.07	49.75	(31.18)	**29.17**	**(28.56)**
XV Non-Controlling Interest (Profit)/Loss	(0.21)	(0.01)	0.43	**(0.37)**	**(0.33)**
XVI. Net Profit/loss after taxes, Non-Controlling Interest and share of profit /loss of Associates (XIII+XIV-XV) :	**2,835.82**	**2,157.81**	**315.39**	**6,277.01**	**3,573.29**
XVII. Other Comprehensive income/(expenses) (net of income tax)	2.68	(43.37)	(14.78)	(121.08)	6.99
XVIII. Total Comprehensive Income for the period (XVI+XVII)	**2,838.50**	**2,114.44**	**300.61**	**6,155.93**	**3,580.28**
XIX. Paid-up Equity Share Capital	293.07	306.19	306.19	293.07	306.19
XX. Borrowings (#)				523.80	-
XXI. Total Interest on Borrowings				22.63	-
XXII. Other equity excluding revaluation reserve as per balance sheet				29,590.98	27,366.88
XXIII. Net Worth				29,897.59	27,681.12
XXIV. Debenture redemption reserve				-	-
XXV. Face value per share (Re)	1.00	1.00	1.00	1.00	1.00
XXVI. Other Equity excluding revaluation reserve					
XXVII. EPS for the period (Rs.)-basic and diluted	9.64	7.05	1.03	20.70	11.67
(*adjusted on account of buyback)	(*)			(*)	
XXVIII. Debt equity ratio				0.02	-
XXIX. Debt service coverage ratio (DSCR)				16.23	-
XXX. Interest service coverage ratio (ISCO)				231.77	-
	Not Annualised			Annualised	

(#) Include Long Term Borrowings Only.

Contd..2

SACAR & ASSOCIATES Hyderabad Chartered Accountants

दूरभाष / Phones : 040-23538713-21 (9 Lines), 23538723, 23538767 फैक्स / Fax : +91-40-23538711

ई-मेल / E-mail : hois@nmdc.co.in वेबसाइट / Website : www.nmdc.co.in

Segment wise Consolidated Revenue, Results and Capital Employed for the Quarter and Year ended 31st March 2021

INR in crore

Particulars	Quarter Ended			Year Ended	
	31-Mar-2021	31-Dec-2020	31-Mar-2020	31-Mar-2021	31-Mar-2020
	Audited	Un-audited	Audited	Audited	Audited
1. Segment Revenue					
(Sale /income from each segment)					
a) Iron Ore	6,807.44	4,311.45	3,166.70	15,233.71	11,568.90
b) Pellet ,Other Minerals & Services	40.13	43.65	20.64	136.35	130.21
Total	6,847.57	4,355.10	3,187.34	15,370.06	11,699.11
Less: Inter segment revenue	-	-	-	-	(0.11)
Sales / Income from Operations	**6,847.57**	**4,355.10**	**3,187.34**	**15,370.06**	**11,699.22**
2. Segment Results					
(profit (+) / loss (-) before tax and interest from each segment)					
a) Iron Ore	4,364.78	2,824.04	1,599.14	9,258.16	6,130.89
b) Pellet, Other Minerals & Services	(48.28)	(21.84)	(144.53)	(132.81)	(135.38)
Total	4,316.50	2,802.20	1,454.61	9,125.35	5,995.51
Less: Finance Cost	4.13	1.64	(21.33)	16.81	9.88
Add : Other unallocable income net off unallocable expenditure	(45.68)	9.38	2.18	(212.49)	128.35
Total Profit Before Tax (incl discontinued operations)	**4,266.69**	**2,809.94**	**1,478.12**	**8,896.05**	**6,113.98**
3.Segment Assets					
a) Iron Ore	7,607.88	6,672.61	6,945.73	7,607.88	6,945.73
b) Pellet ,Other Minerals & Services	561.03	575.94	599.00	561.03	599.00
c) Unallocated	28,352.60	27,002.50	23,352.63	28,352.60	23,352.63
Total	**36,521.51**	**34,251.05**	**30,897.36**	**36,521.51**	**30,897.36**
4. Segment Liabilities					
a) Iron Ore	2,674.67	1,611.77	1,341.91	2,674.67	1,341.91
b) Pellet ,Other Minerals & Services	40.79	31.09	36.92	40.79	36.92
c) Unallocated	4,316.74	1,999.03	2,234.48	4,316.74	2,234.48
Total	**7,032.20**	**3,641.89**	**3,613.31**	**7,032.20**	**3,613.31**
5. Capital Employed					
(Segment assets-Segment Liabilities)					
a) Iron Ore	4,933.21	5,060.84	5,603.82	4,933.21	5,603.82
b) Pellet ,Other Minerals & Services	520.24	544.85	562.08	520.24	562.08
c) Unallocated	24,035.86	25,003.47	21,118.15	24,035.86	21,118.15
Total	**29,489.31**	**30,609.16**	**27,284.05**	**29,489.31**	**27,284.05**

Cont...3

STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES AS AT 31ST MARCH, 2021

INR in crore

Sl.No.	Particulars	As at current period end 31st March 2021 (Audited)	As at previous period end 31st March 2020 (Audited)
(A)	**ASSETS**		
	1) Non-current assets		
	a) Property, Plant and equipment	3,313.92	3,253.87
	b) Right- of -Use Assets	7.02	7.08
	c) Capital work-in-progress	17,106.51	15,500.22
	d) Goodwill	93.89	93.89
	e) Intangible assets	518.57	454.66
	f) Intangible assets under development	51.42	29.64
	g) Financial assets		
	i) Investments	874.90	910.10
	ii) Loans	259.17	224.38
	h) Deferred tax assets (net)	408.28	397.07
	i) Other non-current assets	3,695.91	3,502.90
	Total Non-current assets	**26,329.59**	**24,373.81**
	2) Current assets		
	a) Inventories	921.72	723.51
	b) Financial assets		
	i) Trade receivables	2,139.89	2,223.71
	ii) Cash and cash equivalents	464.10	105.57
	iii) Bank balances other than (ii) above	5,397.72	2,331.89
	iv) Other Financial Assets	292.61	365.40
	c) Current Tax assets (Net)	257.05	429.24
	d) Other current assets	1,126.48	740.64
	e) Assets Held for disposal	0.63	0.66
	Total Current assets	**10,600.20**	**6,920.62**
	TOTAL ASSETS	**36,929.79**	**31,294.43**
(B)	**EQUITY AND LIABILTIES**		
	1) Equity		
	a) Equity Share Capital	293.07	306.19
	b) Other Equity	29,590.98	27,366.88
	c) Non-Controlling Interest	13.54	8.05
	Total Equity	**29,897.59**	**27,681.12**
	2) Liabilities		
	i) Non-current Liabilities		
		546.43	-
	a) Financial liabilities	4.70	5.83
	b) Provisions	945.41	827.96
	Total Non-current liabilities	**1,496.54**	**833.79**
	ii) Current Liabilities		
	a) Financial Liabilities		
	i) Borrowings	1,448.04	565.57
	ii) Trade Payables		
	a) Total Outstanding dues of Micro Enterprises and Small Enterprises	12.66	15.25
	b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	348.12	210.65
	iii) Other financial liabilities	1,776.04	1,220.02
	b) Other current liabilities	1,852.24	545.25
	c) Provisions	98.56	222.78
	Total Current liabilities	**5,535.66**	**2,779.52**
	Total Liability	**7,032.20**	**3,613.31**
	TOTAL EQUITY AND LIABILITIES	**36,929.79**	**31,294.43**

Cont.4

SAGAR & ASSOCIATES Hyderabad Chartered Accountants

Audited Consolidated Cash Flow Statement for Year ended 31st March 2021

INR in Crore

Particulars	Year Ended 31st March 2021	Year Ended 31st March 2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before income tax from		
Continued Operations	8,895.52	6,115.03
Discontinued Operations	0.53	(1.05)
Profit before income tax including discontinued operations	**8,896.05**	**6,113.98**
Adjustments for non cash/non operational expenses:		
Depreciation & Amortisation expense	228.54	294.93
Loss on disposal of property, plant & equipement	0.74	(0.02)
Expenditure on enabling facilities	147.79	229.91
Provision for bad & doubtful advances	234.31	211.78
Interest Income	(239.14)	(367.72)
Finance Costs	16.81	9.88
Operating Profits before working capital changes	**9,285.10**	**6,492.74**
Adjustments for working capital changes:		
(Increase)/Decrease in Short Term Investment	-	-
(Increase)/Decrease in Trade Receivables	(150.49)	(1,010.98)
(Increase)/Decrease in Inventories	(198.21)	(57.34)
(Increase)/Decrease in Other Receivables	(495.25)	(1,109.82)
Increase/(Decrease) in Trade payables	134.88	23.11
Increase/(Decrease) in Other Payable	1,158.82	67.86
Cash generated from operations	9,734.85	4,405.57
Income Taxes paid	(2,468.74)	(2,279.60)
Net Cash Flow from operating activities	**7,266.11**	**2,125.97**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Expenditure on acquisition of tangible and intangible assets and towards capital work in progress (net of sale proceeds)	(1,622.11)	(2,403.49)
Purchase of investments (in Subsidiaries)	99.61	(81.43)
Interest received	241.69	406.45
Purchase of Investment (Term Deposits with more than three months)	(3,035.47)	1,765.71
Net Cash Flow from investing activities	(4,316.28)	(312.76)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Amount paid on buyback of Shares (including transaction charges)	(1,700.62)	-
(Repayment)/Proceeds from borrowings- Current	1,428.90	201.42
Deposits paid towards LCs and BGs (towards non fund based facilities)	(29.49)	7.69
Interest paid	(16.81)	(9.88)
Dividends paid (including Dividend Distribution tax)	(2,273.28)	(1,952.54)
Net Cash Flow from financing activities	(2,591.30)	(1,753.31)
Net increase (decrease) in Cash and Cash Equivalent	**358.53**	**59.90**
Opening Balance of Cash & Cash equivalents	105.57	45.67
Closing Balance of Cash & Cash equivalents	**464.10**	**105.57**

Cont...5

SAGAR & ASSOCIATES Hyderabad Chartered Accountants

NOTES :

1. The above results have been reviewed and approved by the Board of Directors in the meeting held on 22nd June 2021.

2. Pursuant to the requirements of SEBI (LODR) Regulations, 2015 (as amended), the company has published Consolidated Results for quarter ended 31st March 2021 along with the preceding quarter ended 31st December 2020 and corresponding quarter ended 31st March 2020. The management has used prudent estimate and exercised necessary due-diligence to ensure that the financial results provide a true and fair view of its affairs.

3. The financial results for the quarter and financial year ended 31st March 2021 have been audited by the Statutory Auditors as required under Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. An unqualified report has been issued by them there on.

4. The Audited Accounts are subject to Supplementary Audit by the Comptroller and Auditor General of India under Section 143(6) of the Companies Act, 2013.

5. The financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules 2015 (as amended). The Company adopted Ind AS from 1st April 2016 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles of Ind-AS, prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued there under and the other accounting principles generally accepted in India.

6. The figures of the last quarters are the balancing figures between the audited figures of the financial years and the published results up to the third quarter of the respective financial years.

7. Donimalai Iron Ore Mine of NMDC Ltd.at Karnataka has resumed mining operations w.e.f 18.02.2021.subsequent to extension of Mining lease by Govt. of Karnataka for a period of 20 years up to 03.11.2038.

8. Govt. of India has amended the MMDR Act-1957 on 28.03.2021 and as per amended provisions all such Government companies or corporations whose mining lease has been extended after the commencement of the MMDR Amendment Act, 2015, shall pay such additional amount as specified in the Fifth Schedule of the Act for the mineral produced after the commencement of the MMDR Amendment Act, 2021. For such Mining Leases of Iron Ore an additional amount equivalent to 150 percent of the royalty will be payable. The additional amount shall be in addition to royalty or payment to the District Mineral Foundation and National Mineral Exploration Trust or any other statutory payment.

   The impact of this amendment on all the iron ore mines of NMDC except Kumaraswamy Mines at Karnataka is Rs. 149 crore for the current period and is included under Royalty and other levies.

9. An amount of Rs. 226.48 crore is provided towards Expected Credit Loss (ECL) for the year towards amount recoverable from monitoring committee and included in other expenses.

10. The Company had received Show Cause Notices dated 31.07.2018 from Dist. Collector, South Bastar Dantewada as to why NMDC should not be asked to deposit an amount of Rs.7,241.35 crore as compensation as calculated by Collector based on the Hon'ble Supreme Court Common Cause Judgement related to Orissa Iron ore mines (Writ Petition Civil No 114 of 2014 dated 2nd August 2017). The Company had been contesting the Show Cause Notices with Dist. Collector, South Bastar Dantewada on the ground that the said Hon'ble Supreme Court judgement is not applicable to NMDC.

SAGAR & ASSOCIATES Hyderabad Chartered Accountants

Cont..6

Meanwhile, revised show cause notices dated 26.09.2019 were received for a revised amount of Rs 1,623.44 Crore from Dist. Collector, South Bastar, Dantewada, to be replied within 21 days of notice. NMDC while reiterating the fact of non-applicability of the Hon'ble Supreme Court Judgement in the state of Chhattisgarh, has sought time for replying to the show cause notices.

Further to above, Dist. Collector, South Bastar, Dantewada had issued Demand notices dated 15/11/2019 for the amount of Rs 1,623.44 Crore (Bacheli- Rs 1,131.97 Cr & Kirandul Rs 491.47 Cr) asking to deposit the amount within 15 days. As the Mining Leases of the company in the State of Chhattisgarh were expiring on 31.3.2020 and due for renewal, the Company has paid an adhoc amount of Rs 600 Crore under protest and filed writ petitions in the Hon'ble High Court of Bilaspur, Chhattisgarh and a Revision application with Mines Tribunal, Ministry of mines, Government of India, New Delhi praying to set aside the demand notices.

The demand amount of Rs 1,623.44 crores has been shown under 'Contingent Liabilities'.

11. The Government of India has accorded in principle approval for strategic disinvestment of Nagarnar Steel Plant on 27th October 2016. Core Group of Secretaries for Disinvestment (CGD) in its meeting held on 3rd June 2019 and 28th November 2019 has approved to follow the demerger route for the strategic disinvestment of NISP.

    The Board of Directors of the company at their meeting held on 27th August 2020, inter-alia, have accorded in-principal approval to the proposal of demerge of NMDC Iron & Steel Plant (NISP), Nagarnar, Chhattisgarh.

12. Figures for the previous period have been regrouped wherever considered necessary so as to conform to the classification of the current period.

For M/s Sagar and Associates
Chartered Accountants
FRN No. 003510S

SAGAR & ASSOCIATES Hyderabad Chartered Accountants

(CA. D Manohar)
Partner
Membership No: 029644

For NMDC Limited,

(Amitava Mukherjee)
Director (Finance)
DIN- No: 08265207

UDIN: 21029644AAAABU7263
Place : Hyderabad
Date : 22nd June 2021

SAGAR & ASSOCIATES
CHARTERED ACCOUNTANTS

H.O.: H.No. 6-3-244/5, Sarada Devi Street,
Prem Nagar, Hyderabad - 500 004.
Phone: 040 - 2330 3371, 2339 55 88
Fax : 040 - 2339 0151
E-mail : sagarandassociates@yahoo.co.in
E-mail : sagarandassociates.ca@gmail.com
GST No: TS - 36AAJFS7295N1Z8
AP - 37AAJFS7295N2Z5

Independent Auditor's Report

To,

Board of Directors of NMDC Limited

Report on the Audit of Consolidated Financial Results

Opinion

1. We have audited the accompanying Consolidated Financial Results of **NMDC Limited** (the 'Company') for the year ended March 31, 2021 being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure requirement) Regulations 2015.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statements/special purpose financial information of the subsidiaries, associates and the jointly controlled entities, the aforesaid consolidated financial results:
   i. Include the consolidated financial results of the NMDC Limited and the entities listed in Annexure A,
   ii. have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure requirement) Regulations 2015; and
   iii. give a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the profit, total comprehensive income and other financial information of the Group, its associates and jointly controlled entities for the year ended March 31, 2021 and the consolidated balance sheet and the consolidated cash flow statement as at and for the year ended on that date.

Basis of Opinion

3. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in consolidated financial results. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the consolidated financial Results. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

SAGAR & ASSOCIATES Hyderabad Chartered Accountants

Emphasis Of matter:

4. We draw your attention to the following matters in the Notes to these financial results:

   i. Note No: 10, regarding show cause notice having been served on Baildilla project by the District collector, South Bastar, Dantewada pursuant to judgment of Honorable Supreme court of India with the demand of Rs.1623.44 Crores against which company has paid an adhoc amount of Rs.600 Crores under protest and filed writ petition in the Hon'ble High court of Bilaspur, Chattisgarh and a Revision application with Mines Tribunal, Ministry of mines, Government of India and disclosure of contingent liability as mentioned in the said note.

   ii. Note No:11, regarding the demerger of NMDC Iron & Steel Plant (NISP) which is in progress.

   iii. During the year, company has migrated from legacy system (oracle-based FAS) to SAP-ERP package in a phased manner. Pending completion of User Acceptance Testing (UAT) of the all the modules, the amount incurred towards the package is accounted under Intangible assets under development. The unaudited financial results as on 31-12-2020 were migrated into SAP and reconciled. As per the information and explanation provided to us by the management, migration audit will be conducted on completion of integration of all the modules.

   iv. NMDC holds total exposure of Rs. 182.20 Crores in Neelachal Ispat Nigam Ltd (NINL) in the form of Equity investment of Rs. 100.60 Crores and a Loan of Rs. 81.60 Crores and interest thereon of Rs.6.87 Crore as on 31.03.2021. Cabinet Committee on Economic Affairs (CCEA) had accorded in principle approval for strategic disinvestment of 100% shareholding of NMDC and other Public Sector Undertakings (PSUs) along with transfer of Management control to a Strategic Buyer. As per the loan agreement dated 30th December 2019, the amount outstanding along with interest shall be paid back to NMDC as first charge from the disinvestment proceeds as per the applicable laws before payment of other liabilities of NINL. As such, management has felt no impairment of investment and Loan to NINL is necessary.

Board of Directors' Responsibilities for the Consolidated Financial Results

5. These consolidated financial results have been prepared on basis of consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give true and fair view of the net profit and other comprehensive income and other financial

SAGAR & ASSOCIATES Hyderabad Chartered Accountants

information of the Group including its associates and Jointly controlled entities and the consolidated balance sheet and consolidated cash flow statement in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with regulation 33 and regulation 52 of the Listing Regulations. The respective Board of directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and jointly controlled entities for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgement and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of consolidated financial statements that give true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Directors of the holding company, as aforesaid

6. In preparing the consolidated financial results, the Board of directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for assessing the ability of the Group and its associates and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entites are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the consolidated financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing(SA) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial results.

SAGAR & ASSOCIATES Hyderabad Chartered Accountants

9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.

10. We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

SAGAR & ASSOCIATES Hyderabad Chartered Accountants

Other matters

11. We did not audit the financial statements and other financial information of five subsidiaries included in the consolidated financial results, whose financial statements and other financial information reflect total assets of 811.20 crores as at 31st March 2021 and total profit/(loss) of (5.58) crores as considered in the consolidated financial results. These financial statements and other financial information have been audited by other auditors except four subsidiaries which have been certified by their management. The consolidated financial results also includes the Groups Share of net profit/(Loss) of 29.17 crores for the year ended 31st March 2021, as considered in financial results, in respect of three Associates and four Jointly controlled entities. These financial statements and other financial information of two associates and have been audited by other auditors and others were unaudited whose financial statements have been certified by their management, whose report(s) have been furnished to us. Our opinion on the year to date consolidated financial results, to the extent they have been derived from such financial statements is based solely on the report of such other auditors and certification of management. Our Opinion is not modified in respect of this matter.
12. The consolidated financial results include the results for the quarter ended March 31, 2021 being the balancing figures between audited figures in respect of the full financial year and the published year to date unaudited figures up to the third quarter of the current financial year which were subject to limited review by us.
13. The consolidated financial results dealt with by this report has been prepared for the express purpose of filling with Stock Exchanges. These results are based on consolidated financial statements and should be read with the audited consolidated financial statements of the company for the year ended March 31,2021 on which we issued an unmodified opinion vide our report dated 22nd June 2021.

For Sagar& Associates,
Chartered Accountants
FRN: 003510S

SAGAR & ASSOCIATES Hyderabad Chartered Accountants

CA D Manohar
Partner
Membership No. 029644
UDIN: 21029644AAAABU7263
Place: Hyderabad
Date: 22.06.2021.

Annexure -A

SUBSIDIARIES:

Sl. No.	Name of the entities	Country of incorporation
1	Legacy Iron Ore Limited	Australia
2	J & K Mineral Development Corporation Limited	India
3	NMDC Power Limited (Closed and not considered for consolidation)	India
4	Karnataka Vijaynagar Steel Limited	India
5	NMDC Steel Limited	India
6	Jharkhand Kolhan Steel Limited	India
7	MDC SARL, Madagaskar (under Closure)	Africa
8	NMDC CSR Foundation (NCF) (Not-for-profit company, incorporated under Section-2(7) of companies Act,2013) – Not considered for consolidation.	India

JOINT VENTURES:

Sl. No.	Name of the entities	Country of incorporation
1	NMDC-CMDC Limited	India
2	Jharkhand National Mineral Development Corporation Limited	India
3	Kopano- NMDC Minerals (Proprietary) Limited, South Africa – Under Closure	South Africa
4	NMDC SAIL Limited – Under Closure	India
5	Bastar Railway Pvt. Limited	India

ASSOCIATES:

Sl. No.	Name of the entities	Country of incorporation
1	International Coal Venture Limited	India
2	Nilachal Ispat Nigam Limited-	India
3	Krishnapatnum Railway Company Limited	India
4	Chhattishgarh Mega Steel Limited	India
5	Romelt-Sail (India) Limited - Under Closure	Africa

SAGAR & ASSOCIATES Hyderabad Chartered Accountants

एनएमडीसी
NMDC

एन एम डी सी लिमिटेड
NMDC Limited
(भारत सरकार का उद्यम) (A GOVT. OF INDIA ENTERPRISE)
पंजीकृत कार्यालय : 'खनिज भवन', 10-3-311/ए, कैसल हिल्स, मासाब टैंक, हैदराबाद - 500 028.
Regd. Office : 'Khanij Bhavan' 10-3-311/A, Castle Hills, Masab Tank, Hyderabad - 500 028.
नैगम पहचान संख्या / Corporate Identity Number : L13100TG1958 GOI 001674

Declaration on audit reports with unmodified opinion on the Annual Audited Financial Results for the financial year ended 31st March 2021

This is with to SEBI(LODR) Regulations,2015 and amendments made thereto, we hereby declare that the Statutory Auditors of the Company, M/s Sagar And Associates, Chartered Accountants, firm Registration no. 003510S, vide their Auditors Reports dated 22nd June 2021 issued an unmodified opinion on the standalone and consolidated financial results of the Company for the financial year ended 31st March 2021.

For NMDC Limited,

(Amitava Mukherjee)
Director (Finance)
DIN- No: 08265207

Place: Hyderabad
Dated : 22nd June 2021

NMDC LTD. Hyderabad.

दूरभाष / Phones : 040-23538713-21 (9 Lines), 23538723, 23538767 फैक्स / Fax : +91-40-23538711
ई-मेल / E-mail : hois@nmdc.co.in वेबसाइट / Website : www.nmdc.co.in

एनएमडीसी
NMDC

एन एम डी सी लिमिटेड
NMDC Limited

(भारत सरकार का उद्यम) (A GOVT. OF INDIA ENTERPRISE)
पंजीकृत कार्यालय : 'खनिज भवन', 10-3-311/ए, कैसल हिल्स, मासाब टैंक, हैदराबाद - 500 028.
Regd. Office : 'Khanij Bhavan' 10-3-311/A, Castle Hills, Masab Tank, Hyderabad - 500 028.
नैगम पहचान संख्या / Corporate Identity Number : L13100TG1958 GOI 001674

Statement of Un-Audited Standalone Financial Results for the Quarter ended 30th June 2021

INR in crore

Particulars	Quarter Ended			Year Ended
	30-Jun-2021	31-Mar-2021	30-Jun-2020	31-Mar-2021
	Un-audited	Audited	Un-audited	Audited
I. Revenue from operations	6,512.21	6,847.57	1,937.50	15,370.06
II. Other Income	144.09	84.98	71.71	349.88
III. Total income (I+II)	**6,656.30**	**6,932.55**	**2,009.21**	**15,719.94**
IV. Expenses				
(a) Consumption of raw materials	29.71	25.18	5.24	42.01
(b) Consumption of stores & spares	64.42	85.00	47.60	257.41
(c) Changes in inventories of finished goods and work -in-progress	(535.90)	(184.57)	(56.62)	(161.81)
(d) Employee benefit expense	268.12	289.10	253.65	1,081.81
(e) Royalty and other levies	2,015.54	1,545.98	421.03	2,969.38
(f) Selling exps incl. freight	50.03	226.71	119.73	695.27
(g) Depreciation and amortisation	55.23	56.67	57.28	227.83
(h) Finance cost	3.00	4.13	9.32	16.81
(i) Other expenses	442.62	617.92	391.98	1,690.13
Total expenses	**2,392.77**	**2,666.12**	**1,249.21**	**6,818.84**
V. Profit from ordinary activities before exceptional items and Tax (III-IV)	4,263.53	4,266.43	760.00	8,901.10
VI. Exceptional items - Expenses/(Income)	-	-	-	-
VII. Profit before tax (V-VI)	**4,263.53**	**4,266.43**	**760.00**	**8,901.10**
VIII. Tax expense				
a) Current Tax	1,088.61	1,089.04	230.40	2,316.46
b) Earlier Year Tax (Net)	-	343.20	-	343.20
c) Deferred Tax	(18.07)	(1.67)	(3.73)	(11.21)
Total tax expense	1,070.54	1,430.57	226.67	2,648.45
IX. Net Profit for the period from continuing operations (VII-VIII)	**3,192.99**	**2,835.86**	**533.33**	**6,252.65**
X. Profit/(Loss) from discontinued operations	(0.20)	2.30	(0.57)	0.53
XI. Tax Expenses of discontinued operations	(0.05)	0.58	(0.14)	0.13
XII.Profit/ (Loss) from Discontinued operations (after tax)	(0.15)	1.72	(0.43)	0.40
XIII. Profit for the period (IX+XII) :	**3,192.84**	**2,837.58**	**532.90**	**6,253.05**
XIV. Other Comprehensive income/(expenses): Item that will not be reclassified to profit or loss (net of income tax)	(11.64)	0.21	(18.77)	(56.09)
XV. Total Comprehensive Income for the period (XIII+XIV)	**3,181.20**	**2,837.79**	**514.13**	**6,196.96**
XVI. Paid-up Equity Share Capital	293.07	293.07	306.19	293.07
XVII. Face value per share (Re)	1	1	1	1
XVIII. EPS for the period (Rs.)-basic and diluted before and after extraordinary items	10.89	9.64	1.74	20.62
(*) (adjusted on account of buyback)		(*)		(*)
				Annualised

दूरभाष / Phones : 040-23538713-21 (9 Lines), 23538723, 23538767 फैक्स / Fax : +91-40-23538711
Cont... 2
ई-मेल / E-mail : hois@nmdc.co.in वेबसाइट / Website : www.nmdc.co.in

NMDC LTD. Hyderabad.

SAGAR & ASSOCIATES HYDERABAD CHARTERED ACCOUNTANTS

Segment wise Standalone Revenue, Results and Capital Employed for the quarter ended 30th June,2021

INR in crore

Particulars	Quarter Ended			Year Ended
	30-Jun-2021	31-Mar-2021	30-Jun-2020	31-Mar-2021
	Un-audited	Audited	Un-audited	Audited
1. Segment Revenue				
(Sale /income from each segment)				
a) Iron Ore	6,447.18	6,807.44	1,922.89	15,233.71
b) Pellet ,Other Minerals & Services	65.03	40.13	14.61	136.35
Total	6,512.21	6,847.57	1,937.50	15,370.06
Less: Inter segment revenue	-	-	-	-
Sales / Income from Operations	**6,512.21**	**6,847.57**	**1,937.50**	**15,370.06**
2. Segment Results				
(profit (+) / loss (-) before tax and interest from each segment)				
a) Iron Ore	4,196.05	4,366.35	951.13	9,261.86
b) Pellet, Other Minerals & Services	25.93	(47.99)	(36.27)	(131.46)
Total	4,221.98	4,318.36	914.86	9,130.40
Less: Finance Cost	3.00	4.13	9.32	16.81
Add : Other unallocable income net off unallocable expenditure	44.35	(45.50)	(146.11)	(211.96)
Total Profit Before Tax (incl discontinued operations)	**4,263.33**	**4,268.73**	**759.43**	**8,901.63**
3.Segment Assets				
a) Iron Ore	8,958.62	7,590.76	6,852.89	7,590.76
b) Pellet ,Other Minerals & Services	568.61	579.28	607.52	579.28
c) Unallocated	29,080.84	28,206.58	23,278.34	28,206.58
Total	**38,608.07**	**36,376.62**	**30,738.75**	**36,376.62**
4. Segment Liabilities				
a) Iron Ore	3,300.23	2,672.84	1,183.75	2,672.84
b) Pellet, Other Minerals & Services	37.10	39.27	29.67	39.27
c) Unallocated	2,759.75	4,316.65	1,878.05	4,316.65
Total	**6,097.08**	**7,028.76**	**3,091.47**	**7,028.76**
5. Capital Employed				
(Segment Assets-Segment Liabilities)				
a) Iron Ore	5,658.39	4,917.92	5,669.14	4,917.92
b) Pellet, Other Minerals & Services	531.51	540.01	577.85	540.01
c) Unallocated	26,321.09	23,889.93	21,400.29	23,889.93
Total	**32,510.99**	**29,347.86**	**27,647.28**	**29,347.86**

SAGAR & ASSOCIATES HYDERABAD CHARTERED ACCOUNTANTS

Cont...3

NOTES :

1. The above results have been reviewed and approved by the Board of Directors in the meeting held on 12th August 2021.

2. The unaudited financial results have been reviewed by the Statutory Auditors as required under Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. Govt. of India has amended the MMDR Act-1957 on 28.03.2021 and as per amended provisions all such Government companies or corporations whose mining lease has been extended after the commencement of the MMDR Amendment Act, 2015, shall pay such additional amount as specified in the Fifth Schedule of the Act for the mineral produced after the commencement of the MMDR Amendment Act, 2021. For such Mining Leases of Iron Ore an additional amount equivalent to 150 percent of the royalty will be payable. The additional amount shall be in addition to royalty or payment to the District Mineral Foundation and National Mineral Exploration Trust or any other statutory payment.

   The impact of this amendment on all the iron ore mines of NMDC except Kumaraswamy Mines at Karnataka is Rs. 994.54 crore for the current period and is included under Royalty and other levies.

4. An amount of Rs. 120.61 crore is provided towards Expected Credit Loss (ECL) during current quarter included in other expenses.

5. The Company had received Show Cause Notices dated 31.07.2018 from Dist. Collector, South Bastar Dantewada as to why NMDC should not be asked to deposit an amount of Rs.7,241.35 crore as compensation as calculated by Collector based on the Hon'ble Supreme Court Common Cause Judgement related to Orissa Iron ore mines (Writ Petition Civil No 114 of 2014 dated 2nd August 2017). The Company had been contesting the Show Cause Notices with Dist. Collector, South Bastar Dantewada on the ground that the said Hon'ble Supreme Court judgement is not applicable to NMDC.

   Meanwhile, revised show cause notices dated 26.09.2019 were received for a revised amount of Rs 1,623.44 Crore from Dist. Collector, South Bastar, Dantewada, to be replied within 21 days of notice. NMDC while reiterating the fact of non-applicability of the Hon'ble Supreme Court Judgement in the state of Chhattisgarh, has sought time for replying to the show cause notices.

   Further to above, Dist. Collector, South Bastar, Dantewada had issued Demand notices dated 15/11/2019 for the amount of Rs 1,623.44 Crore (Bacheli- Rs 1,131.97 Cr & Kirandul Rs 491.47 Cr) asking to deposit the amount within 15 days. As the Mining Leases of the company in the State of Chhattisgarh were expiring on 31.3.2020 and due for renewal, the Company has paid an adhoc amount of Rs 600 Crore under protest and filed writ petitions in the Hon'ble High Court of Bilaspur, Chhattisgarh and a Revision application with Mines Tribunal, Ministry of mines, Government of India, New Delhi praying to set aside the demand notices.

   The demand amount of Rs 1,623.44 crores has been shown under 'Contingent Liabilities'.

6. Figures for the previous period have been regrouped wherever considered necessary so as to conform to the classification of the current period.

For M/s Sagar and Associates
Chartered Accountants
FRN No. 003510S

SAGAR & ASSOCIATES HYDERABAD CHARTERED ACCOUNTANTS

(CA. B. Srinivasa Rao)
Partner
Membership No: 202352
UDIN: 21202352AAAANN2868
Place : Delhi
Date : 12th August 2021

For NMDC Limited,

(Amitava Mukherjee)
Director (Finance)
DIN- No: 08265207

SAGAR & ASSOCIATES
CHARTERED ACCOUNTANTS

H.O.: H.No. 6-3-244/5, Sarada Devi Street,
Prem Nagar, Hyderabad - 500 004.
Phone: 040 - 2330 3371, 2339 55 88
Fax : 040 - 2339 0151
E-mail : sagarandassociates@yahoo.co.in
E-mail : sagarandassociates.ca@gmail.com
GST No: TS - 36AAJFS7295N1Z8
AP - 37AAJFS7295N2Z5

Independent Auditor's Limited Review Report on Unaudited Standalone Financial Results of NMDC LIMITED for the quarter ended 30th June, 2021 Pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure requirement) Regulations, 2015

To
The Board of Directors
NMDC Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of NMDC LIMITED (the "Company") for the quarter ended June 30, 2021 (the "Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Circular No. CIR/CFD/CMD1/44/2019 dated 29th March, 2019 ("the Circular"). This Statement includes the results of the six (6) branches of the Company, which have been subjected to a limited review by the branch auditor of the Company. The branch auditor's reports were forwarded to us and the same has been dealt with in preparing this report, in the manner considered necessary by us.
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, have been prepared on the basis of related financial statements which is in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting prescribed under section 133 of the Companies Act. 2013, as amended read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.

SAGAR & ASSOCIATES HYDERABAD CHARTERED ACCOUNTANTS

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For M/s SAGAR & ASSOCIATES
Chartered Accountants
Firm Registration No. 003510S

SAGAR & ASSOCIATES HYDERABAD CHARTERED ACCOUNTANTS

(CA. B Srinivasa Rao)
Partner
Membership No. 202352
UDIN: 21202352AAAANN2868

Place: Hyderabad
Date: 12th August 2021

एनएमडीसी

NMDC

एन एम डी सी लिमिटेड
NMDC Limited

(भारत सरकार का उद्यम) (A GOVT. OF INDIA ENTERPRISE)

पंजीकृत कार्यालय : 'खनिज भवन', 10-3-311/ए, कैसल हिल्स, मासाब टैंक, हैदराबाद - 500 028.

Regd. Office : 'Khanij Bhavan' 10-3-311/A, Castle Hills, Masab Tank, Hyderabad - 500 028.

नैगम पहचान संख्या / Corporate Identity Number : L13100TG1958 GOI 001674

Statement of Un-Audited Consolidated Financial Results for the Quarter ended 30th June 2021

INR in crore

Particulars	Quarter Ended			Year Ended
	30-Jun-2021	31-Mar-2021	30-Jun-2020	31-Mar-2021
	Un-audited	Audited	Un-audited	Audited
I. Revenue from operations	6,512.21	6,847.57	1,937.50	15,370.06
II. Other Income	144.09	85.18	71.77	351.60
III. Total income (I+II)	**6,656.30**	**6,932.75**	**2,009.27**	**15,721.66**
IV. Expenses				
(a) Consumption of raw materials	29.71	25.18	5.24	42.01
(b) Consumption of stores & spares	64.42	85.00	47.60	257.41
(c) Changes in inventories of finished goods and work -in-progress	(535.90)	(184.57)	(56.62)	(161.81)
(d) Employee benefit expense	268.88	290.09	254.61	1,085.24
(e) Royalty and other levies	2,015.54	1,545.98	421.03	2,969.38
(f) Selling exps incl. freight	50.03	226.71	119.73	695.27
(g) Depreciation and amortisation	55.34	56.93	57.39	228.54
(h) Finance cost	3.00	4.13	9.32	16.81
(i) Other expenses	443.29	618.91	392.52	1,693.29
Total expenses	**2,394.31**	**2,668.36**	**1,250.82**	**6,826.14**
V. Profit from ordinary activities before exceptional items and Tax (III-IV)	4,261.99	4,264.39	758.45	8,895.52
VI. Exceptional items - Expenses/(Income)	-	-	-	-
VII. Profit before tax (V-VI)	**4,261.99**	**4,264.39**	**758.45**	**8,895.52**
VIII. Tax expense				
a) Current Tax	1,088.61	1,089.04	230.40	2,316.46
b) Earlier Year Tax (Net)	-	343.20	-	343.20
c) Deferred Tax	(18.07)	(1.67)	(3.73)	(11.21)
Total tax expense	1,070.54	1,430.57	226.67	2,648.45
IX. Profit for the period from continuing operations (VII-VIII)	**3,191.45**	**2,833.82**	**531.78**	**6,247.07**
X. Profit/(Loss) from discontinued operations	(0.20)	2.30	(0.57)	0.53
XI. Tax Expenses of discontinued operations	(0.05)	0.58	(0.14)	0.13
XII.Profit/(Loss) from Discontinued operations (after tax)	(0.15)	1.72	(0.43)	0.40
XIII. Profit for the period (IX+XII) :	**3,191.30**	**2,835.54**	**531.35**	**6,247.47**
XIV Share of Profit/(Loss) of Associates/JVs	(5.22)	0.07	(0.43)	29.17
XV Non-Controlling Interest (Profit)/Loss	(0.12)	(0.21)	(0.09)	(0.37)
XVI. Net Profit/loss after taxes, Non-Controlling Interest and share of profit /loss of Associates (XIII+XIV-XV) :	**3,186.20**	**2,835.82**	**531.01**	**6,277.01**
XVII. Other Comprehensive income/(expenses) (net of income tax)	(0.58)	2.68	(18.77)	(121.08)
XVIII. Total Comprehensive Income for the period (XVI+XVII)	**3,185.62**	**2,838.50**	**512.24**	**6,155.93**
XIX. Paid-up Equity Share Capital	293.07	293.07	306.19	293.07
XX. Face value per share (Re)	1.00	1.00	1.00	1.00
XXI. EPS for the period (Rs.)-basic and diluted	10.87	9.64	1.73	20.70
(*) (Adjusted on account of buyback)		(*)		(*)
	Not Annualised			Annualised

Cont... 2

दूरभाष / Phones : 040-23538713-21 (9 Lines), 23538723, 23538767 फैक्स / Fax : +91-40-23538711

ई-मेल / E-mail : hois@nmdc.co.in वेबसाइट / Website : www.nmdc.co.in

G.K. & ASSOCIATES HYDERABAD CHARTERED ACCOUNTANTS

Segment wise Consolidated Revenue, Results and Capital Employed for the Quarter ended 30th June 2021

INR in Crore

Particulars	Quarter Ended			Year Ended
	30-Jun-2021	31-Mar-2021	30-Jun-2020	31-Mar-2021
	Un-audited	Audited	Un-audited	Audited
1. Segment Revenue				
(Sale /income from each segment)				
a) Iron Ore	6,447.18	6,807.44	1,922.89	15,233.71
b) Pellet ,Other Minerals & Services	65.03	40.13	14.61	136.35
Total	6,512.21	6,847.57	1,937.50	15,370.06
Less: Inter segment revenue	-	-	-	-
Sales / Income from Operations	**6,512.21**	**6,847.57**	**1,937.50**	**15,370.06**
2. Segment Results				
(profit (+) / loss (-) before tax and interest from each segment)				
a) Iron Ore	4,194.87	4,364.78	949.94	9,258.16
b) Pellet, Other Minerals & Services	25.73	(48.28)	(36.53)	(132.81)
Total	4,220.60	4,316.50	913.41	9,125.35
Less: Finance Cost	3.00	4.13	9.32	16.81
Add : Other unallocable income net off unallocable expenditure	44.19	(45.68)	(146.21)	(212.49)
Total Profit Before Tax (incl discontinued operations)	**4,261.79**	**4,266.69**	**757.88**	**8,896.05**
3.Segment Assets				
a) Iron Ore	8,976.08	7,607.88	6,845.53	7,607.88
b) Pellet ,Other Minerals & Services	550.19	561.03	590.30	561.03
c) Unallocated	29,232.65	28,352.60	23,459.45	28,352.60
Total	**38,758.92**	**36,521.51**	**30,895.28**	**36,521.51**
4. Segment Liabilities				
a) Iron Ore	3,303.98	2,674.67	1,184.78	2,674.67
b) Pellet ,Other Minerals & Services	38.66	40.79	31.15	40.79
c) Unallocated	2,759.84	4,316.74	1,878.11	4,316.74
Total	**6,102.48**	**7,032.20**	**3,094.04**	**7,032.20**
5. Capital Employed				
(Segment Assets-Segment Liabilities)				
a) Iron Ore	5,672.10	4,933.21	5,660.75	4,933.21
b) Pellet ,Other Minerals & Services	511.53	520.24	559.15	520.24
c) Unallocated	26,472.81	24,035.86	21,581.34	24,035.86
Total	**32,656.44**	**29,489.31**	**27,801.24**	**29,489.31**

SAGAR & ASSOCIATES HYDERABAD CHARTERED ACCOUNTANTS

Cont... 3

NOTES:

1. The above results have been reviewed and approved by the Board of Directors in the meeting held on 12th August 2021.

2. The unaudited financial results have been reviewed by the Statutory Auditors as required under Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. The financial results have been prepared in accordance with the recognition and measurement principles of Ind-AS, prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued there under and the other accounting principles generally accepted in India.

4. Govt. of India has amended the MMDR Act-1957 on 28.03.2021 and as per amended provisions all such Government companies or corporations whose mining lease has been extended after the commencement of the MMDR Amendment Act, 2015, shall pay such additional amount as specified in the Fifth Schedule of the Act for the mineral produced after the commencement of the MMDR Amendment Act, 2021. For such Mining Leases of Iron Ore an additional amount equivalent to 150 percent of the royalty will be payable. The additional amount shall be in addition to royalty or payment to the District Mineral Foundation and National Mineral Exploration Trust or any other statutory payment.

   The impact of this amendment on all the iron ore mines of NMDC except Kumaraswamy Mines at Karnataka is Rs. 994.54 crore for the current period and is included under Royalty and other levies.

5. An amount of Rs. 120.61 crore is provided towards Expected Credit Loss (ECL) during current quarter included in other expenses.

6. The Company had received Show Cause Notices dated 31.07.2018 from Dist. Collector, South Bastar Dantewada as to why NMDC should not be asked to deposit an amount of Rs.7,241.35 crore as compensation as calculated by Collector based on the Hon'ble Supreme Court Common Cause Judgement related to Orissa Iron ore mines (Writ Petition Civil No 114 of 2014 dated 2nd August 2017). The Company had been contesting the Show Cause Notices with Dist. Collector, South Bastar Dantewada on the ground that the said Hon'ble Supreme Court judgement is not applicable to NMDC.

   Meanwhile, revised show cause notices dated 26.09.2019 were received for a revised amount of Rs 1,623.44 Crore from Dist. Collector, South Bastar, Dantewada, to be replied within 21 days of notice. NMDC while reiterating the fact of non-applicability of the Hon'ble Supreme Court Judgement in the state of Chhattisgarh, has sought time for replying to the show cause notices.

   Further to above, Dist. Collector, South Bastar, Dantewada had issued Demand notices dated 15/11/2019 for the amount of Rs 1,623.44 Crore (Bacheli- Rs 1,131.97 Cr & Kirandul Rs 491.47 Cr) asking to deposit the amount within 15 days. As the Mining Leases of the company in the State of Chhattisgarh were expiring on 31.3.2020 and due for renewal, the Company has paid an adhoc amount of Rs 600 Crore under protest and filed writ petitions in the Hon'ble High Court of Bilaspur, Chhattisgarh and a Revision application with Mines Tribunal, Ministry of mines, Government of India, New Delhi praying to set aside the demand notices.

   The demand amount of Rs 1,623.44 crores has been shown under 'Contingent Liabilities'.

7. Figures for the previous period have been regrouped wherever considered necessary so as to conform to the classification of the current period.

For M/s Sagar and Associates
Chartered Accountants
FRN No. 003510S

(CA. B. Srinivasa Rao)
Partner
Membership No: 202352
UDIN: 21202352AAAANO7404
Place: Delhi
Date :12th August 2021

SAGAR & ASSOCIATES HYDERABAD CHARTERED ACCOUNTANTS

For NMDC Limited,

(Amitava Mukherjee)
Director (Finance)
DIN- No: 08265207

SAGAR & ASSOCIATES
CHARTERED ACCOUNTANTS

H.O.: H.No. 6-3-244/5, Sarada Devi Street,
Prem Nagar, Hyderabad - 500 004.
Phone: 040 - 2330 3371, 2339 55 88
Fax : 040 - 2339 0151
E-mail : sagarandassociates@yahoo.co.in
E-mail : sagarandassociates.ca@gmail.com
GST No: TS - 36AAJFS7295N1Z8
AP - 37AAJFS7295N2Z5

Independent Auditor's Review Report on Consolidated Unaudited Financial Results of NMDC LIMITED for the Quarter ended 30th June 2021 pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure requirement) Regulations 2015.

To
The Board of Directors
NMDC Limited

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of NMDC LIMITED (the "Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as the "Group"), and its share of the net profit after tax and total comprehensive income of its associates and joint ventures for the quarter ended June 30, 2021 (the "Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Regulation") read with SEBI Circular No. CIR/CFD/CMD1/44/2019 dated 29th March, 2019 (the "Circular"). Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended June 30, 2020, as reported in the Statement, have been approved by the Parent's Board of Directors, but have not been subjected to review.

2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, as amended read with the relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.

SAGAR & ASSOCIATES HYDERABAD CHARTERED ACCOUNTANTS

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

   We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

Subsidiaries:

Sl. No.	Name of the entities
1	Legacy Iron Ore Limited, Australia
2	J & K Mineral Development Corporation Limited, India
3	NMDC Power Limited, India (Closed and not considered for consolidation)
4	Karnataka Vijaynagar Steel Limited, India
5	NMDC Steel Limited, India
6	Jharkhand Kolhan Steel Limited, India
7	NMDC SARL, Madagaskar, Africa(under Closure)
8	NMDC CSR Foundation, India (NCF) (Not-for-profit company, incorporated under section -8 of companies Act, 2013)- Not considered for consolidation.

Joint Ventures:

Sl. No.	Name of the entities
1	NMDC-CMDC Limited, India
2	Jharkhand National Mineral Development Corporation Limited, India
3	Kopano- NMDC Minerals (Proprietary) Limited, South Africa(under closure)
4	NMDC SAIL Limited, India(under closure)

SAGAR & ASSOCIATES HYDERABAD CHARTERED ACCOUNTANTS

5	Bastar Railway Pvt. Limited, India

Associates:

Sl. No.	Name of the entities
1	International Coal Venture Limited, India
2	Nilachal Ispat Nigam Limited, India
3	Krishnapatnum Railway Company Limited, India
4	Chhattisgarh Mega Steel Limited, India
5	Remelt-Sail (India) Limited - Under closure, Africa

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the branch auditors and other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. We did not review the interim financial statements /financial information/ financial results of six (6) branches included in the standalone unaudited interim financial statements/ financial information/ financial results of the entities included in the Group, whose results reflect total revenues of Rs. 6,512.21 crores, total net profit / (loss) after tax of Rs. 3191.45 crores and total comprehensive income of Rs. 3185.62 crores for the period ended June 30, 2021, as considered in the standalone unaudited interim financial statements/ financial information/ financial results of the entities included in the Group. The interim financial statements/ financial information / financial results of these branches have been reviewed by the branch auditors and other auditors whose reports have been furnished to us or other auditors, and our conclusion in so far as it relates to the amounts and disclosures included in respect

of these branches and joint operations, is based solely on the report of such branch auditors and other auditors and the procedures performed by us as stated in paragraph 3 above.

7. The consolidated unaudited financial results includes the interim financial statements/ financial information/ financial results of seven (7) subsidiaries which have not been reviewed/audited by their auditors, whose interim financial statements/ financial information/ financial results reflect total revenue of Rs. 0.00 crores, total net (loss) after tax of Rs (1.53) crores and total comprehensive loss of Rs. (1.53) crores for the period ended June 30,2021, as considered in the consolidated unaudited financial results. The consolidated unaudited financial results also includes the Group's share of net (loss) after tax of Rs (5.22) crores and total comprehensive loss of Rs (5.22) crores for the period ended June 30, 2021, as considered in the consolidated unaudited financial results, in respect of five (5) associates and five (5) joint ventures, based on their interim financial statements/ financial information/ financial results which have not been reviewed/audited by their auditors. According to the information and explanations given to us by the Management, these interim financial statements / financial information / financial results are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.

For M/s SAGAR & ASSOCIATES
Chartered Accountants
Firm Registration No. 003510S

SAGAR & ASSOCIATES HYDERABAD CHARTERED ACCOUNTANTS

(CA. B Srinivasa Rao)
Partner
Membership No. 202352
UDIN: 21202352AAAANO7404

Place: Hyderabad
Date: 12th August 2021

NMDC LTD. Hyderabad.