

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



No. 18(8)/2022- Sectt

6th August 2022

1) The BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001	2) National Stock Exchange of India Ltd., Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051
3) The Calcutta Stock Exchange Limited, 7, Lyons Range, Kolkata – 700001	

Dear Sir / Madam,

Sub: 64th Annual Report of NMDC Limited for the F.Y. 2021-22 along with Notice of Annual General Meeting

Ref: Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; BSE Equity Scrip ID: 526371, NSE Security ID: NMDC; BSE NCD Scrip ID: 959957

Please find attached the 64th Annual Report of NMDC Limited for the F.Y. 2021-22 along with Notice of 64th Annual General Meeting (AGM) of the Company scheduled to be held on Monday the 29th August 2022 at 11.30 (A.M.) hours IST through video conferencing ("VC") / Other Audio Visual Means ("OAVM").

The 64th Annual Report 2021-22 along with the notice convening the 64th AGM of the Company is being sent through electronic mode to those Members whose email addresses are registered with the Company/ Registrar and Share Transfer Agents / Depositories. The 64th Annual Report 2021-22 along with the notice has been uploaded on the website of the Company: www.nmdc.co.in (under Investors – Financial Details)

The 64th Annual Report is available on the website of the Company at the following link:

https://www.nmdc.co.in/cms-admin/Upload/Annual_Report_Documents/90cda1772c004c2ca86123d778f56ca6_20220806180001821.pdf

Kindly take the same on record.

Thanking you



Yours faithfully,
For NMDC Limited

A S Pardha Saradhi
ED (Company Secretary)

एनएमडीसी



NMDC

75
Azadi Ka
Amrit Mahotsav

SUSTAINABLE MINING - FOR PEOPLE & PLANET -

64TH ANNUAL REPORT
2021-2022

www.nmdc.co.in



CMD Shri Sumit Deb inaugurates the Training, Security and Environment Building at BIOM, Bachel



NMDC celebrates 64 years of public service on Formation Day 2022

TABLE OF CONTENTS

Strategic Report	FY22 Highlights	04
	Chairman's Message	05
	About us	08
	Vision / Mission and Objectives	11
	How We Create Value	12
	Financial Highlights	14
	Board of Directors	16
Senior Management	17	
Statutory Reports	Directors' Report	21
	Management Discussion & Analysis Report	58
	Report on Corporate Governance	73
	Business Responsibility Report	101
Financial Statements	Standalone Statements	
	Independent Auditor's Report	155
	Balance Sheet	171
	Statement of Profit and Loss	172
	Notes	176
	Consolidated Statements	
	Independent Auditor's Report	237
	Balance Sheet	246
	Statement of Profit and Loss	247
	Notes	251
	Notice	310

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

M/s. D.Hanumanta Raju & Co.
Hyderabad, Telangana

Cost Auditors

M/s. B. Mukhopadhyay & Co.
Kolkata, West Bengal

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 Aarathi 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@aarathiconsultants.com



**FY22 A YEAR OF
PERFORMANCE**

405.64

Sales (LT) + 22 % Year on Year

421.88

Production (LT) – 24 % Year on Year

₹25,882 Crore

Revenue from
operations + 68%



₹ **9,398** Crore

PAT + 50



“NMDC has achieved a record-breaking physical performance for FY22 on the back of a propelling expansion and investment strategy, we are entering the new fiscal with a valuable head start. Our digitalisation drive is beginning to contribute to our improved performance and we are excited to see this transformation in how we do business and share the benefits with our stakeholders. As the Government of India seeks to ramp up the domestic per capita steel consumption in our country, NMDC will take on an enhanced role to strengthen raw material supply and give impetus to self-reliance in the sector”

Sumit Deb

Chairman and Managing Director

FY22 HIGHLIGHTS

24%

YOY Increase in Production
421.88 LT

22%

YOY Increase in Sales
405.64 LT

68%

YOY Increase in
Revenue from Operations
₹ 25882 Cr

37%

YOY Increase in
Avg. Sales Realisation
₹ 6298/T

46%

YOY Increase in PBT
₹ 12981 Cr

50%

YOY Increase in PAT
₹ 9398 Cr

₹ 119

BVPS

₹ 32.07

EPS

73%

RoCE as against 76% in FY21

27%

ROE/RONW





Your company continues to aggressively pursue capacity augmentation and technology up-gradation initiatives across its projects for quantum increase in output and improve overall efficiency

CHAIRMAN'S MESSAGE





Dear Shareholder

Against the wishes of everyone, COVID-19 infections continued to haunt the world. While FY22 was a mixed bag of worries and relaxations, the initial months of FY23 have again become a period of concern with new variants of COVID-19 and other infections like monkeypox. I hope you and your families are safe and healthy.

Economic scenario

From February 2022, unexpectedly, the Russia-Ukraine conflict has replaced COVID-19 as the headline in global electronic and print media. Already suffering from the devastating infection, the world had

to face another disaster that has been challenging the availability of crude oil, edible oil and food grains. Supply chain disruptions have hindered the flow of those goods from country to country and continent to continent. The dwindling supply of essential items has a far-reaching and spiralling impact on inflation. Concerned by the unrelenting inflation rise, the central banks across the globe have been increasing the interest rates to suck the liquidity from banking systems. In these conditions, IMF, World Bank, and all major financial institutions have been downgrading the growth projections of the world economy for 2022.

In India also, inflation has been ruling above 7%, at 7.04% in May 2022 and 7.01% in June 2022. It is well above the RBI's target rate of 6% forcing the regulator to raise

interest rates by 40 bps in April and 50 bps in June 2022.

However, India's situation is not grim. The South-west monsoon, on which a major part of our economy is dependent, is expected to be normal as, by 11th July, it has covered the entire country and has been 7% higher than the normal level. Despite the ongoing geopolitical conflict, we have been able to import crude oil from Russia which has been helping us keep the average imported crude oil price lower. The government's policy measures like Production Linked Incentives (PLI), push for the creation of infrastructure, and expansion of capital expenditure have been attracting large amounts of investments from the private sector. These factors provide the comfort that India can sail through the challenges with minimal impact and global financial institutions have

assigned higher growth rates for India than the world's average.

Global output and reserves of iron ore

The global output of iron ore in the calendar year 2021, as estimated by the U.S. Geological Survey (USGS), was 2,600 million tonnes, which was 5.3% higher than 2,470 million tonnes in 2020. It is noteworthy that 2022 production was 4% higher than 2,500 million tonnes in the pre-pandemic year 2019.

In terms of country-wise output in 2021, with 900 million tonnes Australia continued to be the largest producer of iron ore. India's production was 240 million tonnes and emerged as the fourth largest country after Brazil (380 mt) and China (360 mt).

In terms of iron ore reserves, Australia tops with 51,000 million tonnes, followed by Brazil with 34,000 mt, Russia with 25,000 mt, China with 20,000 mt, Ukraine with 6,500 mt, Canada with 6,000 mt and India with 5,500 mt.

Demand drivers for Iron ore

Demand for iron ore moves in tandem with steel demand. Global crude steel production in 2021 was 1,951 million tonnes, an increase of 3.7% compared to 2020. The Russia-Ukraine conflict and the continued impact of COVID-19 in China have been dampening the demand for steel in 2022. Consequently, demand for iron ore has been declining and prices have been volatile with a downward bias in June and July 2022. Thus, the outlook for the iron ore market is not encouraging in short term.

However, long-term demand for iron is expected to be positive. As per a 2018 report of the United Nations, an additional 2.5 billion people are expected to live in urban areas. It is projected that India will have added 416 million urban dwellers, China 255 million and Nigeria 189 million. This macro factor will require enormous construction activity.

Being the most widely used as the primary material for building

houses, fabricating machinery, and producing vehicles, steel is expected to be in demand for a long time to come which will have a pulling effect on iron ore.

Financial performance

Despite the continued impact of COVID-19 in FY22, we recorded the best ever financial performance. Our production of iron ore reached 421.88 lakh tons recording a 24% jump over FY21. During the year, our Operating revenue on a consolidated basis was ₹ 25,861.73 cr, an increase of 68.3% over ₹ 15,370.06 cr for FY21. Resultantly, Net profit increased by 50.3% to ₹ 9,391.99 cr from ₹ 6,247.07 cr. The increase in the net profit is significant given that we have absorbed an additional royalty of ₹ 5,084 cr following the Mines and Mineral Regulation (Development) Act.

The company paid the highest ever dividend of ₹ 14.74 per share which works out to a 46% payout against an EPS of ₹ 32.07.

Major developments in the company

Demerger of steel plant: Our strategic business reorganisation in the form of demerging our 3 million tonnes NMDC Iron & Steel Plant (NISPL), Nagarnar, Chhattisgarh into NMDC Steel Limited is progressing well. We have obtained the No Objection Certificate from the stock exchanges. Our application for demerger has been accepted by the Ministry of Corporate Affairs and as directed by them, we have held the meetings of Unsecured creditors and Shareholders of our company in June 2022. We expect to complete the demerger within FY23.

Expansion at Bachel mine: We have envisaged the fifth line of screening and the downhill conveyor augmentation at Bachel mine, but the project has been delayed with a problem with the consultant. Now, we have appointed a new consultant and the project work has been resumed. We expect these facilities to be ready in FY23 and add about 25 lakh tonnes of production. [\[This info is from the concall transcript.\]](#)

25 lakh tons is a per annum number or for FY23?)

Renewal of Kumaraswamy mine: Our lease at Kumaraswamy mine from the Karnataka government has been renewed in June 2022. This mine has a production capacity of 70 lakh tonnes of iron ore per annum.

Dismantling of e-auctions: So far, our sales in Karnataka are routed through e-auctions conducted by the Monitoring Committee appointed by the Supreme Court and the Monitoring Committee has been retaining 10% of the sales proceeds towards the reclamation and rehabilitation plan. Further, Monitoring Committee receives the sales proceeds and then transfers them to us. In the process, our monies are stuck with the Monitoring Committee for a considerable time. Through a recent judgment, Supreme Court has done away with that requirement to allow a level playing field with other states. This will help simplification of our sales in the state and cut down the working capital cycle.

Going forward

On the back of the developments mentioned above at the Bachel mine, Kumaraswamy mine and other mines, we target production of 460 lakh tonnes of iron ore in FY23. This volume is about 10% higher than in FY22 and would provide a cushion against possible pressure on pricing and we hope to maintain and surpass the top line again in FY23. Dismantling the e-auctions through Monitoring Committee in Karnataka would be an additive to both the top line and bottom line.

I am grateful to all the shareholders, Board members, employees, customers, suppliers, banks, regulatory bodies, governments and all stakeholders for supporting the company in its progress.

Yours Sincerely

Sumit Deb

Chairman and Managing Director

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 mechanized 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 mechanized 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%.

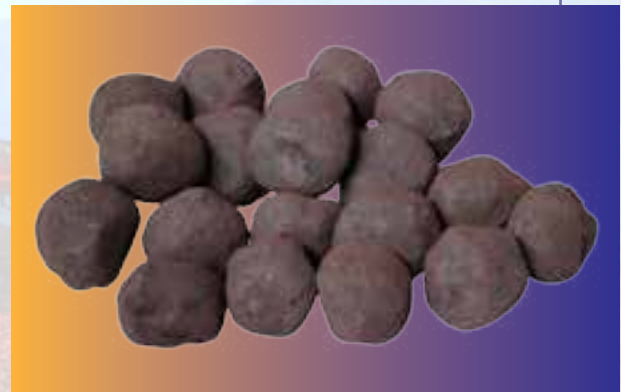
10-20 mm sized Kumaraswamy Lump: 6.3 mm to 31.5 mm size with Fe 64.5%.

Doni Fines: - 10 mm with Fe 64%.

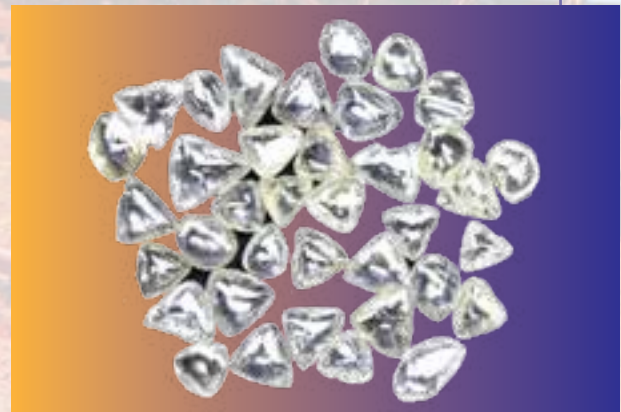
Kumaraswamy Fine: -10 mm with Fe 64%.

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

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

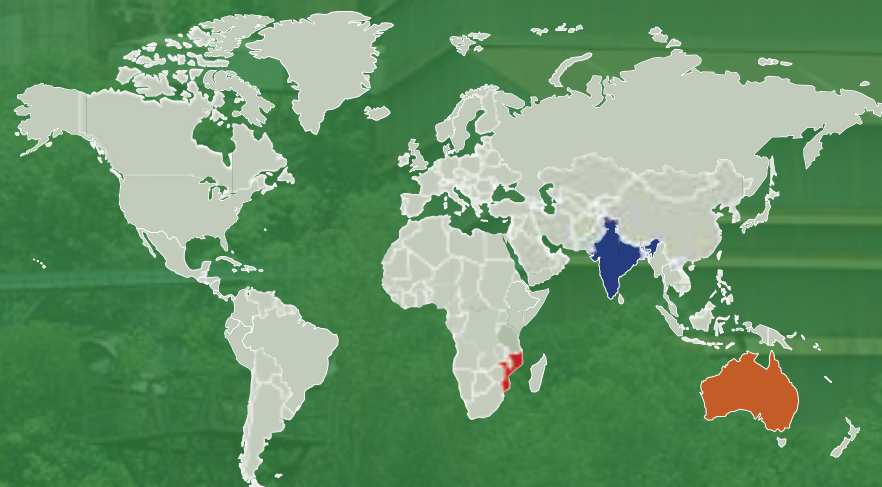
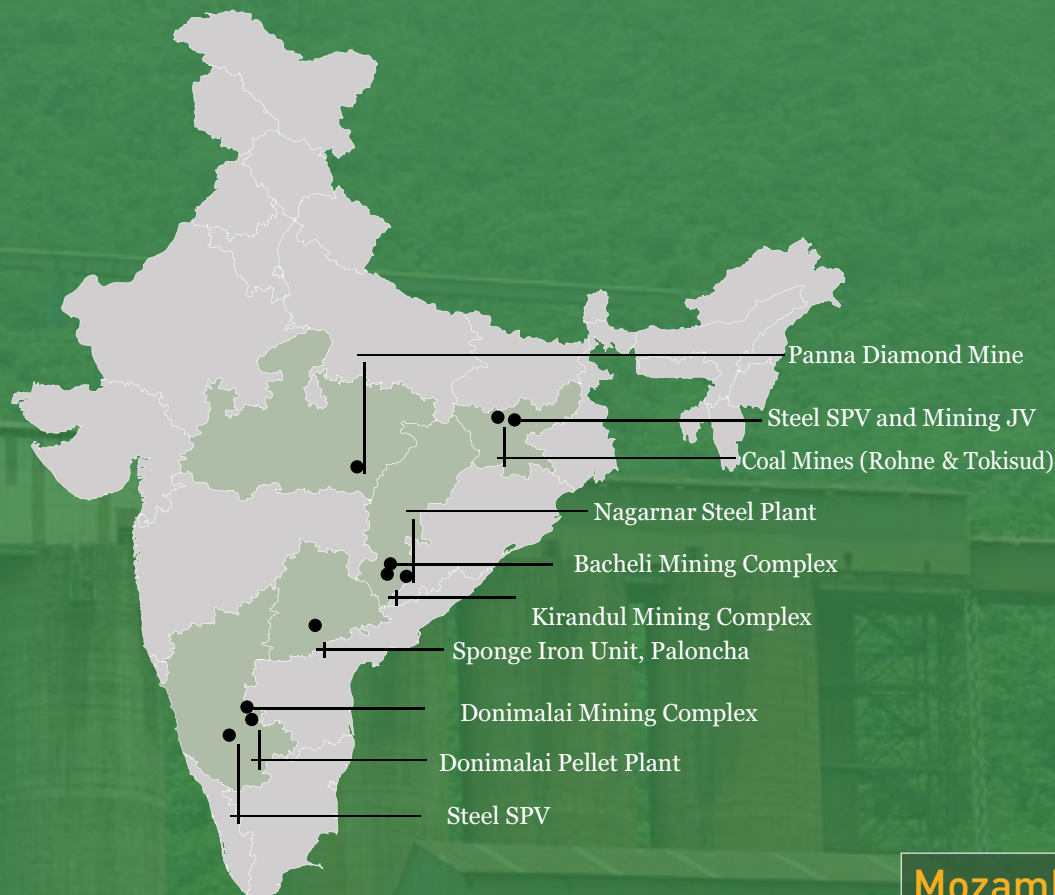


Rough Diamonds





OUR GEOGRAPHICAL FOOT PRINTS



Mozambique

26% stake in ICVL which owns coking coal deposit in Mozambique.

ICVL had acquired Rio Tinto Coal Mozambique (RTCM) by which ICVL has 65% ownership in Benga Coal Project and 100% interest in Zambeze, Tele East and other coal exploration projects.

Australia

92.32% stake in Legacy Iron Ore Limited, ASX listed entity based in Perth, Australia.

Legacy is presently carrying out exploration in its 21 exploration tenements in Western Australia in Iron Ore, Gold, Tungsten and Base metals.

VISION / MISSION AND OBJECTIVES

Vision

To emerge as a global environment friendly mining organisation and also as a quality steel producer with a positive thrust 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 strategic & 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.

Operation/Business Capital

3 Iron Ore Mines and 1 Diamond Mine.

Intellectual Capital

60 years of legacy capabilities and unique processes.

People Capital

Experienced Board of Directors, Senior Management and Staff.

Environment Capital

Environment Friendly Mining

Relationship Capital

Ministry of Steel
Central and State Govt. Authorities
Customers
Suppliers
Investors
Society

NMDC is engaged in mining of iron ore which is crucial for the steel industry. NMDC produces around 42 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 by deployment of state-of-the-art technology.
- 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

What we do



Exploration
& Estimation

Development
& Excavation

Processing &
Beneficiation

Loading &
Despatch

Marketing &
Sales

Contributing
to Society

OUR VALUE CHAIN



Exploration & Estimation



Processing & Beneficiation



Marketing & Sales



Development & Excavation



Loading & Despatch



Contributing to Society

ECONOMIC AND SOCIAL OUTPUTS

Turnover

₹ **25882** crores

R&D Expenses

₹ **31.13** crores

CSR Spent

₹ **287** crores

Employee Benefit
Expenses

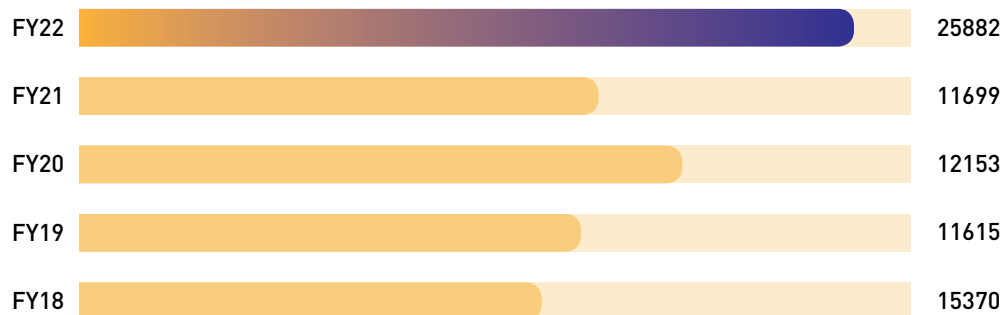
₹ **1334** crores

Dividend

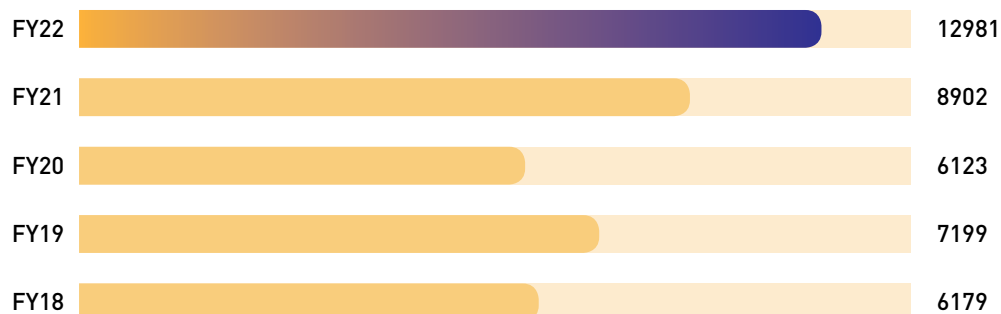
₹ **4320** crores

FINANCIAL HIGHLIGHTS

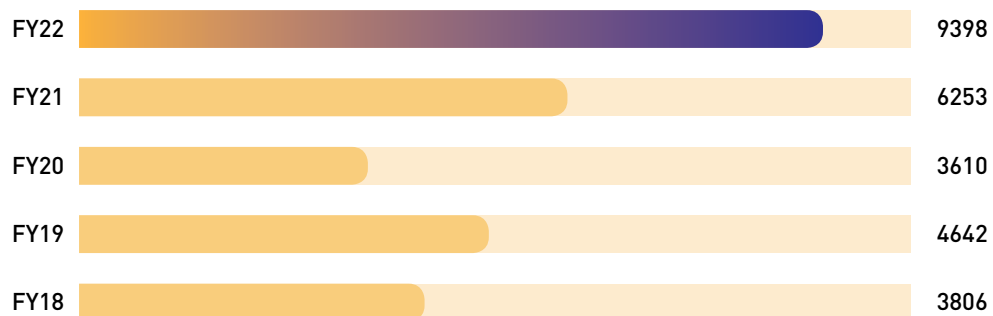
Turnover (₹ Crore)



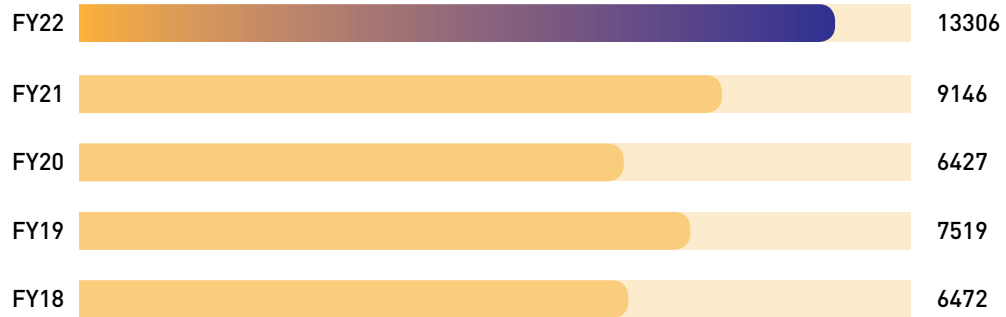
PBT (₹ Crore)



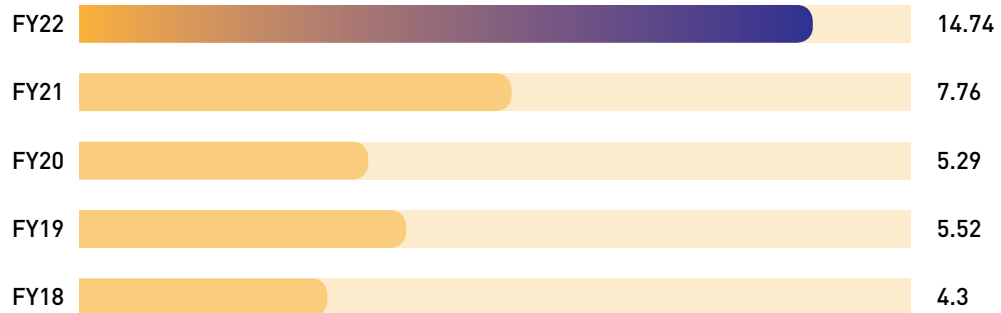
PAT (₹ Crore)



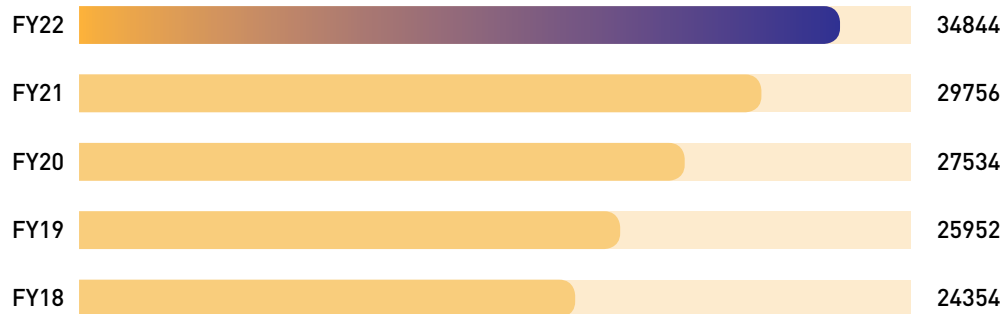
EBITDA (₹ Crore)



Dividends Distributed (₹ Per Share)



Networth (₹ Crore)



BOARD OF DIRECTORS



Shri Sumit Deb
Chairman and Managing Director

FUNCTIONAL DIRECTORS



Shri Amitava Mukherjee
Director (Finance)



Shri Somnath Nandi
Director (Technical)



Shri Dilip Kumar Mohanty
Director (Production)

GOVERNMENT NOMINEE DIRECTORS



Smt. Rasika Chaube, IDAS
Director, NMDC Ltd., &
Additional Secretary, Ministry of Steel



Smt. Sukriti Likhi, IAS
Director, NMDC Ltd., and Additional Secretary &
Financial Advisor, Ministry of Steel

INDEPENDENT DIRECTORS



Shri Sanjay Tandon
Director



Dr. Anil Sadashivrao Kamble
Director



Shri Vishal Babber
Director



Shri Sanjay Singh
Director

CHIEF VIGILANCE OFFICER



Shri B. Vishwanath, IRSS
Chief Vigilance Officer



Shri A.S. Pardha Saradhi
Executive Director and Company Secretary

SENIOR MANAGEMENT



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



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



A.K. Prajapati
Executive Director
Coal Division, Ranchi



A.K. Padhy
Executive Director
(Commercial) Head Office,
Hyderabad



K. Praveen Kumar
Executive Director
(Per & Law) Head Office,
Hyderabad/Head, NISP



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



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



Sanjeev Sahi
Chief General Manager
Donimalai



Pranab Kumar Mazumdar
Chief General Manager
Bacheli, CG



P. Laxman Rao
Chief General Manager
(Engg. & Projects)
Head Office, Hyderabad



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



Suresh Kumar Jain
Chief General Manager
(Mining)
Head Office, Hyderabad



Pankaj Kumar Sharma
Chief General Manager
GEC, Raipur



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



N. Ramakrishna Prasad
Chief General Manager
(IE)
Head Office, Hyderabad



I. Soma Sekhara Rao
Chief General Manager
(Projects)
Head Office, Hyderabad



Satyender Rai
Chief General Manager
(ERP)
Head Office, Hyderabad



Rabindra Narayan
Chief General Manager
(Mechanical)
Head Office, Hyderabad



Kishan Ahuja
Chief General Manager
(Contracts & Steel)
Head Office, Hyderabad



G. Priyadarshini
Chief General Manager
(Personnel)
NISP, Jagdalpur



Vinay Kumar
Chief General Manager
BIOM, Kirandul Complex



B. Venkateswarlu
Chief General Manager
(Mining)
BIOM, Bacheli Complex



Padmanabha Naik
Chief General Manager
(IE)
BIOM, Bacheli Complex



K. Mohan
Chief General Manager
(Personnel)
Head Office, Hyderabad

AZADI KA AMRIT MAHOTSAV AT NMDC CELEBRATING INDIA@75



AZADI KA AMRIT MAHOTSAV AT NMDC CELEBRATING INDIA@75



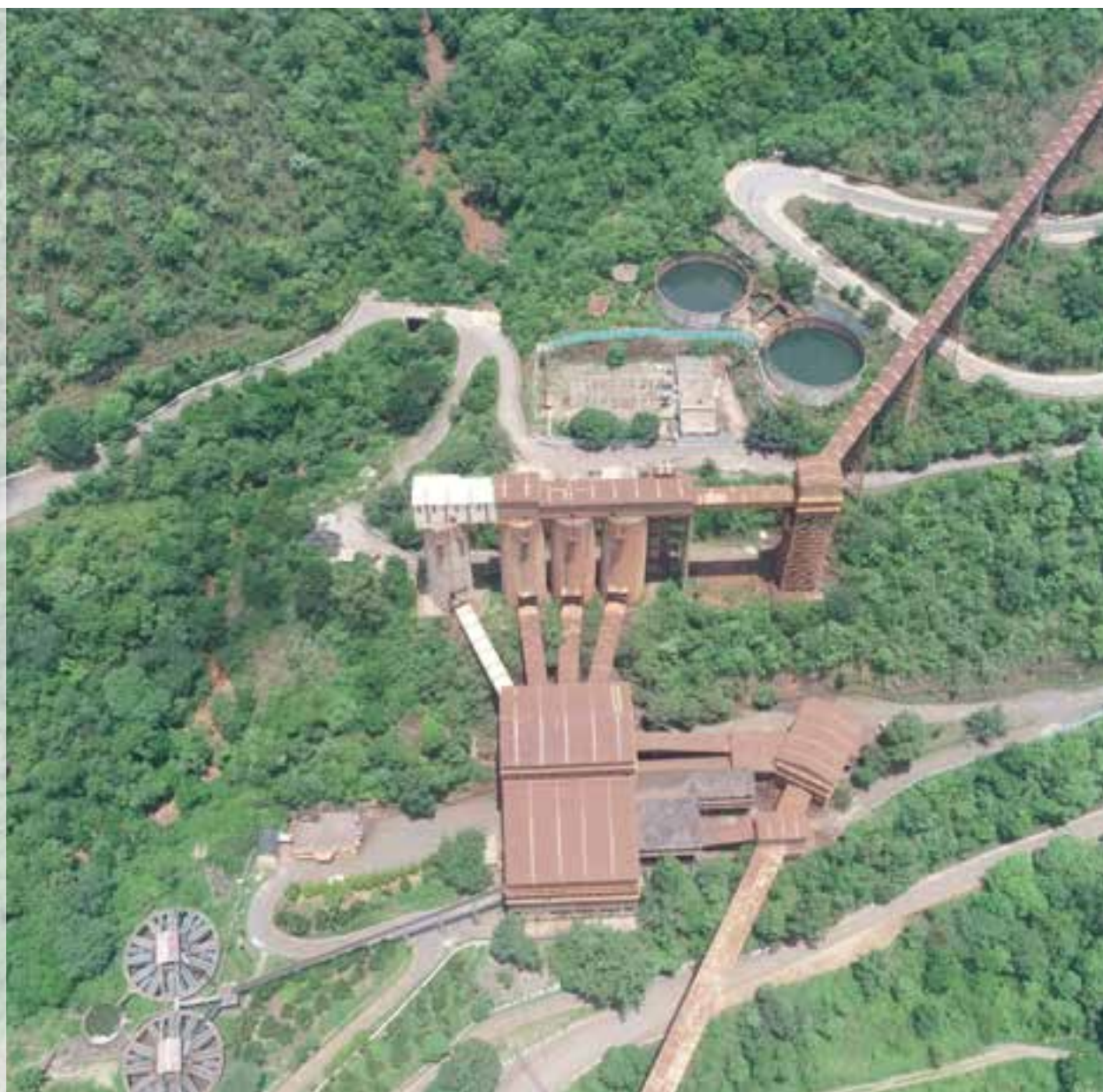
PROGRAMMES AND EVENTS



DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 64th Annual Report on the performance of your Company, together with the Audit Report and Financial Statements for the year ended 31st March 2022 and the Report thereon by the Comptroller and Auditor General of India.



1.0 (A) STATE OF COMPANY AFFAIRS & PERFORMANCE HIGHLIGHTS

During the year under review, the Company has recorded turnover of ₹ 25,882 crores, achieved Profit Before Tax (PBT) of ₹ 12,981 crores and achieved Profit after Tax (PAT) of ₹ 9,398 crores.

The major performance highlights are summarized as under:-

- The company achieved production of 42.19 MT and sales of 40.56 MT.
- Turnover for the year under review was ₹ 25,882 crores as against ₹ 15,370 crores in the previous financial year 2020-21 – an increase of 68.39%.
- Profit before tax (PBT) from continuing operations was ₹ 12,981 crores compared to ₹ 8,901 crores in the previous financial year 2020-21 – an increase of 45.84%.
- Profit after tax (PAT) was ₹ 9,398 crores compared to ₹ 6,253 crores in the previous financial year 2020-21 – an increase of 50.30%.
- Net worth of the Company stood at ₹ 34,844 crores as on 31.03.2022 – 17.10% higher than the previous financial year 2020-21 to ₹ 29,756 crore.
- The Company declared an Interim Dividend of ₹ 14.74 per share for FY 2021-22.
- Capital expenditure of ₹ 2,849 crore has been incurred during the year under review.

- The Board of Directors at its 539th meeting held on 13.07.2021 inter alia, approved the Scheme of Arrangement between the Company and NMDC Steel Limited and their respective creditors and shareholders, entailing inter-alia demerger of Nagarnar Iron & Steel Plant (NISP).
- The Promoter (President of India, acting through and represented by the Ministry of Steel, Government of India) has sold 21,95,02,378 (7.49%) equity shares @ ₹ 165/- per share and raised an aggregate net amount of ₹ 3651.37 crores through offer for sale.
- The Promoter (President of India, acting through and represented by the Ministry of Steel, Government of India) has sold 1,47,942 (0.005%) equity shares @ ₹ 165.50 per share and raised an aggregate amount of ₹ 244.84 crores through Employee Offer For Sale.

(B) Scheme of Arrangement between NMDC Limited and NMDC Steel Limited and their respective shareholders and creditors (Demerger of NISP).

The Board of Directors at its 532nd meeting has inter alia accorded in-principle approval for demerger of NMDC Iron & Steel Plant (NISP), Nagarnar.

A 100% subsidiary company by the name NMDC Steel Ltd. having its registered office at Nagarnar, CG has been incorporated on 02.01.2015 as a Private Limited Company. The transfer of NISP shall be by way of a scheme of demerger into the



wholly owned subsidiary company as incorporated by the name NMDC Steel Ltd.

The Board of Directors at its 539th meeting held on 13.07.2021 inter alia, approved pursuant to the provisions of Section 230 to 232 of the Companies Act, 2013 and the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions, if any, of the Companies Act, 2013, and / or any statutory modification(s) or re-enactment thereof to the Scheme of Arrangement between the Company and NMDC Steel Limited and their respective creditors and shareholders, entailing inter-alia demerger of the Demerged Undertaking (as defined under the Scheme) of the Company into Resulting Company on a going concern basis, as per the terms and conditions mentioned in the Scheme.

Rationale for the Scheme of Arrangement

Government of India has charted a road map to augment India's steel production to 300 MTPA by 2025. To fulfill this vision, green-field steel plants are being promoted through Special Purpose Vehicles ("SPVs") in mineral rich states of Chhattisgarh, Jharkhand, Karnataka and Odisha. It has been envisaged that the SPV being set up at these states would act as a facilitator and developer for the steel plant. It would acquire the required land, obtain statutory clearances for setting up the plant, organize water & power allocation for the site, along with dedicated raw material supply agreement. On completion of the above activities, the SPV would invite for suitable investor/s, who would construct, develop and operate the steel plant.

As part of expansion, value addition and forward integration programme, and also in consonance with the desire of the Government of India and Government of Chhattisgarh, NMDC Limited is setting up a 3 MTPA capacity Greenfield integrated steel plant ("NMDC Iron & Steel Plant" or "NISP") at Nagarnar, located 16 km from Jagdalpur in Chhattisgarh State.

The decision to construct the NISP was taken keeping in view with linkage with iron ore reserves and availability of investable surplus. NISP has progressed significantly further than the other Steel SPVs. The only difference is that NISP is being developed and constructed within NMDC Limited as opposed to being developed in an SPV. Also, NMDC Vision 2025, whilst mentioning forward integration has specifically stated that its role would be that of a developer for steel plants and at suitable time invite investors to commission and operate the plants. NMDC is therefore considering proposed scheme to add more value to Company's stakeholders by demerging NISP into a separate company and subsequently inviting investors.



To this effect, in October 2020, the Cabinet Committee on Economic Affairs gave its 'in-principle' approval to the demerger of NISP from NMDC Limited and strategic disinvestment of the NMDC Steel Limited by selling entire Government of India stake in the NMDC Steel Limited to a strategic buyer.

Accordingly, to achieve the above objective, the Board of Directors of NMDC Limited have decided to make requisite applications and/or petitions before the Ministry of Corporate Affairs, Government of India under Sections 230 to 232 of the 2013 Act (hereinafter defined) and other applicable provisions for the sanction of the Scheme.

The broad contours of the scheme of demerger are briefly outlined as under:-

- **Appointed Date:** April 01, 2021 or any such other date as may be decided by the Ministry of Corporate Affairs, Government of India ("MCA");
- **Effective Date:** Date on which the certified copies of the order of the MCA sanctioning the Scheme are filed with the concerned Registrar of Companies;
- **Scheme: Transfer of Demerged Undertaking:** Under the Scheme, the NMDC Iron & Steel Plant at Nagarnar, Chhattisgarh ("Demerged Undertaking") shall be demerged from NMDC Limited ("NMDC") into NMDC Steel Limited ("NSL"), which is currently a wholly owned Subsidiary of NMDC;
- **Scheme: Transfer of Assets and Liabilities:** All assets and liabilities of the Demerged Undertaking, except certain assets/liabilities as specified under the Scheme, will be transferred to NSL at book value appearing in accounts of NMDC on the Appointed Date;



- **Consideration:** As a consideration for transfer of Demerged Undertaking to NSL, NSL shall, without any further application, act, instrument or deed, issue and allot to all the equity shareholders of NMDC, whose names appear in the register of members as on the Record Date (*defined below*), 1 (One) equity share of NSL of INR 10 each fully paid-up for every 1 (One) equity shares held in NMDC of INR 1 each fully paid-up. No cash consideration will be paid to NMDC on account of the transfer of Demerged Undertaking and related assets / liabilities. Accordingly, demerger of the Demerged Undertaking from NMDC into NSL will be tax neutral on NMDC as NMDC will not receive any cash consideration;
- **Record Date:** Date to be fixed by the Board of Directors of NSL and NMDC for determining the shareholders of the NMDC to whom fully paid up equity shares of the NSL will be issued pursuant to the Scheme;
- **Increase in Authorized Share Capital:** Upon the Scheme becoming effective, the authorized share capital of NSL will automatically stand increased to INR 30,00,00,00,000 (Indian Rupees Three Thousand Crores);
- **Cancellation of existing shares of NSL:** All the existing shares of NSL, currently held by NMDC, shall stand cancelled;
- **Mirror Shareholding:** After the Scheme becomes effective, the shareholding of NSL will 'mirror' that of NMDC; Accordingly, upon the scheme being effective, the issued, subscribed and fully paid-up equity share capital of the resulting company, NMDC Steel Ltd. shall be 293,06,05,850 equity shares of INR 10/- to reflect the same / equal number of equity shares as NMDC and mirror shareholding pre the proposed demerger.
- **Listing:** The new shares of NSL which are issued and allotted to the shareholders of NMDC shall be listed on BSE Limited, National Stock Exchange of India Limited and Calcutta Stock Exchange Limited, after obtaining the requisite approvals;
- **Employees:** All staff / workmen / employees engaged or employed in relation to Demerged Undertaking as identified by the board of NMDC shall be deemed to have become staff / workmen / employees of NSL from the Appointed Date;
- **Shared Assets:** NMDC and NSL shall enter into shared services agreements and long-term supply agreement, as may be necessary, on terms and conditions that may be agreed between NMDC and NSL and on payment of consideration on an arm's length basis and which is in the ordinary course of business;
- **Costs, Charges and Expenses:** All costs, charges, taxes including duties, levies and all other expenses, if any of NMDC and NSL, arising out of or incurred in connection with implementing this Scheme, shall be borne by NMDC;

- **Conduct of Business:** From the Appointed Date and up to the Effective Date, NMDC shall be deemed to have been carrying on and shall carry on business and activities with respect to the Demerged Undertaking, for and on account of, and in trust for NSL.

The Scheme of Arrangement has been filed with National Stock Exchange of India Ltd, BSE Ltd and The Calcutta Stock Exchange Ltd.

Joint Petition dated 18.01.2022 between NMDC Ltd., (Applicant / Demerged Company) and NMDC Steel Ltd. (Applicant / Resulting Company) has been filed before the Ministry of Corporate Affairs, Govt. of India vide File No.24/1/2022-CL-III u/s 230 – 232 of the Companies Act, 2013 read with Govt. of India, Notification No.GSR.582(E) dated 13.06.2017. Pursuant to an application by the Authorized Signatories of both the companies.

The Demerged Company M/s NMDC Limited and Resulting Company M/s NMDC Steel Limited have broadly prayed for relief (s) as detailed below:-

- (i) To give directions for convening the meeting of the equity shareholders of the Demerged Company, to consider and, if thought fit, to approve, with or without modifications(s), the Scheme of Arrangement between NMDC Ltd. and NMDC Steel Ltd. and their respective shareholders and creditors (the Scheme)
- (ii) To dispense with the requirement of convening the meeting of secured creditors of the Demerged Company
- (iii) To give directions for convening the meeting of the unsecured creditors of the Demerged Company to consider and, if thought fit, to approve, with or without modifications(s), the scheme
- (iv) To dispense with the requirement of convening the meeting of equity shareholders of Resulting Company.
- (v) To dispense with the requirement of convening the meeting of the unsecured creditors of the Resulting Company.
- (vi) Directing issuance of notice of meetings of equity shareholders and unsecured creditors of the Demerged Company.
- (vii) Directing publications of advertisement of the notices of the meeting of the equity shareholders and unsecured creditors of the Demerged Company in the newspapers namely Times of India (English Edition), Dainik Bhaskar (Hindi Edition) and Eenadu (Telugu Edition)
- (viii) Directing service of Notice of the application on the Regional Director (South East Region), Regional Director (North Western Region) Registrar of Companies, Hyderabad, Registrar of Companies,

Chhattisgarh and Jurisdictional Income Tax Department.

MCA after considering the prayers and submissions made by the Resulting Company, directed that the meeting of equity shareholders of the Resulting Company is dispensed with since the Resulting Company has furnished the requisite consent affidavit(s) of all the equity shareholders.

The Demerged Company has submitted that there was only one secured creditor as on 30.09.2021 in the name of State Bank of India and the said Bank has furnished its consent affidavit for the proposed scheme. Hence, the meeting of secured creditor of the Demerged Company was also dispensed.

The Resulting Company has submitted a certificate from an independent Chartered Accountant stating that there are no/nil secured creditor as on 30.09.2021. With regard to the unsecured creditor, the Resulting Company has furnished a certificate from an independent Chartered Accountant stating that there are two unsecured creditors as on 30.09.2021 and both the unsecured creditors of the Resulting Company have furnished their consent affidavit to this ministry. Hence, the meeting of the secured and unsecured creditors of the Resulting Company was also dispensed.

Pursuant to the Ministry of Corporate Affairs Order dated 11.04.2022, a meeting of the Equity Shareholders of the Demerged Company has been convened on 07.06.2022 for considering the Scheme of Arrangement and Smt. Rasika Chaube, Additional Secretary, Ministry of Steel, Government of India has been appointed as the Chairperson of the Equity Shareholders meeting. Due to unforeseen circumstances (unavailability of Chairperson) and due to unavailability of quorum, the meeting has been adjourned to 28.06.2022.

Pursuant to the Ministry of Corporate Affairs Order dated 11.04.2022, a meeting of the unsecured creditors of the Demerged Company whose debt is of a value more than rupees one (1) crore as on 30.09.2021 has been convened on 07.06.2022 for considering the Scheme of Arrangement. Smt. Rasika Chaube, Additional Secretary, Ministry of Steel, Government of India has been appointed as the Chairperson of the unsecured creditors meeting. The meeting was duly convened on 07.06.2022 for seeking the approval of the unsecured creditors in the matter of Scheme of Arrangement and due to unavailability of the Chairperson appointed by MCA, the meeting of the unsecured creditors is duly adjourned to 28.06.2022.

The Demerged Company, NMDC Ltd. published the newspaper advertisement regarding the adjournment of the meetings of Equity Shareholders and Unsecured Creditors in Times of India, Eenadu and Dainik Bhaskar, stating the adjourned meetings to be held on Tuesday, 28.06.2022 at the same time and through the same means (i.e. VC / OAVM).

(C) Extension of Mining Lease of Donimalai Iron Ore Mine (ML No. 2396) for 20 years from 04.11.2018 to 03.11.2038 as per the provision of the Mineral (Mining by Government Company) Rules, 2015

The Government of Karnataka, while renewing the lease of NMDC's Donimalai Iron Ore Mine, had imposed a new condition asking for a premium of 80% on the average sale value. As the demand of the State Govt. was not as per the provisions of the MMDR Act -1957 and Mineral (Mining by Government Company) Rules, 2015, the company requested the State 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 requested 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 19.08.2019 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.

On 28.08.2020, a high-level meeting was conducted at Bengaluru between the Hon'ble Chief Minister of Karnataka and Union Minister of Coal & Mines, in the presence of the CMD – NMDC Ltd. and senior officers of Centre and State Governments. In the meeting it was decided to extend the Mining Lease of Donimalai Iron Ore Mine with a temporary premium of 22.5 % of the average sale value published by IBM. It was also decided in the meeting that Ministry of Mines, Gol will review the "Mineral (Mining by Government Company) Rules, 2015" for suitable amendments to decide the additional amount payable apart from the royalty / other statutory levies in respect of Mining Leases of Government Companies granted prior to 12.01.2015 and a High-Level Committee shall be constituted to examine the modalities in this respect.

Subsequently, on 29.11.2020, Ministry of Mines, Government of India has given its approval for extension of Mining Lease of Donimalai Iron Ore Mine in terms of the proceeding of the meeting held on 28/08/2020. On 01.12.2020, Government of Karnataka, permitted NMDC to commence mining operations, as an interim measure with immediate effect at Donimalai Iron Ore Mine for which NMDC shall unconditionally pay to the State Government 22.5% of the IBM Sale Price (for Karnataka) apart from the Royalty and other statutory levies.



On 17.12.2020, Govt. of Karnataka ordered for execution of conditional mining lease deed of Donimalai Iron Ore Mine with effect from 03.11.2018 for a period of 04 years or till the implementation of High-Level Committee report, whichever is earlier.

Subsequently on representation of NMDC Ltd., on 10.02.2021 Govt. of Karnataka issued a modified order for execution of conditional mining lease deed for a period of 20 years i.e., up-to 03.11.2038 subject to the conditions in the Govt. Order dated: 01.12.2020 and 17.12.2020. NMDC executed the conditional Mining Lease deed on 12.02.2021 and same has been registered on 16.02.2021.

Donimalai Iron Ore Mine of NMDC Ltd. has resumed mining operations since 18.02.2021.

Further, it may be noted that 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 and the same is applicable to Donimalai Iron Ore Mine also.

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

State Govt. of Chhattisgarh had been seeking compensation to be paid on the basis of the Common Cause Judgement of Hon'ble Supreme court (Writ Petition Civil No 114 of 2014, dated 2nd August 2017) related to the mines in the State of Odisha. Show-cause notices were issued by the Chhattisgarh State Govt. for which the company has all along been reiterating the fact of non-applicability of the said judgement of the Hon'ble Supreme Court in the state of Chhattisgarh.

However, notwithstanding with the replies submitted by the company, Chhattisgarh State Govt. issued Demand notices on 15.11.2019 for an amount of ₹ 1,623.44 Crore (Bachelu - ₹ 1,131.97 Crore & Kirandul ₹ 491.47 Crore) to be deposited within 15 days.

The Company paid an adhoc amount of ₹ 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. Hon'ble High Court sought certain clarifications from the respondent & directed no coercive action and listed the case for further hearing. Due to COVID-19 situation, no further hearings could take place.





Revision application with Mines Tribunal, Ministry of Mines, Government of India, New Delhi has been heard on 09.03.2022, in which representatives of the State Government are directed to file comments/para wise reply within two weeks. NMDC is pursuing the matter.

(E) Impact of Covid-19 Pandemic

(a) Production

The production performance of NMDC Ltd. during the FY 2021-22 was not impacted due to Covid-19 as the company has taken adequate precautions to ensure safety of the employees and workers. The company has undertaken an elaborate exercise of administering vaccines to all our eligible employees as per the guidelines of Ministry of Health & Family Welfare.

(b) Commercial

There was a limited impact of Covid-19 during the FY 21-22. During the second wave, a partial lockdown was imposed which affected the demand supply dynamics of iron & steel sector, the same affected the demand of raw materials e.g., iron ore during Q-1 FY 21-22. As the restrictions were lifted in subsequent quarters, NMDC volumes increased exponentially & as a result company could achieve more than 20% growth in terms of volume over previous year.

(c) Finance

The COVID-19 had not impacted the operations of the company during the FY 2021-22.

2.0 PHYSICAL PERFORMANCE

2.1 Production

Product	Achievement		Percentage of change
	2020-2021	2021-2022	
Iron Ore (Million tonnes)	34.15	42.19	(+) 23.54 %
Diamond (Carats)	13,681	0.00	-
Pellets (Tonnes)	83,751	1,82,298.77	(+)117.67 %

3.0 SALES OF IRON ORE

Particulars	Physical (in Million Tones)			Value (Rs. in crore)		
	Achievement		% of change	Achievement		% of change
	2020-21	2021-22		2020-21	2021-22	
Domestic	30.96	40.56	31.00 %	13,484.01	25,537.47	89.39%
Export through MMTC	2.29	0.00	%	1,749.69	9.19	(-) 99.47%
Total Sales	33.25	40.56	21.98%	15,233.70	25,546.66	67.70 %

3.1 Other Sales

Products	Achievement	
	2020-21	2021-22
a) Diamond		
Sales (carats)	22,249	25219
Value (₹ in crore)	21.10	62.93
b) Sponge Iron		
Sales (tonnes)	-	-
Value (₹ in crore)	-	-
c) Wind Power		
Sales (lakh units)	1.59	1.47
Value (₹ in crore)	5.17	4.99
d) Pellet (In WMT)		
Sales (In WMT)	92,773	1,96,972
Value (₹ in crore)	73.50	222.11

4.0 FINANCIAL PERFORMANCE

4.1 Operating Results

Parameter	Achievement		Percentage of change
	2020-2021	2021-2022	
Profit Before Tax (PBT) (₹ in crore)	8,901	12,981	(+) 45.84 %
Profit After Tax (PAT) (₹ in crore)	6,253	9,398	(+) 50.29 %
Net Worth (Rs. in crore)	29,756	34,844	(+) 17.10 %
Book value per share (₹)	101.53	118.89	(+) 17.10 %
Earnings per Share (₹)	20.62 (*)	32.07	(+) 55.53 %

(*) Adjusted on account of buyback)

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

4.2 Profit & Dividend

During the year under review, your Company has earned profit before tax from continuing operations of ₹ 12,981 crores on a turnover of ₹ 25,882 crores in comparison with previous year's achievement of ₹ 8,901 crores and ₹ 15,370 crores respectively.

The Company has declared 1st Interim Dividend for FY 2021-22 @ ₹ 9.01 per share in the month of Dec 2021 and 2nd Interim Dividend for FY 2021-22 @ ₹ 5.73 per share in the month of Feb 2022 resulting an outgo of ₹ 4,319.72 crores. The share of Government with equity stake of 60.79 % is ₹ 2,626 crores.

4.3 TRANSFER TO RESERVES

The company proposed to transfer ₹ 5,000 crore from net profit to General Reserve.

4.4 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

4.5 DEPOSITS

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

4.6 NON-CONVERTIBLE DEBENTURES (NCDs)

During the year under review, the company has not issued any Non-Convertible Debentures (NCDs).

5.0 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 26th May, 2022 which forms part of the Annual Report.

6.0 (a) 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.

(b) 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.

(c) 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.



7.0 (a) STATUTORY AUDITOR'S REPORT

The Audit Report for both Standalone and Consolidated Financial Statements for the year 2021-22 is unmodified and does not contain any qualification, reservation or adverse remark.

(b) SECRETARIAL AUDIT REPORT

The Secretarial Audit Report for the FY 2021-22 as done by M/s Hanumanta Raju & Co., Company Secretary in whole time practice contains qualifications and does not contain reservation or adverse remark.

NEW PROJECTS & BUSINESS DIVERSIFICATIONS:

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. Action for new projects have been initiated. During the financial year 2021-22, the details of Projects undertaken by NMDC are summarized as under:

A. Ongoing Projects:

1. Screening Plant III – Kirandul Complex
2. Slurry Pipeline Project which includes facilities like 15 MTPA Slurry Pipeline from Bachel to Nagarnar along with 2.0 MTPA Ore Processing Plant at Bachel and 2.0 MTPA Pellet Plant at Nagarnar
3. Doubling of KK line between Kirandul & Jagdalpur
4. Additional Screening Line & up gradation of existing downhill conveyor at Dep-5, Bachel.

B. Projects in pipeline:

1. Screening Plant II- Donimalai Complex
2. New crushing Plant and Downhill Conveyor system at Dep-14 & 11C
3. Town ship project at Kirandul
4. Township project at Donimalai

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, New Crushing Plant of Dep.14 & 11/C and Downhill conveyor, additional screening lines in Bachel, 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 Bachel & Kirandul and Slurry pipeline from Bachel to Nagarnar has been taken up.

In Screening Plant-III project at Kirandul the site work in packages like site development package, MRSS packages, Dry circuit (*major technological package*) and RWLS are in progress.

The upcoming scheme in Donimalai Complex includes a Second Screening Plant of 10.0 MTPA capacity for handling the ROM from both Donimalai & Kumaraswamy mines in addition to the existing Screening Plant. Statutory clearances for 10.0 MTPA Screening Plant-II are awaited.

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.

Doubling of KK line between Kirandul & Jagdalpur (150.462 kms) is being executed by Railways as a Deposit work and overall progress for this work is 76 %. Doubling of 85 Km rail line is already completed and is in operation. Another 21 km rail line doubling is expected to be completed by August-22. Works are in progress in other reaches and are expected to be completed progressively by FY 2023-24. The completion of this project will augment the evacuation capacity of Bailadila sector through railway line from 28 to 40 MTPA.

NMDC has taken up an ambitious project of laying Slurry pipeline from Bailadila to Nagarnar and further up to Visakhapatnam. The Capacity of the line is 15 MTPA and this will be associated with facilities like beneficiation plants at Kirandul & Bachel, pellet plant at Nagarnar. Laying of slurry pipeline between Bachel and Nagarnar, 2.0 MTPA Ore Processing plant at Bachel and 2.0 MTPA Pellet Plant at Nagarnar is taken up in Phase-1 for implementation.

Site development works of Ore Processing Plant (OPP) at Bachel 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, Slurry pipeline laying package, technological package of Pellet plant and Enabling works of Ore Processing Plant & Pellet plant and construction activities are in progress at site.

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 in various production units of NMDC (*Bailadila Iron Ore Mine, Kirandul Complex & Bachel Complex and Donimalai Iron Ore Mine, Donimalai Complex*) and are in operation. With this, NMDC has joined other major corporates in harnessing solar power which has assumed a greater significance in recent times. Further tender for Supply, Installation, and Commissioning of 425 kWp Roof Top Solar Power Plant in Bachel Complex, Dantewada, CG was also awarded in Feb-22.

Steel Plant Project at Nagarnar, Chhattisgarh:

The State of the art 3.0 MTPA steel plant at Nagarnar is at advanced stage of construction completion and reaching its commissioning phase. Conducting cold trial, preliminary Acceptance Test etc of individual as well as

integrated test of equipment under various Technological packages are in progress as pre-commissioning activities. Pre-commissioning activity has been started with heating of Coke-Oven battery. MECON has been awarded with the job of O&M (Operation & Maintenance) of plant during commissioning and subsequent operation of the plant.

The plant will produce an impressive array of products viz. HR Plates, API - 5L Quality Plates Sheets, HR Coils, High Carbon Steel, Silicon Steel and Automotive Steel.

Initiatives for Technological upgradation

1. **Development of Vision Enhancement System for Foggy weather for Bailadila Complex (In Collaboration with CSIR-CIMFR)**

To overcome the production loss due to foggy weather in the mine where visibility will be around 1 to 2 meters during monsoon season, NMDC and CSIR- CIMFR has made an agreement on 22.07.2019 for R&D collaborative project "Development of Vision Enhancement System for Foggy Weather" at BIOM Bachel Complex Deposit 5 with total project cost of ₹ 509.75 Lakhs of which ₹ 230.51 lakhs was funded by Ministry of Electronics and Information Technology (MeitY) for technology development.

"Vision Enhancement System" is an intelligent driver assistance technique for effective visualization of haul road i.e., dump truck transportation path in the mine as well as loading / unloading areas during foggy weather.

The System was installed last year (FY 21-22) during rainy season and it was found that the vision for dumper operation needs further improvement. Accordingly, further intensive lab test and R & D activities have been undertaken for improvement in the system which will be tested during forthcoming monsoon in the month of July-Aug'22.

2. **Fleet Management System for BIOM Bachel & Kirandul Complex**

As part of digital transformation to set the legacy in mining sector and increase efficiency, productivity and safety, State of the Art Technology driven Fleet Management System (FMS) is being implemented for BIOM Bachel Complex and BIOM Kirandul Complex.

Fleet Management solution includes complete software and hardware structure which is designed for online monitoring and control of tracking devices, installed on the vehicle being used for carrying out production activity in the mine. The effective outputs from the system are available to the user(s) online for quick monitoring and decision making also long-term statistical reports can be extracted for long-term management, planning



and integration with ERP (SAP HANA). The features of the system are High & Low Precision Guidance System, Proximity Awareness, Health Monitoring, Fuel Management, Tire Pressure & Temperature, Fatigue Monitoring and Crusher Management

NMDC has issued Letter of Intent (LoI) to M/s. Amnex Infotechnologies Private Limited Ahmedabad for the work of "Implementation of Fleet Management System at BIOM-Bachel Complex and BIOM-Kirandul Complex of NMDC Limited" at a total contract price of ₹ 47.08 Cr, on 27.09. 2021. Letter of award of Contract has been issued on 04.10.2021 and Contract Agreement has been signed on 14.10.2021.

M/s Amnex has started the work of survey of Mining Machineries for implementation of Fleet Management System at Bachel and Kirandul Complex & preparation of Implementation Plan.

The time line for completion of all modules except Health Monitoring System is 9 Months. For Health Monitoring Modules, additional 6 Months' time will be given for implementation.

3. **Fully Automated dispatch Iron ore Sampling and Analysing System for BIOM, Bachel, Kirandul Complex and DIOM Donimalai**

In order to reduce customer dissatisfaction, eliminate human errors in collection, preparation and analysis of samples, transparency & accuracy in quality analysis, digitalization, storage and retrieval of large records along with integration in ERP (SAP HANA) and also as part of overall ramp up in production & dispatch of iron ore the proposal has been taken up and is under process for issuing tender.

4. **Automated Capturing of Production & Dispatch data on real time basis from OCSL Plant Belt Scales of Kirandul, Bachelai & Donimalai Complex.**

As part of first phase of digital ERP initiative in mining sector and to reduce human interference, increase productivity, utilize man power efficiently, storage of historic data in easily retrievable format, improve reliability of operation, having diagnostics, centralized control and integration with ERP (SAP HANA), it is proposed to integrate all the relevant belt scales of each OCSL Plant of Kirandul, Bachelai & Donimalai Complex with a centralized web based SCADA server for on line collection & display of production & dispatch data on real time basis in all control rooms of OCSL plants and integration with ERP dashboard.

The work has been awarded to M/s Prudent Automation Pvt. Ltd on 07.05.2022 with a completion period of 60 days from the date of approval of drawings i.e., 19.05.2022.

5. **Implementation of Integrated Print Facility System with Freight Online Information System (FOIS) of railways at Loading Plant BIOM Bachelai Complex**

As part of the drive towards reduction of turnaround times for rakes and to increase dispatches and various other benefits, railways (ECoR) had made it mandatory for implementation of integration of wagon loader print facility with FOIS at private railway sidings including BIOM Kirandul & Bachelai Complex.

The work was awarded to M/s Prudent Automation Pvt Ltd and the implementation of the above in NMDC Ltd was taken up and completed first at NMDC Kirandul mechanized railway siding on 15.06.2021.



In a similar way implementation was completed at NMDC Bachelai mechanized siding on 25.03.2022 and the system is working satisfactorily.

6. **Replacement of existing Relay Logic Circuit (RLC) with Automation System in Crushing Plant & Downhill D-14 of BIOM Kirandul Complex**

Crushing Plant & DH-14 of Kirandul Complex was commissioned in the year 1966 and the existing electrical control system for process is based on Relay Logic Circuit (RLC). The system was initially supplied by M/s YASKAWA, Japan and is in operation till date and has become obsolete.

In view of the digital transformation drive, in mining sector and to increase the efficiency, productivity, storage of historic data in easily retrievable format, improve reliability of operation, having diagnostics, centralized control and integration with other plants & ERP (SAP HANA) it is proposed to upgrade the system from RLC to latest automation system. The proposal is in approval stage and further implementation will be taken up after award of work.

7. **Replacement of existing Relay Logic Circuit (RLC) System, LTMCC, control & communication cables etc with E-House, Automation System, & IMCC (Intelligent MCC) for Loading Plant of BIOM Kirandul Complex**

Loading Plant, Kirandul Complex was commissioned in the year 1966 and the existing electrical control system for process is based on Relay Logic Circuit which is operated continuously 24 x 7, 365 days a year for dispatch of iron ore through rakes and direct feeding through conveyor BC 614 to M/s AMNS. The system was initially supplied by M/s YASHKAWA, Japan.

Complete refurbishment of all Switchgears, different types of cables, control room, LTMCC, upgradation of RLC with latest automation has been taken up in two phases. In the first phase replacement of medium voltage switchgears and cables and in the second phase the present proposal has been taken up.

The present proposal caters to increase in the efficiency, productivity, storage of historic data in easily retrievable format, improving reliability of operation, having diagnostics, centralized control and integration with other plants & ERP (SAP HANA). The proposal also includes supply and commissioning of E-House for automation & IMCC and is in approval stage and further implementation will be taken up after award of work.

8.1 OVERSEAS PROJECTS / NMDC GLOBAL

Australia

Legacy Iron Ore, Perth, Australia

Legacy Iron Ore Ltd is an ASX listed entity based in Perth, Australia with a focus on Gold, Iron ore and base metals. NMDC has 90.02% equity in the company.

Legacy Iron holds significant interest in Mt Bevan, Magnetite project in Western Australia with 1.17 billion tonnes of JORC Inferred & Indicated resource (@30.6% Fe). Legacy Iron also has Gold, Base metals & Tungsten tenements in Western Australia. Legacy has 22 tenements-Iron ore (01 tenement), Gold (17 tenements), Base Metals and Tungsten (04 tenements). All these tenements are in different exploration stages. Mt Celia is reaching Pre-feasibility Stage and Mt Bevan has defined Iron Ore resources. Other projects have valid targets of different commodities.

Exploration: So far Legacy has conducted 19,111m of RC and 2850m of diamond drilling in Mt Bevan Magnetite Project, 2429 Mts RC drilling for Mt Bevan Nickel exploration, 30,173 Mts RC drilling and 1150 Mts diamond drilling in gold tenements and 2133 Mts drilling in Base metal tenements.

JORC resource at Mt. Celia Gold project now stands at 312,600 ounces @1.39 g/t gold. Legacy Iron is conducting Pre-feasibility studies in its Mt Celia

Gold project with an aim to develop viable gold mining project.

Joint Development of Mt Bevan: To progress Mt Bevan iron ore project and conduct the pre-feasibility studies, Legacy (60% stake) along with its partner Hawthorn Resources (40% stake) had signed JV agreement with M/s Hancock Magnetite Prospecting Ltd. Pursuant to this arrangement, M/s Hancock will invest and undertake the developmental works in Mt Bevan. After completion of the pre-feasibility studies, Legacy will have 29.4% stake in Mt Bevan JV.

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 1.747 Million tons in FY'22 (Both low ash & high ash) and exported 1.54 Million Tons.

8.2 Leases for minerals

Iron Ore

Iron Ore Mining Leases:

Your Company is having Five Iron Ore Leases in Chhattisgarh and two Iron Ore Leases in Karnataka. The present status is as under:-



In Chhattisgarh

Sl. No.	Name of Mining Lease	Area in Ha	ML Validity
1	Bailadila Deposit-11 (A,B & C)	874.924	10/09/2037
2	Bailadila Deposit-14	322.368	11/09/2035
3	Bailadila Deposit-14NMZ	506.742	06/12/2035
4	Bailadila Deposit-5	540.05	10/09/2035
5	Bailadila Deposit-10	309.34	10/09/2035

In Karnataka

Sl. No.	Name of Mining Lease	Area in Ha	ML Validity
1	Donimalai Iron Ore Mines	597.54	03/11/2038
2	Kumaraswamy Iron Ore Mines	639.80	17/10/2022

Kumaraswamy ML No. 1111- Extension of Kumaraswamy ML which is expiring in Oct-2022.

Your Company submitted application to Government of Karnataka on 22-02-2021 for extension of Mining Lease of Kumaraswamy Iron Ore Mines M.L. No. 1111 for a period of 20 years. Director (Mines) Department of Mines and Geology, Government of Karnataka forwarded the application on 05-01-2022 for the extension of Kumaraswamy Iron Ore Mining Lease (M.L. No. 1111) to the Secretary (MSME & Mines), Commerce and Industries Department, Govt of Karnataka. Extension of Kumaraswamy ML is awaited.

Iron ore: In Jharkhand

Sasangada

A JV Company (NMDC 60% & JSMD 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 grant of forest permission, drilling could not be carried out in the lease period. As suggested by Ministry of Mines, Govt of India, 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.

Director (Mines), DMG, GoJ suggested that, JNMDC to submit Fresh Composite Licence application after approval from JNMDC Board as per Section 17A of MM(D&R) Amendment Act,2021.The matter is being pursued with Govt. of Jharkhand for reservation.

Ghatkuri

Your Company has submitted a proposal to the

Secretary, Dept. of Industries Mines & Geology, Govt. of Jharkhand for reservation of Ghatkuri Iron ore deposit, West Singhbhum District, under Section 17A(2A) of MM(D&R) Amendment Act 2015 for Prospecting and Mining operation in favour of JNMDC. As per carrying capacity studies of Saranda Region conducted by MOEF&CC the applied area falls under Elephant Corridor which is no mining zone. Your Company requested Addl. Sec. MoS, GoJ on 01-02-2021 to take up the matter with MOEF &CC for exempting the Ghatkuri Iron Ore area from conservation zone and keep it under Mining Zone so that this block can be reserved for NMDC. The Matter is being pursued with GoJ and MoS, GOI.

Gold: In Jharkhand

Gold & associated mineral Deposit:

Your company submitted application to the Secretary cum Commissioner, DMG, GoJ on 01-01-2019 for proposal to reserve 24.80 Sq. Km. area in Kuchai Tehsil, District Saraikela-Kaswan, Jharkhand, 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 –

Your Company 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

Ramandurg Iron Ore Mine- Your company requested to Ministry of Steel, Govt of India on 20-06-2020 to take up the matter with MoM, GoI to reserve Ramandurg Iron ore deposit (area - 5.17 sq. km) in favour of NMDC Ltd under section 17A(1A) of MM(D&R) Act,1957. Matter is being pursued with MoS, Govt. of India and Govt. of Karnataka.

Other Minerals

Your 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. Sr. Geologist, DMG, Raichur has submitted his recommendation along with Technical Report to Director, DMG, GoK for reservation of applied area in favour of NMDC for Prospecting and Mining Operations. The matter is being pursued with Govt. of Karnataka.

In Odisha

Iron & Manganese Ore

Your Company is pursuing for reservation for Malangtoli, Mankadnacha, Khandadhar (A & B Blocks), & Rakma iron ore deposits and Panduliposi Iron Ore & Manganese Deposit and Kansa block for Nickel. NMDC has carried out detailed exploration of Malangtoli Iron ore deposit, Odisha during 1972-77 and established mineable reserve of 340 Million tonnes.

Your Company is putting efforts and persuading the matter with Ministry of Mines, Govt of India through MoS, GoI for reservation of Malangtoli Iron Ore Block in favour of NMDC. Due to continuous persuasion of your Company, Ministry of Mines, Govt of India sent a letter to Govt of Odisha on 04-01-2022 regarding their comments on the instant proposal and observation made by IBM, Nagpur. The matter is being pursued with Govt of Odisha for reservation in favour of NMDC Ltd.

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

Status of Exploration Works:

Iron Ore Prospective Blocks:

Sidhi Block in Sidhi & Singrauli, Districts

- a) Identified 5 iron ore sub blocks. Geological mapping, Geophysical Surveys and Geochemical Mapping completed in 5 potential sub-blocks. Topographic Surveys using SP2 60 GNSS completed. To establish the quantity and grade, a total of 964 meters of core drilling carried out. Chemical analysis of core samples is under process.
- 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):

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. Also demarcated several additional anomalous areas in the diamond blocks by processing the Raw Aeromagnetic Data obtained from GSI in Diamond Blocks.
- APCCF (LM), Bhopal granted permission for drilling in 5 Blocks (2 Large Blocks & 3 Additional Blocks). Drilling party selected through open tender. Total 3882 meters of drilling completed in 5 blocks and balance drilling in revenue areas is under progress.
- Matter is being pursued with Forest Dept. for obtaining permission for drilling in 4 Additional Blocks.

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. Forest Permission obtained for core drilling in one Manganese Block (14 BHs) from APCCF (LM),

Bhopal. Exploratory drilling will be conducted shortly.

Govt. of M.P. granted working permission for reconnaissance survey for various minerals in Jabalpur, Katni and Mandla Districts and NMDC identified areas for Manganese, Ferro-Manganese and Bauxite for further exploration. Geological mapping completed in 2 identified bauxite sub blocks and chemical analysis is under progress.

In Andhra Pradesh

Your 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.

Your Company has applied for Peravali – Betapalli in Kurnool & Anantapur Districts; Rajagollapalli in Chittoor district and Konetirajupalem -Kundam block in Nellore district for **Gold and associated elements**. NMDC has requested State Govt. to reserve these blocks in favour of NMDC under 17A (2A) of MM (D&R) Amendment Act, 2015 for Prospecting & Mining. The matter is being pursued with Govt of AP.

In Bihar

Your Company requested Chief Secretary, Govt. of Bihar (GoB) for provision of free area/ block for exploration for **Gold & Associated Elements** in Jamui Dist., Bihar. Chief Secretary forwarded the application to Prin. Sec, Mines & Geology Dept., GoB for further necessary action. The matter is being pursued with Govt of Bihar.

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

Your company was allocated 5 blocks (one iron ore block each in Jharkhand & Maharashtra; and 2 Gold blocks in Karnataka & 1 Gold block in M.P.) by MoM, Gol for G4 level exploration.

All the blocks were explored successfully and Geological Reports were submitted to NMET & concerned State Governments. NMET reimbursed an amount of ₹ 3.42 Crores to NMDC as per Schedule of Charges fixed by MoM, Gol and claim made by NMDC.

Your Company is putting efforts to get approval from NMET, Ministry of Mines , Govt of India for the project proposal entitled “Reconnaissance Survey (G4) for Genesis of BIF hosted high grade iron ore of Bailadila Deposits with special reference to geological controls on mode of occurrence of ORE-BENEATH-ORE and implication on future game changing exploration in India”.

Chigargunta-Bisanatham gold block-

Your Company has become preferred bidder for Chigargunta-Bisanatham gold block for Mining Lease (ML area 263.01 Ha.) located in Chittoor Dist. in Andhra Pradesh through e-auction route with a final bid offer of 38.25%. The matter is subjudice due to pendency of Writ Petition filed by M/s Bharath Gold Mines All Employees Industrial Cooperative Society Ltd. before Hon'ble High Court of Andhra Pradesh. The matter is being pursued with Govt. of Andhra Pradesh for issuing LOI in favour of NMDC.

Drone based Mineral Exploration NMDC-IIT, Kharagpur.

Your Company has signed Contract research agreement on 16/03/2022 with Geology & Geophysics Dept. & Mining Dept. of IIT, Kharagpur.

NMDC-CMDC Limited (NCL) a JV Company of NMDC Limited & CMDC Ltd:

NMDC-CMDC Limited (NCL) is a Joint venture Company of NMDC Limited and CMDC Limited with a share capital ratio of 51% and 49% respectively. The present status of all the projects of the Company is as follows:-

Bailadila Deposit-4

Ministry of Mines, GOI has reserved Bailadila Iron Ore Deposit-4 an area of 646.596 ha in favour of NMDC-CMDC limited (NCL) under section 17A (1A) of MMDR Act, 1957 vide their Gazette Notification no. 697(E) dated 30/09/2019 for a period of 05 years for prospecting and mining operation. MRD, GoCG has issued LOI for grant of ML vide letter dated 26/06/2021 in favour of NCL for five years. The Mining Plan of Dep-4 has been approved by IBM, Raipur on 24/09/2021. NCL has applied for obtaining environment clearance under Environment Protection Act, 1986 and Forest Clearance under Forest Conservation act, 1980.

Bailadila Deposit -13

Mining Lease was granted for Bailadila Iron Ore Deposit-13 over an area of 413.745 Ha in favour of NMDC Limited for 50 years by State Govt. of Chhattisgarh vide order no. F3-84/05/12 dated 07/01/2017 and Lease deed for the same has been executed on 10/01/2017.

As per JV agreement dated 27th March 2007 by and between CMDC and NMDC Ltd., mining lease for Bailadila Iron Ore Deposit-13 had to be transferred in the name of NMDC-CMDC Limited (NCL) and then NCL would undertake all the required steps for development and operation of the Mine. Further, Mining Lease Grant Order No. F3-84/95/12 dated 07/01/2017, in respect of Deposit-13 issued by State Government of Chhattisgarh, stipulate that

'after the execution of the lease deed, NMDC will transfer the Mining Lease to the JV Company NMDC-CMDC limited'.

Mineral Resource Department, Government of Chhattisgarh, has issued an order no. F3-84/1995/12 dated 06/11/2017 for transferring the mining lease of Bailadila Iron Ore Deposit-13 in favour of NMDC-CMDC Limited. Mining Lease of Deposit-13 has been transferred in favour of NMDC-CMDC Limited (NCL) on 04.12.2017. On 02.07.2018 M/s Adani Enterprises Limited has been appointed as MDO for Bailadila Iron Ore Deposit-13.

MoEF&CC, GOI, has accorded transfer of Environmental Clearance in name of NMDC-CMDC Limited from NMDC on 12.12.2019. Final FC under Section 2(ii) of Forest Conservation Act 1980 was granted over an area of 315.813 Ha. in favour of NMDC Limited by MoEF&CC on 09.01.2017. Action has been initiated for transfer of existing FC in favour of NCL. CEGB granted approval to NCL for consent to Operate 2MTPA on 27.04.2019.

The Revised Mine Plan of NCL was approved by IBM, Raipur on 06.03.2019 for a capacity of 10 MTPA. The validity of the Mining Plan of Deposit-13 was up to March 2021. Hence, Revised Mining Plan for the period 2021-26 has been prepared by NMDC and the same was approved by IBM Raipur on 12.01.2021.

District administrator, Dantewada issued orders to stop all project activities of Dep-13 on 11.06.2019 due to protest by local villagers against MDO and demanding enquiry against FRA certificate issued by Gram Sabha. Forest Department, GOCG, Raipur has issued show cause notice to NMDC for cancelling the Stage-II Forest clearance of Deposit-13 on 06.03.2020 considering the report of District Administrator, Dantewada to nullify the Gram Sabha proceedings. NMDC-CMDC Limited (NCL) has submitted the reply to the forest Department, Govt. of Chhattisgarh against the show cause notice issued for cancelling the Stage-II Forest clearance of Deposit-13.

MRD, Govt. of Chhattisgarh has issued a 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 under Rule 20(3) of MCR 2016 on 05.03.2020. NMDC-CMDC Limited (NCL) has submitted the reply to the MRD, GOCG against the notice issued for lapsing the Mining Lease of Deposit-13 for non-commencement of mining operation within 2 years from grant of mining lease under Rule 20(3) of MCR 2016.

NCL vide letter no. NCL/HO/Dep-13/ML/2020/833/01 dated 25.03.2021 has submitted ₹ 1,00,000/- (Rs. One Lakh) towards revival of mining Lease of Bailadila Iron Ore Deposit-13 under Rule 20(5) of MCR (other than atomic and hydro carbons energy minerals) 2016 vide Challan no: 146803648 dated 23.03.2021.

NCL vide letter no. NCL/HO/Dep-13/ML/2022/1014 dated 14.02.2022 has again requested Under Secretary, MRD, GoCG for providing suitable decision in the matter of lapsing of mining lease, so as to start the development and operation of Deposit-13. Also, NCL vide letter no. NCL/HO/Dep-13/ML/2022/1015 dated 14.02.2022 has requested Dy. Secretary (Forest), GoCG for providing suitable decision in the matter of cancelling the Stage-II Forest clearance of Deposit-13, so as to start the development and operation of Deposit-13.

Baloda - Belmundi Diamond Block

The 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 17A (2A) of MM (D&R) Amendment Act, 2015 for prospecting and exploitation.

Ministry of Mines, GOI vide G.S.R.744(E) dt 14.10.2021 granted reservation of Baloda-Belmundi Diamond Block for PL or ML in favour of NMDC-CMDC limited under section 17A(1A) of MMDR Act, 1957. NCL vide letter dated 13.01.2022, submitted application to Secretary, MRD, GoCG for grant of Prospecting License for Baloda-Belmundi Diamond Block.

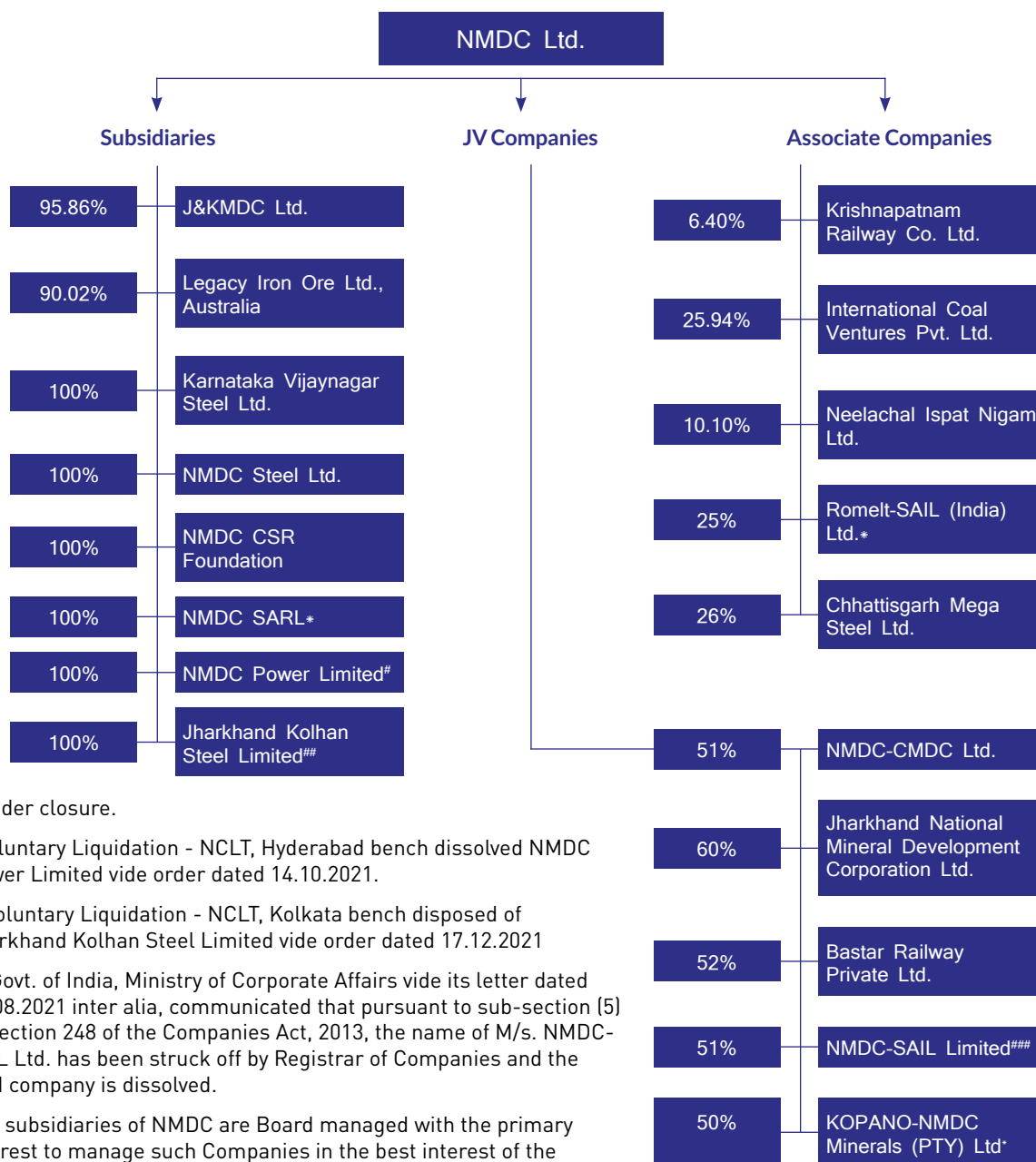
Bailadila Deposit No.1 and 3 & 8

The Company has submitted proposal to the Secretary, MRD, GoCG dated 06/10/2021 & 25/10/2021 to reserve Dep. No. 1, 3&8 respectively in favour of NMDC-CMDC Limited (NCL) under section 17A (2) of MM (D&R) Act, 1957.

MRD, GoCG vide letter dated 24.11.2021 has recommended to MoM, GOI for reservation of 21.3 Sq.km area of Dep-1 mine in favour of NMDC-CMDC Limited under rule 17A(2) of MMDR Act 1957 (as amended) for undertaking prospecting followed by mining operations.

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

- a) As on 31.03.2022, NMDC has 6 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.

Voluntary Liquidation - NCLT, Hyderabad bench dissolved NMDC Power Limited vide order dated 14.10.2021.

Voluntary Liquidation - NCLT, Kolkata bench disposed of Jharkhand Kolhan Steel Limited vide order dated 17.12.2021

Govt. of India, Ministry of Corporate Affairs vide its letter dated 16.08.2021 inter alia, communicated that pursuant to sub-section (5) of section 248 of the Companies Act, 2013, the name of M/s. NMDC-SAIL Ltd. has been struck off by Registrar of Companies and the said company is dissolved.

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:-

- All investments in these Companies are approved by the Board of Directors.
- The Company nominates its representatives on the Board of these Companies.
- The minutes of the Board meeting of these Companies are placed before the Board of NMDC Limited.

Notes:

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

10.0 ENVIRONMENT MANAGEMENT:

NMDC has obtained the Environmental Clearance (EC) under EIA notification 2006 from MOEF&CC for regularisation of Deposit-11 ML for the production capacity of 11.30 MTPA ROM Iron Ore. Amendment of existing Environmental Clearance of 14/11C by excluding 11C part (1.5 MTPA Iron Ore Production), modifying to Deposit-14&14NMZ for the production capacity of 10.5 MTPA ROM production obtained from MOEF&CC on 1.12.2021.

Your company has also obtained TOR from MOEF&CC on 22/3/2022 for capacity expansion of Deposit-14 (from 5 to 10 MTPA ROM Iron Ore) & Deposit-14 NMZ (from 5.5 to 8.5 MTPA ROM Iron Ore). The work order was issued for appointment of QCI/NABET consultant for preparation of EIA/EMP report. The baseline studies are under progress covering pre-monsoon season'2022.

Your company is in the process of enhancing the ROM Iron ore production capacity of Kumaraswamy Iron Ore Mine from 7 to 10 MTPA. The public hearing was successfully held on 22.3.22 at KIOM. The action plan is under progress for the public hearing demands. The final EIA/EMP report, Form-II etc will be uploaded in PARIVESH shortly for Expert Appraisal Committee for obtaining of EC.

Your company is in the process of enhancing the ROM Iron Ore production capacity of Bailadila,

Deposit-5 from 10 to 12 MTPA of ROM Iron Ore. QCI/NABET accredited consultant has been appointed for preparation of EIA/EMP report in line with the MOEF&CC circular issued on 11.4.2022 upto 20% based on the environmental safeguard conditions. The baseline studies are under progress covering pre-monsoon'2022.

Your company has got valid operating consents from State Pollution Control Boards for all production projects. The Company obtained renewal of Consent to Operate under Air (Prevention & Control of Pollution) Acts 1981 and Water (Prevention & Control of Pollution) Act 1974 for all projects.

Your company also obtained the consent for operation of 100 bedded Hospital at Bacheli and is valid till 27/8/2026.

Your company also obtained authorization under Hazardous Waste Management & Transboundary movement Rules 2016 from CECB for Bailadila Deposit-5 for handling 100 KL used oil. The authorization is valid till 2/8/2025.

Your company obtained final forest clearance from MoEF&CC, Integrated Regional Office, Raipur on 21/12/2021 for diversion of 7.116 Ha of forestland for associated facilities for Iron Ore Beneficiation Plant at Bacheli.



The sub-committee comprising of Expert Appraisal Committee, representatives of MOEF&CC, Delhi, Representatives of MOEF&CC, Nagpur & Bhopal and Field Director (Panna Tiger Reserve) visited the Panna Diamond Mining Project, Panna on 29th-31st October'2021.

Your Company has amended Tripartite agreement and released ₹ 699 Lakhs in December 2021 for implementation of Dhurli Samuh Gramin Jal Praday Yojana in 24 no.s villages under Dantewada District, Chhattisgarh. The total revised cost for implementation of the above water supply scheme is ₹ 5453.85 Lakhs.

Your company is taking utmost care for environmental protection and ecological restoration work that includes plantation in and around the lease areas, construction and repair of buttress walls, check dams, check bunds, garland drains, rainwater harvesting pits, broadcasting of seedlings and laying of geo-coir matting on the inactive waste dumping sites are being implemented.

Your Company is carrying out greenhouse gas (GHG) accounting studies for the three iron ore mining projects, environmental monitoring studies covering all environmental attributes, ground water quality & water levels by recognized laboratories. The studies indicated that all environmental parameters are found well within the limits.

11.0 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 (MLTSCM) 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.

Corporate Level Tripartite Safety Committee Meeting is being held regularly once in a year at Head Office after completing the Mine Level meetings at all Mines.

Safety Committees have been constituted in every operating mine and pit safety meetings are held every month for discussing the safety matters and

corrective actions related to work atmosphere.

Man days lost per 100000 man days worked for the year 2021-22 is 2.16 and 3.69 for the year 2020-2021.

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) – ISO 45001:2018 & Social Accountability - SA 8000:2014 Certification Standards.

All the NMDC Production Projects viz. Bailadila Iron Ore Mine, Kirandul Complex (BIOM, KC); Bailadila Iron Ore Mine, Bachel Complex (BIOM, BC); Donimalai Iron Ore Mine & Kumarswamy Iron Ore Mine, Donimalai Complex (DIOM & KIOM); Diamond Mining Project, Panna (DMP, Panna) including Research & Development Centre (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.

12.0 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 ₹ 1.00 crore for procurements / contracts w.e.f September 2018.

During 2021-22, 137 tenders valuing ₹ 2862.68 crores were covered under this category.

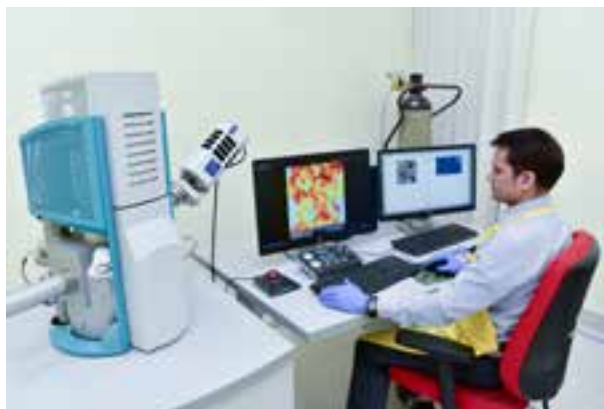
12.1 Transparency in procurements handled

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

- **e-Procurement:**
 - All procurements of value above ₹ 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 ₹ 1579.15 lakhs (85 cases) during 2017-18 to ₹ 287.67 lakhs (34 cases) during 2018-19. ₹ 271.85 lakhs (26 cases) during 2019-20, ₹ 3975.96 Lakhs (33 cases) during 2020-21, ₹ 13939.95 Lakhs (56 cases) during 2021-22. The Increase during FY 2021-22 is due to implementation of MII Policy in NMDC.
- **Pre-qualifying conditions:** PQC for conveyor belts & HEM equipments tenders have been reviewed and 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 1713 orders valuing ₹ 172.42 crores were placed during the year 2021-22.**
- **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.

13.0 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.



14.0 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.

15.0 IMPLEMENTATION OF OFFICIAL LANGUAGE POLICY

NMDC effectively continued the implementation and compliance of the Official Language Policy of the Government of India at headquarters, projects and units.

All-India Seminar of Official Language Officers was organized on 28th March, 2022 at NMDC Headquarters, Hyderabad under the aegis of Ministry of Steel. The seminar was held on the themes of (1) The role of Microsoft Tools in the promotion of Official Language and (2) Hindi - Lok Bhasha vs. Rajbhasha".



“Hindi Parangat” training continued unabated through teams app, following all the safety measures in view of the COVID-19 pandemic. During the year, Hindi Workshops were organized online in every quarter at headquarters and various projects. Meetings of the Official Language Implementation Committee were held on-line every quarter at headquarters and projects.

Hindi week/fortnight was organized at NMDC Headquarters and all the projects and offices. During this, some Hindi competitions were held online and some with physical presence. CMD’s messages were circulated through social media channels like Twitter, Facebook, YouTube.

Rajbhasha half yearly house journal of Headquarter “Khanij Bharati” and various Hindi/bilingual/tri-lingual magazines namely, Baila Samachar, Bacheli Samachar, Doni Samachar, Heera Samachar were also published from the projects and units of NMDC.

Monthly Hindi competitions were held in all production projects to promote the use of official language.

A short documentary film on “Journey of Rajbhasha Implementation” in NMDC was made and screened at the meeting of the Hindi Advisory Committee of the Ministry of Steel.

Diamond Mining Project, Panna organized various programs as the Convener of Town Official Language Implementation Committee. The project also organized Hindi Kavi Sammelan. Official Language Technical Seminars were held at Kirandul Complex, Bacheli Complex and Diamond Mining Project, Panna and magazines of technical articles were published in Hindi.

The Government of India, Ministry of Steel conferred “Ispat Rajbhasha First” award on NMDC Ltd, Headquarters for the year 2020-21. NMDC received “Official Language Shield” as the ‘First Prize’ for the year 2020-21 in the category of Mid- Sized Undertakings for the outstanding implementation of official language from Town Official Language Implementation Committee (Undertaking), Hyderabad-Secunderabad. “Khanij Bharati” received the First prize of Town Official Language Implementation Committee (TOLIC), Hyderabad-Secunderabad. Khanij Bharati Magazine also received the National First Award of The Public Relations Society of India.

16.0 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 08 Nos. Vendor Meets / programmes at various places in total during 2021-22. 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 2021-22 are given below:-

Category of MSE Firm	Norms	Achievement
Procurement from MSE firms	25%	44.67 %
Procurement from SC / ST MSE firms	4%	4.90 %
Procurement from Women Entrepreneurs	3%	3.07 %

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.

17.0 MANPOWER

17.1 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.

17.2 Scheduled Castes & Scheduled Tribes

01 candidates belonging to Scheduled Caste was appointed in the year 2021-22 against 10 posts filled by direct recruitment.

17.3 Strength of SCs & STs as on 31st March 2022

1. Total number of employees	:	5539
2. Scheduled Castes	:	827
3. Scheduled Tribes	:	1395
4. Other Backward Class	:	1137
5. PwDs (Divyangjan)	:	100

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

NIL

17.5 Staff Welfare activities

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

17.6 Promotion of Sports

Sports tournaments were arranged by respective Projects for the employees, the wards of employees and also for the local youth apart from promoting sports events under CSR.



17.7 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 2021-2022.

18.0 HUMAN RESOURCES DEVELOPMENT

At NMDC, we believe in building a learning culture to foster high performance and an agile workforce. A robust Learning culture is imperative in NMDC which seeks to be defined by its performance capabilities.

- We believe that business sustainability has become a crucial component of long-term business goals. It involves figuring out newer ways to remain productive in a fast-changing landscape. But as both technological change and employee preferences evolve, *keeping up to date with the required skills and more holistic ways of addressing such changes becomes an important means to ensure businesses remain sustainable*. At the core of addressing such business needs, a *robust learning culture is need of the hour*.
- At NMDC we have created high impact learning culture which reflects both in the rising size of the learning needs and its demands within the business as an important part of our future goals.
- NMDC Corporate HRD department plays a vital role in enabling its workforce to deal with market uncertainty and ensure its businesses can continuously innovate. Throughout, our learning and development programs have always played a pivotal role in helping business by fine-tuning our employee's capabilities.
- NMDC strongly believes in a strong learning mechanism which can impart skills in a timely and effective manner and minimize the impact of the various threats posed by external forces and uncertainties.
- Keeping in mind the need to have a robust learning mechanism in NMDC, Corporate HRD function at the forefront is playing an important role in ensuring the organizational workforce is trained and equipped with requisite skills and can face future challenges.

Productivity today in NMDC, is related to how efficiently and effectively our employees can use new-age digital technologies to make their work more efficient, impactful and meaningful. And to do so, knowledge and skills play an important role. Keeping this in view, NMDC is investing on its workforce by means of various learning and development programmes to retain and add its value. Bolstering this, NMDC spent ₹ 15 Crores (approx.) on Learning and Development during the year 2021-22.

For a high-performance organization, it's imperative that these knowledge and skills are continuously replenished by virtue of imparting new age learning technologies.

It is pertinent to mention here that, towards 2021-22 Learning and Development initiatives we were aligned with our business goals. Despite the pandemic, the on-going core programmes were revitalised to reflect the emerging capability requirements. In addition to core programmes, customised e-learning programmes were also offered to address the needs expressed by businesses, aimed at building specific capabilities at various levels of the organisation.

A. TRAINING PROGRAMMES (In-House / External)

Corporate HRD has organised customized In House Training as well as External Training programmes covering 3575 Executives during 2021-22. Corporate HRD Conducted several specialized & curated Programmes on:

- *Reservation Policy for SC/ST, OBC, Ex Servicemen, PWD and EWS in PSE*
- *Sexual Harassment of Women at Work Place (Prevention, Prohibition & Redressal ACT 2013)*
- *Online Training programme for Inquiry Officers (IOs) & Presenting Officers (POs) by CBI Academy*
- *Curated Business Leader Programme by Art of Living.*
- *Workshop on Arbitration and Contract Management Negotiation Skills.*
- *Workshop on Recent Amendments in Arbitration and Conciliation Act 1966.*
- *Communication Skills for Managers.*

No executives were sent abroad for Foreign Training Programmes during 2021-22 /AMP/Visits due to COVID-19 pandemic.

B. WEB BASED LEARNING INITIATIVES

Successfully organised and conducted various specialised programme during the year viz. *Web based learning programmes, Professional Residential programme with Premier Institutions, Specialised Curated programmes, Technical, Managerial & Behavioural and also on Health and Wellness.*

C. 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 18 Gold Awards in CCQC. Also, Excellence and Par Excellence award in National Convention on Quality Concepts (NCQC)-2021. NMDC also participated in Internal Convention on Quality Controls Circles (ICQCC-2021).

D. TALENT MANAGEMENT

- Corporate HRD has drawn a plan to conduct various Training Programme on Talent Management.
- New Learning and Development Intervention Induction Training Programme for Young Executive Trainees (Finance) & Executive Trainees (GATE) with *Indian Business School (ISB)* one of its kind done by any of the PSU in Country.

E. TRAINING ON PREVENTIVE VIGILANCE

- Conducted Preventive Vigilance Training Module for mid-career Executives by covering a total of 400 plus executives sensitising them on various Preventive vigilance aspects.

F. CULTURE BUILDING & HAPPINESS WORKSHOPS

COVID-19 has thrown unprecedented challenges before us alongside Fear, Stress & Anxiety. To overcome and tackle this, happiness programme was conducted by NMDC for the employees not only to be better equipped to identify the level of happiness within organisation and help employees at various levels to understand why happiness is worthwhile goal for achieving high performance in life and work.

Covered 240 executives DGM & above executives in a unique tailored programme namely "IKIGAI- A Happy Workforce Programme- Phase 1". Keeping in view the feedback from the phase-1 participants, the programme is the further extended to 500 executives (AGM & Sr Manager level)"IKIGAI- A Happy Workforce Programme- Phase 2"

These types of programmes equipped our people to support engagement and productivity within NMDC and strengthen their sense of belongingness, purpose, meaning and satisfaction -not only at the offices but in their life as a whole.

G. SKILL DEVELOPMENT TRAINING

NMDC and NSDC has entered into MoU on 01.11.2021 for imparting training and RPL certification for 1600 employees in 4 years (400 each) in mining and steel sector.

Your Company is also playing a pivotal 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.

H. DIGITAL INITIATIVES

Introduction of SAP Learning Solutions & HRD Dash Board.

Lifelong learning is a challenge that learners, employees, and employers are equally faced with. Traditional classroom training ties up time and resources, takes employees away from their day-to-day tasks, and drives up expenses.

This situation calls for new strategies leading directly to the work space and centers of employees. The employee's PC at work or at home becomes a personal training center. E-learning can be used in a wide variety of areas. It can help to cut the cost of training by providing more learners with easier access to training measures.

In this line, keeping under the ambit of ERP-SAP implementation in NMDC, Corporate HRD working on the SAP Learning Solution Module which paves the way for this development. It opens up new learning possibilities for learners, trainers, companies, and educational institutions.

I. REWARDS & RECOGNITION

NMDC was conferred 2nd prize for innovative training practices at National level for the year 2019-20 by Indian Society for Training and

Development received on 10.04.2021, Further NMDC was also conferred cash prize towards the same.

19.0 VIGILANCE

Vigilance department has 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 vigilance matters. Executives of the Vigilance Department were nominated for training/workshops being organized in India.

The systems and procedures including the document handling, maintenance of records are done to ensure that the Vigilance Department is conforming to the Quality Management Systems as per ISO 9001:2015 Standards.

Vigilance Department in NMDC has upgraded to ISO 9001:2015 standards of Quality Management System (QMS) for which M/s Vexil Business Process Services Private Limited, Delhi was engaged for routine surveillance audits and Quality Certification.

During the year (April 2021 – March 2022), 55 surprise checks, 68 regular inspections, was conducted by Vigilance Department. Complaints received were taken up for investigation and necessary suggestions for system improvement/disciplinary action wherever required were recommended. A total of 57 complaints were received through various source information during the period which were handled / disposed off as per CVC guidelines / complaint handling procedure.

As part of the implementation of "Leveraging



of Technology for transparency” in all the transactions, details of contracts concluded above ₹ 10 lakhs, all works awarded on nomination basis, single tender basis above ₹ 1 lakh, information regarding bill payments to the contractors, etc. are provided on the company’s website. Vigilance department made allout efforts for E-Procurements through online e-procurement platforms like MSTC, GeM etc. and it has now been ensured at NMDC that all tenders of value 2 lakhs and above shall be floated / issued through E-Procurement platform. In this regard, Vigilance dept. is regularly creating awareness by intimating fresh guidelines issued by statutory authorities / agencies and advising/ involving the concerned departments for compliance.

NMDC has adopted the 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 ₹ 20 crores in case of Civil works and Contracts and ₹ 10 crores in case of Procurement on approval of NMDC Board. The Integrity Pact has been entered into in 476 contracts with a value of ₹ 28,918.77 Crores for the period April 2021-March 2022. 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.

To ensure transparency in vigilance works, necessary action has been initiated for rotation / repatriation of vigilance officers, and for inducting of new officers in Vigilance department for compliance of CVC guidelines by 30.06.2022. The rotational transfer of officers of other departments was also effected during the period, in compliance of CVC guidelines and a total of 95 officers were rotated / transferred.

The Quarterly Review-cum-Coordination meeting of the Vigilance dept. with CVO was held in June 2021 at Hyderabad, in September 2021 at Raipur, in December 2021 at Hospet and in March 2022 at Hyderabad for the first quarter, second quarter, third quarter and fourth quarter respectively. The said meeting was attended by all the Vigilance Officers posted at Head Office and Projects like Kirandul, Bacheli, Donimalai, Panna & NISP. Project-wise presentations were made and matters pertaining to vigilance inspections and system improvements recommended / implemented etc. were discussed. Few common matters were also discussed in open-house wherein all VOs exchanged their views and gave valuable suggestions.

In pursuance of CVC directions / guidelines

received during the month of August / September 2020, a 02 days module and Road map for imparting training on Preventive Vgilance Module separately for Induction level (new entrants) and Mid-career level Executives were drawn up and was integrated with our HRD’s regular training plan. The said training programs on Preventive Vigilance is being arranged every month at NMDC in compliance of CVC guidelines, covering Induction level and mid-career level executives of HO, ROs and all Projects. Keeping in view the present scenario of the pandemic, the sessions for training on PV has been arranged through Hybrid mode, i.e., through off line class-room mode at few locations like Head office and through online relay under the concept of extended classrooms at remote locations & Projects. A total of 56 trainees/ new inductees(executives) were covered for the Induction level training and 408 trainees/mid-level executives were covered under mid-career level training in the training programmes conducted under the Preventive Training Module as suggested by CVC.

SYSTEM IMPROVEMENTS UNDERTAKEN / IMPLEMENTED DURING THE YEAR 2021-22

As per the Action Plan of the Vigilance dept., viz-a-viz the action plan of individual vigilance officers for the year 2021-22, surprise and regular checks were conducted besides the study of files. Irregularities and omissions under the provisions of the rules were identified and improvements in the systems were suggested wherever required.

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

1. Write-off of Handling Losses against the issue of Motor Spirit (MS) and High-Speed Diesel (HSD):

A study was conducted to evaluate the effectiveness of the current write-off technique for reconciling the handling losses against the issue of Motor Spirit (MS) and High-Speed Diesel at Projects. It was observed that the conventional method of recording and calculating the losses was incongruent with recent technological developments. The vigilance department advised revising the internal circular on write-offs and employing an IT-based solution such as FMS to record fuel levels, or for receipt of fuel, etc.

2. System improvements suggested in the Contract Award Process:

An online/offline demonstration for evaluating techno-commercial proposals of any specialty software may be required at the procurement stage. Nonetheless, a vigilance investigation revealed that the existing MM Manual contains

no guidelines or provisions to be followed in such cases. The Vigilance department has suggested recording Online/Offline demonstrations and drafting SOPs/Guidelines to be followed in instances where Online/Offline demonstrations were included in tender documents for evaluating techno-commercial offers.

3. **System improvements suggested in Empanelment of Contractor:**

The contractors were empaneled for various types and values of works based on eligibility criteria at respective projects of the Corporation. During one of the investigation, it was discovered that most of the new contractors visited the office to inquire about the empanelment procedure since they were unaware of its existence. The vigilance department suggested standardizing the format for empanelment across all projects and putting it in public domain.

4. **System improvements suggested for PMC for large contracts:**

The vigilance department suggested for appointment of PMC for large projects and for developing a proper SOP in cases where PMC consultant withdraws from project for any reason. The same has been implemented by the concerned departments.

5. As per the CVC guidelines, all the companies coming under the category of Navratna or having the turnover of ₹ 10,000 crores and above are required to have three IEMs in their panel. Vigilance department ensured the compliance of the above guidelines and appointment of third IEM at NMDC was made on 29.04.2022.

6. A Complaint Handling Policy was prepared and uploaded in Vigilance Portal of NMDC with SOP / guidelines for lodging Vigilance complaints. It got implemented w.e.f. 01.01.2022.

Vigilance Awareness Week

As per CVC Circular No. 05/09/2021 dt. 01/09/2021, Vigilance Awareness week-2021 was observed at NMDC Limited from 26th Oct – 1st Nov, 2021 on the theme “Independent India @75 “ Self Reliance with Integrity”.

On the Inaugural day of VAW-2021, Integrity Pledge was administered to the employees of NMDC at HO by CMD and by respective Project Heads / Regional Managers in the Projects and ROs respectively.

Various activities including sensitization programmes and individual/inter-departmental competitions like Slogan writing, Essay writing, Elocution, Quiz competition, inter-departmental House-keeping competition and Drawing of e-posters on the VAW theme were arranged for the employees during the Vigilance Awareness Week-2021. A workshop on ‘Corporate

Governance and Technology, and Whistle Blower Mechanism in PSUs’ was organized on 28.10.2021 at HO wherein Ms. Praveen Kumari Singh, Addl. Secretary, CVC was the keynote speaker and CMD, NMDC was the chief guest. In addition to this, workshops on E-Tendering and use of GeM Portal and Statutory compliances and Contract labour management were conducted as a part of VAW-2021. Awareness and sensitization programmes on use of PIDPI for employees, school / college children and other stakeholders were conducted at Head Office/ Regional Offices & all Projects. All the winners / participants of various activities / competitions were given away the prizes during the Valectory Function held on the concluding day of VAW-2021 on 1st Nov, 2021 at HO and all Projects.

During the observance of VAW-2021, all the precautions as per COVID-19 guidelines were strictly followed.

20.0 DIRECTORS’ RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that:

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- ii) they have 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 of the Company for that period;
- iii) they have taken proper and sufficient care for the 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 fraud and other irregularities;
- iv) they have prepared the annual accounts on a going concern basis;
- v) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the

statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2022.

21.0 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 2021-22.

22.0 COMPANY'S POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

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

23.0 NUMBER OF BOARD MEETINGS HELD

During the year under review 9 meetings of the Board were held. For further details, reference may kindly be made to Corporate Governance Section of the Annual Report.

24.0 NMDC STRATEGIC MANAGEMENT PLAN (NMDC VISION 2025).

A long-term strategic management plan (SMP), 'Vision 2025' has been formulated which envisages an iron ore production capacity of 67 MTPA. 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 the Bailadila Region. The Government of Chhattisgarh has notified the allocation of Dep-4 to NMDC in Sep'19 for prospecting and mining operations.

India is presently the world's second-largest producer of crude steel. In FY'22, the production of crude steel stood at 120 MT with a growth of 18% over the previous year. The growth in the Indian steel sector has been driven by the domestic availability of raw materials such as iron ore and cost-effective labour. Consequently, the steel sector has been a major contributor to India's manufacturing output.

The Government of India announced a production-linked incentive (PLI) scheme for speciality steel. The scheme is expected to attract investment worth ~Rs. 400 billion (US\$ 5.37 billion) and expand

speciality steel capacity by 25 million tonnes (MT) to 42 MT by FY'27. NMDC is also reviewing its long-term plan based on the increase in demand & growth in the iron & steel industry after the pandemic. As per National Steel Policy, the country has envisaged increasing its steel production capacity to 300 MTPA by FY'31. The wide range of continuing infrastructure projects could support growth in steel demand to reach our envisaged target of per capita steel consumption of 158 Kg by FY'31 in the long term. NMDC is actively pursuing an Iron Ore Production ramp-up plan to further increase its iron ore production capacity to 100 MTPA by FY'30.

In FY'22, the Company has progressed significantly on various activities to enhance its production capacity with the start of full-scale operation of Donimalai Mine and laying of the foundation stone for a 7.0 MTPA Screening and Beneficiation Plant at NMDC's Donimalai Iron Ore Mine by Hon'ble Minister of Steel, Government of India. There is also progress in the construction of the fifth line in Screening Plant Dep-5 & up-gradation of the downhill conveyor system in BIOM Bachel Complex. Rapid Wagon Loading System (RWLS-I) and New Screening Plant (SP-III) at BIOM Kirandul Complex are under construction. Further, NMDC is planning to enhance the EC capacities of mines in the mining complexes of Bailadila and Donimalai.

To augment the evacuation capacity from the Bailadila sector, many projects & schemes are being taken up like doubling of KK line, Rowghat-Jagdapur line, Slurry Pipeline, etc. Doubling of KK line is being executed by Railways as deposit work is in full swing and few completed sections have been opened for traffic. Out of 150 km of planned doubling of railway line, 76% of work has already been completed & the project is likely to be completed by FY'24. The completion of this project will augment the evacuation capacity of the Bailadila sector through the 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 Bachel, 15 MTPA capacity Slurry Pipeline System (130 km) from Bachel to Nagarnar and 2 MTPA capacity Pellet Plant at Nagarnar, have also been initiated. The project is likely to be completed in FY'24.

Ministry of Coal has allocated two Coal Blocks namely Tokisud North Coal block & Rohne Coal Block on 17th March 2020 for commercial sale & captive purposes. NMDC has appointed MDO for Tokisud North Coal Block and plans to start its operations in FY'23.

NMDC is in the advanced stages of setting up a



3.0 MTPA greenfield Steel Plant at Nagarnar in Chhattisgarh, which is expected to operationalize in FY'23. Commissioning activities started with the start of coke oven heating in Jan'2022. Testing & trials are in progress in each package. Packages like operational power facilities, operational water packages and plant & instrument air packages are commissioned.

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 an ERP system across all projects & steel plant in FY'21, 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. NMDC has further taken initiative to venture into the fleet management system and it is being implemented in Bailadila Sector. Efforts are being made to install an automatic (robotic) sampling & analysis system, vision enhancement system, conveyor monitoring system and 3D Volumetric and Laser Scanner System to enhance its digital strength.

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. As the world is now traversing more uncertainty than ever, NMDC is focusing on building sustainable and resilient businesses to survive in the long run and to make a meaningful contribution to the battle against climate change through an increasing investment in environment, social and governance (ESG) initiatives. All Mines of NMDC have been Awarded 5 Star Rating by the Ministry of Mines.

25.0 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) Shri P.K. Satpathy, Director (Production)	31.08.2021
ii) Shri Alok Kumar Mehta, Director (Commercial)	30.09.2021

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

	w.e.f.
i) Shri Dilip Kumar Mohanty, Director (Production)	05.10.2021
ii) Smt. Sukriti Likhi, Govt. Nominee Director	23.04.2021
iii) Shri Sanjay Tandon, Independent Director	01.11.2021
iv) Dr. Anil Kamble, Independent Director	01.11.2021
v) Shri Vishal Babber, Independent Director	01.11.2021
vi) Shri Sanjay Singh, Independent Director	29.12.2021

The Board places on record its deep appreciation for the valuable contribution made by Shri P K Satpathy and Shri Alok Kumar Mehta during their tenure on the Board of the Company.

26.0 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 2021-2022:

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 Bachel Complex NISP, Jagdalpur Vizag Office	M/s AGASTI & ASSOCIATES Chartered Accountants C-37, Sector-1, Raipur Chhatishgarh: 492007
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 Neeraj Prakash & Associates Chartered Accountants 328/208, Lukerganj Purosottam Kunj Near Dr. Banerjee, Allahabad Uttarpradesh : 211 001

- b. Cost Auditors**
M/s B Mukhopadhyay & Co,
Cost Accountants
B 20, Amarabati,
Sodepur
Kolkata – 700 110.
- c. Secretarial Auditors**
M/s D. Hanumanta Raju & Co.
Company Secretaries
B-13, F1, P.S. Nagar
Vijaynagar Colony
Hyderabad – 500 057

27.0 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 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 01.04.2021 to 31.03.2022 are as follows:

	Opening balance as on 01.04.2021	Applications received during the year	Information Provided/denied/forwarded	Balance as on 31.03.2022
Online applications	34	373	386	21
Offline applicaitons	04	158	158	04
TOTAL	38	531	544	25

28.0 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

29.0 AWARDS RECEIVED BY THE COMPANY

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

1. NMDC bagged Runners Award in 30th National Award for Innovative Training Practices Award 2019-20 held at SCOPE Complex New Delhi on 10.04.2021.
2. NMDC swept eight awards at the Governance Now 8th PSU Awards Ceremony conducted virtually on 29.07.2021. Under the Leadership Category, the company won the CMD Leadership and Emerging Communication Leader of the Year awards, besides six awards under the Organization Category for CSR Commitment, Nation Building, Digital PSU, Research and Innovation, HR Excellence and Communication Outreach.
3. NMDC received "Rajbhasha Kirti Award" on 14.09.2021 for implementation of Rajbhasha for the year 2019-20 at a function held at Vigyan Bhawan, New Delhi. NMDC has been winning this accolade for the last three years in a row, which goes on to show its dedication towards the implementation of Hindi as the Official Language.

4. NMDC received runner up award and another thirteen Corporate Communication Excellence Awards on 20.09.2021 at the Global Communication Conclave organised by Public Relations Council of India (PRCI) in Goa.
5. NMDC is bestowed with best PSE for CSR initiatives award at D&B's India's top PSU awards on 27.09.2021.
6. Donimalai Complex, NMDC Ltd. has been awarded for "PLATINUM AWARD" in "10th Exceed Environment Award 2021" under "Environment Preservation" Category in Mining & Metallurgy Oil Sector on 07.10.2021 at Dehradun.
7. NMDC has bagged Gold Award in Environmental Sustainability category and Kumaraswamy Iron Ore Mine bagged Platinum Award in Environment Management category. The function was organised by Sustainable Development Foundation (a unit of EK KAAM DESH KE NAAM) and the awards were presented in the 10th conference held on 08.10.2021 at Dehradun.
8. NMDC Head Office received First Prize of TOLIC (U) under mid-sized Central PSU category. Rajbhasha Shield for 2019-20 and 2020-21 were received for the sixth year consecutively and "Khanij Bharati" Rajbhasha Patrika of Head Office was also awarded First Prize for 2020-21 among the Published Magazine category on 25.10.2021 at Hyderabad.
9. NMDC received nine 5-star ratings for three years for all its operating iron ore mines viz. Kumaraswami, Bachelu Deposit-5, Deposit 14 NMZ and Deposit No 10 at the 5th National Conclave on Mines and Minerals on 24.11.2021.
10. SIU, Paloncha received First Prize of Southern Region for implementation of Rajbhasha in the Conference organized at Hyderabad on 04.12.2021 by GoI, Ministry of Home Affairs, Rajbhasha Department.
11. NMDC received 1st prize in the Ispat Rajbhasha Award for 2018-19 and 2020-21 and the Ispat Rajbhasha Prerna Award for 2019-20 in the meeting of the Hindi Salahakar Committee of the Ministry of Steel held in Madurai on 03.03.2022. The Honourable Union Minister of Steel, Shri Ram Chandra Prasad Singh, presented the accolades to Shri Sumit Deb, Chairman and Managing Director, NMDC.

12. The Director (Finance), Shri Amitava Mukherjee, was awarded the 'FE CFO of the Year Award' by Financial Express for the year 2022.

30.0 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.

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

32.0 Offer for Sale (OFS) in F.Y. 2021-22

Pursuant to the Offer for Sale (OFS), the President of India (acting through and represented by the Ministry of Steel, Government of India), the Promoter of NMDC Limited sold equity shares aggregating to 21,95,02,378 (nos.) on 6th July 2021 and 7th July 2021 representing 7.49% of the total paid up equity share capital of the company. The Floor Price for the Offer was ₹ 165.00 per equity share. The Transaction value of the OFS was of ₹ 3651,37,22,349.08. Post completion of the said OFS, the equity stake of the Promoter in NMDC Limited stands reduced from 68.29% to 60.80% as on 8th July 2021.

Employee OFS in F.Y. 2021-22:

In accordance with the approval given by Alternative Mechanism on 5th July 2021, the President of India, acting through Ministry of Steel, Government of India offered up to 89,108,907 equity shares of face value of ₹ 1/- each to the eligible employees of the Company at a price ₹ 165.50 per equity share. Accordingly, the Promoter of NMDC Limited sold 1,47,942 (no.s) equity shares to the eligible employees of the Company on 20th July 2021 at an offer price of ₹ 165.50 per equity share. Transaction value of the Employee OFS is of ₹ 24,484,401.00 (Gross of stock exchange transaction charges and all applicable taxes and charges). Post completion of the employee OFS, the equity stake of the Promoter in NMDC Limited stands reduced from 60.80% to 60.79% as on 23rd July 2021.

33.0 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 and 13th June, 2017 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.

34.0 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 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.

35.0 DIVIDEND DISTRIBUTION POLICY

The Board of Directors has approved Dividend Distribution Policy which has been uploaded on the website of the company under the link https://www.nmdc.co.in/cms-admin/Upload/Policies-Documents/ae4bb5f07e7e4654a3f881ccec7b9163_20210920060806207.pdf.

36.0 ERP Implementation, Digitalization and IT Infrastructure

NMDC went Live on SAP S/4 Hana in January, 2021. ERP Project, christened Kalpataru made NMDC the first CPSE in India to implement Enterprise Resource Planning on the SAP S/4 HANA platform. This Project was undertaken to address NMDC's

core business requirements through a strong ERP backbone, which will provide a fully integrated solution encompassing all the business functions of the organization. It is a transformational advancement in the digital journey of NMDC and will improve the overall business process of the company. This will also act as a lighthouse project for the domestic mining sector ushering into an era of automation and digitalization driven growth.

The modules / functionalities implemented are Production Planning (PP), Plant Maintenance (PM), Quality Management (QM), Sales & Distribution (SD), Material Management (MM), Human Capital Management (HCM), Finance & Control (FICO), Environment Health & Safety (EHS), Project System (PS), Industry Solution for Mining.

FY 2021-22 is the first year when the entire account closing activity has been done in SAP.

Post Go-Live, SAP Digital Compliance Solution (DCS) have been implemented for generation of E-Invoicing, E-Way Bill transactions in real time and filing of GST returns. HR functionalities have been made available to employees through Employee Self Service (ESS). Management Dashboard for Production, Iron Ore Sales/ Dispatches and CSR has been launched and the same for other functionalities will be made functional shortly.

All the transactions are happening smoothly and the focus now is to increase the digital footprint, bringing in more and more of automation for automated data capture in real time like integrating Belt Scale and PLC system for Plant Data and integration of Fleet Management System(FMS) with SAP for Mining field operation data leading to IT/ OT integration.

Roll out of functionalities like Supplier Relationship Management (SRM) for E-Tendering and Vendor Invoice Management (VIM) solution for automated capture of payment invoices into SAP and parking for payment is underway. Vendor through this





system will be able to know the status of their invoice and payment thru the portal. Ex-Employee portal will also be made functional soon. Focus will be also on utilizing the full potential of Document Management and Mobility Solutions. ERP solution will be rolled out in the Coal Division of NMDC in next few months. Technology refresh of IT infrastructure to support ERP and future digital initiative alongwith best in class IT security solutions will also be our top priority.

36.1 COMPUTER & INFORMATION TECHNOLOGY INITIATIVES

1. The corporate website, tender website, ex-employees portal and intranet website of the company has been revamped and launched on 26.01.2022. This has been developed using the latest technologies and responsive design. It is GIGW compliant, security audited and very user friendly. It has a video header and uses CDN to deliver it. It also has SEO friendly CMS. The press release section also has integration with social media.
2. A Virtual Data Room (VDR) has been commissioned for NISP Demerger activity. This facilitates the various stakeholders like Legal Advisor, Transaction Advisor, User Departments to share and exchange information.

3. The email mailboxes of top management and common departmental mail ids have been moved to the cloud (Microsoft O'365). This provides enhanced mailbox size of 50 GB and it is hosted in the cloud.
4. Facial Biometric Attendance Recording System has been recently implemented at HO, R&D, Panna, NISP and Ros. Implementation is in progress at Bacheli, Kirandul and Donimalai.
5. Microsoft Teams is being used extensively to conduct virtual meetings, webinars. One conference room at HO and Donimalai have been revamped with large display, PTZ camera, Wi-Fi ceiling mics etc. The same setup is being implemented at Bacheli and Kirandul also.

37.0 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**.

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



39.0 CORPORATE GOVERNANCE

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

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

As required under the provisions of the Companies Act, 2013, the Annual Return is hosted on the Company's website and can be accessed from the link <https://www.nmdc.co.in/investors/financial-details/annual-return>

41.0 BUSINESS RESPONSIBILITY REPORT

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

42.0 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-V**.

The Observations of the Secretarial Auditors are relating to the Composition of the Board of Directors with respect to the requisite number of Independent Directors of the Company, Constitution of the committees and quorum for the meeting, which is not as per the requirements of SEBI (LODR) Regulations, 2015 and the Companies Act, 2013 during the financial year 2021-22.

In this regard it is stated that NMDC Limited 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 present composition of the Board of NMDC Ltd. consists of 4 (Four) Executive Directors including Chairman and Managing

Director and 2 (Two) Government Nominee Directors and 4 (Four) Independent Directors. At present there is a vacancy of 2 (Two) Independent Directors including vacancy of atleast one Woman Independent Director needs to be filled in by Ministry of Steel, Govt. of India. All the observations are due to not having requisite number of Independent 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.

43.0 GLOBAL COMPACT - COMMUNICATION ON PROGRESS

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

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

45.0 REPORT ON CSR ACTIVITIES

Report in terms of the Companies (Corporate Social Responsibility Policy) Rules, 2021 is at **Annexure-VIII**. The Report on CSR inter alia, outlines details of CSR Policy and various CSR initiatives of the company for the year under review.

46.0 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-IX**.

47.0 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 : New Delhi

Date : 27.06.2022

SUMIT DEB

Chairman and Managing Director

DIN: 08547819



CSR@NMDC



ANNEXURE – I

MANAGEMENT DISCUSSION & ANALYSIS REPORT FOR THE YEAR 2021-22

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 ramping up to over 40 MT over the year. With iron-ore production of around 42.19 million tonnes in FY'22, 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 ores in terms of grade & size, to suit the requirement of its customers.

NMDC has plans to increase the production capacity from its three mining complexes from the existing 46 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. NMDC is planning to start Tokisud North Coal Mine in Jharkhand in FY'23.

The company immensely focusses on productivity improvement as well as cost optimization which results in high profitability for the organization. NMDC has made highest ever revenue of ₹ 25882 crores, with a growth of 68.39% over last year. NMDC recorded a Profit (before tax) of ₹ 12981 crores in FY'21 and a net worth of ₹ 34,844 crores (as on 31st March 2022). NMDC has a strong history of rewarding investors with an average dividend payment of around 752.19% in the last 5 years, which is the testimony to consistently creating value for its stakeholders.

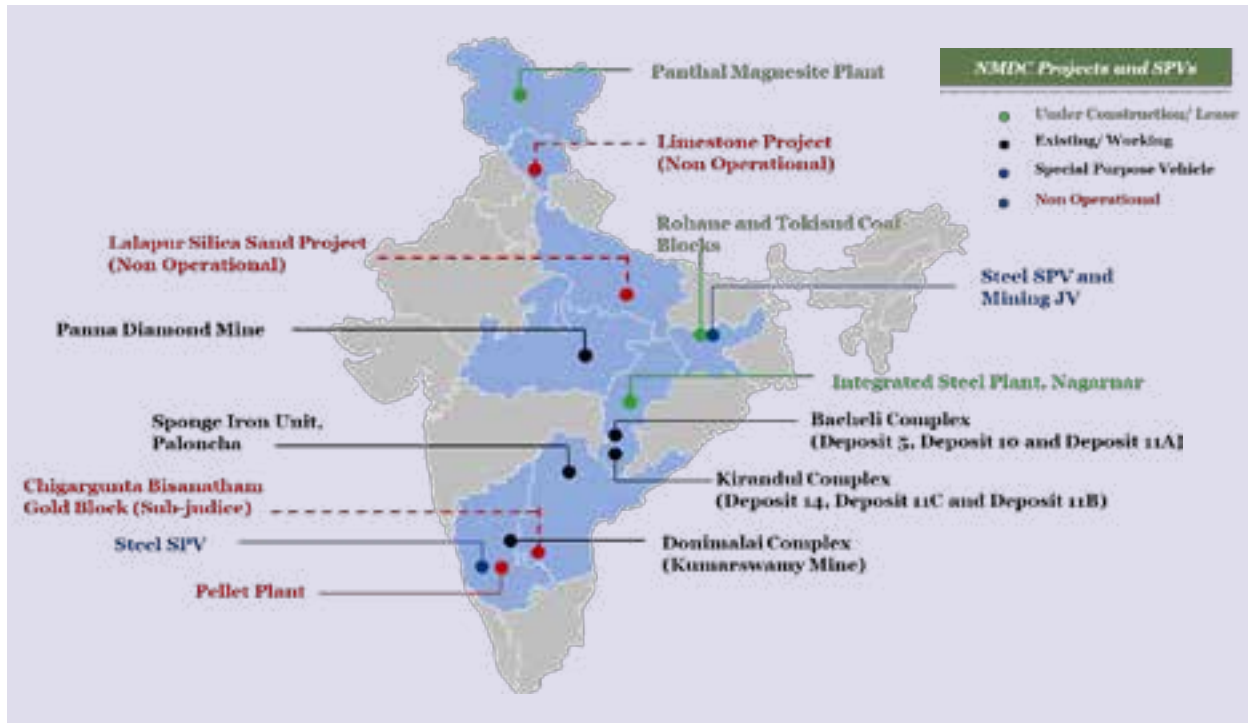
NMDC continues to pursue policies and programmes to deliver long term value to all its stakeholders. NMDC has also invested substantially in the socio-economic development of the local communities, especially near its mining projects.

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 Bachel Complex, that produce around 30 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.

NMDC also operates the Diamond Mining Project, Panna (M.P.), which is the only mechanized diamond mine in Asia.

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



1.3 Global Presence

NMDC has Global presence in Australia and Mozambique through its Subsidiaries and associate companies. NMDC has over 90% equity holding in Legacy Iron Ore Ltd, based in Perth, Australia with a focus on Gold, Iron ore and base metals. NMDC holds about 26% stake in ICVL and Benga mine is one of the operational asset of ICVL in Mozambique.

1.4 Growth plan

- NMDC has made a comprehensive strategic management plan Vision 2025 to enhance iron ore production capacity to 67 MTPA to meet the growing requirements of iron ore in the Indian Steel sector. The strategy focuses on growth largely through brownfield expansion of existing mines and improving the evacuation infrastructure.
 - NMDC is also actively pursuing an Iron Ore Production ramp-up plan to further increase its iron ore production capacity to 100 MTPA by FY'30 from its existing mines and further to 100 MTPA from the acquisition of new mines through the reservation route.
 - 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 (NCL).

- NMDC is in the process of setting up a slurry pipeline, along with an associated beneficiation plant & pellet plant, in phases for economical transportation of iron ore to locations from where the pellets /ore can be supplied to the industry. The construction of the Beneficiation Plant at Bachel and 15 MTPA Slurry Pipeline from Bachel to Nagarnar and 2 MTPA Pellet Plant at Nagarnar is likely to be completed by FY'24.
- 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. Out of 150 km of planned doubling of railway line, 76% of work has already been completed.
- 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 had emerged as a preferred bidder for Chigargunta-Bisanatham gold block, Andhra Pradesh 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 purposes.** NMDC has appointed MDO for Tokisud North Coal Block and planned to start its operations in FY'23.
- NMDC is in the advanced stages of setting up a 3.0 MTPA greenfield Steel Plant at Nagarnar in Chhattisgarh, which is expected to operationalize in FY'23. Commissioning activities started with the start of coke oven heating in Jan'2022. Testing & trials are in progress in each package. Packages like operational power facilities, operational water packages, plant & instrument air packages are commissioned.

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 18,300 meters of core drilling in FY'22, at existing mines and surpass all time drilling performance. NMDC is also conducting exploration in different blocks of Iron ore, Manganese, & Diamond in M.P. under MOU route. NMDC conducted 964 meters of drilling for Iron ore in Sidhi Block, Sidhi & Singrauli, Districts and 3882 meters drilling for Diamond in Madhya Pradesh. Besides, it has also established a well-equipped Centre for Geostatistics and 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 otebody modeling, reserve estimation, pit design & scheduling, with advanced software like Surpac, Whittle & Mineshed

1.6 Research & Development:

- NMDC operates a **state-of-the-art Research & Development (R&D) Centre** at Hyderabad, which has been declared as a "Centre of Excellence" by the United Nations Industrial Development Organisation (UNIDO). Recently R&D center has developed technology for dry beneficiation of iron ore using compressed

air, and patent for same was filed in the year 2020 with application no 202041006098. The R&D Centre undertakes different projects to mitigate the operational challenges of different units of NMDC and provide solutions in terms of improvement in the system or change in technology, to achieve a continual enhancement in its processes & operations. The Centre provides solutions to external agencies as well. NMDC holds 21 patents for its innovations at R&D centre. NMDC innovation and incubation centre (NICE) launched with i-TIC foundation, IIT, Hyderabad and running successfully for last two years.

2. Industry Structure and Developments

Market Environment:

2.1 Economy:

2.1.1 Global:

- After facing the unprecedented impact of first wave of Covid-19, global economy has started recovering at a faster pace owing to the resumption in household spending, fiscal and monetary policy measures and extraordinary measures taken to fight new waves of Covid.
- World output growth has been 6.1% in 2021, highest growth rate since 1976. The global output has grown beyond 2019 level after contracting by 3.4% in 2020. Advance economies grew by 5.2% whereas emerging market and developing economies grew by 6.8% with India and China driving the overall growth with their high growth rate of 8.7% and 8.1% respectively.
- The global economy recovered rapidly in the first two quarters of FY 2022 due the impact of fiscal and monetary policy stimulus, pent-up demand and ease in supply side restrictions. However, in the last two quarters, the economic recovery slowed down as the stimulating effect of policy stimulus began to dissipate, inflationary pressure increased, geopolitical conflict intensified and supply side constraints grew.
- The prices of almost all the commodities grew in the first two quarters of FY 2022. This was mainly due to the increase in demand – combined effect of increase in household demand and policy stimulus along with vaccine led reopening, and supply side constraints due to resurgence of new Covid waves, extreme weather events and logistical issues.

- Global economy has entered into 2022 in a weaker position than anticipated. Global growth is projected to decline from an estimated 6.1% in 2021 to 3.2% in 2022 and 2.9% in 2023. Advance economies are estimated to slow down from 5.2% in 2021 to 2.5% and 1.4% in 2022 and 2023 respectively. Whereas, emerging market and developing economies are expected to grow at 3.8% and 3.9% in 2022 and 2023 respectively much lower than 6.8% growth rate of 2021. India is expected to grow at 7.4% and 6.1% in 2022 and 2023 whereas China can face a slowdown with growth declining from 8.1% in 2021 to 3.3% and 4.6% in 2022 and 2023 respectively.
- Factors that will drive the near-term growth outlook are monetary tightening to curb inflationary pressure, volatility in financial market, fiscal withdrawal as space for government expenditure has been eroded in many countries, Chinese slowdown, impact of new Covid variants, geopolitical conflicts and easing supply side constraints.

Overview of World Economic Outlook Projections

Region/Country

Region/Country	Projections	
	2022	2023
World	3.20	2.90
Advanced Economies	2.50	1.40
US	2.30	1.0
EU	2.60	1.20
UK	3.20	0.50
Canada	3.40	1.80
Emerging market & developing economies	3.60	3.90
Russia	-6.00	-3.50
China	3.30	4.60
India	7.40	6.10
Brazil	1.70	1.10

Source: IMF

2.1.2 India

Indian economy, despite the recurrent waves of Covid, has grown at a rate of 8.9% in 2021 making it the fastest growing major economy in the world. The trend is expected to continue in future as well, as per the reports of IMF, which projects the growth to be 7.4% and 6.1% in 2022 and 2023 respectively.

The economy has recovered past the pre-pandemic levels. As per the Economic Survey report of 2021-22, Agriculture and allied sectors were estimated to grow by 3.9% in FY 2021-22 after growing at 3.6% in the previous financial year. Industry growth (including mining and construction) is estimated to be 11.8% in FY 2021-22 after a contraction of 7% in FY 2020-21. The service sector is estimated to grow by 8.2% in FY 2021-22 after showing a negative growth of 8.4% in FY 2020-21.

Total consumption has been estimated to grow by 7% in FY 2021-22. Export of both goods and services have been extraordinarily strong. However, the import has also recovered due to increase in domestic demand and higher commodity prices.

Overall, the macroeconomic indicators suggest Indian economy to remain stable. The emphasis on the supply side reforms through policies and programmes such as PM Gati Shakti, simplification of regulatory and approval processes etc. and demand management through increasing capex by 35.4% in the recent budget, PLI scheme, Make-in-India campaign etc. is expected to drive the future economic growth.

As per Economic Survey report of 2021-22, the growth of mining and quarrying is estimated to be 14.3% in FY 2021-22 after a contraction of 8.5% in FY 2020-21. The share of mining and quarrying in the Nominal GVA is estimated to improve to 2.3% in FY 2021-22 from 1.6% in FY2020-21.

As per National Statistical Office (NSO), Index of Industrial Production (IIP) grew by 11.4% in FY 2021-22 after contracting 8.4% in the previous financial year. Of the three sectors, mining sectoral IIP has registered highest growth at 12.2% in FY 2021-22 after a contraction of 7.8% in FY 2020-21.

There are few risks including the high inflation, impact of geopolitical conflict escalation, resurgence of more severe new Covid variant etc., which can affect the future economic growth of India. Moreover, the rising fiscal deficit of Centre as well as States and limitations on the monetary policy side leaves limited space to manage the economy in case of any further severe disruptions.

However, in near term the recovery of Indian economy is expected to remain strong. The government's vision and well-planned initiatives are expected to drive the overall economic growth and control the downward risks that poses threat to Indian economy.

2.2 Iron Ore Industry Outlook:

Global: Steel & Iron Ore

- In 2021, even though many locations had Covid restrictions, most countries around the world have registered an increase in steel production as well as consumption.
- Total world crude steel production was 1951 MT in 2021, a growth of 3.8% from last year's production of 1879 MT. The average growth in crude steel production between 2015 and 2020 remained at 3%. China, with around 53% share in global steel output in 2021, has produced 1032.8 MT of steel in 2021, ~3% lower than 2020 level. Rest of the major producers increased their production to compensate for the gap created by Chinese steel mills in the export market.
- In 2021, China, to restrict carbon emissions of the steel sector, has placed cap on the steel production to keep the steel output below 2020 production level. However, the steel output of Chinese Steel mills was 12% higher in the first half of 2021 making the decrease in the second half significant as the overall steel production in 2021 declined by ~3%.
- Due to rise in the demand of steel in the first half of 2021, owing to the government stimulus through increased infrastructure spending and faster economic recovery across many countries, and supply constraints due to Covid restrictions, increase in logistics costs etc., the prices of steel soared in the H1 CY 2021 peaking up in June 2021. The higher steel production resulted in higher demand for iron ore and coal whereas the supply disruption in Australia and other major raw material supplier due to extreme weather events and Covid restriction placed, has resulted in their prices also registering a similar rise in the first half with prices peaking up in June 2021.
- However, the demand for steel fell in the second half of 2021 due to tough measures taken by Chinese government on their real estate sector, decline in demand from the automotive sector facing chip supply shortage and increase in fiscal deficit in many countries stalling their infrastructure stimulus packages etc. and supply improved as other major steel producers increased their output to compensate for Chinese steel supply shortage causing the prices fall in H2 CY 2021.
- As per world Steel Association, steel consumption is expected to rise by 0.4% in

2022, a slower pace than last year increase of 2.7%. The major reasons behind the slowdown includes Russia-Ukraine conflict which has led to contraction in demand from Russia, Ukraine and Europe, higher inflationary pressure causing many countries to move towards fiscal tightening which is expected to impact investments, continued slowdown in Chinese economy – real estate and urbanization etc. However, the demand from India, South East Asia and USA, majorly because of the infrastructure stimulus packages such as Gati Shakti in India, Bipartisan Infrastructure Law in USA etc., is expected to compensate the contraction from China, Russia, Ukraine and Europe.

- Iron ore demand is expected to remain rangebound following the consumption growth of steel in 2022. However, the demand for good quality ore is expected to increase further with countries more focused on cutting down emissions. On the supply side, contraction from Russia, Ukraine and India (increase in export duty) is expected whereas supply from Australia and Brazil is expected to rise.

India:

- After a significant fall in 2020, India's crude steel production reached 118 MT, the highest ever production, showing a growth of 17.8% over the production in 2020. The capacity of domestic crude steel expanded to 154 MT in 2021. Consumption has also grown to 106 MT and net export to 7.8 MT in 2021.
- As per the Economic Survey report for 2021-22, the cumulative growth rate for Steel sector in the Index of Eight Core Industries was 16.9% in FY 2022 over FY 2021 showing a significant increase.
- The major reason for the rise in demand was opening up of economy after Covid related disruptions, increase in Government as well as private consumption, rise in export especially in the first half of FY 2022 owing to global steel price rise and reduction in supply from China. Moreover, the Russia-Ukraine conflict has led to increase in steel prices at the end of FY 2022 and provided an opportunity to Indian steel players to increase their export to Europe and other countries.
- The production of crude steel rose significantly due to expansion of steel capacity, increased plant utilization rate etc. to meet the inflated domestic as well as global demand amid the supply cut from China.

- Iron ore mining sector also registered highest ever production figure of 251 MT in FY 2022, a growth of ~23% over the 203.8 MT production in FY 2021. Two top iron ore producers in FY 2022 included NMDC (42.18 MT) and OMC (26.05 MT). Export of iron ore in FY 2022 was 15.25 MT of which 98% of consignment went to China.
 - Steel prices in India followed global trend to a certain extent. Both global and domestic steel prices increased to touch the top around May 2021. While the global prices peaked at that time and then showed a gradual decline, domestic steel prices showed a gradual increase with periodic ups and down to reach another top in April 2022. However, both global and domestic iron ore prices followed a similar trend which is coherent with the trend of global steel prices.
 - India, being in the globalized world, has also been facing the impact of high inflation rate impacting the steel demand. Moreover, the increase in export duties on Steel, iron ore and pellet would impact the export. However, the increase in domestic demand due to increase in government expenditure through schemes such as Gati Shakti, National Infrastructure Pipeline (NIP), PM Awas Yojana and increase in CAPEX by 35.4% in the recent budget is expected to compensate for the decline in export.
 - On the supply side, measures such as PLI scheme, FAME etc. are also expected to attract more investment in the steel sector. The expansion in steel capacity and improvement in profit margins of steel players would be a major driver. However, the present trend of low profit margin has led to contraction in the plant utilization. The situation can improve in future depending upon the relative decline in the input cost of iron ore and coal – peak demand from power sector has pulled the prices up, and steel and how the progress in the various government schemes drives the demand up.
- Supply gap created for Steel & Iron ore in the international market due to steel production curb in China, sanctions on Russia and damage to Ukraine in the war.
 - Government initiatives for Self-Reliant India creating new avenues to set-up new industries leading to demand in steel
 - Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. This will further add up with the government initiatives for 100% FDI.
 - The 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.
 - Further capacity addition by steel players in near future, along with planned commissioning of NMDC's steel plant in Nagarnar.

ii) IMF projections of 7.4% GDP growth in 2022. Proposed CAPEX growth of 35.4% year on year to 7.5 trillion rupees. Production Linked Incentive scheme for specialty steel sector expected to attract addition investment of ₹ 40,000 Cr. PM Gati Shakti – National Master Plan for multi-modal connectivity to reduce the logistic costs. All are expected to drive the steel demand vis-à-vis iron ore demand in future.

iii) Allowing the export of iron ore from Karnataka and granting permission to the miners in Karnataka to enter into direct contracts without resorting to e-Auction will help NMDC increase its sales.

iv) Provisions under MMDR Act, 2021 such as grant/extension of mining lease for the government companies on the payment of additional revenue, transfer of statutory clearances valid till the expiry of ML will give

3. NMDC – Opportunities & Threats

- 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:
- Infrastructure stimulus of the government to drive the growth and growth potential of the construction, automotive, consumer durables sectors etc. will drive the demand for the iron and steel sector.

- NMDC competitive advantage over others.
- v) Development of National Mineral Index could help in further driving the profitability and investments in metal mining sector.
- a) **Threats**
- i) Rising inflation can impact consumption and lead to fiscal tightening increasing the cost of borrowings affecting investments.
- ii) Resurgence of new more severe variants of Covid can cause disruptions in the iron and steel market as well.
- iii) Intensification of geopolitical tension in Europe can disrupt the whole market dynamics.
- iv) Increase in export duties of iron ore, pellets can lead to decline in the prices of iron ore due to increase in domestic availability. Moreover, increase in export duties of some categories of finished steel can reduce the iron ore demand.
- v) Demand for Iron ore may fall in the international market in long term due to the decline in the Chinese steel production, shift towards EAF/IF route for recycling scrap steel and development of new techniques such as hydrogen steel.
- vi) New iron ore leases being auctioned and the recent amendments to MMDR Act allowing sale of 50% of the iron ore production of captive mines in open market may lead to increase in supply of iron ore and increase the competition in the market.
- vii) Backward integration by Steelmakers into iron ore mining after the start of auctioned mines will affect the demand from the customers of the Company.
- viii) 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.
- ix) Increasing regulatory pressure on environment, health & safety and sustainability.
- x) 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.
- 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. Segment-wise or Product-wise performance

4.1 Physical Performance of NMDC

Details	2017-18	2018-19	2019-20	2020-21	2021-22
Production:					
Production of Iron Ore WMT (In lakh tonnes)	355.76	323.61	314.89	341.50	421.88
Production of Sponge Iron (tonnes)*	NIL	2,475.37	NIL	NIL	NIL
Production of Diamonds (carats)	39,393.72	38,148.77	28,537.23	13,681.01	NIL
Production Pellets (in tonnes)	58,070	1,15,622.89	1,10,481.19	83,751.32	1,82,298.77
Sales:					
Sale of Iron Ore (in lakh tonnes)	360.75	323.56	315.14	332.52	405.64
Sale of Diamonds (carats)	33,175.34	29,345.54	33,722.99	22,248.84	25,219
Sale of Sponge Iron (tonnes)	Nil	495.58	1,943.88	NIL	NIL
Sale of Pellets (tonnes)	42,948	1,12,010	85,793	92,773	1,96,972

4.2 Financial Performance of NMDC

(₹ in Cr.)

Details	2017-18	2018-19	2019-2020	2020-21	2021-22
Sale of Iron Ore	11,490.93	11,997.98	11,569.00	15,233.70	255,46.66
Sale of Diamonds	35.17	38.86	34.29	21.10	62.93
Sale of Wind Power	6.50	5.51	5.40	5.17	4.99
Sale of Sponge Iron	0.00	0.94	4.39	NIL	NIL
Sales- Pellet	25.40	76.52	55.55	73.50	222.11
Sales – Others	56.91	32.86	30.59	36.59	45.10
Turnover	11,614.91	12,152.67	11,699.22	15,370.06	25881.73
EBITDA	6,472.13	7,518.91	6,426.69	9,146.27	13,306.41
PBT	6,179.66	7,199.06	6,123.48	8,901.10	12,981.41
PAT	3,805.88	4,642.11	3,610.12	6,253.05	9,398.48
Dividend	1,676.86	1,690.14	1,619.72	2,274.15	4,319.72
Dividend as % of PAT	44%	36%	45%	36%	46%

5. Outlook for NMDC

NMDC proposes to augment its production capacity of iron ore to 67 million tonnes by FY'25. It has also embarked on value addition projects by setting up a 1.2 MTPA pellet plant utilizing slimes in Karnataka and a 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 Jagdlapur to ensure an uninterrupted supply of ore to the customers. To augment evacuation capacity, NMDC is supporting on Doubling of K-K line (Kirandul-Kotvatsala), Rowghat-Jagdarpur line, Slurry Pipeline, etc

To diversify further its business, NMDC is planning to start one of the Coal Mine, namely Tokisud North, Jharkhand in FY'23. NMDC will also start actions to operationalize the other allocated Coal Block, Rohne, in the next 2-3 years. NMDC also participated in the auction of the Gold mine & declared as preferred bidder for Chigugunta-Bisanatham Gold Block in A.P. NMDC will take action to start the gold mine after LOI will be issued by the state government.

NMDC has recently prepared its Internationalisation Strategy to venture into various identified minerals & geographies & will continue to look for opportunistic assets based on the recommendation & strategy in the formulated report.

NMDC is committed to focusing on maintaining cost competitiveness in the global and domestic markets in a scenario where prices are expected to remain subdued. Further, NMDC is taking various initiatives towards automation & digitization of its operation to further improve its cost competitiveness.

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. Risks and Concerns

NMDC is exposed to sharp fluctuations in demand for its products and volatility in prices. Falling prices of iron ore, specially in international market will support the import by the steel players & exert pressure on domestic supply & prices.

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. Both JSW & AM-NS has already started production from newly acquired mines & planned to increase it further in the near future. New tranches of auction is likely to add further capacity of iron ore to steel players as well as other merchant players in near future. This is likely to adversely impact the market for NMDC over the medium to long term.

Kumarswamy mine is due for extension of lease in Oct'22, which will again impact the EBITDA of the company.

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 26th May, 2022 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 increased by 68.39% from ₹ 15,370 crores to ₹ 25,882 crores mainly on account of:

- Increase in Iron ore Sales quantity by 21.99 % from 332.52 Lakh Tons to 405.64 Lakh Tons.
- Realization was higher by 37.48% during this period from ₹ 4,581/- per ton to ₹ 6,298/- per ton.

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. To give a further support to retired

employees, NMDC has launched medical insurance facility for wider coverage of hospitals.

During Covid time, NMDC has taken various initiative to give the health & safety of the employees utmost priority. Apart from supporting the employees in various sanitaisation & health measures, Ex-Gratia of ₹ 15 Lakhs for deceased employees' family has been also started, which is over and above the existing facility of payment of last Basic + DA every month for family of deceased employees. Various additional facilities for families of deceased employees have also been extended

Training and skill up-gradation forms an important area where assessment is first 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 further associated with reputed institutes like IIM, IIT and ISB for imparting training.

NMDC has also started happiness building initiative by imparting specific training in line with IKIGAI, on happy workplace. 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.

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.

Further, about 67 executives have been recruited in Finance in FY'22021-22. 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:

2016-17	:	5,572
2017-18	:	5,382
2018-19	:	5,887
2019-20	:	5,722
2020-21	:	5,569
2021-22	:	5,539

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:

		10.16 (P.Y. 7.04)
i)	Debtors Turnover Ratio	Increase in revenue from operation by 68% (Current year Turnover is ₹ 25,882 crore from ₹ 15,370 crore against previous year)
ii)	Inventory Turnover	There is no significant change in the ratio
iii)	Interest Coverage Ratio	127 (P.Year 232) EBITDA increase 45% (Current year EBITDA is ₹ 13,306 crore against previous year ₹ 9146 crore)
iv)	Current Ratio	There is no significant change in the ratio
v)	Debt Equity Ratio	0.10 (P.Year, 0.07) New term loan Trust & Retention Accounts of ₹ 1,144.42 crore taken of @ 7.10% P.A
vi)	Operating Profit Margin (%)	There is no significant change in the ratio
vii)	Net Profit Margin (%)	There is no significant change in the ratio
viii)	Return on Net Worth (%)	Current Year 27 % (P.Y 21.22%) Increase in PAT BY 50.30%
	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)

	2021-2022	2020-2021	(% of Change)
Net Worth (₹ In crore)	34,844	29,756	(+) 17.09 %
PAT (₹ in crore)	9,398	6,253	(+) 50.30 %
Return on Net Worth	26.97[%]	21.01[%]	

Interim Dividend paid during the current year ₹ 14.74 per share, total consideration of ₹ 4,319.72 crore.

12. Sustainability

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. As the world is now traversing more uncertainty than ever, NMDC is focusing on building sustainable and resilient businesses to survive in the long run and to make a meaningful contribution to the battle against climate change through an increasing investing environment, social and governance (ESG) initiatives. All Mines of NMDC has been Awarded 5 Star Rating by the Ministry of Mines.

12.1 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 21-22. A total of six Continuous Ambient Air Quality Monitoring Stations (CAAQMS) have been installed at Bachel 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. Procurement of 2 no.s CAAQMS are in progress for installation in Kumaraswamy Iron Ore Mines.
- Every year Carbon Footprint studies are being conducted for disclosure of Greenhouse Gas Emissions under Carbon Disclosure Project (CDP). Water Audit is conducted at

regular intervals at all projects of NMDC and recommendations of audit are being implemented to conserve water and to improve the efficiency of motors / pumps, arrest leakages, etc. 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. NMDC received 5-star ratings for all its operating iron ore mines viz. Kumaraswami, Bacheli Deposit-5, Deposit 14 NMZ and Deposit No 10.
- 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 are under implementation stage. The R&R plan for Bacheli complex is under final stage of submission and the reclamation measures suggested by ICFRE will be implemented.
- 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.
- 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 96 no.s wells are being monitored at NMDC projects to monitor underground water quality and water levels for all 4-seasons in a year. Studies are revealed that there has been an increasing trend in the ground water level due to hydraulic loading by the existing check dams and check bunds. Limited usage of ground water and continuous recharge helped in the process.
- NMDC has set-up Sewage Treatment Plant (STP) with advanced treatment technology (Sequential Batch Reactor) at Bacheli (2 MLD) and at Donimalai (3 MLD) for treatment of domestic waste water. STP works are in progress at Kirandul (3 MLD) township. The treated water will be reused for green belt development.

- A total of 22,000 saplings planted in the FY 2021-22 in and around NMDC projects. Since inception of Mining activities in Bailadila and Karnataka, more than 25.42 Lakh trees have been planted in and around leases of NMDC Limited. NMDC is actively contributing funds to Government of Chhattisgarh flagship programme "Hariyar Chhattisgarh" for undertaking block plantation in the state of C.G by CGRVN Limited.

12.2 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 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 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 trainings are also given to the employees.

Severity Rate for the year 2021-22 is 2.16

(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 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.

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.

12.3 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 which 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 who 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 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 assisting Govt. Authorities in the States, wherein it operates or has Units/Establishments.

Detailed disclosure on CSR forms part of the Annual Report.

ANNEXURE – II

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

About 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, Blast furnace simulation (Softening & melting furnace), Dilatometer & Plastometer, TGA, Dry air & APIC Jig, WHIMS, Ring shear tester, Abrasion tester, Vickers hardness tester, Advanced Rheometer, Friction angle tester, Zeta potential, Automatic mineral analyzer, Stereo microscope, Batch & Pilot plant facilities for Mineral processing and Agglomeration.

NMDC R&D 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:

Minimizing the production loss due to flowability related issues in handling and storage of bulk solids (like iron ore, coal, flyash etc)

Use of alternate and better screening media to achieve better productivity

Addition of external agent to wet & sticky Iron ore to improve flowability and screen efficiency

Utilization of mines waste for value added product like development of building materials.

➤ Technology Absorption:

- Development of Vision Enhancement System for foggy Weather at Bachel
- Utilizing 100% iron ore fines in the existing beneficiation circuit at pellet plant Donimalai
- Designing of jamming free Rapid wagon loading system in Kirandul complex
- Development of technology for dry processing and beneficiation

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.

NMDCs' Innovation & Incubation Program (NICE) for Promoting Start-Ups:

"Startup India" is a flagship initiative of the Government of India, intended to catalyze startup culture and build a strong and inclusive ecosystem for innovation and entrepreneurship in India. In tune with "Startup India" initiative, NMDC has decided to support the budding startup companies to nurture new ideas and concepts. After studying the various entrepreneurial eco systems existing in the country, NMDC has established NMDC Innovation & Incubation Centre (NICE) in association with i-TIC Foundation at IIT- Hyderabad premises, with a focus to nurture and incubate start-up companies with new and innovative ideas in Deep Technology. i-TIC Foundation, IIT Hyderabad (i-TIC), is a registered society, hosted by Indian Institute of Technology Hyderabad which has established the Technology Business Incubator (TBI).

NMDC contributes up to ₹ 10 Crore for this five-year joint incubation program to support at least 15 start-ups. The objective of the program is to promote the spirit of Innovation and Entrepreneurship in the country. The program offers working space, maker's lab, networking with mentors & experts apart from financial support to start-ups. The program was launched on 04th

November 2020 by CMD, NMDC in presence of Directors of NMDC and IIT Hyderabad. A dedicated website was created and launched for the NICE program (www.niceprogram.in).

For second year, 05 start-ups for grants program and 01 for fellowship program were selected in the first round by a designated committee (PRC). A total of 08 start-ups for grants program and 05 fellows for fellowship program are currently getting incubation support under the umbrella of NMDC Innovation & Incubation Centre.

Various research projects completed /In progress 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. Various samples received for characterization and chemical analysis from Investigation department
- iii. Exploring possibilities of utilising 100% iron ore fines in the existing beneficiation circuit at pellet plant Donimalai
- iv. Evaluation of indigenous wear liner to be used in NMDC mines- An import substitution initiative for ATMANIRBHAR BHARAT
- v. Development of vision enhancement system for foggy weather at Bachel (In collaboration with CSIR-CIMFR)
- vi. Design inputs for Rapid wagon loading system at Kirandul complex

2.0 In-house Developmental Research Projects

i) Process Improvement:

1. Development of high-grade pellets or ultra pure grade pellet.
2. Develop a process for 100% utilization of ultra fines iron ore in sinter making

3. Utilization of mining waste (Slime) to produce building materials
4. Investigate the effect of Alumina content on flow properties of iron ore
5. Development of comprehensive report on the flow characteristics of different types of Coal

ii) Strategic Technology Absorption:

6. Beneficiation of low-grade coal after removal of volatile matters
7. Preparation of sodium base silica and recovery of TiO₂ from Kimberlite
8. Study of making of value added product from mines 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.
	i. Modeling & Optimization of high concentration Iron ore fines/ Concentrate slurry pipe line for Indian Iron Ore Processing Industry (Final report submitted in Sep 2021).
	ii. Development of application of Nano Iron oxide obtained from blue dust in energy & sensors devises
CSIR-IMMT, Bhubaneswar	iii. Dry beneficiation of Iron ore and coal using VSK Separator
	Development of Vision enhancement system for foggy weather
CSIR-CIMFR	

4.0 R&D Investment

Year	Investment on R&D (₹ Crs)			Turnover (₹ Crs)	[%] of Turnover	Profit after tax (₹ Crs)	[%] of PAT
	Revenue	Capital	Total				
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
2020-2021	27.40	1.80	29.20	15,370	0.20	6,253	0.47
2021-2022	27.16	3.97	31.13	25,882	0.12	9,398	0.33

In addition to the above, expenditure on Innovations Initiatives during the year 2021-22 is ₹ 295.97 crores.

5.0 Foreign Exchange earnings and outgo.

- i) Foreign Exchange Earning NIL
- ii) Foreign Exchange outgo ₹ 49.88 crore

ANNEXURE – III

REPORT ON CORPORATE GOVERNANCE

1. A brief statement on Company's philosophy on code of Governance

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 2022, the Board of NMDC comprises of Chairman and Managing Director, three Whole time / Functional Directors, two Government Nominee Directors and four Independent Directors.

a. Composition and category of Directors:

Whole-time / Functional Directors

- i) Shri Sumit Deb, Chairman and Managing Director
- ii) Shri Amitava Mukherjee, Director (Finance)
- iii) Shri Somnath Nandi, Director (Technical)
- iv) Shri Dilip Kumar Mohanty, Director (Production) (w.e.f. 05.10.2021)
- v) Shri Alok Kumar Mehta, Director (Commercial) (upto 30.09.2021)
- vi) Shri P.K. Satpathy, Director (Production) (upto 31.08.2021)

Government of India Nominee Directors

- i) Smt. Rasika Chaube Additional Secretary, Ministry of Steel
- ii) Smt. Sukriti Likhi, Additional Secretary & Financial Advisor, Ministry of Steel (w.e.f. 23.04.2021)

Independent Directors (Non-Executive)

- i) Shri Sanjay Tandon (w.e.f. 01.11.2021)
- ii) Dr. Anil Sadashivrao Kamble (w.e.f. 01.11.2021)

iii) Shri Vishal Babber (w.e.f. 01.11.2021)

iv) Shri Sanjay Singh (w.e.f. 29.12.2021)

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 Sumit Deb Chairman and Managing Director	9	9	YES
2	Shri P.K. Satpathy Director (Production) (upto 31.08.2021)	5	5	NA
3	Shri Alok Kumar Mehta Director (Commercial) (upto 30.09.2021)	6	6	YES
4	Shri Amitava Mukherjee Director (Finance)	9	9	YES
5	Shri Somnath Nandi Director (Technical)	9	9	YES
6	Shri Dilip Kumar Mohanty Director (Production) (w.e.f. 05.10.2021)	3	3	NA
7	Smt. Rasika Chaube Govt. Nominee Director	9	9	NO
8	Smt Sukriti Likhi Govt. Nominee Director (w.e.f. 23.04.2021)	9	9	NO
9	Shri Sanjay Tandon Independent Director (w.e.f. 01.11.2021)	3	2	NA
10	Dr. Anil Sadashivrao Kamble Independent Director (w.e.f. 01.11.2021)	3	3	NA
11	Shri Vishal Babber Independent Director (w.e.f. 01.11.2021)	3	3	NA
12	Shri Sanjay Singh Independent Director (w.e.f. 29.12.2021)	1	1	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# (Excluding NMDC)	Committee Chairpersonship # (Excluding NMDC)	Names of Others Listed entity and category of directorship
1	Shri Sumit Deb Chairman and Managing Director	3	--	--	--
2	Shri P.K. Satpathy Director (Production) (upto 31.08.2021)	5	--	--	--
3	Shri Alok Kumar Mehta Director (Commercial) (upto 30.09.2021)	6	--	--	--
4	Shri Amitava Mukherjee Director (Finance)	6	--	--	--
5	Shri Somnath Nandi Director (Technical)	3	--	--	--
6	Shri Dilip Kumar Mohanty Director (Production) (w.e.f. 05.10.2021)	5	3	--	--
7	Smt. Rasika Chaube Govt. Nominee Director	1	1	--	--
8	Smt. Sukriti Likhi Govt. Nominee Director (w.e.f. 23.04.2021)	5	--	--	Nominee Director in KIOCL Ltd., Steel Authority of India Ltd. and MOIL Ltd.
9	Shri Sanjay Tandon Independent Director (w.e.f. 01.11.2021)	2	4	--	--
10	Dr. Anil Sadashivrao Kamble Independent Director (w.e.f. 01.11.2021)	2	3	--	--
11	Shri Vishal Babber Independent Director (w.e.f. 01.11.2021)	--	3	--	--
12	Shri Sanjay Singh Independent Director (w.e.f. 29.12.2021)	--	--	--	--

Notes:

* Directorship held by Directors on all other Boards (Private & Public)

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 2021-22, nine (9) Board meetings were held, the details of which are given below:

Sl.No.	Board Meeting Sl. No.	Board Meeting Date	Board Strength	No. of Directors Present
1	537	17.06.2021	7	7
2	538	22.06.2021	7	7
3	539	13.07.2021	7	7
4	540	12.08.2021	7	7
5	541	31.08.2021	7	7
6	542	27.09.2021	6	6
7	543	11.11.2021	9	9
8	544	03.12.2021	9	8
9	545	08.02.2022	10	10

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, 2022.**

S.No.	Name of the Director	No. of Shares of the Company
1	Shri Sumit Deb, Chairman-cum-Managing Director	NIL
2	Shri P.K. Satpathy, Director (Production) (upto 31.08.2021)	320
3	Shri Alok Kumar Mehta, Director (Commercial) (upto 30.09.2021)	NIL
4	Shri Amitava Mukherjee, Director (Finance)	NIL
5	Shri Somnath Nandi, Director (Technical)	NIL
6	Shri Dilip Kumar Mohanty, Director (Production) (w.e.f. 05.10.2021)	NIL
7	Smt. Rasika Chaube, Govt. Nominee Director	NIL
8	Smt. Sukriti Likhni, Govt. Nominee Director (w.e.f. 23.04.2021)	NIL
9	Shri Sanjay Tandon, Independent Director (w.e.f. 01.11.2021)	NIL
10	Dr. Anil Sadashivrao Kamble, Independent Director (w.e.f. 01.11.2021)	NIL
11	Shri Vishal Babber, Independent Director (w.e.f. 01.11.2021)	NIL
12	Shri Sanjay Singh, Independent Director (w.e.f. 29.12.2021)	NIL

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

Ministry of Steel, Govt. of India, the controlling ministry of the company has appointed Independent Directors on the Board of the company on 01.11.2021 and 29.12.2021. Hence, the company is in the process of providing Familiarization Programmes to the newly inducted Independent Directors. The weblink for the same is provided under Investors section.

h. **Chart or matrix setting out 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 Sumit Deb, Chairman and Managing Director	Management, Personnel, HR, Commercial
2	Shri P.K. Satpathy, Director (Production) (upto 31.08.2021)	Mining
3	Shri Alok Kumar Mehta, Director (Commercial) (upto 30.09.2021)	Commercial, Marketing & Projects
4	Shri Amitava Mukherjee, Director (Finance)	Finance, Costing, Taxation
5	Shri Somnath Nandi, Director (Technical)	Steel, Projects
6	Shri Dilip Kumar Mohanty, Director (Production) (w.e.f. 05.10.2021)	Steel
7	Smt. Rasika Chaube, Govt. Nominee Director	IDAS officer
8	Smt. Sukriti Likhi, Govt. Nominee Director (w.e.f. 23.04.2021)	IAS Officer
9	Shri Sanjay Tandon, Independent Director (w.e.f. 01.11.2021)	Chartered Accountant
10	Dr. Anil Sadashivrao Kamble, Independent Director (w.e.f. 01.11.2021)	Doctor, Administration of Hospital
11	Shri Vishal Babber, Independent Director (w.e.f. 01.11.2021)	Chartered Accountant
12	Shri Sanjay Singh, Independent Director (w.e.f. 29.12.2021)	Social Service, CSR

i. Confirmation that in the opinion of the board, the independent directors fulfill the conditions specified in these regulations and are independent of the management:

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 2021-22.

j. Detailed reasons for the resignation of an independent director who resigns before the expiry of his / her 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.
 - Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- ii. **Composition, names of Members and Chairperson**
- The Audit Committee consists of the following Directors #:**
- Shri Sanjay Tandon, Independent Director and Chairman (w.e.f. 06.11.2021)

- Dr. Anil Sadashivrao Kamble, Independent Director and Member (w.e.f. 06.11.2021)
- Shri Vishal Babber, Independent Director and Member (w.e.f. 29.11.2021)
- Shri Somnath Nandi, Director (Technical) and Member

Consequent upon the appointment of Independent Directors on the Board of the company by the controlling Ministry, Ministry of Steel, the Audit Committee has been reconstituted on 06.11.2021.

- 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, 3 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	120	11.11.2021	3	3
2	121	30.11.2021	4	4
3	122	08.02.2022	4	4

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 Sanjay Tandon, Independent Director & Chairman (w.e.f. 06.11.2021)	3	3
2	Dr. Anil Sadashivrao Kamble, Director (Commercial) (w.e.f. 06.11.2021)	3	3
3	Shri Vishal Babber, Independent Director & Member (w.e.f. 29.11.2021)	2	2
4	Shri Somnath Nandi, Director (Technical)	3	3

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 and Remuneration 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	Shri Sanjay Tandon, Independent Director and Chairman (w.e.f. 06.11.2021)
2	Dr. Anil Sadashivrao Kamble, Independent Director and Member (w.e.f. 06.11.2021)
3	Shri Vishal Babber, Independent Director and Member (w.e.f. 06.11.2021)

(c) Meetings and attendance during the year:

During the year under review, 1 meeting of the Nomination, Remuneration & HR Committee was held on 01.12.2021.

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

Sl. No.	Name of the Director	No. of meetings held	No. of meetings attended
1	Shri Sanjay Tandon, Independent Director & Chairman (w.e.f. 06.11.2021)	1	1
2	Dr. Anil Sadashivrao Kamble, Director (Commercial) (w.e.f. 06.11.2021)	1	1
3	Shri Vishal Babber, Independent Director & Member (w.e.f. 06.11.2021)	1	1

(d) Performance Evaluation

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

5. Shareholders'/Investors' Grievance/Stakeholders Committee

Composition: The Board has constituted the Shareholders'/Investors' Grievance/Stakeholders Committee comprising Chairman of Audit Committee, Shri Sanjay Tandon (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 #:

Sl. No.	Meeting No.	Meeting Date	Strength of the Committee	No. of Members Present
1	49 #	17.06.2021	2	-
2	50 #	12.08.2021	2	-
3	51	11.11.2021	3	3
4	52	08.02.2022	3	3

The Company could not constitute the Shareholders' / Investors' Grievance Committee due to non-availability of Independent Directors on the Board of the company.

However, the Shareholders' / Investors' Grievance Committee was reconstituted on 06.11.2021 consequent upon appointment of Independent Directors on the Board of the company. As there was no valid Committee during the 49th & 50th meeting, being a statutory compliance, the same was placed before the Board of Directors of the Company as an information item to the Board.

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	2	2
2	Director (Production)	2	2
3	Director (Finance)	2	2

M/s KFin Technologies Ltd., Hyderabad (formerly KFin Technologies Pvt. Ltd.) 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 KFin Technologies Ltd., Hyderabad.

- Name of the Non-Executive Director heading the Committee – Shri Sanjay Tandon, Independent Non-Executive Director of the company has been appointed as Chairman of the Committee w.e.f. 06.11.2021.
- Name and designation of the Compliance Officer: Shri A.S. Pardha Saradhi, Company Secretary
- Number of shareholders complaints received during the financial year - 25
- Number of complaints not solved to the satisfaction of the shareholders - Nil.
- Number of pending complaints - 1.
- During the year, under SCORES, 09 investor complaints were received & resolved and no complaint was pending as on 31.03.2022.

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)
- ii) Director (Finance)
- iv) Director (Commercial)

Company Secretary acts as Secretary to the Committee.

During the year under report, NIL meetings of the Committee were held.

7. Risk Management Committee

(a) Brief description of terms of reference

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. The terms of reference of the Risk management Committee is outlined in Risk Assessment and Risk Mitigation Policy / Enterprise Risk Management (ERM) of the Company.

(b) Composition, name of members and chairperson

The following Directors are members of the Risk Management Committee:-

- 1. Shri Amitava Mukherjee, Director (Finance) & Chairperson
- 2. Shri Vishal Babber, Independent Director (w.e.f. 17.12.2021)
- 3. Shri Somnath Nandi, Director (Technical)
- 4. Shri Dilip Kumar Mohanty, Director (Production) (w.e.f. 17.12.2021)
- 5. Shri Alok Kumar Mehta, Director (Commercial) (upto 30.09.2021) – Vacant from 01.10.2021
- 6. Director (Personnel) – Presently vacant

Director (Finance) chairs the Risk Management Committee.

(c) Meetings and attendance during the year

During the year under review, two meetings of the Board level Risk Management Committee were held on 22.06.2021 and 11.02.2022

Sl. No.	Name of the Director	No. of meetings held	No. of meetings attended
1	Shri Vishal Babber, Independent Director	1	1
2	Director (Finance)	2	2
3	Director (Technical)	2	2
4	Director (Production)	2	2
5	Director (Commercial)	1	1
6	Director (Personnel)	-	-

8. 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 2021-22 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. Sumit Deb C M D	64.33	5.92	70.25
2	Shri. Amitava Mukherjee Director (Finance)	52.67	7.95	60.62
3	Shri. SOMNATH NANDI Director (Technical)	54.26	6.31	60.57
4	Shri. Dilip Kumar Mohanty Director (Production)	29.30	0.73	30.03
5	Shri. P.K Satpathy Ex_Director (Production)	69.79	3.88	73.67
6	Shri. Alok Kumar Mehta Ex_Director (Commercial)	68.03	4.78	72.81
	Total	338.38	29.57	367.95

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	Dr. Anil Sadashivrao Kamble	320000
2	Shri. Vishal Babber	215000
3	Shri. Sanjay Tandon	235000
	Total	770000

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.

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.

9. 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
61 st AGM	The Park, Hyderabad	30.08.19 at 1130 hrs	Nil
62 nd AGM	Video Conferencing	29.09.20 at 1130 hrs	Yes*
63 rd AGM	Video Conferencing	30.09.21 at 1130 hrs	Nil

*Authorization to offer, issue and allot secured or unsecured non-convertible debentures (NCDs) or bonds on private placement aggregating ₹ 5,000 crores.

- (b) Whether any special resolution passed in the previous 3 AGMs – Yes.
- (c) whether any special resolution passed last year through postal ballot – details of voting pattern – Nil
- (d) person who conducted the postal ballot exercise – NA
- (e) whether any special resolution is proposed to be conducted through postal ballot – NA
- (f) procedure for postal ballot – NA

10. 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, Corporate Investor Presentation 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. Conference call conscripts are also uploaded on the website of the company.

11. General Shareholders Information

(a) AGM date, time and venue

The 64th AGM of the Company shall be held on 29th August 2022 at 1130 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

Webcast of the AGM :

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

(b) Financial Year: 1st April – 31st March

(c) Dividend Payment date:

- (i) Dividends as declared were paid within 30 days of declaration as per the provisions of the Companies Act, 2013.
- (ii) 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	2,626	1,694	4,320	1,474
Final	-	-	-	-
Total	2,626	1,694	4,320	1,474
Pervious Year (Including Final Dividend)	1,553	721	2,274	776

* No final dividend was recommended by the Board.

Date of Book Closure: from 24th August 2022 to 29th August 2022 (both days inclusive)

d. Listing on Stock Exchanges

Equity shares of NMDC Limited are listed on the following Stock Exchanges:-

- (i) BSE Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street,
MUMBAI – 400 001
- (ii) National Stock Exchange of India Ltd.
Exchange Plaza,
Plot No. C/1, G Block,
Bandra - Kurla Complex,
Bandra (E),
MUMBAI - 400 051
- (iii) Calcutta Stock Exchange Ltd.
7, Lyons Range,
KOLKATA - 700 001

Listing Fees for the year 2021-22 has been paid to the three Stock Exchanges.

e. 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

f. Market price data: High, Low during each month in the financial year 2021-22

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

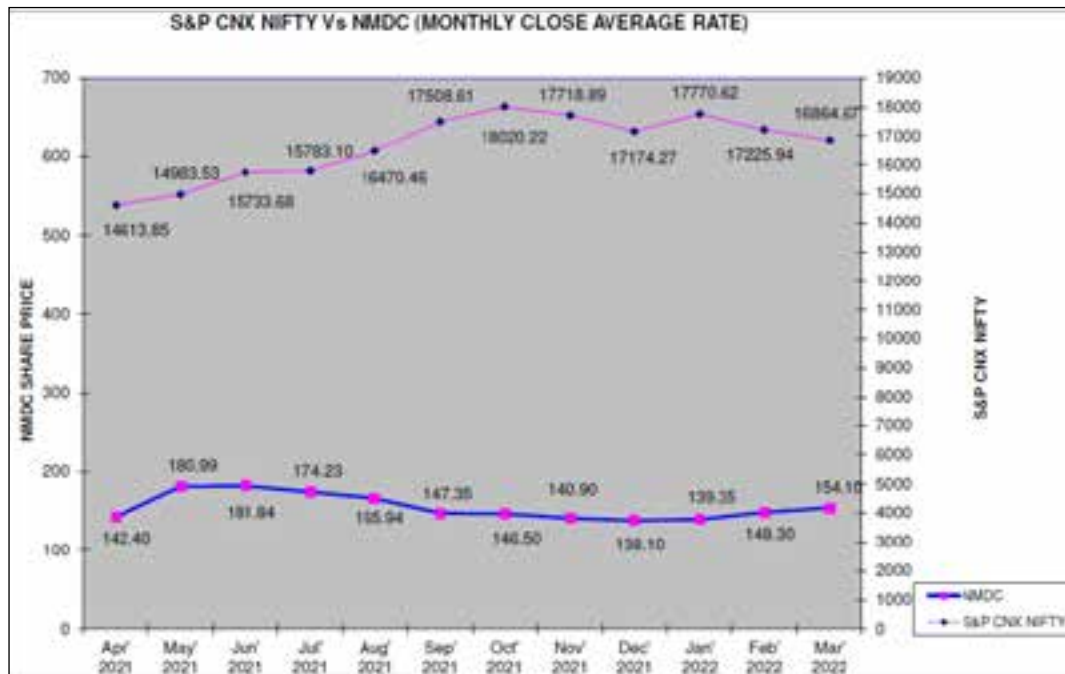
Month and Year	BSE		NSE	
	Highest	Lowest	Highest	Lowest
Apr-21	158.7	133.15	158.70	133.15
May-21	213.15	151.4	213.20	151.30
Jun-21	195.6	171.55	195.20	171.60
Jul-21	187	165.3	186.50	165.25
Aug-21	184.25	145.25	184.25	145.25
Sep-21	156.7	133.4	156.75	133.55
Oct-21	159.6	133.25	159.50	133.10
Nov-21	148.5	130.8	148.50	130.80
Dec-21	150.05	127.8	150.10	125.00
Jan-22	146.9	132.8	146.90	132.80
Feb-22	161.2	133.85	161.40	133.80
Mar-22	163.5	142.55	163.55	142.70

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

(i) BSE / Sensex and NMDC Share Price



(ii) NIFTY and NMDC Share Price



h. In case the securities are suspended from trading, the directors report shall explain the reason thereof – NA

i. 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.

j. 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.



k. Distribution of Shareholding:
(i) Shareholding Pattern of the Company as on 31.03.2022

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 convertible securities (including Warrant) (x)	Shareholding as a % assuming full conversion of convertible 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)
								Class eg: X* eg: Y	Class	Total			As a % of total shares held (a)	As a % of total shares held (b)	No. (a)	No. (b)	
(A)	Promoter & Promoter Group	1	1781633571	0	0	1781633571	60.79	1781633571	0	1781633571	60.79	0	0	0	0	1781633571	
(B)	Public	612386	1148972279	0	0	1148972279	39.21	1148972279	0	1148972279	39.21	0	0	0	0	1148876092	
(C)	Promoter-Non Public																
(C1)	Shares underlying DRs	0	0	0	0	0	N.A	0	0	0	0	0	0	0	0	0	
(C2)	Shares held by Employee Trusts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	Total	612387	2930605850	0	0	2930605850	100	2930605850	0	2930605850	100	0	0	0	0	2930509663	

(ii) Distribution of Shareholding by size as on 31.03.2022

SL NO	CATEGORY	HOLDERS	HOLDERS PERCENTAGE	SHARES	AMOUNT	AMOUNT PERCENTAGE
1	1-5000	605583	98.89	142619278	142619278	4.87
2	5001-10000	3766	0.61	27527880	27527880	0.94
3	10001-20000	1490	0.24	21331450	21331450	0.73
4	20001-30000	491	0.08	12120730	12120730	0.41
5	30001-40000	212	0.03	7451627	7451627	0.25
6	40001-50000	170	0.03	7843404	7843404	0.27
7	50001-100000	270	0.04	20058382	20058382	0.68
8	100001 & Above	405	0.07	2691653099	2691653099	91.85
Total:		612387	100.00	2930605850	2930605850	100.00

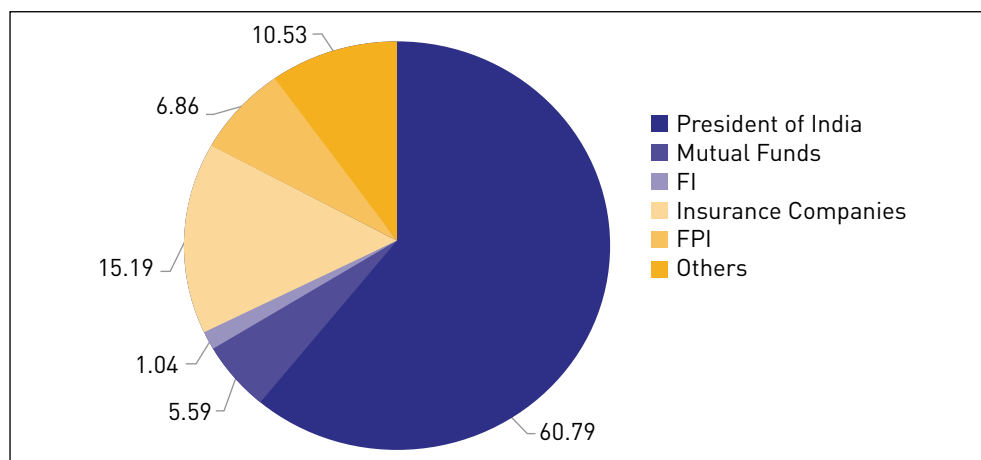
(iii) Top ten shareholders of the Company as on 31.03.2022

Sl. No.	Shareholder	No. of Shares	%	Group	Category
1	PRESIDENT OF INDIA	1781633571	60.79	Pro	Central Government/ State Government(s)
2	LICI HEALTH PLUS NON UNIT FUND	414885432	14.16	pub	Insurance Companies
3	NIPPON LIFE INDIA TRUSTEE LTD- A/C NIPPON INDIA ETF JUNIOR BEES	79508174	2.71	pub	Mutual Funds
4	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE NIFTY NEXT 50 INDEX FUND	22517901	0.77	Pub	Mutual Funds
5	KOTAK MAHINDRA TRUSTEE CO LTD A/C KOTAK NIFTY NEXT 50 INDEX FUND	20715541	0.71	Pub	Mutual Funds
6	SBI CAPITAL PROTECTION ORIENTED FUND - SERIES A (PLAN 6) (1350 DAYS)	12250060	0.42	Pub	Mutual Funds
7	SOCIETE GENERALE	11159568	0.38	Pub	Foreign Portfolio Investor
8	CANARA BANK-MUMBAI	11069767	0.38	Pub	Financial Institutions/ Banks
9	PRINCIPAL FUNDS, INC. - ORIGIN EMERGING MARKETS FUND	10767000	0.37	Pub	Foreign Portfolio Investor
10	VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERIES OF VANGUARD INTERNATIONAL EQUITY INDEX FUNDS	10635764	0.36	Pub	Foreign Portfolio Investor
TOTAL :		2375142778	81.05		

(iv) Geographical Distribution of Shareholders as on 31.03.2022

Sl No	city	No. of Share Holders	% to Total	No. of Shares	% to Total
1	AHMEDABAD	17797	2.84	13035554	0.44
2	BANGALORE	27388	4.37	15655839	0.53
3	BHUBANESWAR	2169	0.35	758496	0.03
4	CHANDIGARH	2274	0.36	780014	0.03
5	CHENNAI	20143	3.21	24798963	0.85
6	GUWAHATI	1777	0.28	384476	0.01
7	HYDERABAD	21134	3.37	8762102	0.30
8	JAIPUR	9908	1.58	4000342	0.14
9	KANPUR	3543	0.57	1041434	0.04
10	KOLKATA	21975	3.50	23345788	0.80
11	MUMBAI	74921	11.95	907206085	30.96
12	NAGPUR	4820	0.77	2025073	0.07
13	NEW DELHI	36367	5.80	1813576781	61.88
14	PATNA	3248	0.52	2777575	0.09
15	TRIVANDRUM	1779	0.28	521410	0.02
16	OTHERS	377719	60.25	111935918	3.82
TOTAL		626962	100.00	2930605850	100.00

(v) Shareholding Profile as on 31.03.2022



I. 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, 2022 are as under:

Particulars	No. of Shares	% of total capital issue
Held in dematerialized form in NSDL	2724988372	92.984
Held in dematerialized form in CDSL	205521291	7.013
Physical	96187	0.003
Total:	2930605850	100.000

m. **Outstanding GDRs/ADRs/Warrants or warrants or any Convertible instruments, conversion date and likely impact on equity : NIL**

n. **Commodity price risk or foreign exchange risk and hedging activities.**

NMDC has discontinued exports owing to the non-renewal of Long-Term agreement with Japan / S. Korean Steel mills during FY 21-22 (w.e.f. 1st April'21). Presently NMDC does not have any exposure of Export of iron ore, so there is no need to hedge against foreign exchange risk.

o. **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 (Chhattisgarh)
- 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.)

p. **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

q. **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 borrowed an amount of ₹ 523.80 Crore by issuing Unsecured Non-Convertible Debentures. Further company has availed fund and non-fund based limit. Credit Rating for the instruments are as below:

Fund and Non Fund Based Limits:

- a) Fund Based 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)
- c) Fund and Non-Fund Based Limit (CRISIL) AAA/Stable (Reaffirmed) (for INR 105.0 Billion)

Unsecured Non-Convertible Debentures:

- a) India Ratings & Research – Affirms IND AAA/Stable; Maintains NCDs on RWN (for INR 50 Billion)
- b) ICRA - [ICRA] AAA placed Rating continues to remain under Watch with Negative Implications (for INR 50 Billion)

Rating Action Total Bank Loan Facilities Rated ₹ 10500 Crore (Enhanced from ₹ 7500 Crore) Long Term Rating CRISIL AAA/Stable (Reaffirmed) Long Term Rating CRISIL AAA/Watch Negative (Continues on 'Rating Watch with Negative Implications') Short Term Rating CRISIL A1+ (Reaffirmed) 1 crore = 10 million Refer to Annexure for Details of Instruments & Bank Facilities.

12. Other Disclosures:

- (a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large – Nil
- (b) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;

Penalties/Punishment/Compounding of offences:

Fines levied by the Stock Exchanges as per SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated 22nd January 2020 (Erstwhile SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2018/77 dated May 03, 2018):

- 1) Notices received in the financial year 2019-2020:

- a. The Company is in receipt of BSE letter and NSE notice dated 2nd May 2019 for non-compliance with the provisions of Regulation 17(1) of SEBI (LODR) Regulations, 2015 for the quarter ended 31-03-2019. In terms of the said letters a fine of ₹ 1,06,200/- each has been imposed by BSE and NSE towards non-compliance with Regulation 17(1) of SEBI (LODR) Regulations, 2015.
- b. 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) payable to each exchange.
- c. 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) payable to each exchange.
- d. 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) payable to each exchange.
- 2) Notices received in the financial year 2020-2021:
- a. The Company is in receipt of BSE email and NSE notice 8th September 2020 for non-compliance with the provisions of Regulation 17(1) and Regulation 19(1) /19(2) of SEBI (LODR) Regulations, 2015 for the quarter ended 31st March 2020, imposing a fine of ₹ 3,63,440/- including GST payable to each exchange.
- b. The Company is in receipt of BSE email and NSE notice dated 20th August 2020 for non-compliance with the provisions of Regulation 17(1) and Regulation 19(1) /19(2) of SEBI (LODR) Regulations, 2015 for the quarter ended 30th June 2020, imposing a fine of ₹ 7,51,660 including GST payable to each exchange.
- c. The Company is in receipt of BSE email and NSE notice dated 17th November 2020, for non-compliance with the provisions of Regulation 17(1) and Regulation 19(1) /19(2) of SEBI (LODR) Regulations, 2015 for the quarter ended 30th September 2020, imposing a fine of ₹ 7,59,920 including GST payable to each exchange.
- d. The Company is in receipt of BSE email and NSE notice dated 15th February 2021 for non-compliance with the provisions of Regulation 17(1) and Regulation 19(1) /19(2) of SEBI (LODR) Regulations, 2015 for the quarter ended 31st December 2020, imposing a fine of ₹ 7,59,920/- including GST payable to each exchange.
- 3) Notices received in the financial year 2021-2022:
- a. The Company is in receipt of BSE email and NSE email notice dated 17th May 2021 for non-compliance with the provisions of Regulations 17(1), 17(2A), 18(1), 19(1)/19(2), 20(2)/(2A) of SEBI (LODR) Regulations, 2015 for the quarter ended 31st March 2021, imposing a fine of ₹ 9,62,880/- including GST payable to each exchange.
- b. The Company is in receipt of BSE email and NSE email notice dated 20th August 2021 for non-compliance with the provisions of Regulations 17(1), 17(2A), 18(1), 19(1)/19(2), 20(2)/(2A) of SEBI (LODR) Regulations, 2015 for the quarter ended 30th June 2021, imposing a fine of ₹ 12,04,780/- including GST payable to each exchange.
- c. The Company is in receipt of BSE email and NSE notice dated 22nd November 2021 for non-compliance with the provisions of Regulations 17(1), 17(2A), 18(1), 19(1)/19(2), 20(2)/(2A) and 21(2) of SEBI (LODR) Regulations, 2015 for the quarter ended 30th September 2021, imposing a fine of ₹ 13,75,880/- including GST payable to each exchange.
- d. The Company is in receipt of BSE email and NSE notice dated 21st February 2022 for non-compliance with the provisions of Regulations 17(1), 18(1), 19(1)/19(2), 20(2)/(2A) and 21(2) of SEBI (LODR) Regulations, 2015 for the quarter ended 31st December 2021, imposing a fine of ₹ 9,79,400/- including GST payable to each exchange.

- 4) Notices received in the financial year 2022-23:
- a. The Company is in receipt of BSE email and NSE notice dated 20.05.2022 for non compliance with the provisions of Regulation 17(1) of SEBI (LODR) Regulations 2015 for the quarter ended 31st March 2022, imposing a fine of ₹ 5,31,000/- including GST payable to each Exchange.
- The Company has replied to 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/ emails 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.
- Waiver of fine levied pursuant to SEBI circular SEBI/HO/CFD/CMD/CIR/P/2018/77 dated 3rd May 2018 for non-compliance with SEBI Listing Regulations:**
- i) NSE waived off fines for non-compliance with Regulation 17 of SEBI Listing Regulations for the quarters ended 31st March 2019, 30th June 2019, 30th September 2019 and 31st December 2019.
- ii) BSE waived off fines for non-compliance with Regulation 17 and 19 of SEBI Listing Regulations for the quarters ended 31st March 2019, 30th June 2019, 30th September 2019, 31st December 2019, 31st March 2020, 30th June 2020, 30th September 2020 and 31st December 2020.
- (c) Details of establishment of vigil mechanism whistle blower policy, and affirmation that no personnel has been denied access to the audit committee;
- 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. No personnel has been denied access the Audit Committee in respect of Whistle Blower Mechanism.
- (d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements – Necessary disclosure has been made.
- (e) Web link where policy for determining 'material' subsidiaries is disclosed;
<https://www.nmdc.co.in/investors/policies-and-documents>
- (f) Web link where policy on dealing with related party transactions;
<https://www.nmdc.co.in/investors/policies-and-documents>
- (g) Disclosure of commodity price risks and commodity hedging activities – Necessary disclosure has been made.
- (h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) – Nil
- (i) A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority – 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)**
- (j) 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:
Provided that the clause shall only apply where recommendation of / submission by the committee is required for the approval of the Board of Directors and shall not apply where prior approval of the relevant committee is required for undertaking any transaction under these Regulations – Not Applicable
- (k) Total fees for all services paid by the 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 – ₹ 1.01 crore.

- (l) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
- number of complaints filed during the financial year – Nil
 - number of complaints disposed of during the financial year – Nil
 - number of complaints pending as on end of the financial year – Nil
- (m) 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.
- (n) Items of expenditure debited in books of accounts, which are not for the purposes of the business.
- Nil.
- (o) Expenses incurred which are personal in nature and incurred for the Board of Directors and Top Management.
- Nil
- (p) Details of Administrative and Office expenses as a percentage of total expenses was 3.45%.

13. Non-compliance of any requirement of corporate governance report with reasons thereof shall be disclosed.

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 present composition of the Board of NMDC Ltd. consists of four (4) Functional Directors including CMD, two (2) Government Nominee Directors and four (4) Independent Directors. There is a vacancy of four (4) Independent Directors; including vacancy of one woman Independent Director and two (2) Functional Directors i.e., Director (Personnel) and Director (Commercial), which needs to be filled in by Ministry of Steel, Govt. of India. In absence of Independent Directors on the Board of NMDC, the

company is non-compliant with the following:-

- Non-compliance with composition of the Board.
- Non-Compliance with appointment of women Independent Director.

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.

14. The corporate governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted.

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 2021-22 is unmodified. The Company always aims to present financial statements with unmodified audit opinion.

D. Reporting of Internal Auditor:

Necessary mechanism / framework in respect of reporting of Internal Auditor directly to Audit Committee is being explored.

E. 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.

- 15.** The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 shall be made in the section on corporate governance of the annual report –

Necessary disclosure has been made in the section on Corporate Governance.

- 16.** Declaration signed by the chief executive officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management

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)**.

- 17.** Compliance certificate from either the auditors or practicing company secretaries regarding compliance of conditions of corporate governance shall be annexed with the directors' report.

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)**.

18. 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.

19. Disclosures with respect to demat suspense account/ unclaimed 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.

20(a). Transfer of Dividend and corresponding Ordinary Shares to the Investor Education and Protection Fund

During the financial year 2021-22, unclaimed dividend for the financial year 2013-14 2nd Interim & 2014-15 1st interim dividend aggregating ₹ 37,65,713/- and the corresponding 5,197 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 2013-14 2nd Interim & 2014-15 1st Interim dividend and the corresponding shares, from the IEPF Authority by applying in the prescribed Form No. IEPF5. 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'. Attention in particular is drawn that the unclaimed dividend for the financial year 2014-15 and the corresponding shares will be due for transfer to IEPF on 02.11.2022 and 21.03.2023.

Financial Year	Dividend Identification No.	Date of declaration of Dividend	Total Dividend (₹)	Unclaimed Dividend as on 31.03.2022		Due date for transfer to IEPF
				₹	%	
2014-15	2014-15 2 nd Interim	06.02.2015	16850063857.00	1701003	0.0100949	15.03.2022
2014-15	2014-15 Final	29.09.2015	5154142052.00	807227	0.0156617	05.11.2022
2015-16	2015-16 1 st Interim	12.02.2016	37664819874.00	5282057	0.0140238	21.03.2023
2015-16	2015-16 2 nd Interim	19.03.2016	5947091716.00	1480390	0.0248927	26.04.2023
2016-17	2016-17 Interim	07.03.2017	13130168437.00	2483527	0.0189147	13.04.2024
2016-17	2016-17 Final	22.09.2017	3163890474.00	704977	0.0222820	29.10.2024
2017-18	2017-18 Interim	26.03.2018	13604741375.00	2825246	0.0207666	02.05.2025
2018-19	2018-19 Interim	12.03.2019	16901412082.00	3658998	0.0216491	18.04.2026
2019-20	2019-20 Interim	06.02.2020	16197198449.00	3334225	0.0205852	15.03.2027
2020-21	2020-21 Interim	11.03.2021	22741509724.00	4008323	0.0176256	16.04.2028
2021-22	2021-22 1 st Interim	03.12.2021	26404769975	6599180	0.0249924	10.01.2029
2021-22	2021-22 2 nd Interim	08-02-2022	16792499274	7513579	0.0447437	14.03.2029





- (b) 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

- (c) 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 KFin Technologies Ltd. at the following address:**

KFin Technologies 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

- (d) 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.

- (e) Nodal Officer for coordinating with IEPF Authority – Company Secretary, NMDC Limited**

- (f) Name of Debenture Trustee with full contact details:**

Beacon Trusteeship Ltd
 4C & D, Siddhivinayak Chambers,
 Gandhi Nagar, Opp. M.I.G. Cricket Club,
 Bandra (East), Mumbai - 400 051.
 T +91 (0)22 2655 8759
 W <https://beacontrustee.co.in>

21. **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 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.

22. **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 the Companies Act, 2013 a separate meeting of Non-official (Independent) Directors was held on 01.12.2021.

ANNEXURE-III(A)

Office:
B-13, F-1, P.S. Nagar
Vijayanagar Colony, Hyderabad - 500 057
Phone : (0) 91-40-23340985, 23347946,
23341212, 23341213.
e-mail : dhr300@gmail.com, dhr300@yahoo.com
website : www.dhanumantarajuandco.com



DR DATLA HANUMANTA 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 its 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, 2022 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.	Mrs. Rasika Chaube	08206859	24/08/2018
2.	Mrs. Sukriti Likhli	01825997	23/04/2021
3.	Mr. Amitava Mukherjee	08265207	20/11/2018



4.	Mr. Sumit Deb	08547819	01/09/2019
5.	Mr. Somnath Nandi	08859169	18/12/2020
6.	Mr. Dilip Kumar Mohanty	09296720	05/10/2021
7.	Mr. Vishal Babber	09344150	01/11/2021
8.	Mr. Sanjay Kumar Singh	09347257	29/12/2021
9.	Mr. Sanjay Tandon	00484699	01/11/2021
10.	Mr. Anil Sadashivrao Kamble	07528586	01/11/2021

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: 27.06.2022**

**For D.HANUMANTA RAJU & CO
COMPANY SECRETARIES**



D. Hanumanta Raju

**CS D.HANUMANTA RAJU
PARTNER
FCS: 4044, CP NO: 1709
UDIN: F004044D000535234
PR No: 699/2020**

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 for Board Members and Senior Management personnel of NMDC Limited for the year ended 31st March 2022.

Place: New Delhi
Date : 27.06.2022

Sumit Deb
Chairman and Managing Director
DIN: 08547819

ANNEXURE-III(C)

Office:
B-13, F-1, P.S. Nagar
Vijayanagar Colony, Hyderabad - 500 057
Phone : (0) 91-40-23340985, 23347946,
23341212, 23341213.
e-mail : dhr300@gmail.com, dhr300@yahoo.com
website : www.dhanumantarajuandco.com



DATLA HANUMANTA 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, 2022, 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, 2021 to 31st March, 2022 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 for (i) having the requisite number of Independent Directors and Woman Independent Director on its Board and (ii) constitution of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee till 05.11.2021 and (iii) Risk Management Committee till 16.12.2021.*

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 : 27.06.2022



For D.HANUMANTA RAJU & CO
COMPANY SECRETARIES

CS D.HANUMANTA RAJU
PARTNER
FCS:4044, CP NO: 1709
UDIN: F004044D000535212
PR No. 699/2020

ANNEXURE – IV

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, 2021 – March 31, 2022		
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)	293.07 crores
2.	Total Turnover (INR) (Total Income)	25,882 crores
3.	Total profit after taxes (INR)	9,398 crores
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax.	₹ 287.33 Crore [(3.06% on CY Profits) (3.88% 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 & Nutrition, with special thrust on the fight against COVID 19 Pandemic
- 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
- Karnataka Vijaynagar Steel Limited
- NMDC 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	09296720
Name	Dilip Kumar Mohanty
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	Executive Director & 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	Business 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	Business should support inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

No	Questions	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.

The comprehensive Studies commissioned by NMDC aimed at developing a clearer understanding of the impact of NMDC's CSR activities reached its conclusion with the submission of the final Reports pertaining to Impact Assessment & Social Audit and the relevant Reports are displayed on the Official website of the Company at the following link: <https://www.nmdc.co.in/csr/csr-activities/impact-assessment>

NMDC has published its CSR Policy and also publishes monthly update on all CSR activities on its website. Please see below hyperlinks for more information.

<https://www.nmdc.co.in/csr/csr-regulations>

<https://www.nmdc.co.in/csr/csr-activities/details-of-csr-activities>

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									
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									Not Applicable
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 9 shareholder complaints have been received in the financial year 2020-21 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 Sponge Iron. 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 utilize 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 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 vice 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 02 Firms:

- 1) M/s ARC Limited-Bachel
- 2) M/s Balan Trasport-Bachel

NMDC Donimalai is concluding transportation Rate Contract with other Transporters available at Donimalai site or area and they are concluding Rate Contract for Donimali Project. Approximate value of both the transportation Rate Contract at Bailadila & Panna and Donimali Complex is around ₹ 7.0 Crore.

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 MSME firms are as below:

Sl. No.	From 1 st April 2021 to 30 th March 2022	Value in ₹ lakhs	Targets 2021-22
I	Total annual procurement	78428.00	
I(A)	Total annual procurement after deductions	27698.00	
II	Total value of Procurement from MSEs (including MSEs owned by SC/ST Entrepreneurs)	12373.00	
III	% of Procurement from MSEs out of total procurement at I(A)	44.67%	25%
IV	Procurement from SC/ST Entrepreneurs	1356.00	
V	% of Procurement from SC/ST Entrepreneurs out of total annual procurement at I(A)	4.9%	4%
VI	Procurement from WOMEN Entrepreneurs	851.00	
VII	% of Procurement from WOMEN Entrepreneurs out of Total Annual Procurement at I(A)	3.07%	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.	Bailadila Projects	Raipur	04 th & 05 th Dec'21
2.	Head Office	Hyderabad	29 th Sep'21 & 11 th Dec'21
3.	Donimalai Project	Mysore	12 th Jan'22

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		Bachel		Donimalai		Panna	
		2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22
1	No. of MSE Firms	505	517	389	391	255	260	85	87
2	No. of MSE SC/ST Firms	17	19	20	22	13	15	3	4
3	No. of MSE Women firms	18	20	09	11	18	19	9	10

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:

	2019-20	2020-21	2021-22
No. of Orders	1017	948	1713
Total Value of Orders (₹ Crores)	16.00	38.97	172.42

Above details shows that due to continuous efforts of MM department value of total orders placed through GeM portal has been increased from ₹ 38.97 Crores to ₹ 172.42 Crores.

Further, we have started to float Custom Bids through GeM Portal for the non-available items as per GeM Authority instruction and same has been communicated to all NMDC Projects, which will improve to procure maximum items through GeM

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 31.03.2022):**

Total: 5539 Category wise breakup is shown below:

Executives: 1468, Jr. Officers: 138, Workmen: 3933

2. **Please indicate the total number of employees hired on temporary / contractual / casual basis:**

Contract Labour: 6247 (NMDC) + 4220 (NISP)

On Contract basis at NISP: 611

3. **Please indicate the number of permanent women employees:**

There are 360 permanent women employees.

4. **Please indicate the number of permanent employees with disabilities:**

There are 100 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 2021-22. 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 2021-22:

Sl.No.	Particulars	Percentage	
		Safety Training	Skill Upgradation Training
1	Permanent Employees	16.57	24.91
2	Permanent Women Employees	12.50	10.66
3	Casual / Temporary / Contractual Employees	49.66	2.55
4	Employees with disabilities	13.08	0.00

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 stakeholders for the purpose of stakeholder engagements. The key categories are as below:

- Local Community
- Investors
- Employees
- Customers
- Government and Regulatory Authorities
- 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 initiatives.

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 baseline surveys conducted as the 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 Yes, most of the major CSR activities implemented by NMDC have benefitted the disadvantaged, vulnerable and marginalized stakeholders and are given below:

- During the academic year 2021-22, 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..
- NMDC has taken up a Skill Development Programme for training 60 tribal youth around NMDC Projects in Bailadila region of Dantewada District, Chhattisgarh in partnership with a leading University in Odisha. 28 of these trainees have already been trained in Phlebotomy (Blood collection technician), with all of them having got gainful employment & the remaining trainees are undergoing training in Operation Theater Technician skills.
- NMDC has successfully completed a Recognition of Prior Learning (RPL) based skill development training in Bastar Division, which was taken in partnership with Chhattisgarh Swami Vivekanand Technical University (CSVTU), Bilhailai. Under the above initiative 393 trainees underwent the requisite training for receiving certification for their Skills.

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 of 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 2021-22.

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 employ-ees and communities about the environmental commitments and applying proven management prac-tices 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 hyperlink to view the Environmental related details is given below: <https://www.nmdc.co.in/important-links/environment-clearances>

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: 2014 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 taken up many initiatives to contribute to the Clean Development Mechanism. Some examples are:

- 1. Installation of Wind Mill project:** NMDC has commissioned seven wind energy generators in Mar 2009 with installed capacity of 10.5 MWH at a total cost of ₹ 65.55 Cr near Chitradurga, Karnataka. The project has been registered with the United Nations Framework Convention for Climate Change (UNFCCC).
- 2. Electricity regeneration in the Downhill Conveyor system:** NMDC has implemented electricity regeneration in the Downhill Conveyor system at Bailadila and Donimalai. 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.
- 3. Solar Power projects:** With the green energy initiative of Govt. of India focusing more on renewable energies, NMDC has set up Solar Power projects at its Office premises. This includes 30 KW rooftop solar power generations at Head Office and 1 MW rooftop solar power generation at production units of NMDC.

4. Electric Shovels: NMDC is using electrically operated shovels and drills at the projects. A total of 17 electric drills and 10 electric shovels are being used at all the mining projects of NMDC as a replacement of diesel operated drills and shovels.

5. Fuel efficiency: In order to reduce GHG emissions by optimizing diesel consumption, NMDC conducted trial tests for diesel consumption by adding additives to conduct trial test of diesel additive THERMOL-D at BIOM Kirandul Complex. This additive THERMOL-D improves the combustion efficiency of the diesel engine. THERMOL-D is an eco-friendly, multifunctional diesel additive which helps in complete consumption of Diesel and also helps in maintaining cleanliness of the entire fuel system components. NMDC will be using THERMOL-D for achieving the reduction in year wise diesel consumption.

6. Development of carbon sinks: Since, inception of mining operations, NMDC has planted more than 2.5 million trees in and around its mining leases in Bailadila region in Chhattisgarh State. NMDC regularly contributed to CG state flagship 'Chhattisgarh Harihar Tree Plantation Programme'. The afforestation carried out and proposed to be carried out will create a long-term carbon sink. Also, NMDC, in coordination with Forest Departments has prepared comprehensive Bio-diversity conservation plans which includes soil and water conservation, grassland development, habitat development for endangered species, water body development, identification of endangered species and species of high significance, captive breeding facilities etc. The biodiversity conservation plans will help revive population of endangered species.

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/important-links/environment-clearances>

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/important-links/environment-clearances>

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 Bachel on 3/12/2016. The matter is under 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 Residential School at Nagarnar

Health Care

- Free medical treatment at Project hospitals
- Hospital on Wheels (How) – providing health services in remote villages, operating 13 Vans (10 in Bellary in Karnataka & 3 in Bailadila in Chhattisgarh) covering 165 villages in Chhattisgarh & Karnataka.
- NMDC has partnered with the Govt. of Chhattisgarh for installation of solar power-based electrification facility in health centers and providing solar maternity cum mother care kits in health centers of 6 Districts of Bastar division.
- NMDC has provided support to Sri Satya Sai Sanjeevani Hospital, Naya Raipur, for setting up a 500 KW Solar Power Plant and thereby save resources for extending Cardiac care to more needy children.
- Construction of Shelters and providing other necessary facilities for attendants in District Hospital Dantewada

- Financial support to reduce the prevalence of Malnutrition & Anemia among children and Adolescent girls & women of reproductive age group in Bastar Division
- Drilling and installation of 115 Handpumps in High API (Animal Parasite Index) 94 villages of Bijapur
- Initiative for addressing the issue of malnutrition among children in Chhattisgarh.

NMDC's contribution towards Fight against COVID -19

- In the National effort in the Battle against the COVID 19 Pandemic, the following were some of NMDC's noteworthy contributions during the year 2021-22:
 - i. Contribution of ₹ 150.00Crore to the PMCARES Fund.
 - ii. As a contribution to the National vaccination programme initiated by the Govt. of India, NMDC has provided Cold Chain Equipment for storage of COVID19 vaccinations in the states of Chhattisgarh & Telangana in the form of Deep Freezers, Ice line Refrigerators and walk-in Coolers
 - iii. NMDC is setting up of a 100 bedded COVID-19 Hospital in Panna Dist. Madhya Pradesh
 - iv. Setting up temporary COVID-19 care centre cum Hospital with 230 fully oxygenated beds at Naya Raipur, Chhattisgarh
 - v. Provided 04 Medical Oxygen Generating Plants: 02 each in Karnataka & Chhattisgarh

Rural Development & Infrastructure

In spite of the challenges associated with the COVID 19 Pandemic, NMDC's commitment to Rural Development initiatives around its Projects was continued. Besides meeting its commitment w.r.t. completion of various Rural Development/ infrastructure development works already underway, NMDC took up the following activities:

- Construction of various rural CC roads, culverts, retaining wall and a Dome shed in the Gram Panchayat areas in District Dantewada,
- Assisted in procurement of tipper cum dumper/ for door to door wastage removal & disposal in these areas.
- Successfully completion of seven out of the ten bus shelters being constructed in partnership with the State Govt. of Karnataka.

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, who are also registered with Registrar of Companies for implementing CSR activities, 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 commissioned in the recent past was concluded in 2021-22, with the submission of the final Report and, the relevant Report can be accessed at the following link: <https://www.nmdc.co.in/csr/csr-activities/impact-assessment>

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 ₹ 287.33 Crores on development projects as under in FY 2021-22 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) Nutrition (6) Infrastructure (7) Skill Development (8) Rural Development (9) Sanitation (10) 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.

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?

All the customer complaints are being dealt in time bound manner and there are no complaints pending at our end as of end of FY 2021-22.

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 at the end of financial year 2021-22.

4. Did your Company carry out any consumer survey / consumer satisfaction trends?

No consumer survey has been carried out in FY 2021-22. However, regular customer meets are being conducted at Hyderabad / Raipur / NMDC Projects to assess customer satisfaction trends.

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-U

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DATLA HANUMANTA 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 31.03.2022

(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.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **NMDC LIMITED** (a Navaratna PSU) (hereinafter called the company) holding CIN: L13100TG1958GO1001674 and having its Registered Office at Khanij Bhavan, 10-3-311/A, Castle Hills, Masab Tank, Hyderabad - 500 028. 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, 2022 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, 2022 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;
- (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, 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) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - (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;
 - (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);
 - (b) 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) Corporate Governance Guidelines issued by Department of Public Enterprises ("DPE") vide their OM. No. 18(8)/2005-GM dated May 14, 2010.
- (vii) 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



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:

- *There is no Woman Independent Director on the Board of the Company.*
- *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 is having 10 (Ten) Directors on its Board as on 31.03.2022 including 4 (Four) Executive and 2 (Two) Non Executive Directors and 4 (Four) Independent Directors. The Company is yet to appoint 2 (Two) Independent Directors including one Woman Independent Director.*
- *The Company has convened 537th to 542nd Board meetings which were held on 17.06.2021, 22.06.2021, 13.07.2021, 12.08.2021, 31.08.2021 and 27.09.2021 without the presence of any Independent Director.*
- *The constitution of Audit Committee of the Company was not as per the SEBI LODR regulations till 05.11.2021. However, Company has appointed requisite number of Independent Directors w.e.f 06.11.2021 and duly complied with above regulation.*
- *The constitution of Nomination and Remuneration Committee of the Company was not as per the SEBI LODR regulations till 05.11.2021. However Company has appointed requisite number of Independent Directors w.e.f 06.11.2021 and duly complied with above regulation.*
- *There were only 2 (Two) Executive directors as members in the Stakeholders Relationship Committee till 05.11.2021. However, Company has appointed requisite number of Independent Directors w.e.f 06.11.2021 and duly complied with above regulation.*
- *The constitution of Risk Management Committee of the Company was not as per the regulations of SEBI LODR and it is observed that:*
 - a. *for the quarter ended 30.06.2021 committee comprises of only 4 (Four) executive directors.*
 - b. *for the quarter ended 30.09.2021 committee comprises of only 3(three) executive directors.*

However, Company has appointed requisite number of Independent Directors w.e.f 17.12.2021 and duly complied with above regulation.



We further report that

The Board of Directors of the Company is constituted with Executive and Non-Executive Directors. However, the appointment of Independent Directors is not as per the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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:

National Stock Exchange of India Limited imposed on the Company a fine of Rs. 40,91,060/- including GST and BSE Limited had imposed a fine of Rs. 40,91,060/- including GST for non compliance with the requirements pertaining to the composition of the Board of Directors as per Regulation 17(1), quorum of Board meetings as per Regulation 17(2A), constitution of Audit Committee as per Regulation 18(1), constitution of Nomination and Remuneration Committee as per Regulation 19(1) & 19(2), constitution of Stakeholder Relationship Committee as per Regulation 20(2) & 20(2A), Constitution of Risk Management Committee as per Regulation 21 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 it 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: 27.06.2022



For D.HANUMANTA RAJU & CO
COMPANY SECRETARIES

D. Hanumanta Raju

CS D.HANUMANTA RAJU
PARTNER

FCS: 4044, CP NO: 1709
UDIN: F004044D000535190
PR No: 699/2020

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.

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: 27.06.2022



For D.HANUMANTA RAJU & CO
COMPANY SECRETARIES

Dhanumanta Raju
CS D.HANUMANTA RAJU
PARTNER

FCS: 4044, CP NO: 1709
UDIN: F004044D000535190
PR No: 699/2020

ANNEXURE-VI

GLOBAL COMPACT – COMMUNICATION ON PROGRESS

ED/EPS/GC/03

24.06.2022

Dear Stakeholder,

The United Nations Global Compact (UNGC), with a spread of over 161 countries, 16100 Corporate participants, is the World's largest corporate sustainability initiative.

UNGC is a call to companies to align strategies and operations with universal principles on human rights, labour, environment and anti-corruption (ten principles) and take strategic actions to advance broader societal goals, such as the 17 UN Sustainable Development Goals (SDG), with an emphasis on collaboration and innovation.

The world today is facing unprecedented environmental challenges in areas including climate change, clean water, biodiversity etc. New efforts are needed to increase stewardship of natural resources, implement innovative solutions, and contribute to sustainable development. As the world looks to recover better from the global pandemic and implement the transformative change necessary to limit the global temperature rise to 1.5°C, collective action will be critical to assess environmental risks and opportunities, set and deliver ambitious environmental targets and adopt responsible practices for a transition to the net-zero, resilient economy.

The quality of a Company's relationships and engagement with its stakeholders is critical. Companies affect what happens to employees, workers in the value chain, customers and local communities, and it is important to manage impacts proactively. Businesses' social license to operate depends greatly on their social sustainability efforts. In addition, a lack of social development, including poverty and inequality can hamper business operations and growth.

In Today's business landscape, good governance is a critical challenge, which requires efforts that are mutually reinforcing. Companies have to enhance good governance by integrating corporate sustainability principles into their own operations and relationships, allowing for greater transparency, accountability and inclusiveness.

At NMDC, we have been following the principles of the UN Global Compact and have adopted many frameworks developed by UNGC. We have embedded sustainability into our strategies and have been taking proactive action to secure a resilient future. Our efforts address the linkages among various environmental issues — climate, water, biodiversity — as well as the social and governance dimensions. In this Decade of Action, NMDC has scaled up its efforts to towards the Sustainable Development Goals and the ambitious targets set in the Paris Agreement.

Our efforts, be it the CSR initiatives, or sustainable – eco-friendly mining or putting the societal interests ahead of NMDC's own, have been appreciated by the stakeholders. As we go forward, I reiterate NMDC's commitment to ensure that the 10 principles and the 17 SDGs of UNGC are adhered to, not only by NMDC, but also encourage those with whom it does business to adhere to them. I call upon all the stakeholders to partner us in achieving these noble goals.

With warm regards,

Yours sincerely

Sumit Deb
Chairman-cum-Managing Director

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 below 25 years age, get medical care for a nominal life-time membership.

Safety

- Being basically a mining organization, NMDC attaches great importance for safety of the employees. In its mining projects, NMDC has its own Training Centre's equipped with the infrastructure as required under the Mines Vocational Training Rules. These centre's 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 Centre's 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 2021-2022

- NMDC is providing complete health care to its employees and the members of their families.
- The injury frequency rate was 4.57.
- Housing has been extended to all its employees. In addition, house building advances were given to 08 employees (cumulatively to 2319 employees)
- Training coverage is 64.54% of employees. Training mandays as % of working mandays is 6.32.
- 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) 26 employees (cumulatively 8232) who have rendered 20 years' service; (b) 182 employees (cumulatively 6983) who have rendered 25 years' service; (c) 94 employees (cumulatively

6245) who have rendered 30 years' service (d) 105 employees (cumulatively 2211) who have rendered 35 years' service by organizing suitable function.

- 141 employees (cumulatively 5632) 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. 120 employees (cumulatively 2563) 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 2021-2022

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, Bachel 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 BMS
 - 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 2021-2022

- 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 ₹ 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 2021-2022

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 and hostel accommodation allowance, 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 Bailadila 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 2021-2022

- 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 2021-2022

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, 2022 the manpower position was:

- Total number of employees 5539
- Scheduled Caste employees 827 (14.93%)
- Scheduled Tribe employees 1397 (25.22%)
- Backward Class employees 1137(20.53%)
- Men : Women ratio 6.95:1

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.
- Expert organisations have been carried out safety audit and design of remedial measures of tailing dams at Bacheli and Kirandul Projects for ensuring health of the dams.
- 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, headed by a General Manager 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 & 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 Gol 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 2021-22

Environmental clearance:

1. Bailadila Iron Ore Deposit-11 ML (11.30 MTPA ROM iron ore): EC obtained on 1/12/2021.
2. Bailadila Iron Ore Mine, Amendment in EC for Deposit-14/11C ML by excluding Deposit 11C. Modifying to Deposit 14 & 14 NMZ (829.11 Ha, 10.5 MTPA): EC obtained on 1/12/2021.
3. Bailadila Iron Ore Mine, Deposit 14 & 14 NMZ, Terms of reference for the proposal for obtaining capacity expansion from existing 10.5 to 18.5 MTPA obtained on 22/03/2022.
4. Public Hearing for the proposal of capacity expansion of Kumaraswamy Iron Ore Mine (from 7 to 10 MTPA) was conducted successfully on 22/03/2022.
5. Bailadila Iron Ore Mine, Deposit 4 ML of M/s NCL (NMDC-CMDC Limited), Terms of reference for proposal of obtaining Environment Clearance for 7 MTPA ROM Iron Ore obtained on 11/3/2022.
6. The transfer of EC to NMDC for Rohne Opencast Coal Mine has been obtained on 28/10/2021.
7. No Objection certificate for abstraction of Groundwater at Bachel Complex obtained on 24/11/2021 from Central Groundwater Authority, New Delhi from 24/11/2021 to 23/11/2021.
8. Corrigendum (in transfer of EC) letter for Tokisud North Sub Block Coal Mine project of NMDC Limited on 1/4/21.

Forest clearance:

1. 2nd Stage Forest Clearance accorded for 7.116 Ha Forest Land for construction of Slurry pipeline Project by MoEF&CC, New Delhi on 21/12/2021.
2. The transfer of first stage 1 FC in respect of Rohne Coal Mine (exploration) has been obtained on 15/11/2021.
3. The transfer of first stage 1 FC in respect of Rohne Opencast Mine Coal has been obtained on 18/11/2021.
4. PCCF (Wildlife), Chhattisgarh Forest Dept, vide letter dated 17/2/2022 accorded approval on the

Avifauna Scheme in lieu of the Slurry Pipeline Project (83.831 Ha).

5. Terms of reference obtained from MoEFCC, New Delhi (Ind – 1 division) for the proposal of M/s NMDC – CMDC Limited for construction of Screening cum beneficiation plant over an area 195.537 Ha located outside the ML area of Deposit 4 on 21/2/2022.
6. Renewal of permission for water abstraction for Slurry Pipeline project of NMDC obtained from CG Government on 1/9/2021 for a period up to 18/6/2023.
7. Working permission obtained from Forest Department, Chhattisgarh for Slurry Pipeline project (83.831 Ha) on 31/7/21.

Consent to operate approvals:

1. Deposit 11B: Renewal obtained on 1/1/2022 for a period of 2 years up to 31/12/2023.
2. Deposit 11A: Renewal obtained on 27/9/2021 for a period of two years i.e., from 5/9/21 to 4/9/23.
3. NISP, Nagarnar: Renewal of consent obtained on 20/9/2021 for a period of one year from up to 31/08/2022.
4. DIOM: Consent to Operate under Air (P&CP) Act 1981 and Water (P&CP) Act 1974 obtained from KSPCB, Bangalore for Donimalai Iron Ore Mine (DIOM) project as well as on 28/5/21 for a period from 1/7/2021 to 31/3/2023.
5. KIOM: Consent to Operate under Air (P&CP) Act 1981 and Water (P&CP) Act 1974 obtained from KSPCB, Bangalore for Kumaraswamy Iron Ore Mine (KIOM) project on 28/5/21 for a period from 1/7/2021 to 31/3/2022.
6. Renewal of authorizations under Hazardous waste from KSPCB, Bangalore: Obtained authorization for handling 89 KLT used oil and 0.5 MT waste residue for Donimalai Iron Ore Mine (DIOM) project as well as Kumaraswamy Iron Ore Mine (KIOM) 3/9/2021 for a period up to 31/3/2023.
7. Renewal of authorization under Rule 10 of the Bio-medical waste Management Rules, 2016 obtained on 18/8/2021 from CECB, Raipur for Project Hospital at Bachel Complex from 20/7/2021 to 19/7/2023.
8. Consent under Air (P&CP) Act 1981 and Water (P&CP) Act 1974 for 100 bed hospital in Bachel Complex on 31/7/2021 from CECB, Raipur from 28/8/2021 to 27/8/2026.
9. Consent under Air (P&CP) Act 1981 and Water (P&CP) Act 1974 and Authorisation renewal under Biomedical waste for Diamond Mining Project, Panna (Majhgawan) for 20 Bed Project hospital

on /2021 from CECB, Raipur from 28/8/2021 to 27/8/2026.

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, we shall therefore endeavour to:

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 ISO 14001: 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 2021-22

- 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 were 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 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 stairs,

- Prevent and control environmental pollution due to mining and associated activities by adopting safe, scientific and environmentally 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.

Sustainable Development Performance

- Under S.D. programme, construction of Sewage Treatment Plant with SBR technology at Bachelu at a cost of ₹ 6.61 Cr has been constructed. Siilar treatment plant at Kirandul at a cost of ₹ 8.0 Cr for treatment of domestic effluents is under construction stage.
- NMDC has planted more than 2.5 Million trees in and around its mining leases in Bailadila region in Chhattisgarh State. Apart from that, NMDC has contributed an amount of ₹ 14.15 Cr to CG state flagship 'Chhattisgarh Harihar Tree Plantation Programme' in the FY 2020-21. Total amount released till date is ₹ 69.15 Cr.
- 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.
- M/s Indian Council of Forest Research and Education, Dehradun was recently engaged for preparation of EMP & R&R plans for Deposit 5 and 10 of the Bachelu Complex. The firm has prepared the EMP and Rehabilitation & Reclamation Plan for waste dumps, mined out areas, surface water pollution measures, etc for Kumarswamy and Donimalai Iron Ore Mine and Bailadila Iron Ore Complex. The studies have been successfully completed for Deposit 14 ML, Deposit 11B and 11C of Kirandul Complex. In this regard, an MoU has been signed on 1/2/21 with Dantewada Forest Division for carrying out the R&R works mentioned in the report for an amount of ₹ 16.15 Crore. The total cost of implementation of civil and biological works under R&R works at Donimalai and Kumarswamy Mines is ₹ 120 Crores for a period of 20 years. The works include construction of check dams / check bunds, tailing dams, construction of buttress walls at toe of waste dumps etc.
- 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.

- 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.
- SMI audit was done by FIMI at all Iron Ore Mining projects of NMDC and recommendation are being implemented to obtain 5-star rating for all mines.

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. Vigilance officers have been deputed at all NMDC production projects, NISP and Corporate office.
- 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 veracity of complaint / source information.
- All the executives of the Corporation have to submit Annual Property Returns every year as on 31st December.
- Foreign travels by employees are monitored.
- Continuously following up for updating/reviewing of Manuals.

Actions

- Various Studies were carried out by vigilance officers at different locations/area. 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.
- Vigilance Awareness week 2021 was observed in the Corporate Office and all units of NMDC. Various competitions, seminars, workshops 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.
- System for lodging of online complaints and submission of Annual Property Returns through online mode 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 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.
- Fraud Prevention Policy and NMDC Whistle Blower Policy is in place.

Performance during the year 2021-22

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 is 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 has upgraded to ISO 9001:2015 standards of Quality Management System (QMS) for which M/s Vexil Business Process Services Private Limited, Delhi was engaged for routine surveillance audits and Quality Certification.

During the year (April'2021 – March 2022), 55 surprise checks, 68 regular inspections, was conducted by Vigilance Department. Complaints received were taken up for investigation and necessary suggestions for system improvement/ disciplinary action wherever required were recommended. A total of 57 complaints were received through various source information during the period which were handled/ disposed off as per CVC guidelines / complaint handling procedure.

As part of the implementation of "Leveraging of Technology for transparency" in all the transactions, details of contracts concluded above ₹ 10 lakhs, all works awarded on nomination basis, single tender basis above ₹ 1 lakh, information regarding bill payments to the contractors, etc. are provided on the company's website. Vigilance department made allout efforts for E-Procurements through online e-procurement platforms like MSTC, GeM etc. and it has now been ensured at NMDC that all tenders of value 2 lakhs and above shall be floated / issued through E-Procurement platform. In this regard, Vigilance dept. is regularly creating awareness by intimating fresh guidelines issued by statutory authorities / agencies and advising/ involving the concerned departments for compliance.

NMDC has adopted the 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 ₹ 20 crores in case of Civil works and Contracts and ₹ 10 crores in case of Procurement on approval of NMDC Board. The Integrity Pact has been entered into in 476 contracts with a value of ₹ 28,918.77 Crores for the period April 2021-March 2022. 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.

To ensure transparency in vigilance works, necessary action has been initiated for rotation / repatriation of vigilance officers, and for inducting of new officers in Vigilance department for compliance of CVC guidelines by 30.06.2022. The rotational transfer of officers of other departments was also effected during the period, in compliance of CVC guidelines and a total of 95 officers were rotated / transferred.

The Quarterly Review-cum-Coordination meeting of the Vigilance dept. with CVO was held in June 2021 at Hyderabad, in September 2021 at Raipur, in December 2021 at Hospet and in March 2022 at Hyderabad for the first quarter, second quarter, third quarter and fourth

quarter respectively. The said meeting was attended by all the Vigilance Officers posted at Head Office and Projects like Kirandul, Bachel, Donimalai, Panna & NISP. Project-wise presentations were made and matters pertaining to vigilance inspections and system improvements recommended / implemented etc. were discussed. Few common matters were also discussed in open-house wherein all VOs exchanged their views and gave valuable suggestions.

In pursuance of CVC directions / guidelines received during the month of August / September 2020, a 02 days module and Road map for imparting training on preventive vigilance separately for Induction level (new entrants) and Mid-career level Executives were drawn up and was integrated with our HRD's regular training plan. The said training programs on Preventive Vigilance is being arranged every month at NMDC in compliance of CVC guidelines, covering Induction level and mid-career level executives of HO, ROs and all Projects. Keeping in view the present scenario of the pandemic, the sessions for training on PV has been arranged through Hybrid mode, i.e., through class room mode at few locations like Head office and through online relay under the concept of extended classrooms at remote locations & Projects. A total of 56 trainees / new inductees were covered for the Induction level training and 408 trainees / mid-level executives were covered under mid-career level training in the training programmes conducted under the Preventive Training Module as suggested by CVC.

System improvements suggested/implemented during the year 2021-22:

As per the Action Plan of the Vigilance dept., viz-a-viz the action plan of individual vigilance officers for the year 2021-22, surprise and regular checks were conducted besides the study of files. Irregularities and omissions under the provisions of the rules were identified and improvements in the systems were suggested wherever required.

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

1. Write-off of Handling Losses against the issue of Motor Spirit (MS) and High-Speed Diesel (HSD):

A study was conducted to evaluate the effectiveness of the current write-off technique for reconciling the handling losses against the issue of Motor Spirit (MS) and High-Speed Diesel at Projects. It was observed that the conventional method of recording and calculating the losses was incongruent with recent technological developments. The vigilance department advised revising the internal circular on write-offs and employing an IT-based solution such as FMS to record fuel levels, or for receipt of fuel, etc.

2. System improvements suggested in the Contract Award Process:

An online/offline demonstration for evaluating techno-commercial proposals of any specialty software may be required at the procurement stage. Nonetheless, a vigilance investigation revealed that the existing MM Manual contains no guidelines or provisions to be followed in such cases. The Vigilance department has suggested recording Online/Offline demonstrations and drafting SOPs/Guidelines to be followed in instances where Online/Offline demonstrations were included in tender documents for evaluating techno-commercial offers.

3. System improvements suggested in Empanelment of Contractor:

The contractors were empaneled for various types and values of works based on eligibility criteria at respective projects of the Corporation. During one of the investigation, it was discovered that most of the new contractors visited the office to inquire about the empanelment procedure since they were unaware of its existence. The vigilance department suggested standardizing the format for empanelment across all projects and putting it public domain.

4. System improvements suggested for PMC for large contracts:

The vigilance department suggested for appointment of PMC for large projects and for developing a proper SOP in cases where PMC consultant withdraws from project for any reason. The same has been implemented by the concerned departments.

5. As per the CVC guidelines, all the companies coming under the category of Navaratna or having the turnover of ₹ 10,000 crores and above are required to have three IEMs in their panel. Vigilance department ensured the compliance of the above guidelines and appointment of third IEM at NMDC was made on 29.04.2022.

6. A Complaint Handling Policy was prepared and uploaded in Vigilance Portal of NMDC with SOP / guidelines for lodging Vigilance complaints. got it implemented after obtaining approval of the Competent Authority w.e.f. 01.01.2022.

Vigilance Awareness Week:

As per CVC Circular No. 05/09/2021 dt. 01/09/2021, Vigilance Awareness week-2021 was observed at NMDC Limited from 26th Oct – 1st Nov, 2021 on the theme "Independent India @75" "Self Reliance with Integrity".

On the Inaugural day of VAW-2021, Integrity Pledge was administered to the employees of NMDC at HO by CMD

and by respective Project Heads / Regional Managers in the Projects and ROs respectively.

Various activities including sensitization programmes and individual/inter-departmental competitions like Slogan writing, Essay writing, Elocution, Quiz competition, inter-departmental House-keeping competition and Drawing of e-posters on the VAW theme were arranged for the employees during the Vigilance Awareness Week-2021. A workshop on 'Corporate Governance and Technology, and Whistle Blower Mechanism in PSUs' was organized on 28.10.2021 at HO wherein Ms. Praveen Kumari Singh, Addl. Secretary, CVC was the keynote speaker and CMD, NMDC was the

chief guest. In addition to this, workshops on E-Tendering and use of GeM Portal and Statutory compliances and Contract labour management were conducted as a part of VAW-2021. Awareness and sensitization programmes on use of PIDPI for employees, school / college children and other stakeholders were conducted at Head Office/ Regional Offices & all Projects. All the winners / participants of various activities / competitions were given away the prizes during the Valedictory Function held on the concluding day of VAW-2021 on 1st Nov, 2021 at HO and all Projects.

During the observance of VAW-2021, all the precautions as per COVID-19 guidelines were strictly followed.

ANNEXURE-VII

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	2	3	4	5	6	7	8
1	J&K Mineral Development Corporation Limited Jammu						
2	Name of the subsidiary	NMDC SARL* Madagascar	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
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
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	AUD657.96	Rupees	Rupees
6	Share Capital	297,400,300	1,000,000	-	4,313,135,827	1,000,000	1,100,000
7	Reserves & Surplus	(219,064,070)	-	(2,961,720,973)	(20,144,959)	(683,470)	(40,373,401)
8	Total Assets	323,980,716	764,072,266	-	1,368,253,734	6,404,149,787	463,730
9	Total Liabilities	244,289,336	763,072,266	-	13,600,133	6,423,294,746	47,200
10	Investments						
11	Turnover						
12	Profit before taxation	(9,048,102)	-	-	(55,577,685)	(7,005,432)	(91,635)
13	Provision for taxation						
14	Profit after taxation	(9,048,102)	-	-	(55,577,685)	(7,005,432)	(91,635)
15	Proposed Dividend						
16	% of Shareholding	95.86%	100%	100%	90.02%	100%	100%

* Amount is taken as MGA

** NMDC CSR Foundation is a Not-for-Profit company (incorporated under Sec 8 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:

- Names of subsidiaries which are yet to commence operations - All the subsidiary companies are yet to commence operations
- Names of subsidiaries which have been liquidated or sold during the year: i) NMDC Power Limited - Voluntary Liquidation - NCLT, Hyderabad bench dissolved NMDC Power Limited vide order dated 14.10.2021. ii) Jharkhand Kolhan Steel Limited - Voluntary Liquidation - NCLT, Kolkata bench disposed of Jharkhand Kolhan Steel Limited vide order dated 17.12.2021
- Names of subsidiaries which have been under liquidation: 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	Chhattishgarh Mega Steel Limited	Romelt-Sail (India) Limited	* Kopano-NMDC Minerals (Proprietary) Limited	NMDC CMDC Limited, Raipur	Jharkhand National Mineral Development Corporation Limited, Ranchi	Bastar Railway Pvt. Limited
1. Latest audited Balance Sheet Date	31.03.2022	31.03.2021	31.03.2022	31.03.2022	31.03.2022	28.2.2018	31.03.2022	31.03.2022	31.03.2022
2. Shares of Associate/ Joint Ventures held by the company on the year end	378,859,405	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
4. Amount of investment in Associates / Joint Venture	3,788,594,050	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%	10.10%	6.40%	26%	25%	50%	51%	60%	52.00%
5. Description of how there is significant influence									
6. Reason why the associate / joint venture is not consolidated									
7. Network attributable to share holding as per latest audited Balance sheet (₹ In Crore)	616.81	-	30.74	0.00	-	-	92.65	-	152.73
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. (Un-Audited Accounts as on 31.3.2021)

· Romelt-SAIL (India) Ltd. - Under closure.

· Kopano-NMDC Minerals (Proprietary) Limited - Under closure.

2. Names of associates or joint ventures which have been liquidated or sold during the year- NIL

ANNEXURE-VIII

ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN BOARD'S REPORT

1. A brief outline of the Company's CSR policy

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. As part thereof NMDC has revised its 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 and got approved by the Board on 08.02.2021 and the same is uploaded on the NMDC website (<https://www.nmdc.co.in/csr/csr-regulations>) 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.

2. Composition of CSR Committee.

SL. No.	Name of Director	Designation/ Nature of Directorship	No. of Meetings of CSR Committee held during the year	No. of meetings of CSR Committee attended during the year
1	Director (Fin)	Chairman	2	Attended
2	Director (Prodn)	Member		-Do-
3	Independent Director	Member		-Do-

3. Provide the weblink where composition of CSR Committee, CSR Policy and CSR project approved by the Board are disclosed on the website of the Company?

Weblink for CSR Policy on NMDC's website is given below:

<https://www.nmdc.co.in/csr/csr-regulations>

4. Provide the details of impact assessment of CSR projects carried out in in pursuance of Sub Rule (3) of Rule 8 of the Companies CSR Policy Rules 2014 for the Financial Year, if any.

Not Applicable. However, prior to the amendment of aforesaid Rule a comprehensive CSR impact assessment study of NMDC's CSR activities was carried out. The relevant Report is available at <https://www.nmdc.co.in/csr/csr-activities/impact-assessment>

5. Details of the amount available for set off in pursuance of Sub Rule (3) of Rule 7 of the Companies CSR Policy Rules 2014 and amount required for set off for the Financial Year, if any.

Not Applicable

6. Average Net Profit of the Company as per Section 135(5)

The average net profit of the preceding three years is ₹ 7407.49Cr

7. (a) Two percent of average net profit of the company as per section 135(5)

2 % of PBT of preceding three years calculates to ₹ 148.15Crores

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.

NIL

(c) Amount required to be set off for the financial year, if any

NIL

(d) total CSR obligation for the financial year (7a +b+c)

While 2 % of PBT of preceding three years calculates to ₹ 148.15 Crores, NMDC had allocated an amount of ₹ 244.12 Crore calculating to 3.30% of Average BT of preceding 3 years. Apart from this an amount of ₹ 5.88 Cr of unutilized CSR Budget of 2020-21 has been carried forwarded to 2021-22. Thus, the total annual CSR Budget for 2021-22 was ₹ 250.00 Cr.

8. (a) CSR Spent or unspent for the financial year

Total amount spent for the financial year (In ₹)	Amt. unspent (in ₹)				
	Total Amt. transferred to unspent CSR accounts as per section 135 (6)		Amt. transferred to any fund specified under Schedule VII as per second provision to Section 135 (5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of Transfer
₹ 287.33 Cr	NIL				

(b) Details of CSR amount spent against ongoing projects for the financial year

Details at Annexure-VIII (b)

(c) Details of CSR amount spent against other than ongoing projects for the financial year

Details at Annexure-VIII (c)

(d) Amount spent in administrative overheads

₹ 3.58 Cr.

(e) Amount spent on impact assessment, if applicable

NIL

(f) Total Amount spent for the financial year (8 b,c,d,e)

₹ 287.33 Cr.

(g) Excess amount set off, if any

Sl.No.	Particulars	Amount in ₹
(i)	Two percent of average net profit of the Company as per Section 135 (5)	₹ 148.15 Cr.
(ii)	Total amount spent for the financial year	₹ 287.33 Cr.
(iii)	Excess amount spent for the Financial year (ii-i)	₹ 139.18 Cr.
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years	₹ 139.18 Cr.

9. (a) Details of unspent CSR amount for the preceding three financial years

Sl. No.	Preceding Financial year	Amt. transferred to unspent CSR account under Section 135 (6) (in ₹)	Amt. spent in the reporting Financial Year (in ₹)	Amt. transferred to any fund specified under Schedule VII as per section 135 (6), if any			Amt. remaining to be spent in succeeding F.Y. (in ₹)
				Name of the Fund	Amt. (in ₹)	Date of Transfer	
1							
2		NIL	NIL	NIL	NIL	NIL	NIL
3							
Total							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year (s)

1	2	3	4	5	6	7	8	9
Sl. No.	Project ID	Name of the Project	Financial Year in which the Project was commenced	Project duration	Total amount allocated for the Project	Amount spent on the project in the reporting financial year	Cumulative amount spent at the end of reporting financial year	Status of the Project
1								
2								
3								
Total								

Details are available at the following link : <https://www.nmdc.co.in/csr/csr-regulations>

Details at Annexure III

10. In case of creation or acquisition of capital assets furnish the details relating to the asset so created or acquired through CSR spent in the financial year

(a) Date of acquisition of the capital asset (s) – NIL

(b) Amt. of CSR spent for creation or acquisition of capital asset – NIL

(c) Details of the entity or Public Authority or Beneficiary under whose name such capital asset is registered, their address etc. – NIL

(d) Provide details of the capital assets created or acquired (including complete address & location of the capital assets)- Nil

11. Specify the reason(s) if the Company has failed to spent 2% of the average net profit as per section 135 (5)

Nil

(Chief Executive Officer or
Managing Director or Director)

(Chairman CSR Committee)

[Person specified under clause (d) of the
sub-section (1) of section 380 of the Act]

(wherever applicable)

ANNEXURE VIII (B)

8 (b) Details of CSR amount spent against ongoing Projects for the financial year 2021-22

₹ In lakh

1	2	3	4	5	6	7	8	9	10	11	
S. No.	Name of the Project	Item from the list of activities in Schedule VII	Local Area (Yes/No)	Location of the Project State	Project Duration (in months)	Amount allocated for the project (Budget)*	Amount spent in the Financial year	Amt. transferred to Unspent CSR Account for the project as per Section 135 (d)	Mode of Implementation -Direct (Yes/No)	Mode of implementation through implementing Agency CSR Registration No. Name	
1	Conduction of smart classes to provide quality education in Dantewada Block	(ii)	Yes	CG Dantewada	24	275.00	221.76		Yes		
2	Construction of Additional room in 13 primary school at 13 closed schools in Remote Area of District	(ii)	Yes	CG Sukma	36	87	74.52		Yes		
3	COVID Treatent, equipment purchase and other activities at Dist. Hospital Sukma (excluding medicines, consumables, manpower)	(i)	Yes	CG Sukma	12	250	175.03		Yes		
4	Strengthening of Health Services in District Dantewada, arrangement of Doctors in Medical Dept. and Veterinary Dept. and other infrastructure related facilities	(i)	Yes	CG Dantewada	24	420	280.00		Yes		
5	Provision of COVID-19 related equipment to the state authorities of C.G. - Bijapur, Dantewada & Bastar Districts	(i)	Yes	CG Dantewada & Bastar	12	601.85	432.75		Yes	NIL	
6	Provision of COVID-19 related equipment infrastructure, essential medicines etc. in Durg & raipur Dist. Of Chhattisgarh	(i)	Yes	CG Durg & Raipur	12	475	475		Yes		
7	Construction of Multipurpose Sports Complex at Dharward	(vii)	Yes	KTK Dharward	12	1422.86	1146		Yes		
8	Other CSR Projects taken up during the year	Various Schedule vii Activities	Local & other areas both	Across India	0 to more than 3 years	21678.85	4304.52				
Grand Total							25210.56	7109.58			

*As per an established practise NMDC takes up commitments w.r.t.CSR works/activities 2.5 times the Annual CSR Budget

Note : Break up of details of CSR amount spent against ongoing projects for the financial year 2021-22 is available at the following link: <https://www.nmdc.co.in/csr/csr-regulations>

ANNEXURE VIII (G)

8 (c) Details of CSR amount spent against other than ongoing Projects for the financial year 2021-22 ₹ In lakh

1	2	3	4	5	6	7	8
S. No.	Name of the Project	Item from the list of activities in Schedule VII	Local Area (Yes/No)	Location of the Project State	Amount spent for the project	Mode of Implementation -Direct (Yes/No)	Mode of implementation through implementing Agency Name
1	Scholarship Scheme	(ii)	Yes	CG	642.48	Yes	
2	Balika Shiksha Yojana	(ii)	Yes	CG	227.55	No	CSR000133324 Apollo Health & Education Research Foundation, Hyderabad
3	Operation of Polytechnic at Dantewada	(i)	Yes	CG	283.44		
4	Free Medical Treatment at Project Hospitals across NMDC	(i)	Yes	CG	902.70		
5	Infrastructure Development of Anganbadi Centres (ICDS) and nutrient food to women & children	(i)	Yes	CG	150.00		
6	Acquisition of Covid 19 related equipment in ballari Dist.	(i)	Yes	KTK	833.00		
7	Donation to PM CARES Fund			Delhi	15000.00		
8	Other CSR Projects taken up during the year	Various Schedule vii Activities	Local & other areas both	Across India	3584.07		
GRAND TOTAL					21623.24		

Note : Break up of details of CSR amount spent against ongoing projects for the financial year 2021-22 is available at the following link: <https://www.nmdc.co.in/csr/csr-regulations>

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.

- 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 2021-22

Opening balance as on 01.04.2021	Vigilance cases received during 01.04.2021 to 31.03.2022	Disposed off	Balance
01	NIL	01	NIL

Details of 01 vigilance case disposed off:

A Disciplinary Enquiry was initiated on the advice of Vigilance against a complaint received regarding alleged irregularities in the recruitment of Diploma holders at DIOM, Donimalai. DE for major penalty proceedings was initiated against 03 employees. The DE has been completed and Enquiry Report has been submitted by the Inquiry Officer. The file has been put up to the Disciplinary Authority for taking decision on imposition of penalty. In this case, warning letters have also been issued to another 03 employees connected with this case.

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 for the year 2011-12.	Idle Investment of ₹ 65.55 crore Failure to secure forest clearance led to idling of the entire investment of ₹ 65.55 cr made on wind energy farm for over 24 months and consequential non-realization of revenue of ₹ 13.20 crore.	<p>With regard to compensation claim from Suzlon Energy Limited (SEL) towards revenue loss from Windmills for non-operating period of 38 months (from Oct 2010 to Dec 2013), arbitration proceedings was initiated.</p> <p>As per the arbitral award dated 14.12.2018, NMDC claim is allowed to the extent of ₹ 17.80 crores being principal and ₹ 6.80 crores, being interest amount from 22.08.2014 to 31.01.2018, totaling to ₹ 24.80 crores with 12% per annum interest thereon from 1st Feb 2018 till the date of realization. The counter claim of the respondent (Suzlon) is allowed to the extent of ₹ 4.62 crores being the principal and ₹ 60.02 lakhs being the interest from 01.01.2017 to 31.01.2018, totaling to ₹ 5.22 crores with interest @12% per annum thereon from 01.02.2018 till the date of realization.</p> <p>Internal approval for arbitral award obtained on 15.02.2019 and the same was communicated to Project. Subsequently, notice of intimation regarding challenge of arbitral award was received from "Counsel of SEL" on 16.03.2019.</p> <p>In this regard, , after verifying the details of assets of M/s Suzlon in four locations i.e. Pondichery, Coimbatore, Padubidri & Anantpur, NMDC has filed an execution petition before the Honorable Commercial Court, Hyderabad on 26.11.2019, seeking execution of award and same was numbered as Sl. no 6182 of 2019. The section office of the Hon'ble Additional Chief Judge cum Commercial Court, Hyderabad has sought for some additional information, i.e. Bank Statement of M/s Suzlon to number the Commercial Petition and to verify if the Bank Account is in operation and is having money to freeze the same. The file is kept pending by Hon'ble Commercial Court for want of the said additional information. NMDC has been informed to furnish the said information. On receiving the information, the matter will be filed in the court and said Execution Petition will be numbered and consequential steps will be taken. However, the above information is pending as due to confidentiality, Bank do not provide the details of their customers.</p> <p>In view of the unwillingness of bank for sharing the desired information, it is proposed to request the Court to direct M/s Suzlon to furnish the asset details to the Court and to realize the claim through execution petition.</p>

	Name of the Audit Para	Brief of the Para	Reporting status
			<p>Present Status/ATN</p> <p>The Executive Petition is still pending before the Hon'ble Commercial Court at Hyderabad and the next date for hearing is on 13.06.2022 for filing of counter by M/s Suzlon. Further, the following is proposed</p> <p>"As the above matter is under subjudice and all judicial proceedings normally take long period for settlement and the present pandemic situation further adding to the delay, Audit may be kindly requested not to pursue the above para further".</p> <p>The last ATN forwarded to the Ministry vide letter dated 27.04.2022</p>
2	Para no: 15.2 of CAG Report no 9 of 2017 for the year 2015-16.	<p>Avoidable Expenditure of ₹ 34.34 cr towards Interest on delayed payment of Royalty.</p> <p>Failure of the company to compute royalty correctly and pay the same on timely basis during the period from 2009-10 to 2011-12 resulted in avoidable payment of interest amounting to ₹ 34.34 cr in Mar'16.</p>	<p>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 (DMG) demanding the interest on the alleged delayed payment of royalty.</p> <p>The Honorable High Court of Karnataka has directed to list the matter on 27th March 2018, which was further adjourned to 26th April 2018. On 26.04.2018, the Hon'ble High Court was informed that Director, DMG had issued a notice to parties to appear on 03.05.2018. In the said meeting on 03.05.2018, NMDC was asked to submit certain information / records by 16.05.2018.</p> <p>On 16.05.2018, the Director, DMG had recorded views of DDMG, Hospet and adjourned the meeting to 12.06.2018 to submit information / records by 12.06.2018 for onward submission to the Hon'ble High Court. The said meeting was postponed on 29.06.2018 and in the said meeting, NMDC had 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. The matter was listed for hearing on 03.01.2019, 10.01.2019 & 21.01.2019.</p> <p>During the hearing on January 2019, the Counsel of Govt. of Karnataka informed the Hon'ble Court that the DMG 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.</p> <p>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.</p> <p>The matter was adjourned and the case was listed for hearing on 23.04.2019 and later on 27.05.2019.</p> <p>During the hearing, Hon'ble High Court of Karnataka in their order dated 06.06.2019 had 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 and numbered as WP no 51121/2019.</p> <p>The hearing was adjourned to later dates. Meanwhile, Govt Advocate had sought time for filing statement of objections. The Hon'ble Court granted and proposed to list the matter for hearing on 02.07.2020. However, the matter/case could not be listed for hearing due to COVID-19 pandemic.</p> <p>Present Status/ATN</p> <p>The case is still pending to be listed for hearing.</p> <p>Further, the following is proposed.</p> <p>"As the above matter is under subjudice and all judicial proceedings normally take long period for settlement and the present pandemic situation further adding to the delay, Audit may be kindly requested not to pursue the above para further".</p> <p>The last ATN forwarded to the Ministry vide letter dated 17.11.2021.</p>

Sl No	Name of the Audit Para	Brief of the Para	Reporting status
3	7.2 of CAG Report 14 of 2021 for the year 2019-20.	<p>Avoidable extra expenditure towards Operations and Maintenance - Extension of Operation and Maintenance contract of the Beneficiation and Pelletisation Plants at Donimalai on nomination basis by NMDC Limited, without considering condition of the Plants and actual scale of operations resulted in avoidable extra expenditure of ₹ 36.65 crore.</p> <p>NMDC Limited (the Company) awarded a contract (January,2015) to M/s KIOCL Limited (KIOCL) on nomination basis for providing Operations and Maintenance (O&M) services for its 1.89 million tonne per annum Beneficiation and 1.2 million tonne per annum Pelletisation Plant at Donimalai, Karnataka. As per terms of O&M contract, besides providing O&M services for three years, KIOCL was also required to assist in pre-commissioning (trial run/provisional acceptance tests) and integrated commissioning of both the plants. Load trial runs of both Beneficiation plant as well as Pelletisation plant were conducted in June/July 2015 and it was mutually agreed between NMDC and KIOCL to consider 1 August 2015 as date of start for O&M services. This contract was awarded at a value of ₹ 81.93 crore plus taxes. Integrated commissioning of both the Plants was done in June 2017.</p> <p>On expiry of the O&M contract in July 2018, the Company extended this O&M contract for 1 year and 3 months in two spells. The first extension was given in December 2018 for one year i.e., from 1 August 2018 to 31 July 2019 (for ₹ 45.38 crore plus GST). The contract was further extended the second time in August 2019 for three months i.e., from 1 August 2019 to 31 October 2019 (for ₹ 11.34 crore plus GST). Thereafter, O&M works were awarded (October 2019) through Open Tender Enquiry for a period of one year from 1 November 2019 to 31 October 2020 for ₹ 5.75 crore and ₹ 7.53 crore plus GST in respect of Beneficiation Plant and Pelletisation Plant respectively to the lowest bidder. These outsourced contracts were extended for two months (November and December 2020) on the same terms. Subsequently after Open Tender Enquiry, contract for one year was awarded to same contractors at ₹ 6.36 crore and ₹ 8.31 crore plus GST respectively.</p> <p>Scrutiny of the records revealed the following:</p> <p>(i) Contract for O&M services was awarded to KIOCL initially on nomination basis in 2015. The Beneficiation Plant constantly encountered problems like failure of Pressure Filter and non-availability of slimes for producing the concentrate. The integrated Pellet Plant had not produced any pellets during 29 of the 36 months of the O&M contract period (August 2015 to July 2018) and during the remaining 7 months, the production of pellets ranged between 0.56 and 29.70 per cent of the rated capacity (One lakh tonne per month). However, despite actual scale of operations being minimal due to machinery breakdown and raw material non-availability, the company extended O&M contract with KIOCL on nomination basis twice for the period of 15 months (in December 2018 for one year from 1 August 2018 to 31 July 2019 and in August 2019 for a period of three months from 1 August 2019 to 31 October 2019). Audit observed that both these extensions were given on the same terms as contained in contract of January, 2015 at a cost of ₹ 56.72 crore plus GST, which show award of contract without having regard to actual scale of operations.</p>	<p>Point wise reply of the further observations made by Audit is indicated below :</p> <p>a) NMDC being a Mining sector, in the process of diversification had set up 1.2 MTPA Capacity Pellet plant for utilizing the existing slimes and fines for value addition.</p> <p>As Pellet plant is the first process plant of NMDC, to find and recruit around 200 personnel with right experience at a time during commissioning and integrating them within a short span was difficult, engaging an agency for O&M who had the experience in this field was the only an option.</p> <p>Meanwhile, KIOCL expressed their interest to provide O&M services to NMDC Pellet Plant. Considering that they are experienced in successfully running Pellet Plant with Straight Grate Technology for a long time, it was ascertained that it would not be difficult for them to adjust to the Grate Kiln Technology adopted by NMDC for Donimalai Pellet Plant.</p> <p>As, NMDC had no expertise in Pellet Plant and therefore considered initially to get the O&M work through an established organization those are having experience in critical processes like proportioning & mixing of feed material/additives for green ball/pellet formation, operation of balling/pelletizing disc, induration machine, Induration hood & furnace, process fans, rotary kiln and cooler, Electro Static precipitators etc. and found that KIOCL has all requisite experience/expertise in the above field.</p> <p>As such, KIOCL had deployed 177 nos. of its own manpower for operation & maintenance of the plant and also deployed semiskilled manpower through different local contractors for mechanical, electrical, instrumentation and maintenance works.</p> <p>Subsequently, NMDC team and the local contractors enhanced their degree of skills under KIOCL guidance and developed required experience to operate/maintain the process equipment of Pellet Plant.</p>

Sl No	Name of the Audit Para	Brief of the Para	Reporting status
		<p>(ii) The contract signed in January 2015 envisaged deployment of 53 executives and 124 non-executives by KIOCL for the services being rendered under the 1st year of the O&M contract. Contract also envisaged imparting training and induction of NMDC employees progressively so that after acquiring necessary expertise complete operation and maintenance activities may be taken over. However, as training could not be imparted as envisaged due to non-induction of manpower by the company, KIOCL deployed manpower as per the contract terms even during second and third year of the O&M contract. This necessitated extension of contract and reliance on outsourcing of works.</p> <p>(iii) Subsequently, the Company analysed the current production levels and outsourced the O&M works through Open Tender Enquiry and awarded the same (October 2019) for a total value of ₹ 13.28 crore plus GST to M/s Sri Saipriya Enterprises, Hospet (₹ 5.75 crore – O&M contract for Beneficiation Plant) and M/s Vishal Enterprises, Hospet (₹ 7.53 crore – O&M contract for Pelletisation Plant) for a period of one year from 1 November 2019.</p> <p>Had the Company exhibited this due diligence on time and outsourced the works after competitive bidding from 1 August 2018 onwards i.e., immediately after end of three years period of O&M contract with KIOCL, the company could have saved ₹ 36.65 crore during 1 August 2018 to 31 October 2019.</p> <p>The Management (August 2020) and Ministry (December 2020), while accepting the fact that manpower deployment by KIOCL remained constant due to non-induction of manpower by NMDC stated that:</p> <p>(i) O&M contract was awarded to KIOCL as they were pioneers in Pellet Plant operation in India and has the expertise to carry out O&M in such Beneficiation and Pellet Plants. Skilled and experienced manpower are generally not available on "On and Off" basis/temporary need basis and hence, to operate any process plant like Pellet Plant, specially skilled manpower is required and hence they are to be deputed on continuous basis which were provided by KIOCL.</p> <p>(ii) As O&M contract for operating Plant by outsourcing was unique and was being done for the first time in NMDC, multiple reviews/ opinions were carried out and all due care and precautions were taken prior to floating the tender, so that tender floating becomes successful. The process of floating tender and inviting competitive bids, seeking clarifications, etc., took around three months' time, and accordingly, contract period with KIOCL had been extended for only three months i.e., from 1st August 2019 to 31st October 2019 so that the separate O&M Contract of Pelletisation and Beneficiation Plant could be finalized. Hence, the company could save ₹ 40.16 crore (₹ 4.46 crore x 9) by not extending the KIOCL contract for another 9 months.</p>	<p>b) The proposal for recruitment of manpower for Pellet Plant operation had been initiated for catering the manpower needs of Pellet Plant, but did not materialize.</p> <p>Thereafter, an internal committee was formed during Dec'2015 to assess the manpower requirement for O&M works of Pellet Plant based on visit to similar plants. Accordingly, the committee had visited other plants and submitted the report. However, the proposal to recruit manpower did not materialize.</p> <p>c) During the O&M contract period, in spite of NMDC manpower not recruited as envisaged originally, existing NMDC manpower in Pellet Plant trained themselves under the guidance of KIOCL and developed confidence in supervising the O&M of MRSS, Beneficiation & Pelletisation Plant. During the period many local contractors/ technicians also gained workable experience from KIOCL's manpower.</p> <p>It is to be noted that, even though there was a provision of extending the contract for two years with KIOCL beyond the initial three years i.e., after July 2018, the contract was extended only for one year (4th year) i.e., up to July 2019. Meanwhile NMDC started exploring the possibilities to go for open tender enquiry for outsourcing the operation and maintenance of Pellet Plant for reducing the cost of hiring KIOCL manpower and initiated the proposal for issue of OTE in April, 2019. Further, in spite of KIOCL's repeated request for extending the contract further for one more year (5th year) i.e., from Aug'2019, the contract was extended only for 03 months till Oct'2019.</p> <p>Since O&M Contract for Operating Plant by outsourcing was unique and was being done for the first time in NMDC, due to which multiple reviews were carried out and all due care and precautions were taken prior to the tender, so that the tender to be successful. Accordingly, it was deemed fit to extend the KIOCL contract period only for 03 months i.e., from 01/08/19 to 31/10/19.</p>

Sl No	Name of the Audit Para	Brief of the Para	Reporting status
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Reply of the Management /Ministry needs to be seen in light of the following facts:

- a) While awarding the contract to KIOCL on nomination basis in 2015, only due-diligence exercised by NMDC was to compare option of carrying out the work in-house by NMDC vis-à-vis outsourcing to KIOCL. No other alternatives were explored. Further, M/s KIOCL had deployed the same contractors, M/s Sri Saipriya Enterprises and M/s Vishal Enterprises, for the supply of skilled, semi-skilled and unskilled workers, for mechanical, electrical, instrumentation and maintenance works at Pellet Plant, Donimalai during July 2017 to October 2019, who were awarded works directly through open tender enquiry by the Company subsequently from 1 November 2019, Hence, the contention regarding non-availability of skilled and experienced manpower does not hold ground.
- b) As per Clause 15.3 of the O&M contract with KIOCL, the Company was to induct 34 personnel annually and get them trained by KIOCL. For this, NMDC was to pay ₹ 4.69 crore to KIOCL as training and capacity building fee and in return it could get a discount of ₹ 12.73 crore from the O&M charges payable. As per this provision, by the end of three years, 102 personnel of the Company could have been trained. However, no manpower of NMDC was inducted during 2nd and 3rd year. This led to award of O&M contract of Plant for extended period to KIOCL, on the grounds of lack of skilled manpower to operate and supervise the Plant and subsequently the contract was outsourced to other contractors as mentioned above.
- c) As the contract with KIOCL was concluding by 31 July 2018, the Company should have taken note of the capacity utilization and constraints in operation of the Plants and taken pro-active measures by the end of 3rd year of O&M contract to bring economy in the O&M expenses. The Company in its note (November 2018) seeking extension of the O&M contract for fourth year, stated that an Open Tender Enquiry will be floated for fifth year for availing competitive rates linked to scale of operations. The Company initiated the proposal for issue of Open Tender Enquiry in May 2019 stating that even recovery of O&M contract cost placed on KIOCL was not feasible at that point of time. Thereafter, Open Tender Enquiry was issued on 8 July 2019 and contracts for outsourcing of O&M services were awarded only in October 2019. Hence, the Company could not even award contract from start of the fifth year [1 August 2019] on competitive terms and O&M contract with KIOCL had to be extended by another three months [1 August to 31 October 2019] at ₹ 11.34 crore excluding GST. So far as savings of ₹ 40.16 crore mentioned in the reply of Ministry/ Management is concerned, this has been worked out from November 2019 to July 2020 for not extending the KIOCL contract for another nine months, instead of considering the savings of ₹ 36.65 crore, the Company could have made for the period August 2018 to October 2019, had it acted timely and outsourced the works on competitive terms.

Thus, lack of due diligence on the part of the Company in extending O&M contract without reference to the actual scale of operations resulted in avoidable extra expenditure of ₹ 36.65 crore.

Present Status/ATN

Considering the above fact that NMDC had initially outsourced the O&M contract to KIOCL for successful running of Pellet Plant who has noticeable performance in Pellet plant operation in India. Subsequently, NMDC team and the local contractors enhanced their degree of skills under KIOCL guidance and developed required experience to operate/maintain the process equipment of Pellet Plant. Hence, Audit may be requested not to pursue the para further. The last ATN forwarded to the Ministry vide letter dated 15.02.2022.

Sl No	Name of the Audit Para	Brief of the Para	Reporting status
4	7.3 of CAG Report 14 of 2021 for the year 2019-20.	<p>Payment of Registration Charges and Stamp Duty twice for the same Mining Lease- Avoidable expenditure of ₹ 48.36 crore on account of failure of NMDC Limited in obtaining specific assurance from the Government of Chhattisgarh regarding waiver from payment of registration charges and stamp duty twice within a year, once by NMDC Limited and subsequently by its Joint Venture company NMDC – CMDC Limited.</p> <p>NMDC Limited (NMDC) was sanctioned in 1991, prospecting license in respect of 631.34 hectares of land for Deposit 13 at Bailadila, Chhattisgarh. After conduct of prospecting activities (December 1991 to December 1993), NMDC applied for mining lease in 1994 and became the first applicant for 631.34 hectares. The mining lease area was later (June 2005) revised to 413.745 hectares. NMDC signed (July 2006) a Memorandum of Understanding (MoU) with Chhattisgarh Mineral Development Corporation Limited (CMDC), a State Public Sector Undertaking of Government of Chhattisgarh, to develop the Deposit 13 mines. The MoU provided for creation of a joint venture company (NMDC-CMDC Limited) by NMDC and Chhattisgarh Mineral Development Corporation Limited (equity holding in the ratio of 51 per cent and 49 per cent respectively). It also envisaged the transfer of the mining lease granted to NMDC to the joint venture company and that further required steps would be undertaken by the joint venture company. The Mineral Resources Department, Government of Chhattisgarh approached (10 November 2006) the Ministry of Mines, Government of India for prior approval for grant of mining lease in favour of NMDC in Deposit 13 mines. The proposal also cited the additional condition that the mining lease awarded to NMDC would be transferred to the joint venture between NMDC and Chhattisgarh Mineral Development Corporation Limited. The joint venture company NMDC-CMDC Limited was formed in June 2008. NMDC meanwhile, applied (January 2003) for statutory clearances and permissions which got delayed. The Stage II Forest Clearance was finally granted by Ministry of Environment, Forest and Climate Change (MOEF&CC) on 9 January 2017 and thereafter NMDC got the mining lease registered in its favour by payment of ₹44.26 crore towards registration charges (₹18.44 crore) and stamp duty (₹25.82 crore) in January 2017. After a period of only 10 months in December 2017, this mining lease was transferred in the name of the joint venture company NMDC-CMDC Limited, as per the terms of the MoU, and payment of ₹52.30 crore was made, towards registration charges (₹21.79 crore) and stamp duty (₹30.51 crore).</p> <p>In this regard, Audit noted the following:</p> <ol style="list-style-type: none"> NMDC incurred avoidable expenditure on account of payment made twice for registering the same mining area first in its own name and then subsequently transferring it to the joint venture company after a gap of only 10 months (January 2017 and December 2017). NMDC failed to protect its financial interest while agreeing to incur expenditure twice for a mining lease that was finally meant to be transferred to its joint venture company. The State Government of Chhattisgarh, collected the charges of registration and stamp duty on two occasions for the same mining area although Chhattisgarh Mineral Development Corporation Limited was a public sector undertaking of Government of Chhattisgarh and held 49 per cent shareholding in the joint venture company. 	<p>Point wise replies are indicated below:</p> <ol style="list-style-type: none"> Since neither NMDC-CMDC Limited was in existence during the following events i.e., at the time of making application in 1984, while recommendations were made by the State Government in 2006, during prior approval by the Central Government in 2007, issue of LOI by the State Government in 2007 nor did it fulfil the conditions as per section 5(1) of MMDR Act 1957. Hence, it was not possible for NMDC to impress upon the State Government of Chhattisgarh to allocate the Mining Lease directly in favour of NMDC-CMDC Ltd. The Shareholder's Agreement is between NMDC and CMDC and the State Government was not a party to the Agreement. Neither NMDC nor CMDC were in position to make any such commitment on behalf of the State Government. However, it is pertinent to note that both NMDC and CMDC vis a vis NCL has taken all steps to get the refund of the Stamp Duty and Registration Charges. Mineral Resource Department, Govt. of Chhattisgarh has forwarded a letter from Director General Registrar, Raipur addressed to Director General Audit, Raipur dated 16.06.2021, to NMDC-CMDC Limited by which it is clarified that the refund of double stamp duty and registration charges towards transfer of mining lease is not applicable in the present case (Annexure-I). Vide the said letter it is clarified that the stamp duty for the said transfer of lease is applicable as per Article 63 of Schedule-1 A of stamp Act. Moreover, section 3 of stamp Duty Act 1899, clearly states that stamp duty is not chargeable on instruments executed by or on behalf of or in favour of the Government. (Annexure-II).

Sl No	Name of the Audit Para	Brief of the Para	Reporting status
		<p>iii) NMDC, before agreeing to such a transaction, could have obtained specific assurance from the Government of Chhattisgarh, through CMDC, regarding waiver from payment of registration charges and stamp duty twice, once by NMDC Limited and subsequently by its joint venture company NMDC-CMDC Limited.</p> <p>iv) It could have been ensured inclusion of a specific clause granting protection from payment of registration and stamp duty twice, in the shareholders cum Joint Venture agreement which included the obligations of both the parties to the Joint Venture.</p> <p>The failure of NMDC to obtain such assurance, resulted in the payment of registration charges and stamp duty twice for registering the same mine (Deposit 13), first by NMDC and then for the second time by the joint venture company NMDC-CMDC Limited. NMDC incurred avoidable expenditure to the extent of Z48.36 crore (49 per cent of Z44.26 crore plus 51 per cent of Z52.30 crore), assuming that the joint venture company would have borne the registration charges and stamp duty in the first instance itself.</p> <p>Management stated (August 2021 and September 2021) that the Shareholders Agreement is between NMDC and CMDC and the State Government was not a party to the Agreement. Therefore, neither NMDC nor CMDC were in a position to make any such commitment on behalf of the State Government. It was also stated that NMDC-CMDC was pursuing with the Government of Chhattisgarh for adjustment/ refund of the amount.</p> <p>Reply of the Management is to be viewed in light of the fact that CMDC is a public sector undertaking of the Government of Chhattisgarh and has Secretaries of the Finance Department, the Mineral Resources Department and other senior State Government officers of the Government of Chhattisgarh as members of its Board. Further, the Government of Chhattisgarh in a specific clarification obtained by Audit in this regard, stated (June 2021) that the stamp duty paid in the second instance was not refundable.</p> <p>Thus, failure of NMDC to include a specific assurance from Government of Chhattisgarh, through CMDC, regarding waiver of registration charges and stamp duty in the Shareholders cum Joint Venture Agreement resulted in avoidable expenditure of Z48.36 crore.</p> <p>The Audit paragraph was issued to the Ministry in August 2021; their response was awaited.</p>	<p>f) Further, as per Indian Stamp Act (Chhattisgarh Prevention of undervaluation of Instruments) Rules 1975, Article 3 A, in the case of any property which is the subject of a lease by the State Government or an undertaking of the State Government, the market rent shall be the average annual rent and the market value shall be the amount or value of such fine, or premium or advance as set forth in the instrument. Therefore, Stamp Duty cannot be waived as the transferee in Audit para is a Government Undertaking and not the Government. [Annexure-III].</p> <p>g) Moreover, it is stated in the above said letter that since NMDC has paid the stamp duty charges during the lease deed, the same rate shall be applicable in case of transfer of lease as per Article 63 of Schedule 1 A of Stamp Act of Chhattisgarh (Annexure-IV).</p> <p>h) As regards non-inclusion of the clause relating to waiver of stamp duty in the shareholder agreement, it may be noted that the agreement was signed between NMDC and CMDC on 01.07.2006 and no record is available for the reasons for not including the specific condition regarding waiver of Registration Charges and Stamp duty for registering the same mine twice is not known and is not recorded. However, It may be noted that in view of the reply given by the Registrar of Stamps, Government of Chhattisgarh to the CAG, it is ample clear that if it cannot be legally waived off, inclusion or non-inclusion of the same in the agreement hardly matters.</p> <p>i) Further, with reference to the letter from Director General Registrar, Raipur it is clear that the stamp duty and registration charges paid by NMDC-CMDC limited is as per the Article 63 of Schedule 1 A of Stamp Act, and cannot be refunded. However, NMDC are still pursuing with the Govt of CG for refund of double stamp duty and registration charges. The latest letter issued on 25.11.2021 is attached as Annexure-V.</p> <p>The last ATN forwarded to the Ministry vide letter dated 02.03.2022 .</p>

Sl No	Name of the Audit Para	Brief of the Para	Reporting status																																														
5	Para No. 1.4.2 in C&AG Report No.12 of 2021 for the year 2019-20.	<p>Return on Capital Employed (ROCE):</p> <p>ROCE is a ratio that measures a company's profitability and the efficiency with which its capital is employed. ROCE is calculated by dividing a company's earnings before interest and taxes (EBIT) by the capital employed³³. The CPSE wise details of ROCE are given in Annexure-IX.</p> <p>The consolidated ROCE of 425 Government companies and corporations³⁴ during the period from 2017-18 to 2019-20 is given in Table 1.16.</p> <p>Table 1.16: Return on Capital Employed</p> <table border="1"> <thead> <tr> <th>Year</th> <th>EBIT (₹ in crore)</th> <th>Capital employed (₹ in crore)</th> <th>ROCE (in per cent)</th> </tr> </thead> <tbody> <tr> <td>2017-18</td> <td>291064</td> <td>2469196</td> <td>11.79</td> </tr> <tr> <td>2018-19</td> <td>307096</td> <td>2933856</td> <td>10.47</td> </tr> <tr> <td>2019-20</td> <td>210823</td> <td>3304146</td> <td>6.38</td> </tr> </tbody> </table> <p>A consistent decreasing trend in ROCE of Government companies and corporations was observed during the last three years from 2017-18 to 2019-20. ROCE in the year 2019-20 decreased significantly in comparison to that for the year 2018-19 due to decrease in EBIT and increase in capital employed.</p> <p>ROCE in respect of Monopoly and Non-monopoly CPSEs is given in Table 1.17.</p>	Year	EBIT (₹ in crore)	Capital employed (₹ in crore)	ROCE (in per cent)	2017-18	291064	2469196	11.79	2018-19	307096	2933856	10.47	2019-20	210823	3304146	6.38	<p>Return on Capital Employed is a derivative of Average Selling Price (ASR) of Iron Ore and Sales Quantity.</p> <p>In FY 2019-20, average selling price of Iron Ore was reduced from ₹ 3, 708/Ton to ₹ 3, 671/Ton and sales quantity was reduced from 323.57 LT to 315.14 LT due to non-renewal of mining lease of Donimalai Complex by Government of Karnataka.</p> <p>However, in 2020-21 ROCE has increased as compared to 2019-20 from 23.82% to 31.98% due to increase in average selling price from ₹ 3,671/Ton to ₹ 4,581/Ton and also due to increase in sales quantity from 315.14 LT to 332.52 LT as shown in the below table:</p> <table border="1"> <thead> <tr> <th>Year</th> <th>EBIT (₹ In Cr)</th> <th>Capital Employed (₹ In Cr)</th> <th>ROCE (%)</th> <th>ASR (Rs/T)</th> <th>Sales Qty (LT)</th> </tr> </thead> <tbody> <tr> <td>2017-18</td> <td>6216.32</td> <td>23327.83</td> <td>26.65</td> <td>3185</td> <td>360.75</td> </tr> <tr> <td>2018-19</td> <td>7238.83</td> <td>25951.53</td> <td>27.89</td> <td>3708</td> <td>323.57</td> </tr> <tr> <td>2019-20</td> <td>6132.31</td> <td>25745.93</td> <td>23.82</td> <td>3671</td> <td>315.14</td> </tr> <tr> <td>2020-21</td> <td>8918.44</td> <td>27889.22</td> <td>31.98</td> <td>4581</td> <td>332.52</td> </tr> </tbody> </table> <p>In addition to the above mentioned reply, it is to mention here that ROCE has improved in 2020-21 compared to 2019-20.</p>	Year	EBIT (₹ In Cr)	Capital Employed (₹ In Cr)	ROCE (%)	ASR (Rs/T)	Sales Qty (LT)	2017-18	6216.32	23327.83	26.65	3185	360.75	2018-19	7238.83	25951.53	27.89	3708	323.57	2019-20	6132.31	25745.93	23.82	3671	315.14	2020-21	8918.44	27889.22	31.98	4581	332.52
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Sl No	Name of the Audit Para	Brief of the Para	Reporting status
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Table 1.17: ROCE of Monopoly vs. Non-monopoly CPSEs

Year	Monopoly			Non-monopoly				
	No. of CPSEs	EBIT	Capital Employed	ROCE (in percent)	No. of CPSEs	EBIT	Capital Employed	ROCE (in percent)
2017-18	57	1,16,170	6,72,097	17.28	340	1,74,894	17,97,099	9.73
2018-19	58	1,14,218	8,73,884	13.07	347	1,92,878	20,59,972	9.36
2019-20	61	67,689	973,990	6.95	364	1,43,134	23,30,156	6.14

It was observed that ROCE of monopoly Government companies and corporations was higher than that of non-monopoly Government companies and corporations during the last three years from 2017-18 to 2019-20. ROCE of monopoly Government companies and corporations decreased significantly in the year 2019-20 in comparison to that for the year 2018-19 mainly due to decrease in EBIT and increase in capital employed.

6 Para No. 1.4.3 in C&AG Report No.12 of 2021 for the year 2019-20.

Return on Equity (ROE):

ROE is a measure of financial performance of companies calculated by dividing net income by shareholders' equity. The CPSE wise details of ROE are given in Annexure-X. The consolidated ROE of 425 Government companies and corporations during the period from 2017-18 to 2019-20 is given in Table 1.18.

Table 1.18: Return on Equity

Year	Net Profit after tax & preference dividend (₹ in Crore)	Equity (₹ in Crore)	ROE (in percent)
2017-18	124449	902640	13.79
2018-19	135660	963594	14.08
2019-20	72182	958191	7.53

It was observed that ROE of 425 Government companies and corporations slightly increased in the year 2018-19 in comparison to that for the year 2017-18. However, ROE of Government companies and corporations decreased significantly in the year 2019-20 in comparison to that for the year 2018-19 mainly due to decrease in net profit.

ROE in respect of Monopoly and Non-monopoly CPSEs is given in Table 1.19.

Return on Equity is a derivative of Average Selling Price (ASR) of Iron Ore and Sales Quantity.

In FY 2019-20, average selling price of Iron Ore was reduced from ₹ 3,708/Ton to ₹ 3,671/Ton and sales quantity was reduced from 323.57 LT to 315.14 LT due to non-renewal of mining lease of Donimalai Complex by Government of Karnataka.

However, in 2020-21 ROE has increased as compared to 2019-20 from 14.01% to 22.36% due to increase in average selling price from ₹ 3,671/Ton to ₹ 4,581/Ton and also due to increase in sales quantity from 315.14 LT to 332.52 LT as shown in the below table:

Year	PAT (₹ In Cr)	Equity (₹ In Cr)	ROE (%)	ASR (Rs/T)	Sales Qty (LT)
2017-18	3805.88	23290.18	16.34	3185	360.75
2018-19	4641.98	25903.81	17.92	3708	323.57
2019-20	3610.12	25773.25	14.01	3671	315.14
2020-21	6253.05	27959.51	22.36	4581	332.52

Sl No	Name of the Audit Para	Brief of the Para	Reporting status
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Table 1.19: ROE of Monopoly Vs. Non-monopoly CPSEs

Year	Monopoly			Non-monopoly				
	No. of CPSEs	EBIT	Capital Employed	ROCE (in percent)	No. of CPSEs	EBIT	Capital Employed	ROCE (in percent)
2017-18	57	4,41,820	67,349	15.24	340	4,60,820	57,101	12.39
2018-19	58	4,77,224	68,567	14.37	347	4,86,370	67,093	13.79
2019-20	61	5,07,535	32,779	6.46	364	4,50,656	39,403	8.74

It was observed that ROE of monopoly Government companies and corporations was higher than that of non-monopoly Government companies and corporations during the years 2017-18 and 2018-19, however the same was lower in 2019-20. ROE of monopoly Government companies and corporations decreased significantly in the year 2019-20 in comparison to that for the year 2018-19 mainly due to decrease in net profit but increase in equity.

Sector wise ROE of Government companies and corporations where total equity of the sector is more than ₹10,000 crore during 2019-20 is depicted in Table 1.20.

Table 1.20: ROE of sectors with total equity of ₹10,000 crore and

Sl No.	Sector	ROE during 2019-20	ROE during 2018-19	ROE during 2017-18
1	Petroleum	3.40	15.99	16.77
2	Power	12.88	13.22	12.95
3	Transportation services	-17.65	-18.04	-5.69
4	Financial services	18.33	24.46	25.96
5	Coal & Lignite	65.40	72.46	43.02
6	Minerals & Metals	10.22	17.95	15.33
7	Insurance	-17.19	-3.34	8.61
8	Heavy Industry	-5.85	3.77	3.68
9	Steel	-15.27	16.04	-11.73
10	Transport Equipment	22.89	24.87	17.12

In addition to the abovementioned reply, it is to mention here that ROE has improved in 2020-21 compared to 2019-20.

In view of the above findings, Audit may be requested not to pursue the above para further.

The last ATN forwarded to the Ministry vide letter dated 19.05.2022.

Sl No	Name of the Audit Para	Brief of the Para	Reporting status																								
7.	<p>Para No. 4.5.2.1 in C&AG Report No.12 of 2021 for the year 2019-20 .</p>	<p>Allocation of funds As per Section 135(5) of the Act, the Board shall ensure that the company spends annually two per cent of average net profit of three immediate preceding financial years in pursuance of its CSR policy. In this regard, Audit observed that the selected 95 CPSEs allocated ₹ 4,298.13 crore against the minimum ₹ 3,949.70 crore required in terms of two per cent of average net profit calculated as per Section 198 of the Act. Thus, there was excess allocation of ₹ 348.43 crore compared to the minimum requirement (Annexure XXVIII A). Twenty-nine CPSEs allocated more than the minimum two per cent, the excess allocation being ₹ 351.95 crore and three CPSEs allocated less than two per cent, the shortfall in allocation being ₹ 3.53 crore. Sixty CPSEs allocated the minimum required two per cent CSR funds (Annexure XXVIII B). Three CPSEs viz. Air India Express Limited, India Infrastructure Finance Company Limited and Fertilizers & Chemicals Travancore Limited did not allocate funds on account of negative net profit under Section 198 but incurred CSR expenditure. Audit noticed the following cases on improper determination of the CSR expenditure under Section 198 of the Act. Further Query : Reason for allocation of more than 2% CSR fund as mentioned in the C&AG Report No. 12 of 2021 may be furnished .</p>	<p>The Companies Act 2013 inter alia specifies that the Board of every Company shall ensure that the Company spends at least 2% of average net profit of preceding three years on CSR . NMDC as a responsible Corporate Citizen has been allocating more than the minimum stipulated 2% based on the requirement of development needs of the surrounding areas of its Projects, which are located in some of the most underdeveloped areas of the Country DPE Guidelines on CSR dttd. 1st November,2011 has advised that administrative Ministries /Department/CPSEs may seek advise on CSR Models from NMDC(Copy enclosed) . In view of the above findings, Audit may be requested not to pursue the above para further. The last ATN forwarded to the Ministry vide letter dated 19.05.2022.</p>																								
8	<p>Para No. 4.5.2.1(a) in C&AG Report No.12 of 2021 for the year 2019-20 .</p>	<p>Adding back of CSR expenditure while calculating the net profit under Section 198 Section 198 of the Act elaborates the manner of calculation of net profit which is adopted for determining CSR expenditure for a year. Audit observed that while the section mentions particularly the expenses and incomes which are allowed as deduction, it does not explicitly state whether the CSR expenditure incurred in the preceding three years and already deducted while drawing the financial statements of the company is allowed to be deducted or not from the net profit. If it is not allowed as deduction, then it has to be added back while calculating net profit for the preceding three financial years. Audit observed that CPSEs are following different practices in respect of CSR expenditure while calculating the net profit under Section 198 of the Act. As per the information received in respect of 26 CPSEs out of 95 CPSEs, nine CPSEs have added back the CSR expenditure while calculating the net profit resulting in allocation of CSR expenditure higher by ₹ 11.95 crore whereas, 17 CPSEs have not added back the CSR expenditure resulting in allocation of CSR expenditure less by ₹ 23.47 crore (Annexure XXIX). The clarification given by the CSR committee of the ICAI in April 2020 stated that the net profit is to be calculated after deducting CSR expenditure.</p>	<p>NMDC is complying with requirements of Section 198 of the Companies act regarding the manner of calculation of net profit which is adopted for determining the CSR expenditure for a year which is 2% of PBT (as per the average of three preceding financial year). The PBT and CSR thereon after adding CSR to PBT is given as under:</p> <table border="1"> <thead> <tr> <th>Year</th> <th>PBT</th> <th>CSR</th> <th>PBT (after adding back of CSR)</th> </tr> </thead> <tbody> <tr> <td>2016-17</td> <td>4292.92</td> <td>174.18</td> <td>4467.10</td> </tr> <tr> <td>2017-18</td> <td>6178.99</td> <td>169.37</td> <td>6348.36</td> </tr> <tr> <td>2018-19</td> <td>7198.42</td> <td>167.24</td> <td>7365.66</td> </tr> <tr> <td>Average</td> <td></td> <td></td> <td>6060.37</td> </tr> <tr> <td>CSR (2%)</td> <td></td> <td></td> <td>121.21</td> </tr> </tbody> </table> <p>As it can be observed from the above table, that even after revising the PBT i.e. after adding back the CSR expenditure to the PBT, NMDC has spent an amount of ₹ 199.99 crore i.e. more than 2% of the average revised PBT for immediately preceding three financial years. The last ATN forwarded to the Ministry vide letter dated 22.04.2022 .</p>	Year	PBT	CSR	PBT (after adding back of CSR)	2016-17	4292.92	174.18	4467.10	2017-18	6178.99	169.37	6348.36	2018-19	7198.42	167.24	7365.66	Average			6060.37	CSR (2%)			121.21
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CSR (2%)			121.21																								

Sl No	Name of the Audit Para	Brief of the Para	Reporting status
9	Para No 4.5.2.2 in C&AG Report No.12 of 2021 for the year 2019-20 .	<p>Utilisation of Funds</p> <p>Section 135(5) of the Act states that the Board shall ensure that the company spends, in every financial year, at least two per cent of average net profit of preceding three years. DPE also advised (August 2016) that all efforts should be made by CPSEs to fully utilize the allocated CSR funds for the year.</p> <p>Audit observed that against the prescribed two per cent amount of ₹3,949.70 crore and allocation of ₹4,298.13 crore, 95 CPSEs incurred CSR expenditure of ₹5,033.96 crore.</p> <p>Thus, the CPSEs incurred additional ₹1,084.26 crore, over the prescribed minimum two per cent during the year. Sixty-seven CPSEs incurred ₹1,174.38 crore more than minimum required two per cent, of which four CPSEs viz. Coal India Limited (₹163.24 crore), Bharat Petroleum Corporation Limited (₹146.59 crore), Power Grid Corporation of India Limited (₹136.29 crore) and Rural Electrification Company Limited (₹101.71 crore) contributed ₹547.83 crore to the excess spending (Annexure XXVIII A).</p> <ul style="list-style-type: none"> • 10 CPSEs incurred prescribed minimum expenditure of two per cent CSR funds (₹557.45 crore) during the financial year. • Shortfall was reported by 18 CPSEs amounting to ₹90.13 crore, which was in the range of 2.4 per cent to 100 per cent. Power Finance Corporation Consulting Limited did not spend the allocated amount of ₹1.17 crore (100 per cent shortfall). The Company replied that the shortfall in CSR expenditure was due to COVID 19 lockdown. <p>Audit observed that the lockdown was imposed only at the end of the year 2019-20, which should not have impacted CSR expenditure for the entire year.</p>	<p>The Companies Act 2013 inter alia specifies that the Board of every Company shall ensure that the Company spends at least 2% of average net profit of preceding three years on CSR .</p> <p>NMDC as a responsible Corporate Citizen has been spending more than the minimum stipulated 2% based on the requirement of development needs of the surrounding areas of its Projects, which are located in some of the most underdeveloped areas of the Country .</p> <p>DPE Guidelines on CSR dtd. 1st November,2011 has advised that administrative Ministries /Department/ CPSEs may seek advise on CSR Models from NMDC (Copy enclosed).</p> <p>In view of the above findings, Audit may be requested not to pursue the above para further.</p> <p>The last ATN forwarded to the Ministry vide letter dated 19.05.2022 .</p>

Sl No	Name of the Audit Para	Brief of the Para	Reporting status
10	Para No 4.5.2.8 in C&AG Report No.12 of 2021 for the year 2019-20.	<p>Implementation of DPE guidelines on common theme</p> <p>DPE issued (December 2018) guidelines for utilization of CSR funds in a focused manner towards national priorities by adopting theme based approach every year. The guidelines envisaged around 60 per cent of annual CSR expenditure on common theme and preference was to be given for incurring expenditure in the aspirational districts. DPE communicated common theme, 'School Education, Health care and Nutrition' for the year 2019-20 vide OM dated 29 May 2019.</p> <p>While 53 CPSEs could achieve the prescribed target of 60 per cent CSR expenditure on common theme, 29 CPSEs incurred CSR expenditure less than the target and 8 CPSEs did not incur any amount on the common theme. Data for the remaining five CPSEs was not available. CPSEs incurred ₹3,052.75 crore on the common theme during the year (Annexure XXXII).</p> <p>As regards preference while incurring CSR expenditure on common theme at aspirational districts, data in respect of 85 CPSEs was available, of which 34 CPSEs incurred less than 25 per cent in the aspirational districts, 19 CPSEs did not incur any amount and expenditure incurred by 32 CPSEs was above 25 per cent at the aspirational districts. Data in respect of 10 CPSEs was not furnished.</p>	<p>It is to affirm that NMDC has achieved the prescribed 60% of CSR expenditure on the Common Theme Area of School Education and Health & Nutrition w.r.t 2019-20.</p> <p>The last ATN forwarded to the Ministry vide letter dated 22.04.2022.</p>

Sl No	Name of the Audit Para	Brief of the Para	Reporting status
11	Para No 4.5.3.1 in C&AG Report No.12 of 2021 for the year 2019-20 .	<p>Conduct of base line survey and assessment</p> <p>Out of 95 CPSEs, 50 CPSEs had undertaken baseline survey and need assessment studies for identifying the CSR project/ activity in respect of 8,264 projects. 37 CPSEs did not conduct baseline survey and need assessment studies and 8 CPSEs did not furnish the data (Annexure XXXIII).</p>	<p>In relation to the above observation it is to mention that a majority i.e. more than 75% of NMDC's CSR activities are taken up in partnership with the State Authorities. These activities are undertaken based on a detailed consultative process, which starts at the grass root Panchayat level, extends upto the level of the District Administrative and even the Chief Secretary in the case of Chhattisgarh State, where more than 80% of the CSR activities are being implemented. It is also to be mentioned that the above works/activities are in line with District Development Plan of the districts concerned, as per relevant State Authorities. As far as the activities undertaken through NGOs/VOs/Service providers (which is less than 5% of the total No. of activities) is concerned, the need assessment is done through a due diligence process, which is incorporated in the Company's CSR policy and in so far as activities directly implemented by the company is concerned, the laid down procedure is adopted for selection of initiatives.</p> <p>It is to submit that in view of the existence of the above established processes, no specific Base line study was undertaken.</p> <p>The last ATN forwarded to the Ministry vide letter dated 22.04.2022.</p>

Sl No	Name of the Audit Para	Brief of the Para	Reporting status
12	Para No 4.5.3.2 in C&AG Report No.12 of 2021 for the year 2019-20.	<p>Manner of Implementation of CSR activities</p> <p>Rule 4 of Companies (CSR) Rules, 2014 exclusively deals with the manner in which the CSR activity is to be undertaken under Section 135(1) of the Act. The Board may decide to undertake its CSR activities as recommended by CSR committee through a registered trust/ society or a company established by the CPSE or its holding, subsidiary, or associate company under Section 8 of the Act or otherwise. As per the information available for 80 CPSEs, the manner of implementation of 12,914 CSR projects (3,533 projects implemented directly/ in-house and 9,381 projects executed through Government/ external agencies, NGOs, Society) were as follows:</p> <ul style="list-style-type: none"> • 5 CPSEs undertook in-house projects only; • 17 CPSEs outsourced CSR projects to external agencies; • 58 CPSEs had undertaken both, in-house projects as well as outsourced CSR projects to external agencies; and • 7 CPSEs did not undertake any projects but contributed entire amount to the funds. <p>Out of 9,381 projects implemented through external agencies, CPSEs had resorted to tendering in respect of 1,258 projects; 1,015 projects were undertaken on nomination basis and 7,108 projects were undertaken either through Government agencies/ institutions, local bodies/ community based organisations or on the basis of proposals received from NGOs/ implementing agencies etc. Remaining eight CPSEs did not furnish the information (Annexure XXXIV).</p>	<p>In relation to the activities undertaken in the year under discussion i.e. 2019-20, it is to submit that as indicated in the reply to the Para No 4.5.3.1, NMDC has undertaken more than 75% of its CSR activities in partnership with the State Authorities, around 20% of the works were implemented directly by NMDC and less than 5% of the balance activities were implemented through Niti Aayog Darpan portal registered NGOs/VOs etc after examination of proposals through an established due diligence process.</p> <p>The last ATN forwarded to the Ministry vide letter dated 22.04.2022 .</p>

TEN YEAR PERFORMANCE

(₹ In crore)

	Ind_AS 2021-2022	Ind_AS 2020-2021	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	
Operating Statistics:												
Production												
1	Iron Ore (WMT) (in lakh tonnes)	421.88	341.50	314.89	323.61	355.76	340.05	285.74	304.41	300.25	271.84	272.60
2	Diamonds (Carats)	-	13,681.01	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
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
4	Pellets(in Tonnes)	182,298.77	83,751.32	110,481.19	115,622.89	58,070						
Sales												
1	Iron Ore (WMT) (in lakh tonnes)	405.64	332.52	315.16	323.56	360.75	356.21	288.39	305.16	305.00	262.74	273.01
2	Diamonds (Carats)	25,218.95	22,248.84	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
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
4	Pellets(in Tonnes)	196,971.93	92,773.00	85,793.07	112,010	42,948	-					
Financial Statistics:												
Income												
1	Sales Iron Ore	25,546.66	15,233.70	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
i)	Sales Sponge Iron	-	-	4.39	0.94	-	13.13	13.14	48.09	56.01	73.50	65.93
ii)	Sales Diamonds	62.93	21.10	34.29	38.86	35.17	41.91	52.61	50.06	49.85	28.51	9.84
iii)	Sale of Power	4.99	5.17	5.40	5.51	6.50	7.48	6.30	5.96	1.05	-	-
iv)	Sales Others	-	0.01	0.43	0.52	0.74	0.38	1.78	8.75	5.91	5.60	1.36
v)	Sales of Pellet	222.11	73.50	55.55	76.52	25.40						
vi)	Income from services	45.04	36.58	30.16	32.34	56.17	57.84	55.51	45.86	45.86	37.95	17.20
2	Sales: Other Products and Services (i to vi)	335.07	136.36	130.22	154.69	123.98	120.74	129.34	158.72	158.68	145.56	94.33
3	Net Revenue from Operation	25,881.73	15,370.06	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
4	Other Income	718.33	349.88	513.79	588.30	519.73	908.81	1,809.25	2,265.40	2,094.52	2,238.87	2,016.49
PROFIT												
1	EBDITA	13,306.41	9,146.27	6,426.69	7,518.91	6,472.13	4,509.86	4,374.21	9,930.07	9,865.98	9,616.84	10,891.12
2	Depreciation	286.85	227.83	294.38	278.89	256.04	196.18	216.60	162.23	104.93	138.52	130.17
3	Interest	39.06	16.81	9.88	40.32	37.10	20.76	65.59	-	1.85	13.20	1.48
4	PBT	12,980.50	8,901.63	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
5	Taxes	3,444.16	2,316.59	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
6	PAT	9,398.48	6,253.05	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
7	Dividend	4,319.72	2,274.15	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
8	Dividend % of PAT	46%	36%	45%	36%	44%	51%	161%	53%	52%	44%	25%
FINANCIAL POSITION												
1	Equity (*)	293.07	293.07	306.19	306.19	316.39	316.39	396.47	396.47	396.47	396.47	396.47
2	Reserves & Surplus	34,550.90	29,463.07	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
3	Gross Fixed Assets	5,920.74	4,795.71	4,479.41	3,681.38	3,368.53	2,406.26	2,170.98	2,944.65	2,769.91	2,581.95	2,388.12
4	Net Fixed Assets	3,966.03	3,118.45	3,016.73	2,720.69	2,671.70	1,952.81	1,918.45	1,333.69	1,362.28	1,264.66	1,188.80
5	Other Assets(intangible)	-	-	-	-	-	-	-	5.37	5.37	6.24	10.07
6	Capital Work-in-Progress	18,299.69	17,128.10	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
7	Current Assets	15,775.06	10,548.12	6,874.30	7,963.98	8,839.45	8,584.95	18,764.55	23,889.76	23,861.19	25,592.18	23,195.21
8	Current Liabilities	6,931.62	5,402.26	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
9	Deferred Tax Asset	530.95	408.28	397.06	582.73	385.71	453.36	263.17	[98.40]	[107.25]	[104.49]	[100.09]
10	Net Worth	34,843.97	29,756.14	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
11	Book value per share (₹) (*)	118.89	101.53	89.92	84.76	76.97	71.17	73.44	81.54	75.62	69.37	61.53
12	Earning per share (₹) (*)	32.07	20.62	11.79	14.70	12.03	7.22	6.84	16.20	16.19	16.00	18.33
13	Valued added per emp (₹ In lakhs)	300.30	212.46	155.11	173.89	167.76	117.46	86.89	182.23	178.54	159.04	167.10

(*) During 2008-09, Equity share splitted from ₹ 10/- per share to ₹ 1/- per share and Bonus shares issued in the ratio of 1:2

COMMENT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE STANDALONE FINANCIAL STATEMENTS OF NMDC LIMITED FOR THE YEAR ENDED 31 MARCH 2022

The preparation of financial statements of NMDC Limited (Company) for the year ended on 31 March 2022 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 these 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 Revised Audit Report dated 25 July 2022 which supersedes their earlier Audit Report dated 26 May 2022.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6)(a) of the Act of the financial statements of NMDC Limited for the year ended on 31 March 2022. 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 the behalf of the
Comptroller and Auditor General of India**



(J. S. Karape)

**Director General of Commercial Audit
Hyderabad**

**Place: Hyderabad
Date: 05 August 2022**

REVISED INDEPENDENT AUDITOR'S REPORT

(Issued consequent to Audit enquiry dated: 20th July 2022 by office of the Director General of Commercial audit, AG's Office Complex, Saifabad, Hyderabad, and it supersedes our Independent audit report dated: 26th May, 2022)

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** (hereinafter referred to as "the Company"), which comprise the Standalone Balance Sheet as at **March 31, 2022**, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Cash flow statement for the year then ended, and notes to the Standalone financial statements, 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, 2022, 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 standalone financial statements under the provisions of the Act and the Rules made

thereunder, 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 judgment, 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.

Sr. No	Key Audit Matter	How our audit addressed the key audit matter
1	<p>Capital Work-in progress (NISP): (Refer Note No.2.2, 2.2.1, 2.2.2, 2.2.3 & 2.2.4 of the standalone financial statements) Capital Work-in progress (CWIP) as on 31.03.2022 in the books of the unit is ₹ 17,045.14 Crores, out of which Incidental expenditure during Construction (IEDC) amounts to ₹ 2610.44 Crores. Since the amount involved is substantial and the original schedule date of completion has passed, inappropriate classification of IEDC could result in material misstatement of CWIP and hence this is a key audit matter.</p>	<p>Our audit procedures included the following: We obtained an understanding and evaluation of the system of internal control over the capital work in progress with reference to identification and testing of key controls. We have assessed the progress of the project and examined the management view on delay in project completion. We also assessed the intention and ability of the management to carry forward and bring the asset to its state of intended use. Based on the above procedures performed, we did not identify any significant exceptions in the management's assessment of Capital Work in Progress of NISP.</p>

Sr. No	Key Audit Matter	How our audit addressed the key audit matter
2	<p>Trade Receivables from Monitoring Committee: (Refer Note No.2.8.1 & 2.34.6 of the standalone financial statements)</p> <p>As at 31st March 2022, current financial assets in respect of trade receivables includes receivables from monitoring committee as specified in aforesaid notes.</p> <p>Trade receivables from Monitoring committee is a key audit matter due to the size of the receivable and involvement of management judgement in determining the impairment provision</p>	<p>Our audit procedures included the following: We analyzed the ageing of trade receivables.</p> <p>We obtained the list of long outstanding receivables from the monitoring committee and assessed the recoverability of these through inquiry with management and by obtaining sufficient corroborative evidence to support these conclusions.</p> <p>Based on the above procedures performed, we did not identify any significant exceptions in the management's assessment and presentation of trade receivables and impairment provision thereof.</p>
3	<p>Mine Closure Obligation (MCO): (Refer Note-1(x) and Note no. 2.14.4 to the standalone financial statement)</p> <p>The company creates Mine closure obligation (MCO) 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.</p> <p>The matter was considered to be a key audit matter because there is estimate involved as per management's policy</p>	<p>Our audit procedures included the following: We have reviewed the recommendations of the committee for mine closure obligations.</p> <p>We have reviewed the methodology to arrive at the liability for mine closure obligation at a rate per MT on the cumulative RoM quantity for mine closure obligations.</p> <p>We have verified the arithmetical accuracy of the mine closure obligation provision based on the recommendation of the committee.</p> <p>Based on the above procedures performed, we did not identify any significant exceptions in the management's assessment in Mine closure obligation provision</p>
4	<p>Investment in Legacy Iron Ore Ltd., Australia (LIOL) (Refer Note No. 2.4.1 & 2.34.10 of the standalone financial statements)</p> <p>The Company accounts for equity investments in subsidiaries, associates and joint ventures at cost (subject to impairment assessment) and other investments at fair value.</p> <p>The company has equity investments in LIOL as referred in above notes.</p> <p>The accounting for investments in LIOL is a Key Audit Matter as the determination of recoverable value for impairment assessment/fair valuation involves significant management judgement.</p>	<p>Our audit procedures included the following: We performed inquiries of management about the current market conditions supporting the evaluation of potential impairment indicators, tested the key assumptions used, and performed procedures on LIOL's stage of exploration.</p> <p>We evaluated the review conducted by LIOL on the Exploration and Evaluation assets for impairment and the conclusion derived after testing of compliance of certain critical conditions.</p> <p>We have also considered the averment that the Market capitalization is more than its Net asset</p> <p>Based on the above procedures performed, we did not identify any significant exceptions in the management's assessment in relation to the carrying value of equity investments in LIOL</p>

Emphasis of Matter

We draw your attention to the followings forming part of the financial statements without modifying our opinion in respect of:

- i. Note No: 2.34.7, 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 ₹ 1623.44 Crores against which company has paid an adhoc amount

- ii. Note no.2.34.15(ii) of Notes forming part of accounts for the period ended 31st March 2022 which describes balance of trade receivables payables are subject to confirmation/reconciliation and consequential adjustment, if any.
- of ₹ 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.

- iii. Note No: 2.34.11, 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. TATA Steel Long Products (TSLP) has purchased the NINL at a price of ₹ 12,100 Crores and Govt has already signed share sale and purchase agreement on 10th March 2022. Total assets of NINL is more than the total liabilities. In view of high bid by TSLP, management has felt no impairment of investment and Loan to NINL is necessary as explained in the said note.
- iv. Note No:2.34.3, regarding the demerger of NMDC Iron & Steel Plant (NISIP) which is in progress.

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 Management and Board of Directors are 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 Management and Board of Directors are 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.

The 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 ₹ 31,820.72 Crores as at March 31, 2022 and total revenues of ₹ 26,221.39 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 Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), Standalone Statement of changes in equity and the Standalone Statement of Cash Flow 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:

a. 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

b. The company has made provisions, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts.

c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

d. i. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- Directly or indirectly lend or invest in other persons or entities identified in any

manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or

- Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

ii. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- Directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or

- Provide any guarantee, security or the like form or on behalf of the Ultimate Beneficiaries; and

iii. Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d)(ii) contain any material mis-statement.

e. The Dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India 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)

CA. B. Srinivasa Rao
Partner

Place: Hyderabad
Date: 25.07.2022

Membership No.202352
UDIN: 22202352ANPBHL9428

“ANNEXURE – A” TO THE INDEPENDENT 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, 2022 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 Act

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, 2022, 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)

CA. B. Srinivasa Rao
Partner

Place: Hyderabad
Date: 25.07.2022

Membership No.202352
UDIN: 22202352ANPBHL9428

“ANNEXURE – B” TO THE INDEPENDENT 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) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
- (B) The Company has maintained proper records showing full particulars of Intangible assets.
- (b) 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 a regular programme of physical verification of its Property, Plant and equipment by which all the Property, Plant and equipment 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 Property, Plant and equipment 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 (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company, our observations are listed below:

Description of property	Gross carrying value (In Crores)	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in name of company*
KIRANDUL					
Land at Madadi Village	-	Not in the name of Company	No	31-03-2006	Panchnama done by Railway, Revenue NMDC officials is available with the Project.
Railway Land	-	Not in the name of Company	No	29-10-2014	Panchnama done by Railway, Revenue NMDC officials is available with the Project.
Freehold Land	0.0023	Not in the name of Company	No	31-03-1966	Sale Deed available with the management for total 19.09 Hectares. Appeal against the order issued by the Tahsildar, Bade Bacheli is being prepared by the advisor (Revenue) and same will be submitted before the SDM, Bade Bacheli.
Revenue Land	-	Not in the name of Company	No		File has been sent to Head Office for approval so that proper application can be submitted before district Administration for the allotment of Land. It is under Progress.
Bacheli					
Forest Land for Uniflow Rly. Dispatch system	0.124	Forest Department	No	07-06-2002	This is Forest Land. (MOEF Letter No. 8B/007/2002/FCW/1313 dated 07.06.2002)
Land for Shankhni pump House & pipeline hect 4.68	0.0103	Forest Department	No	14-03-2002	This is Forest Land (MOEF clearance Letter dated 14.03.2002).
Lease of Dep-10(FO)	13.92	Forest Department	No	10-07-2019	This is Forest Land (MoEF letter dated 10 July 2019).

Note :

The Area of Land of 1668.08 Acres i.e 1015.29 Govt Land, 569.58 Acre Forest Land and 83.2 Acre Railway Land has been

taken from Govt, Forest and Railway authorities .These land are not in company's name.

PANNA					
Plot No. 1236/3 Land at Panna	0.027				No comments could be offered for the reason no document were made available for our verification.
Plot No. 76/2 Land at Panna	0.0005				No comments could be offered for the reason no document were made available for our verification.
Plot No. 1237/2 Land at Panna	0.0003				No comments could be offered for the reason no document were made available for our verification.
Plot No. 1236/2 Land at Panna	0.00074				No comments could be offered for the reason no document were made available for our verification.
Plot No. 1236/3 Land at Panna	0.0030				No comments could be offered for the reason no document were made available for our verification.
NISP					
Land	0.80	Govt. of CG	NA	25-05-2010	Requested District Collector Bastar, to calculate the value from the date of allotment. However, allotment order dt. 17.05.2010 is in the name of NMDC for Construction of CSR School
Land	0.07	Petitioners	NA	01-04-2001	Presently the case is in Hon'ble Supreme Court of India, in the revenue record the land is in favour of 05 petitioners, however the land is in the possession of NISP
Land	-	Govt. of CG	NA	17-05-2010	The Area of Land of 22.39 Hectares (GOVT.LAND) has taken over from District Industries Centre, Jagdalpur which is not included in the above Land Schedule as on 31.03.2022. This is utilised for construction of Steel Plant near Nagarnar and has been allotted in the name of NISP , however the same has not been brought into the books as the amount payable is not yet ascertainable in the absence of any demand from the concerned authorities.
Land	-	Forest Land	NA	25.720 Hect. dt. 25.07.2014, 10.763 Hect dt. 27.02.2015 & 26.136 Hect dt. 24.05.2018	The Permission has been obtained from the Govt. Of Chhattisgarh (Forest Dept.) for use of Forest land having Area 62.619 hectares for construction of Steel Plant at Nagarnar. But the Land is not in the name of NMDC.
HEAD OFFICE					
R&D Centre (Leased Premises)				9.12 Acres	Lease period completed but lease agreement to be extended.
PALONCHA					
SIU NMDC Ltd, Paloncha				11.35 Acres	Not yet registered
SIU NMDC Ltd, Paloncha				2.08 Acres	During the survey 2.08 Acres found shortage out of 13.43 Acres is pending confirmation from APIIC.

- (d) 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 revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the year in our opinion the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory
- (b) 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 been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters.
- (iii) 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 made investments, stood guarantee, granted advances in the nature of loans, secured or unsecured and the details are given below:

(₹ In Crores)

S No	Particulars	Guarantees	Investments	Loans	Advances
A.	Aggregate amount granted/provided during the Year:				
	Subsidiaries	---	0.05		1.24
	Joint ventures	---	---		0.01
	Associates	---	2.50		2.67
B.	Balance outstanding as at balance sheet date in respect of above cases:				
	Subsidiaries	---	216.91		642.22
	Joint ventures	504.22	251.03		43.18
	Associates	---	519.47	80.52	---

- (b) The Company has not provided any advances in the nature of loans or security to any other entity during the year.

According to the information and explanations given to us and based on the audit procedures conducted by us. We are of the opinion that the terms and conditions of the loans given are prima facie, not prejudicial to the interest of the Company.

- (c) 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 granted loans to one of its associates Neelachal Ispat Nigam Ltd. The repayment of principal and payment of interests are not received as per due dates stipulated in loan agreement and the details of which are given below:

Name of entity : Neelachal ispat Nigam Ltd

S.No	Particulars	Amount (₹ in crores)	Due date	Extent of delay	Remarks
1	Loan 1	50.57	01st Jan 2021 to 31Mar 2022	30 days to 455 days	Note 1
2	Loan 2	5.07	01st Jan 2022 to 31Mar 2022	30 days to 90 days	Note 2
3	Loan 3	0.52	01st Sept 2021 to 01st Feb 2022	30 days to 60 days	Note 3

Note 1 : 15 Monthly installments(principal ₹ 40.82 crores and interest ₹ 9.75 crores) are overdue.

Note 2 : 3 Monthly installments(principal ₹ 2.72 crores and interest ₹ 2.35 crores) are overdue.

Note 3 : 1 Monthly installments(principal ₹ 0.51 crores and interest ₹ 0.01 crores) are overdue.

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is overdue amount for more than ninety days in respect of loans given to one of associates, Neelalchal Ispat Nigam Ltd and the details of which are given below:

(₹ In Crores)

No of cases	Principal amount	Interest overdue	Total overdue
1	32.39	9.25	41.64

- (e) According to the information and explanation given to us and on the basis of our examination of the records of the Company, there is no loan given falling due during the year, which has been renewed or extended of fresh loan given to settle the over dues of existing loans given to the same party.
- (f) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has granted loans or advances in the nature of loans either repayable on demand or with out specifying any terms or period of repayment to wholly owned Subsidiaries, Joint venture and Associate companies, which are repayable on demand and the details of which are given below:

(₹ In Crores)

Particulars	All other parties	Related parties	Promoters
Aggregate amount of loans/ advances in nature of loans			
A). Repayable on demand	468.70	88.73	---
B). Agreement does not specify any terms or period of repayment	--	688.40	---
Total (A+B)	468.70	777.13	---
%age of loans /advances in the nature of loans to the total loans	---	88.58%	---

- (iv) According to the information and explanation given to us and on the basis of our examination of the records the Company has not given any loans, or provided any guarantee or security as specified under section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under section 186 of the Company has complied with the provisions of section 186 of the Companies Act, 2013 in relation to loans given and investments made.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the order is not applicable.
- (vi) According to the information and explanations given to us, Central Government has prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013 for the products manufactured by it (and or services provided by it). Accordingly, 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.
- (vii) (a) The Company does not have liability in respect of sales tax. Service tax, Duty of excise and value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.
- According to the information and explanation given to us and on the basis of our examination of the records the Company, amounts deducted/ accrued in the books of accounts in respect of undisputed statutory dues including Goods and Services Tax ('GST'), provident fund Employees State Insurance, Income- tax, Duty of customs, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities except the following:
- i). Donimalai Unit does not collect/remit GST on:
- Liquidated damage/penalty collected from the suppliers and
 - Interest received from monitoring committee.
- ii). Also the branch could not deduct/remit TDS on commission charges levied by Monitoring Committee.
- According to the information and explanation given to us, no undisputed amounts payable in respect of GST, provident fund, Employees State Insurance, Income- tax, Duty of customs, Cess and other material

statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us, there are no dues of GST, provident fund, employees State Insurance, Income- tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company on accounts of disputes, except for the following:

Unit	Statute	Nature of Dues	Period	Forum where Dispute is Pending	Amount (In ₹ Crore)
Kirandul	Export Tax	1995-96, 1996-97, 2008-09 To 2020-21	Export Tax	Hon'ble High Court of Bilaspur	5.83
	Interest on Export Tax	1995-96, 1996-97, 2008-09 To 2020-21	Interest on Export Tax	Hon'ble High Court of Bilaspur	14.25
	Conservancy Tax	1997-98 to 2005-06 2014-15 to 2017-18	Conservancy Tax	Hon'ble High Court of Bilaspur	1.72
	Property Tax	2013-14 to 2016-17	Property Tax	Hon'ble High Court of Bilaspur	77.51
	The Finance Act, 1994	Service Tax	2017 – 2018	CESTAT, New delhi	0.65
	The Finance Act, 1994	Service Tax	July'2012 – June'2014	Service Tax Appellate Tribunal	20.09
	MP Commercial Tax Act, 1994	Commercial Tax	2002- 03, 2005-06, 2008-09	Dy. Commissioner of Commercial Tax (Appeal)	1.60
	Goods & Services Tax	GST	201718to 2019-20	Hon'ble High Court of Bilaspur	8.85
	DFO, Dantewada and State of Chhattisgarh	Forest Permit Fee	14.06.2002to 31.10.2012	Bilaspur bench of Hon'ble High Court, Chhattisgarh	63.64
	MMDR Act	Common Cause Notice	2018-19	Hon'ble High Court Of Bilaspur	317.47
Donimalai	Karnataka Forest Act 1963	Forest Development Tax	2008-09 to 2010-11	Hon'ble Supreme Court of India	243.69
	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	Nagarpalika, Bacheli	Export tax	March'2010 to March'2021	Hon'ble High Court of Bilaspur	1.34
	Nagar Palika, Bacheli	Property Tax	2015-16	Hon'ble High Court, Bilaspur	26.12

Unit	Statute	Nature of Dues	Period	Forum where Dispute is Pending	Amount (In ₹ Crore)
	DFO, Dantewada and State of Chhattisgarh	Forest Permit Fee	14.06.2002 to 31.10.2012	Bilaspur Bench of Hon'ble High Court, Chhattisgarh	80.51
	GST Authority	Interest on GST for DMF and NMET	01.07.2017 to 28.02.2020	GST Authority	9.30
	Nagarpalika, Bachel	Interest on Export tax	March'2010 to March'2021	Hon'ble High Court of Bilaspur	1.69
	High Court	Common Cause Notice	2018-19	Hon'ble High Court of Bilaspur	705.97
RO Vizag	Service Tax Authority	Demand cum show cause Notice for service Tax on Screening of ore 2007-08 to 2011-12	2007-08 to 2011-12	Service tax appellate tribunal	3.35
	Service Tax Authority	Service Tax cases of MMTC for which amount has to be borne by NMDC as per agreement between MMTC & NMDC	2017-18	The matter is in Appeal stage	2.97
	Commissioner of Customs	Custom Duty cases of MMTC for which amount has to be borne by NMDC as per agreement between MMTC & NMDC	2021-22	The case is being heard by Appellate Authority and is in the process of going to CESTAT Hyderabad	1.59
	Directorate of Revenue Intelligence	DRI cases of MMTC for which amount has to be borne by NMDC as per agreement between MMTC & NMDC	2012-13	The case is pending with Appellate tribunal Hyderabad (CESTAT)	2.31
	Directorate of Revenue Intelligence	DRI cases of MMTC for which amount has to be borne by NMDC as per agreement between MMTC & NMDC	2011-12	The case is pending with AP High Court.	4.18

(viii) According to the information and explanations give to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, Previously unrecorded as income in the books of account, in the Tax assessments under the Income-tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations give to us and on the basis of our examination of the records of the Company, The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year. Accordingly, clause 3 (ix) (a) of the order is not applicable.

- (b) According to the information and explanations give to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank of financial institution or government of government authority.
- (c) According to the information and explanations give to us by the management, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short- term basis by the Company. Accordingly, Clause 3(ix) (d) of the Order is not applicable.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the company. We report that the Company has not taken any funds from any entity or person on account of or to meet the obligation of its subsidiaries as defined under the Companies Act, 2013. Accordingly, Clause 3(ix) (e) of the order is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, Clause 3(ix) (f) of the order is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, Clause 3(x) (a) of the order is not applicable.
- (b) 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 made any preferential allotment or private placement of shares of fully of partly convertible debentures during the year Accordingly, Clause 3(x) (b) of the order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, Considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Company Act, 2013 has been filed by the auditors in Form ADT -4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the central Government.
- (c) We have taken in to Consideration the whistle blower complains received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company, Accordingly, Clause 3(xii) of the order is not applicable.
- (xiii) In our opinion and According to the information and explanations given to us, the transactions with related parties are in complains with section 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financials statements as required by the applicable Indian Accounting Standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given us, the Company has not entered in to any non-cash transactions with its directors or persons or persons connected to its directors and hence, provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, Accordingly, Clause 3(xvi) (a) of the order is not applicable.
- (b) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, Accordingly, Clause 3(xvi) (b) of the order is not applicable.

- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, Clause 3(xvi) (c) of the order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC, Accordingly, the requirements of Clause 3(xvi) (d) are not applicable.
- (xvii) The company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year, Accordingly, Clause 3(xviii) of the order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dated of realisation of financial assets and payments of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists
- as on the date of the audit report that the Company is not Capable of meeting its liabilities existing at the date of balance sheet date. We however, state that this is not an assurance as to the futures viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date. Will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of Companies Act, 2013 Pursuant to any project. Accordingly, Clause 3(xx) (a) and 3(xx) (b) of the order is not applicable.

For Sagar & Associates
Chartered Accountants
(Firm's Registration No: 003510S)

CA. B. Srinivasa Rao
Partner

Membership No.202352
UDIN: 22202352ANPBHL9428

Place: Hyderabad
Date: 25.07.2022

“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 had an FAS System upto 31 December 2020 to process all the accounting transactions. From 01 January 2021, the company has migrated from legacy system (oracle-based FAS) to SAP-ERP package in a phased manner. The Units has system in place to process all the accounting transactions through IT system. However some process such as inventory valuation and costing is done manually.
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

For Sagar & Associates
Chartered Accountants
(Firm’s Registration No: 003510S)

D. Manohar
Partner
Membership No.029644
UDIN: 22202352ANPBHL9428

Place: Hyderabad
Date: 25.07.2022

BALANCE SHEET

As at 31st March 2022

(₹ In Crore)

Particulars	Note No.	Figures as at the end of current reporting year 31 st March 2022	Figures as at the end of previous reporting year 31 st March 2021
ASSETS			
Non-Current Assets			
a) Property plant & equipment	2.1.1	3,513.98	2,670.66
b) Right- of -Use Assets	2.1.2	8.15	6.62
c) Capital work-in- progress	2.2	18,294.69	17,076.68
d) Other intangible assets	2.3	443.90	441.17
e) Intangible assets under development	2.4	5.00	51.42
f) Financial assets			
i) Investments	2.4.1	987.43	984.88
ii) Loans	2.4.2	682.99	753.69
iii) Other Financial Assets	2.4.3	181.82	147.47
g) Deferred tax assets (Net)	2.5	530.95	408.28
h) Other non-current assets	2.6	4,267.97	3,695.91
Total non-current assets		28,916.88	26,236.78
Current Assets :			
a) Inventories	2.7	2,164.90	921.72
b) Financial assets			
i) Trade receivables	2.8.1	2,954.30	2,139.89
ii) Cash and cash equivalents	2.8.2	83.69	408.67
iii) Bank balances other than (ii) above	2.8.3	7,856.48	5,397.34
iv) Other financial assets	2.8.4	617.60	461.70
c) Current tax assets (Net)	2.9	900.12	257.04
d) Other current assets	2.10	1,197.16	961.13
e) Assets held for disposal	2.11	0.81	0.63
Total current assets		15,775.06	10,548.12
Total Assets		44,691.94	36,784.90
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	2.12	293.07	293.07
b) Other equity	2.13	34,550.90	29,463.07
Total equity		34,843.97	29,756.14
Liabilities			
Non- Current Liabilities			
a) Financial liabilities			
i) Borrowings	2.14.1	1,668.22	523.80
ia) Lease Liability	2.14.2	5.85	4.57
ii) Other Financial liabilities	2.14.3	150.28	150.28
b) Provisions	2.14.4	1,092.00	947.85
Total non-current liabilities		2,916.35	1,626.50
Current Liabilities			
a) Financial liabilities			
i) Borrowings	2.15.1	1,815.13	1,470.67
ia) Lease Liability	2.15.2	1.45	1.11
ii) Trade payables	2.15.3		
a) Total Outstanding dues of Micro Enterprises and Small Enterprises		26.70	12.66
b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		940.52	347.60
iii) Other financial liabilities	2.15.4	1,493.49	1,624.00
b) Other current liabilities	2.16	2,639.94	1,850.91
c) Provisions	2.17	14.39	95.31
Total current liabilities		6,931.62	5,402.26
Total liabilities		9,847.97	7,028.76
Total equity and liabilities		44,691.94	36,784.90

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. SRINIVASA RAO)
Partner
Membership No: 202352

(AMITAVA MUKHERJEE)
Director (Finance)
DIN :08265207

(SUMIT DEB)
Chairman-cum -Managing Director
DIN: 08547819

Place : New Delhi
Dated : 26th May 2022

(A S PARDHA SARADHI)
ED & Company Secretary

STATEMENT OF PROFIT AND LOSS

For Year Ended 31st March 2022

(₹ In Crore)

Particulars	Note No	Figures for the current reporting year 31 st March 2022	Figures for the previous reporting year 31 st March 2021
I. Revenue from operations	2.18	25,881.73	15,370.06
II. Other Income	2.19	718.33	349.88
III. Total Income (I+II)		26,600.06	15,719.94
IV. Expenses :			
Consumption of raw materials	2.20	106.95	42.01
Consumption of stores & spares		396.53	257.41
Changes in inventories of finished goods/work in progress	2.21	(1,200.50)	(161.81)
Employee benefit expense	2.22	1,333.68	1,081.81
Power and electricity	2.23	122.51	110.79
Repairs & maintenance	2.24	192.16	135.87
Royalty & other levies		9,986.76	2,969.38
Selling expenses	2.25	227.74	695.27
Finance cost	2.26	39.06	16.81
Depreciation and amortization expense	2.1 & 2.3	286.85	227.83
Other expenses	2.27	2,126.91	1,443.47
Total expenses		13,618.65	6,818.84
V. Profit before exceptional items and tax (III-IV)		12,981.41	8,901.10
VI. Exceptional items (Income)/Expenditure	2.28	-	-
VII. Profit before tax (V-VI)		12,981.41	8,901.10
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII-VIII)		12,981.41	8,901.10
X. Tax expense :			
(1) Current year	2.29	3,444.39	2,316.46
(2) Earlier years (net)		260.53	343.20
(3) Deferred tax	2.29	(122.67)	(11.21)
		3,582.25	2,648.45
XI. Profit for the year from continuing operations (IX-X)		9,399.16	6,252.65
XII. Profit/(Loss) from discontinued operations		(0.91)	0.53
XIII. Tax expense of discontinued operations	2.29	(0.23)	0.13
XIV Net Profit/(loss) from discontinued operations(XII-XIII)		(0.68)	0.40
XV Profit for the year (XI +XIV)		9,398.48	6,253.05
Other Comprehensive Income			
(i) Item that will not be reclassified to profit or loss (Re-measurements of post-employment benefit obligations)		12.14	(74.95)
(ii) Income tax relating to these items	2.29	(3.07)	18.86
XVI Other Comprehensive income net of tax		9.07	(56.09)
Total Comprehensive income for the year (XV+XVII)		9,407.55	6,196.96
(Comprising Profit (Loss) and Other Comprehensive Income for the year)			
Earnings per equity share (for continuing operation)			
i) Basic	2.32.6	32.07	20.62
ii) Diluted	2.32.6	32.07	20.62
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	32.07	20.62
ii) Diluted	2.32.6	32.07	20.62

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. SRINIVASA RAO)
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Membership No: 202352

(AMITAVA MUKHERJEE)
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Place : New Delhi
Dated : 26th May 2022

(A S PARDHA SARADHI)
ED & Company Secretary

STATEMENT OF CHANGES IN EQUITY

For Year Ended 31st March 2022

a) Equity Share Capital

(₹ In Crore)

	Note.no.	Amount
Balance as at 1 st April 2020	2.12	306.19
Changes in Equity share capital		(13.12)
Balance as at 31st March 2021	2.12	293.07
Changes in Equity share capital (*)		-
Balance as at 31st March 2022		293.07

(*) Buyback of Equity shares refer to note No. 2.12

b) Other Equity - 2.13

Particulars	General Reserve	Retained earnings	CRR	OCI	Total
Balance as at 1st April 2020	25,467.06	1,788.02	90.28	(117.60)	27,227.76
Profit for the year		6,253.05			6,253.05
Other Comprehensive Income net of tax				(56.09)	(56.09)
Transfer to Capital Redemption Reserve (CRR)	(13.12)	-	13.12		-
Buyback of shares (including transaction charges)	(1,687.50)	-			(1,687.50)
Interim dividend (2020-21)		(2,274.15)			(2,274.15)
Transfer to General Reserve	3,900.00	(3,900.00)			-
Total	2,199.38	78.90	13.12	(56.09)	2,235.31
Balance as at 31st March 2021	27,666.44	1,866.92	103.40	(173.69)	29,463.07
Balance as at 1st April 2021	27,666.44	1,866.92	103.40	(173.69)	29,463.07
Profit for the year		9,398.48			9,398.48
Other Comprehensive Income net of tax				9.07	9.07
Interim dividend (2021-22)		(4,319.72)			(4,319.72)
Transfer to General Reserve	5,000.00	(5,000.00)			-
Total	5,000.00	78.76	-	9.07	5,087.83
Balance as at 31st March 2022	32,666.44	1,945.68	103.40	(164.62)	34,550.90

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(A S PARDHA SARADHI)
ED & Company Secretary

CASH FLOW STATEMENT

For Year Ended 31st March 2022

(₹ In Crore)

Particulars	Figures as at the end of current reporting year 31 st March 2022	Figures as at the end of previous reporting year 31 st March 2021
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before income tax from		
Continued Operations	12,981.41	8,901.10
Discontinued Operations	(0.91)	0.53
Profit before income tax including discontinued operations	12,980.50	8,901.63
Adjustments for non cash/non operational expenses:		
Depreciation & amortisation expense	286.85	227.83
Loss on disposal of property, plant & equipment	1.87	0.74
Expenditure on enabling facilities	125.22	147.79
Provision for bad & doubtful advances	559.70	234.47
Interest Income classified as investing cash flow	(428.82)	(238.77)
Finance Costs	39.06	16.81
Operating Profits before working capital changes	13,564.38	9,290.50
Adjustments for working capital changes:		
(Increase)/Decrease in short term investment	-	-
(Increase)/Decrease in trade receivables	(1,374.11)	(150.65)
(Increase)/Decrease in inventories	(1,243.18)	(198.21)
(Increase)/Decrease in other financial assets	(181.21)	(100.18)
(Increase)/Decrease loans to employees and related parties	70.70	[28.06]
(Increase)/Decrease in other non current assets	(198.62)	(572.31)
(Increase)/Decrease in other current assets	(236.03)	200.29
(Increase)/Decrease in assets held for disposal	(0.18)	0.03
Increase/(Decrease) in trade payables	606.96	134.71
Increase/(Decrease) in provisions	146.13	97.12
Increase/(Decrease) employee benefit obligations	(74.02)	(160.58)
Increase/(Decrease) in other financial liabilities	95.24	(152.14)
Increase/(Decrease) in other current liabilities	789.03	1,457.52
Cash generated from operations	11,965.09	9,818.04
Income Taxes paid	(4,347.77)	(2,487.68)
Net Cash Flow from operating activities	7,617.32	7,330.36

CASH FLOW STATEMENT (CONT...)

For Year Ended 31st March 2021

(₹ In Crore)

Particulars	Figures as at the end of current reporting year 31 st March 2022	Figures as at the end of previous reporting year 31 st March 2021
CASH FLOW FROM INVESTING ACTIVITIES		
Expenditure on acquisition of tangible and intangible assets and towards capital work in progress (net of sale proceeds)	(3,032.69)	[1,598.05]
Purchase of investments	(2.55)	0.71
Interest received	419.78	241.24
Investment in term deposits with more than three months	(2,410.72)	[3,035.41]
Net Cash Flow from investing activities	(5,026.18)	(4,391.51)
CASH FLOW FROM FINANCING ACTIVITIES		
Amount paid on buyback of Shares (including transaction charges)	-	(1,700.62)
(Repayment)/Proceeds from borrowings	344.46	905.10
Lease Liability	1.62	0.17
(Repayment)/Proceeds from borrowings (Non-Current)	1,144.42	523.80
Deposits paid towards LCs and BGs (towards non fund based facilities)	(48.22)	[29.59]
Interest paid	(38.88)	[16.63]
Dividends paid (including tax thereon and net off balances for unpaid dividends)	(4,319.52)	(2,273.28)
Net Cash Flow from financing activities	(2,916.12)	(2,591.05)
Net increase/(decrease) in cash and cash equivalent	(324.98)	347.80
Cash & Cash equivalents at the beginning of the year	408.67	60.87
Cash & Cash equivalents at the end of the year	83.69	408.67
Details of the Cash and Cash Equivalents(Note No. 2.8.2)		
Cash in hand	-	0.01
On Current Accounts	83.69	407.66
On Deposit Accounts (Original Maturity less than 3 months)	-	1.00
Total Cash & Cash equivalents at the end of the year	83.69	408.67
Restricted Cash Balance	-	-

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Place : New Delhi
Dated : 26th May 2022

(A S PARDHA SARADHI)
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NOTES

1. Significant accounting policies

1.1 Basis of preparation

(a) Statement of compliance

The standalone 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, 2020 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, Joint Venture and Associates.

Investment in Subsidiaries, Joint Ventures and Associates are measured at cost. Dividend income is recognised 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 the previous GAAP value as deemed cost at 1 April 2015, the date of transition.

Spare parts, stand by equipment and service equipment meeting the definition of PPE and having value of more than ₹ 20 lakh in each case, are capitalized as and when available for use.

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 basis on additions / disposals of assets during the year. 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.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

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. Until 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.

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.

c) 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.

d) 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.

e) 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 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.

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 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 grant. 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

For and on behalf of the Board

(CA B. SRINIVASA RAO)
Partner
Membership No: 202352

(AMITAVA MUKHERJEE)
Director (Finance)
DIN :08265207

(SUMIT DEB)
Chairman-cum -Managing Director
DIN: 08547819

Place : New Delhi
Dated : 26th May 2022

(A S PARDHA SARADHI)
ED & Company Secretary

■ Note - 2.1.1 : PROPERTY, PLANT & EQUIPMENT

(₹ In Crore)

ASSETS	GROSS BLOCK					DEPRECIATION BLOCK					NET BLOCK			
	As at 1 st Apr, 2021	Additions during the year	Ded/Adj during the year	Transfer to/ from	As at 31 st March 2022	As at 1 st Apr, 2021	For the year	Asset Impairment	Deductions/adjustments	Transfer from	Internal transfers	upto 31 st March 2022	As at 31 st March 2022	As at 31 st March 2021
A. General														
Land :														
- Free hold	271.88	-	-	-	271.88	-	-	-	-	-	-	-	271.88	271.88
- Lease hold	5.99	32.35	-	-	38.34	1.51	5.80	-	-	-	-	7.31	31.03	4.48
Buildings	325.50	95.23	(0.60)	-	420.13	56.52	16.66	0.17	(0.60)	-	-	72.75	347.38	268.98
Plant & Machinery	1,319.22	70.05	(18.31)	-	1,368.65	338.49	80.76	4.70	(15.75)	-	(0.79)	407.41	961.24	980.73
Heavy Mobile Equipmt.	595.47	122.29	(11.21)	-	708.86	346.72	56.70	1.11	(11.20)	-	0.79	394.12	314.74	248.75
Furniture & fittings	17.72	2.17	-	-	19.89	10.55	1.86	0.12	-	-	-	12.53	7.36	7.17
Vehicles	43.97	4.77	(2.36)	-	46.38	22.82	4.47	0.13	(2.11)	(0.01)	-	25.30	21.08	21.15
Office Equipment	73.33	12.94	(0.55)	0.02	89.25	44.77	12.43	0.46	(0.39)	0.01	1.27	58.55	30.70	28.56
Others :														
Roads, bridges etc.	156.06	6.09	-	-	162.15	107.89	20.01	0.15	-	-	-	128.05	34.10	48.17
Dams, Wells & Pools	14.11	4.16	-	-	18.27	2.83	1.60	0.58	-	-	-	5.01	13.26	11.28
Adit & tunnel	2.05	-	-	-	2.05	0.06	0.03	-	-	-	-	0.09	1.96	1.99
Railway sidings	34.34	-	-	-	34.34	19.33	2.53	-	-	-	-	21.86	12.48	15.01
Locomotives	89.98	17.54	-	-	107.52	10.53	6.80	-	-	-	-	17.33	90.19	79.45
Electrical Installations	290.31	6.38	-	-	293.18	128.73	25.32	0.16	-	(1.27)	-	152.94	140.24	161.58
Sanitary & W. S. Installations	33.96	128.70	-	-	162.66	6.61	3.35	0.04	-	-	-	10.00	152.66	27.35
TOTAL 'A'	3,273.89	502.67	(33.03)	0.02	3,743.55	1,097.36	238.32	7.62	(30.05)	-	-	1,313.25	2,430.30	2,176.53
Previous year 2020-21	3,193.36	104.96	(24.34)	(0.09)	3,273.89	917.22	204.06	-	(23.84)	(0.08)	-	1,097.36	2,176.53	2,276.14
B. Social Facilities														
Land :														
- Free hold	0.29	10.35	-	-	10.64	-	-	-	-	-	-	-	10.64	0.29
- Lease hold	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Buildings	482.11	583.40	-	-	1,065.51	31.43	14.05	1.55	-	-	-	47.03	1,018.48	450.68
Plant & Machinery	5.54	1.12	-	-	6.66	0.69	0.30	-	-	-	-	0.99	5.67	4.85
Furniture & fittings	12.46	5.48	(5.09)	-	12.85	5.54	1.62	0.02	(3.08)	-	-	4.10	8.75	6.92
Vehicles	2.16	0.37	(0.27)	-	2.26	1.22	0.20	0.04	(0.22)	-	-	1.24	1.02	0.94
Office Equipment	28.96	7.72	(6.77)	(0.01)	29.90	18.35	3.43	0.30	(6.50)	-	-	15.58	14.32	10.61

(₹ In Crore)

ASSETS	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK					
	As at 1 st Apr, 2021	Additions during the year	Ded/Adj during the year	Transfer to/ from	As at 31 st March 2022	As at 1 st Apr, 2021	For the year	Asset Impairment	Deductions/adjustments	Transfer to/ from	Internal transfers	upto 31 st March 2022	As at 31 st March 2022	As at 31 st March 2021
Others :														
Roads, bridges etc.	8.57	0.10	-	-	8.67	3.98	0.50	0.02	-	-	-	4.50	4.17	4.59
Cess fund quarters	6.57	-	-	-	6.57	1.00	0.15	-	-	-	-	1.15	5.42	5.57
Dams, Wells & Pools	0.95	-	-	-	0.95	0.21	0.14	-	-	-	-	0.35	0.60	0.74
Electrical Instaln.	6.03	4.64	-	[0.01]	10.66	2.41	0.61	0.04	-	-	-	3.06	7.60	3.62
Sanitary & W.S. Instlns.	6.85	2.35	-	-	9.20	1.53	0.32	0.34	-	-	-	2.19	7.01	5.32
Cess fund other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL 'B'	560.49	615.53	[12.13]	[0.02]	1,163.87	66.36	21.32	2.31	(9.80)	-	-	80.19	1,083.68	494.13
Previous year 2020-21	389.69	175.54	[4.83]	0.09	560.49	55.57	15.10	-	[4.39]	0.08	-	66.36	494.13	334.12
TOTAL 'A + B'	3,834.38	1,118.20	[45.16]	-	4,907.42	1,163.72	259.64	9.93	[39.85]	-	-	1,393.44	3,513.98	2,670.66
Previous year 2020-21	3,583.05	280.50	[29.17]	-	3,834.38	972.79	219.16	-	[28.23]	-	-	1,163.72	2,670.66	2,610.26

■ Note - 2.1.2 : RIGHT OF USE ASSETS

Assets	GROSS BLOCK			AMORTISATION BLOCK			NET BLOCK		
	As at 1 st April, 2021	Additions/ Adjustments	Deductions/ Adjustments	As at 31 st March 2022	As at 1 st April, 2021	For the year	Deductions/ adjustments	As at 31 st March 2022	As at 31 st March 2021
A. General:									
Land (SP-RO - Vizag)	0.59	-	-	0.59	0.59	-	-	0.59	-
Buildings									
Delhi - PTI- Building	7.41	-	-	7.41	1.66	0.86	-	2.52	4.89
Delhi - KG Marg Surya Kiran Building	0.26	-	-	0.26	0.26	-	-	0.26	-
REGIONAL OFFICE- Vizag	1.19	-	-	1.19	0.32	0.04	-	0.36	0.83
Ranchi-Office Building- JSFC	-	2.63	-	2.63	-	0.20	-	0.20	2.43
TOTAL (A)	9.45	2.63	-	12.08	2.83	1.10	-	3.93	8.15
Previous year	8.20	1.19	[0.06]	9.45	1.62	1.21	-	2.83	6.62
B. Social Amenities:									
Buildings	-	-	-	-	-	-	-	-	-
TOTAL (B)	-	-	-	-	-	-	-	-	-
Previous year	-	-	-	-	-	-	-	-	-
Grand Total (A)+(B)	9.45	2.63	-	12.08	2.83	1.10	-	3.93	8.15
Previous year	8.20	1.19	[0.06]	9.45	1.62	1.21	-	2.83	6.62

NON-CURRENT ASSETS

■ Note: 2.2 Capital Work in Progress

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Construction work in progress	15,391.29	14,555.12
Less : Impairment provided/(reversed)	5.32	-
	15,385.97	14,555.12
Construction Stores	-	2.32
Capital Assets in stores awaiting installation or in transit	66.27	53.94
Less : Provision	-	-
	66.27	53.94
Expenditure incidental to construction awaiting allocation (See note 2.2.2)	2,842.45	2,465.30
Total	18,294.69	17,076.68

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 st March 2021					
Gross carrying amount	13,429.44	1.77	65.69	1,974.66	15,471.56
Additions	2,881.24	4.42	69.62	490.64	3,445.92
Disposals/Capitalisation to PPE	1,755.56	3.87	81.37	-	1,840.80
Closing gross carrying amount	14,555.12	2.32	53.94	2,465.30	17,076.68
Accumulated amortization	-	-	-	-	-
Amortization charge during the year	-	-	-	-	-
Closing accumulated amortization	-	-	-	-	-
Closing net carrying amount	14,555.12	2.32	53.94	2,465.30	17,076.68
Year ended 31 st March 2022					
Gross carrying amount					
Opening gross carrying amount	14,555.12	2.32	53.94	2,465.30	17,076.68
Additions	1,738.26	(2.32)	270.66	774.98	2,781.58
Adjustment/Disposals/Capitalisation to PPE	902.09	-	258.33	397.83	1,558.25
Closing gross carrying amount	15,391.29	0.00	66.27	2,842.45	18,300.01
Accumulated amortization					
Amortization charge during the year	5.32	-	-	-	5.32
Closing accumulated amortization	5.32	-	-	-	5.32
Closing net carrying amount	15,385.97	0.00	66.27	2,842.45	18,294.69

Note : 2.2.2 Expenditure Incidental to Construction Awaiting Allocation

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
a. Opening balance	2,465.30	1,974.65
b. Net Expenditure incurred during the year		
Consumption of stores and spares	0.59	0.22
Employee Benefit expense :		
Salaries, Wages & Bonus	150.90	152.12
Contribution to Provident fund, EPS, DLI	11.54	8.08
Contribution to Gratuity fund	0.77	4.33
Staff Welfare expenses	7.87	13.29
	171.08	177.82
Power, Electricity & Water	67.70	69.11
Repairs and Maintenance	8.99	64.38
Depreciation and amortisation	35.77	14.87
Other expenses :		
Rent, Insurance, Rates and taxes	3.88	4.62
Interest on Borrowings	65.54	22.63
Payment to auditors : As auditors	0.07	0.06
Payment to auditors : For Other Services	0.08	0.05
Reimbursement of expenses	-	-
	69.57	27.36
Travelling and Conveyance expenses	0.99	0.51
Consultancy expenditure	34.72	46.15
CISF/Security expenditure	8.06	6.27
Environmental Development	4.46	0.02
Other expenditure	390.44	90.03
	792.37	496.74
Less : Recoveries/Income		
Interest Received	1.89	4.95
Other income	16.51	1.14
Total (b)	773.97	490.65
Sub-total (a+b)	3,239.27	2,465.30
Less : Amount allocated to Fixed assets/ Capital W I P	396.82	-
Total	2,842.45	2,465.30

Note: 2.2.3 Capital Work in Progress aging Schedule

(₹ In Crore)

PARTICULARS	Amount in CWIP for a period of				
	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	1,989.41	2,037.32	1,529.84	12,735.01	18,291.58
Project temporarily suspended	-	-	-	3.11	3.11
Total	1,989.41	2,037.32	1,529.84	12,738.12	18,294.69

Note: 2.2.4 Capital Work in Progress Completion Schedule

(₹ In Crore)

PARTICULARS	To be completed in				
	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
NISP	17,045.14	-	-	-	17,045.14
Slury Pipe Line	518.62	-	-	-	518.62
SP - III at Kirandul Unit, Chhatisgarh	145.89	-	-	-	145.89
SP - II at Donimalai Project, Karnataka	-	-	-	0.79	0.79
Others	4.76	-	-	-	4.76
Total	17,714.41	-	-	0.79	17,715.20

Note: Details of the project where activities has been suspended shall be given separately

■ Note 2.3 INTANGIBLE ASSETS

(₹ In Crore)

ASSETS	GROSS BLOCK			AMORTISATION BLOCK				NET BLOCK		
	As at 1 st Apr, 2021	Additions during the year	Ded/ Adj during the year	As at 31 st March 2022	As at 1 st Apr 2021	For the year	Asset Impairment	As at 31 st March 2022	As at 31 st March 2022	As at 31 st March 2021
GENERAL										
Computer software	8.29	49.36	-	57.65	7.50	10.20	-	17.70	39.95	0.79
Mining rights	943.59	-	-	943.59	503.21	35.13	1.30	539.64	403.95	440.38
Total	951.88	49.36	-	1,001.24	510.71	45.33	1.30	557.34	443.90	441.17
Previous Year 2020-21	888.16	74.27	(10.55)	951.88	488.27	22.44	-	510.71	441.17	399.89

Additional notes to 2.1.1, 2.3 and 2.4 : PPE (Property Plant and Equipment), Intangible Assets and Intangible Assets under Development.

- Lease hold land measuring 3021.35 sq.mtrs. (previous year 3021.35 sq.mtrs.) is taken from Vizag Port Trust Authorities for construction of Regional Office building for a period of 30 years i.e. up to 01.01.2044. Action is on hand to execute the lease deed. However, rent have been accounted till 31.03.2022.
- The Extent of land of 22.39 hectares taken over from CG Government, which is in favor of 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.
- Formal agreements / Transfer deeds remain to be executed in respect of the following:
 - Renewal of Mining Leases at Deposit 10 (Float Ore).
 - Lease deeds in respect of parts of land for township at Bachel 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 2007 (6.66 acres) and the balance in Feb 2010 (2.46 acres). The process of vacating the lease hold area is under progress.
- (e) Provisional allotment letters were issued for the land allotted by M/s APIIC at Industrial park, Paloncha to the extent of 13.43 acres. 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 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	2021-22	2020-21
2.1	Depreciation on PPE	259.64	219.16
2.1	Impairments of PPE	9.93	-
2.3	Amortisation of Intangible Assets	46.63	22.44
2.1.2	Amortisation of ROU Assets	1.10	1.21
2.2	Impairment of CWIP	5.32	-
	Total	322.62	242.81
2.2.2	Transferred to IEDC	(-135.77)	(-14.87)
2.28	Shown under Exceptional item	-	-
2.33.8	Transferred to Discontinue Operation	-	(-)0.11
	Depreciation, Amortisation and Impairment as per Statement of Profit and Loss	286.85	227.83

5 Additional note to 2.1.1,2,3 and 2.4:PPE (Property Plant and Equipment)

Relevant Line Item in the Balance Sheet	Description of item on Property	Gross Carrying Value	Title Deed held in the name of	Whether title deed holder is a promoter or relative (#) of promoter(*)/ director or employee of promoter/ director	Property Held since which date	Reason for not being held in the name of the company
	Forest Land for Uniflow Rly. Dispatch Systems (4.94 Acre)- Bachelu Unit	1,240,000.00	Forest Dept.	No	6/7/2002	This is Forest Land (MOEF Letter No.8B/007/2002/fcw/1313 dated 07.06.2002)
	Land for Shankhni Pump House & Pipeline (11.56 Acre) : Bachelu Unit	103,528.00	Forest Dept.	No	14/03/2002	This is Forest Land (MOEF Clearance Letter dated 14.03.2002)
PPE	Lease of Dep- 10 (FO) (352.87 Acre) : Bachelu Unit	139,164,937.00	Forest Dept.	No	10/07/2019	This is Forest Land (MOEF Letter dated 10.07.2019)
	Land at Madadi Village (2.4 Acre): Kirandul Unit	67,899.00		No	31/03/2006	Panchnama done by Railway, Revenue NMDC officials is available with the Project.
	"Land Lease hold For Township (51.4 Acre): Kirandul Unit"	-		No	31/03/1986	Panchnama done by Railway, Revenue NMDC officials is available with the Project.
	Freehold Land (47.18 Acre): Kirandul Unit	22,569.00		No	31/03/1966	Sale Deed available with the management for total 19.09 Hectares. Appeal against the order issued by the Tahsildar, Bade Bachelu is being prepared by the advisor (Revenue) and same will be submitted before the SDM, Bade Bachelu.
Investment Property	Land					
	Building					
PPR Retired from	Land					
	Building					

6. During the year 2021-22 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	Useful 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 31 st March 2022	Figures as at the end of 31 st March 2021
Intangible assets under development (ERP)	5.00	51.42
Total	5.00	51.42

Note: 2.4.(a) Intangible Assets under development aging Schedule

(₹ In Crore)

PARTICULARS	Amount in CWIP for a period of				Total
	Less than 1 years	1-2 years	2-3 years	More than 3 years	
Project in Progress	5.00	-	-	-	5.00
Project temporarily suspended	-	-	-	-	-
Total	5.00	-	-	-	5.00

Note: 2.4.(b) Intangible Assets under development completion schedule

(₹ In Crore)

PARTICULARS	To be completed in				Total
	Less than 1 years	1-2 years	2-3 years	More than 3 years	
ERP Implementation	5.00	-	-	-	5.00
Total	5.00	-	-	-	5.00

Note: Details of the project where activities has been suspended shall be given separately

Note : 2.4.1 Investments

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
In Equity Shares:		
Investments in Subsidiary Companies carried at cost :		
Trade & Quoted at cost:		
i) 576,72,53,980 (Previous year 576,72,53,980) Equity shares fully paid up in Legacy Iron Ore Ltd. Australia, No face value in Australia	214.70	214.70
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
Less: Investment deration	0.55	0.55
	-	-

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
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) 1,10,000 (previous year 60,000) equity shares of ₹ 10/- each fully paid up in NMDC Steel Limited (NSL)	0.11	0.06
vi) 1,60,000 (previous year 1,60,000) equity shares of ₹ 10/- each fully paid up in Jharkhan Kolhan Steel Limited (JKSL)	0.16	0.16
Less: Investment deration	0.16	0.16
	-	-
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 ₹ 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)	-	-
Less: Investment deration	-	-
	-	-
v) 25,500 (previous year 25,500) equity shares of ₹ 10/- each in NMDC-SAIL Ltd.	-	0.03
Less: Investment deration	-	0.03
	-	-
Investments in Associates :		
Unquoted at cost:		
i) 1,05,000 (previous year 1,05,000) Equity shares) of ₹ 10/- each fully paid up in Romelt SAIL India Ltd., New Delhi	0.11	0.11
Less: Investment deration	0.11	0.11
	-	-
ii) 37,88,59,405 (Previous year 37,63,57,143) Equity shares of ₹ 10/- each fully paid in International Coal Ventures (P) Ltd.	378.86	376.36
iii) 4,00,00,000 (P.Y 4,00,00,000) equity shares of ₹ 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,	0.02	0.02

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Kirandul ₹ 1,50,000/- (Previous year ₹ 1,50,000/-)	-	-
ii) 500 Shares (previous year 500 Shares) of ₹ 10/- each fully paid up in NMDC Employees Co-operative Society Ltd, Bachelai ₹ 5,000/- (previous year ₹ 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 ₹ 2,500/-)	-	-
Total	987.43	984.88
1. Aggregate amount of Quoted Investments (Market value of quoted Investments)	214.70	214.70
2. Aggregate amount of Unquoted Investments	809.26	806.74
3. Aggregate amount of provision for diminution in value of investments:	36.53	36.56
4. Net amount of Un quoted Investments	772.73	770.18

Note: 2.4.2 : Loans

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Loans to employees and outsiders	40.77	30.11
Loan to Subsidiaries	642.22	723.58
TOTAL	682.99	753.69
i) Considered Good, Secured	40.77	30.11
ii) Considered Good, Unsecured	642.22	723.58
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: 2.4.3 : Other Financial Assets

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Deposit with Others	181.82	147.47
TOTAL	181.82	147.47
i) Considered Good, Secured	-	-
ii) Considered Good, Unsecured	181.82	147.47
iii) Which have significant increase in Credit risk	-	-
iv) Credit Impaired	-	-

■ **Note: 2.5 Deferred tax assets (Net)**

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
A. Deferred tax assets :		
1. Provision for bad & doubtful debt and advances	744.82	606.44
2. Intangible Assets	(20.96)	(15.40)
3. Asset retirement obligation and spares	4.39	4.39
4. Investments	9.19	9.20
5. Others	31.50	37.14
Total Deferred Tax Assets	768.94	641.77
B. Deferred tax liabilities :		
1. Related to PPE	(235.94)	(231.82)
2. Right-of-use Assets	(2.05)	(1.67)
Total Deferred Tax Liabilities	(237.99)	(233.49)
Net Deferred Tax Assets	530.95	408.28

■ **Note: 2.6 Other Non-Current Assets**

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Capital Advances (*)	838.69	465.25
ITC Receivables	1,675.51	1,586.64
Mines Closure Fund with Life Insurance Corporation	965.10	859.20
Other Advances (**)	788.67	784.82
Total	4,267.97	3,695.91

(*) Capital Advances includes an amount of ₹ 3.01 crore (P.Y ₹ 4.57 crore) towards doubling of railway lines between Jagdalpur and Ambagoan, also included payment of ₹ 246.51.(P.Y ₹ 241.27 crore) towards Tokisud Coal Block and payment of ₹ 73.16 crore (P.Y. ₹ 72.62) crore towards Rohne Coal Block.

(**) Includes an amount of ₹ 600 crore(P.Y.Rs. 600 crore), paid to South Bastar Dantewada under protest against the demand notice for Common Cause.

■ Note: 2.7 Inventories

(As Valued and Certified by the Management)

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Raw materials	-	
Iron Ore	1.42	4.44
Lime Stone	0.12	0.09
Bentolite	0.15	0.27
Total R M	1.69	4.80
Work-in-Process :		
Pellets	1.37	3.29
Diamonds	-	-
Sponge Iron	0.93	0.93
Total WIP	2.30	4.22
Finished Goods:		
Iron Ore	1,887.19	672.47
Sponge Iron	0.01	0.01
Pellets	12.98	27.25
Diamonds & Precious Stones	0.04	39.17
Total Finished Goods	1,900.22	738.90
Inventories are valued at cost or NRV whichever is lower.		
Total (A)	1,904.21	747.92

■ Note: 2.7 Inventories

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Stores & Spares	257.37	172.19
Loose tools and Implements	3.32	1.61
Total (B)	260.69	173.80
G. Total (A+B)	2,164.90	921.72
1. Stores and Spares include:		
a) Stores-in-transit	4.16	3.65
b) Obsolete stores & spares valued at Re1 per unit of their original value of ₹ 3.79 crore [previous year ₹ 3.65 crore]	0.01	0.01

Notes: 2.8.1 Trade Receivables

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Considered Good, Secured	-	-
Considered Good, Unsecured,	2,954.30	2,480.99
Which have significant increase in Credit Risk	-	-
Credit impaired	2,932.14	2,043.33
Total[*]	5,886.44	4,524.32
Less: Provision for bad & doubtful trade receivables	84.45	17.87
Less: Provision for bad & doubtful (Monitoring Committee)	2,847.69	2,366.56
Total Provision	2,932.14	2,384.43
TOTAL	2,954.30	2,139.89

[*]

- i) Trade Receivables includes ₹ 4555.27 crore (Previous year ₹ 3,242.51 crore) dues from Monitoring Committee.
- ii) Based on the arrangements between Company and Customers, the bills of the Customers amounting to ₹ 1236.17 crore (Previous year – Nil) have been discounted during the year. Accordingly, Trade receivables have been shown net of bills discounted.
- iii) Trade receivables includes:
 - a) For ₹ 681.43 crore (P.Y Nil) related to RINL which is not due as on 31st March 2022
 - b) For ₹ 987.23 crore related to Monitoring Committee which is not due as on 31st March 2022

Note: 2.8.1.1 Trade Receivables (Aging)

(₹ In Crore)

PARTICULARS	Outstanding for following periods from due date of payments					
	Less than 6 months	6 months - 1 years	1-2 years	2-3 years	More than 3 years	Total
i) Undisputed Trade Receivables- Considered good	2,426.08	402.20	19.40	20.82	85.80	2,954.30
ii) Undisputed Trade Receivables- Which have significant increase in credit risk.						-
iii) Undisputed Trade Receivables- Credit Impaired						-
iv) Disputed Trade Receivables- Considered good						-
v) Disputed Trade Receivables- Which have significant increase in credit risk.						-
vi) Disputed Trade Receivables- Credit Impaired	225.43	255.70	221.92	188.27	2,040.82	2,932.14
Total	2,651.51	657.90	241.32	209.09	2,126.62	5,886.44

Note: Due date is the Date on which the amount of sales proceeds is due for claimed from the customer/ Monitoring Committee

Notes: 2.8.2 Cash And Cash Equivalents

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Cash in hand	-	0.01
Balance with Banks		
on current Accounts	83.69	407.66
On Deposit Accounts (Original Maturity less than 3 months)	-	1.00
Total	83.69	408.67

Notes: 2.8.3 Bank Balances Other than Note no. 2.8.2

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Balances with bank on 'Deposits accounts (Original maturity more than 3 months but less than 12 months) (*)	7,768.85	5,358.13
Balances with banks for Unpaid Dividend	3.84	3.64
Balance with banks TDS on Dividend	41.10	34.51
Bank deposits offered as security for Bank guarantees and letter of credit	42.69	1.06
Total	7,856.48	5,397.34

(*) Fixed Deposits of ₹ 1,114.80 crore (P.YRs. 2,138 crore) pledged for availing OD Facilities.

Note: 2.8.4 Other Financial Assets

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Related Parties		
Advances to Directors	0.06	-
Loans/ Advances to Subsidiaries/ Jv's/ Associates	149.91	68.37
Less: Provision	23.21	16.62
	126.70	51.75
Employees and outsiders		
Advances to Employees and outsiders (*)	427.93	356.53
Interest Accrued		
Accrued interest on deposits with banks	32.05	27.80
Accrued interest on Other	8.21	3.42
Other Receivables	22.65	22.20
Total	617.60	461.70

(*) Advance received by Monitoring Committee on behalf of NMDC ₹ 293.40 crore (P.Y ₹ 161.62 crore) against advance auction.

■ **Note: 2.9 Current Tax Asset (Net)**

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Advance Income tax & TDS	8,803.58	4,444.26
Less : Provision	7,903.46	4,187.22
	900.12	257.04
Total	900.12	257.04

■ **Note: 2.10 Other Current Assets**

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Advances to Employee and outsiders	711.44	726.99
Less: Provision for bad and doubtful advances	4.03	8.54
	707.41	718.45
ITC Receivables	489.75	242.68
Total	1,197.16	961.13

■ **Note: 2.11 Assets Held for Disposal**

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Assets held for disposal	0.81	0.63
Total	0.81	0.63

■ **Note: 2.12 Equity Share Capital**

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
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		
2,93,06,05,850 Equity Shares of Re.1/- each fully paid up (Previous year 3,06,18,49,659 of Re.1/- each fully paid)	293.07	306.19
Add: issue of shares during the year		
Less: Buyback of shares during the year Nil (Previous year 13,12,43,809 Equity shares of Re.1/- each fully paid up)	-	13.12
2,93,06,05,850 Equity Shares of ₹ 1/- each fully paid up (Previous year 2,93,06,05,850 of ₹ 1/- each fully paid)	293.07	293.07
Total	293.07	293.07

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	31 st March 2022		31 st March 2021		% of change in no of shares
	%of Holding	No. of Shares	%of Holding	No. of Shares	
i) President of India	60.79	1,781,633,571	68.29	2,001,283,891	(10.98)
ii) LIC of India (incl all schemes)	14.16	414,885,432	13.46	394,591,074	5.14

Note: 2.13 Other Equity

(₹ In Crore)

Particulars	General Reserve	Retained earnings	CRR	OCI	Total
Balance as at 1 st April 2020	25,467.06	1,788.02	90.28	(117.60)	27,227.76
Profit for the year		6,253.05			6,253.05
Other Comprehensive Income net of tax				(56.09)	(56.09)
Transfer to Capital Redemption Reserve (CRR)	(13.12)	-	13.12		-
Buyback of shares (including transaction charges)	(1,687.50)	-			(1,687.50)
Interim dividend (2020-21)		(2,274.15)			(2,274.15)
Transfer to General Reserve	3,900.00	(3,900.00)			-
Total	2,199.38	78.90	13.12	(56.09)	2,235.31
Balance as at 31 st March 2021	27,666.44	1,866.92	103.40	(173.69)	29,463.07
Balance as at 1 st April 2021	27,666.44	1,866.92	103.40	(173.69)	29,463.07
Profit for the year		9,398.48			9,398.48
Other Comprehensive Income net of tax				9.07	9.07
Interim dividend (2021-22)		(4,319.72)			(4,319.72)
Transfer to General Reserve	5,000.00	(5,000.00)			-
Total	5,000.00	78.76	-	9.07	5,087.83
Balance as at 31 st March 2022	32,666.44	1,945.68	103.40	(164.62)	34,550.90

NON-CURRENT LIABILITIES

Note 2.14.1 Borrowings (Non Current)

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
7.30% Non Convertible Debentures Series - 1	523.80	523.80
Trust & Retention Accounts	1,144.42	-
Total	1,668.22	523.80

Note 2.14.2 Lease Liability

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Lease Liabilities	5.85	4.57
Total	5.85	4.57

Note 2.14.3 Other Financial Liabilities (Non- Current)

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Other Financial Liabilities	150.28	150.28
Total	150.28	150.28

Note 2.14.4 Provisions (Non- Current)

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Employee Benefits :		
Long Service Reward	45.37	47.54
Mine closure obligation	1,043.75	897.62
Provisions for de-commissioning liability (ARO Obligation)	2.88	2.69
Total	1,092.00	947.85

Note: 2.15.1 Borrowings

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Interest Accrued on 7.30% Non Convertible Debenture Series - 1	22.63	22.63
Loan against FD/ Working Capital Loan (*)	1,788.05	1,448.04
Interest on Working Capital Loan	4.45	
Total	1,815.13	1,470.67

(*) Over Drafts availed by pledging Fixed Deposits is ₹ 1114.80 crore (P.Y ₹ 2,138 crore) and ₹ 1249 crore short term working capital loan from SBI.

Note: 2.15.2 Lease Liability

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Lease Liabilities	1.45	1.11
Total	1.45	1.11

Note: 2.15.3 Trade Payables

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Total outstanding dues of micro and small enterprises	26.70	12.66
Other than micro and small enterprises	940.52	347.60
Total	967.22	360.26
Disclosure Relating to Micro and Small Enterprises	31st March 2022	31st March 2021
i) (a). The principal amount remaining unpaid to the supplier as at the end of the year	26.70	12.66
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.(I) Trade Payable (Aging)

(₹ In Crore)

PARTICULARS	Outstanding for following periods from due date of payments				
	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
i) MSME	26.45	0.15	-	0.10	26.70
ii) Others	732.47	186.53	7.39	14.14	940.53
iii) Disputed Dues: MSME	-	-	-	-	-
iv) Disputed Dues: Others	-	-	-	-	-
Total	758.92	186.68	7.39	14.24	967.23

Note: Due date is the Date on which the amount to be paid to the vendor, for supply of goods and services, upon receipt and acceptance.

Relationship with Struck off Companies

(₹ In Crore)

Name of the Struck Off Company	Nature of transaction	Transaction During the Year 2021-22	Balance Outstanding As at 31-Mar-2022	Relationship with the Struck off companies
Hima Marketing (P) Ltd	Payable	-	11,330.00	Vendor
Noice Elevators and Engineering Work	Payable	-	700.00	Vendor
PG Power System (P) Ltd	Payable	-	188,553.00	Vendor
Pioneer Tech Engineering Services	Payable	44,777.00	229,145.00	Vendor
Pratah India	Payable	-	3,242.00	Vendor
Techtrix Controls Chennai (P) Ltd	Payable	-	17,446.00	Vendor
Total		44,777.00	450,416.00	

Note: 2.15.4 Other Financial Liabilities

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Unpaid Dividend	3.84	3.64
Deposits from Suppliers, Contractors and Others	318.58	308.43
Capital Creditors	756.44	982.59
Other financial Liabilities	414.63	329.34
Total	1,493.49	1,624.00

■ Note : 2.16 Other Current Liabilities

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Contract Liabilities (*)	1,068.65	606.59
Other Payables	46.59	154.39
(like withholding and other taxes payable, amounts payable to employees and others)		
Statutory Dues	1,524.70	1,089.93
Total	2,639.94	1,850.91

(*) Advance deposited by cutomers with Monitoring Committee (on behaf of NMDC) ₹ 293.40 crore (P. Y ₹ 161.62 crore) against advance auction.

■ Note: 2.17 Provisions

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Employee Benefits :		
i) Long Service Reward	2.35	2.50
ii) Provision for gratuity, leave salary, family benefit scheme and post employment medical benefits	12.04	92.81
Total	14.39	95.31

■ **Note: 2.18 Revenue from Operations**

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Sale of Products :		
a) Iron Ore		
i) Export through MMTC	9.19	1,749.69
ii) Domestic		
Basic price	20,899.81	10,914.92
Royalty	3,605.94	1,960.16
Development Cess	65.26	52.92
Forest Permit Fee	43.51	35.28
District Mineral Fund (DMF)	865.27	467.40
National Mineral Exploration Trust (NMET)	57.68	53.33
Total Domestic Sales	25,537.47	13,484.01
Total Iron Ore Sales	25,546.66	15,233.70
b) Sponge Iron	-	-
c) Diamonds	62.93	21.10
d) Sale of Power	4.99	5.17
e) Sale of Services	45.04	36.58
f) Sale of Pellets	222.11	73.50
g) Other operating revenue	-	0.01
Total	25,881.73	15,370.06

■ **Note: 2.19 Other Income**

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
a) Interest Income:		
i) Deposits with Banks	289.03	155.96
ii) Others	139.79	82.81
	428.82	238.77
b) Gain in Exchange	0.96	0.01
c) Profit on sale/adjustment of assets	0.12	0.26
d) Profit on sale of Current investments(MF)	16.74	19.66
e) Other non operating income	271.69	91.18
Total	718.33	349.88

■ **Note: 2.20 Consumption of Raw Materials**

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Iron ore	105.07	41.16
Lime Stone	0.86	0.45
Internal handling of raw materials	1.02	0.40
Total	106.95	42.01

■ **Note: 2.21 Changes in Inventories of Finished Goods and Work in Progress** (₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Work-in-process:		
Balance as at the beginning of the Year	4.22	2.79
Less: Balance as at close of the Year	2.30	4.22
	1.92	(1.43)
Finished Goods:		
Balance as at the beginning of the Year	711.67	550.41
Less: Balance as at close of the Year	1,887.25	711.66
Less- Balance in Capital Inventory	41.11	
	(1,216.69)	(161.25)
Finished Goods: (Pellets)		
Balance as at the beginning of the Year	27.25	28.12
Less: Balance as at close of the Year	12.98	27.25
	14.27	0.87
Total	(1,200.50)	(161.81)

■ **Note: 2.22 Employee Benefit Expense** (₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Salaries, Wages & Bonus	905.98	806.20
Contribution to Provident fund and other funds		
Provident Fund, FPS & DLI	49.04	51.17
Pension Fund	42.89	36.95
Group Gratuity Fund	5.45	11.47
Staff Welfare Expenses(*)	330.32	176.02
Total	1,333.68	1,081.81

(*) Current period amount includes the compensation of ₹ 109,81 crore paid to NMDC EPF Trust towards investment defaults

■ **Note: 2.23 Power, Electricity and Water Charges** (₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Power charges	100.73	91.79
Electricity charges	18.09	15.61
Water charges	3.69	3.39
Total	122.51	110.79

■ **Note: 2.24 Repairs & Maintenance** (₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Buildings	32.30	30.36
Plant and Machinery	61.89	38.08
Vehicles	3.86	1.78
Others	94.11	65.65
Total	192.16	135.87

■ **Note: 2.25 Selling Expense**

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Railway freight	-	293.88
Export duty	0.96	182.55
Infrastructure Development cess	32.75	29.11
Environmental Development cess	32.75	29.11
Other selling expenses	161.28	160.62
Total	227.74	695.27

■ **Note: 2.26 Finance Cost**

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
i) Interest on Short term Borrowings (*)	32.26	10.13
ii) Interest - Others	6.62	6.50
iii) Interest on deposit from contractors, suppliers & others	0.18	0.18
Total	39.06	16.81

(*)The Short term Borrowings is for meeting working capital requirement.

■ **Note: 2.27 Other Expenses**

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Rent	2.06	2.41
Insurance	7.84	7.69
Rates & Taxes	7.07	3.44
Directors' Travelling expenses	0.39	0.46
Directors' Sitting Fees	0.08	0.10
Payment to Auditors:		
As audit Fee	0.55	0.46
For taxation matters	0.04	0.03
For Management Services	-	0.03
For Other Services	0.42	0.38
For reimbursement of expenses	0.01	0.01
	1.02	0.91
Loss on sale/adjustment of Assets	1.99	1.00
Miscellaneous losses written off	1.04	0.20
Provision for doubtful debts/advances	559.70	234.47
Mine closure Obligation	146.11	97.10
Raising and Transportation	130.80	52.73
Local Area Development (Towards SPV in Karnataka)	481.13	221.92
Compensation paid to Statutory Agencies	-	-
Entertainment	2.90	1.40
Donations	-	150.00
Travelling & Conveyance	37.61	21.63

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Advertisement & Publicity	21.83	12.37
Postage, Telephone & Telex	3.87	4.37
Stationery & Printing	2.25	2.34
Consultancy charges	10.88	17.15
CISF/Security guards	216.95	191.28
Safety expenses	0.23	0.34
Corporate Social Responsibility (*)	287.33	158.62
Loss in Exchange variation (net)	0.04	0.06
Environmental Development	21.46	36.33
Other expenses	57.11	77.36
Expenditure on enabling facilities for the company	125.22	147.79
Total	2,126.91	1,443.47
(*) CSR Expenditure During the Year	287.33	158.62
CSR Expenditure as per Statutory obligation	148.15	130.00
CSR Expenditure made Voluntarily	139.18	28.62

■ Note: 2.28 Exceptional Items

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Expenditure		
Total Expenditure	-	-
Less: Income		
Total Expenditure/(Income)	-	-

(*) There was a demand from CISF for payment of 'Risk and Hardship allowance for the periods 2009 onwards. An amount of ₹ NIL (₹ 68.01 Cr previous year) provided in the accounts 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 2022

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
CURRENT TAX		
Current Tax on profit for the year	3,447.23	2,297.73
Adj. of current tax for prior period	260.53	343.20
Total current tax expenses	3,707.76	2,640.93
DEFERRED TAX		
Decrease/(increase) in deferred tax assets	(132.73)	(32.34)
Decrease/(increase) in deferred tax liabilities	10.06	21.13
Total deferred tax expenses/(benefit)	(122.67)	(11.21)
Total Expenditure	3,585.09	2,629.72

Particulars	Amount ₹ In crore	Tax - ₹ In crore	Tax %
Accounting profit before tax from continuing operations	12,981.41		
Profit/(loss) before tax from discontinued operations	(0.91)		
Accounting profit before income tax	12,980.50		
Tax at Income tax rate(INR in crore)/Income tax rate(%)		3266.93	25.168
Tax effect of amount not deductible in calculating taxable income			
CSR exp.	287.33	72.32	0.557
Prov. For bad & doubtful exp.	559.70	140.87	1.085
Change in Depreciation	(124.70)	(31.38)	(0.242)
OCI due to Actuarial Gain/Loss	12.14	3.05	0.023
Deduction U/S 80G		-	-
Other items	(18.10)	(4.56)	(0.035)
Taxable income	13,696.87		
Current Tax on Profit for the year	3,447.23	3,447.23	26.556

NOTE 2.30 ADDITIONAL INFORMATION

(₹ In Crore)

	Figures as at the end of 31 st March 2022		Figures as at the end of 31 st March 2021	
2.30.1. Value of imports calculated on CIF basis:				
i. Components & Spare parts		1.65		2.22
ii. Capital Goods		46.08		2.94
2.30.2. Expenditure in foreign currency:				
i. Consultancy charges		-		-
ii. Others		0.08		4.28
2.30.3. Particulars of consumption of raw material				
Raw material	Value	Percentage	Value	Percentage
a) Imported	-	-	-	-
b) Indigenous	106.95	100.00	42.01	100.00
	106.95	100.00	42.01	100.00
2.30.4. Particulars of consumption of Stores & spares:				
Components & spare parts (including consumable stores)	Value	Percentage	Value	Percentage
a) Imported	2.07	0.52	6.01	2.33
b) Indigenous	394.46	99.48	251.40	97.67
	396.53	100.00	257.41	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-2021	Additions	Deletions	As at 31-Mar-2022
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.,	2,398.50	19.29	26.42	2391.37
b Claims by contractors under arbitration				
i. On capital account	910.35	353.01	38.06	1225.30
ii. On revenue account	5.24	1.03		6.27
c Other claims on company not acknowledged as debts	365.83	18.31	136.67	247.47
Total	3,679.92	391.65	201.15	3870.41
	31-Mar-2022		31-Mar-2021	
1.2 Contingent liability on bills discounted/ LCs/BG's		2,640.73		1,269.30

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 Benga Limitada, 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.

1.3 : 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 ₹ 487.37 Crore (from August 2008 to Sep-2011), the Company has deposited an amount of ₹ 121.84 Crore (25%) in cash which has been shown as amount recoverable and submitted a bank guarantee for similar amount. An amount of ₹ 365.53 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 BG's' 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.

B. Commitments:

(₹ In Crore)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
1.1 Estimated Amount of contracts remaining to be executed on Capital account	5,272.42	4,846.63
1.2 Other commitments- commitments to subsidiaries and JV	Nil	Nil

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 2022

ii) Other defined benefit plans :

(₹ In Crore)

Particulars	Gratuity	Accrued Leave Salary	Settle-ment Allowance	Post retirement medical facilities	Family Benefit Scheme	Long Service Award
A. Changes in the present value of obligation as on 31st March 2021						
Present value of obligation at the beginning of the year	359.54	224.12	13.77	526.28	36.69	30.37
Interest cost	23.46	15.25	-	35.79	-	-
Current service cost	9.44	25.50	-	28.20	-	-

(₹ In Crore)

Particulars	Gratuity	Accrued Leave Salary	Settle-ment Allowance	Post retirement medical facilities	Family Benefit Scheme	Long Service Award
Past service cost	-	-	-	-	-	-
Benefits paid/payable	(28.96)	(0.32)	(0.57)	(36.53)	(7.90)	(3.13)
Actuarial gain/loss on obligation	(6.51)	(26.99)	5.53	38.47	14.64	22.80
Present value of obligation at the end of the period	356.97	237.56	18.73	592.21	43.43	50.04
31st March 2022						
Present value of obligation at the beginning of the year	356.97	237.56	18.73	592.21	43.43	50.04
Interest cost	23.46	15.89	-	40.74	-	3.43
Current service cost	10.43	32.98	-	26.64	-	(1.48)
Past service cost	-	-	-	-	-	-
Benefits paid/payable	(29.78)	(9.34)	(0.49)	(57.80)	(23.73)	(3.83)
Actuarial gain/loss on obligation	(1.71)	(23.77)	0.67	(42.36)	31.71	(0.45)
Present value of obligation at the end of the period	359.37	253.32	18.91	559.43	51.41	47.71
B. Changes in the fair value of the Plan Assets as on						
31st March 2021						
Fair value of plan assets at the beginning of the year	307.64	162.95	41.59	432.88	40.26	-
Expected return on plan assets	19.95	4.25	2.85	36.91	3.78	-
Contributions	50.49	61.18	-	93.40	-	-
Benefits paid/payable	(28.96)	(0.32)	(0.57)	(36.53)	(7.90)	-
Actuarial gain/loss on plan assets	(0.01)	-	-	-	-	-
Fair value of plan assets at the end of the period	349.11	228.05	43.87	526.66	36.14	-
31st March 2022						
Fair value of plan assets at the beginning of the year	349.11	228.05	43.87	526.66	36.14	-
Expected return on plan assets	27.66	29.75	3.61	56.81	19.67	-
Contributions	6.03	9.52	-	65.55	7.29	-
Benefits paid/payable	(29.78)	(9.34)	(0.49)	(57.80)	(23.73)	-
Actuarial gain/loss on plan assets	-	-	-	-	-	-
Fair value of plan assets at the end of the period	353.02	257.98	47.00	591.22	39.37	-
C. Amounts recognised in the Balance sheet as on						
31st March 2021						
Present value of the obligations at the end of the year	356.97	237.56	18.73	592.21	43.43	50.04
Fair value of plan assets at the end of the year	349.11	228.05	43.87	526.66	36.14	-
Liability(+)/Asset (-) recognised in the balance sheet	7.86	9.51	(25.14)	65.55	7.29	50.04

(₹ In Crore)

Particulars	Gratuity	Accrued Leave Salary	Settle-ment Allowance	Post retirement medical facilities	Family Benefit Scheme	Long Service Award
31st March 2022						
Present value of the obligations at the end of the year	359.37	253.32	18.91	559.43	51.41	47.71
Fair value of plan assets at the end of the year	353.02	257.98	47.00	591.22	39.37	-
Liability(+)/Asset (-) recognised in the balance sheet	6.35	[4.66]	[28.09]	[31.79]	12.04	47.71
D. Amounts recognised in the Statement of P&L for the period ended						
31st March 2021						
Current service cost	9.44	25.50	-	28.20	-	-
Past service cost	-	-	-	-	-	-
Interest cost	23.46	15.25	-	35.79	-	-
Expected return on plan assets	(19.95)	(4.25)	(2.85)	(36.91)	(3.78)	-
Net actuarial gain/loss recognised in the year (OCI)	(6.50)	(26.99)	5.53	38.47	14.64	22.80
Total	6.45	9.51	2.68	65.55	10.86	22.80
31st March 2022						
Current service cost	10.43	32.98	-	26.64	-	(1.48)
Past service cost	-	-	-	-	-	-
Interest cost	23.46	15.89	-	40.74	-	3.43
Expected return on plan assets	(27.66)	(29.75)	(3.61)	(56.81)	(19.67)	-
Net actuarial gain/loss recognised in the year (OCI)	(1.71)	(23.77)	0.67	(42.36)	31.71	(0.45)
Total	4.52	[4.65]	[2.94]	[31.79]	12.04	1.50

E. PRINCIPAL ACTUARIAL ASSUMPTIONS :

DESCRIPTION	2021-2022	2020-2021	2019-2020
i. Discount Rate	7.32%	6.80%	6.80%
ii. Mortality Rate	IALM (2012-14 Till age 60 and IIAMT (2012-15) Thereafter	IALM (12-14)	LIC 1994-96 ultimate
iii. Medical Cost Trend rates	5%	5%	5%
iv. Withdrawal rate	1%	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/ 2022	31/3/ 2022	31/3/ 2021	31/3/ 2021
Effect of 1% Change in the Assumed Discount Rate	331.88	391.31	328.37	390.44
1. Effect on DBO	(7.60)	8.90	(8.00)	9.40
Effect of 1% Change in the Assumed Salary Rate	371.38	346.06	367.23	346.73
2. Effect on DBO	3.10	(3.70)	2.90	(2.90)
Effect of 1% Change in the Assumed Attrition Rate	366.70	351.07	359.76	353.92
3. Effect on DBO	2.00	(2.30)	0.80	(0.90)

b) Accrued Leave Salary (₹ In Crore)

	1% Increase	1% Decrease	1% Increase	1% Decrease
	31/3/ 2022	31/3/ 2022	31/3/ 2021	31/3/ 2021
Effect of 1% Change in the Assumed Discount Rate	228.39	248.98	208.71	247.31
1. Effect on DBO	(4.20)	4.50	(7.90)	9.20
Effect of 1% Change in the Assumed Salary Rate	249.05	228.14	247.08	208.58
2. Effect on DBO	4.60	(4.20)	9.10	(7.90)
Effect of 1% Change in the Assumed Attrition Rate	238.09	238.31	227.11	225.92
3. Effect on DBO	-	-	0.20	(0.30)

c) Post Retirement Medical Facilities (₹ In Crore)

	1% Increase	1% Decrease	1% Increase	1% Decrease
	31/3/ 2022	31/3/ 2022	31/3/ 2021	31/3/ 2021
Effect of 1% Change in the Assumed Discount Rate	505.02	624.89	534.39	661.92
1. Effect on DBO	(9.72)	11.70	(9.76)	11.77
Effect of 1% Change in the Assumed Medical Inflation rate	612.27	511.89	648.11	541.92
2. Effect on DBO	9.45	(8.50)	9.44	(8.49)

(G) Defined benefit liability (₹ In Crore)

The weighted average duration of the defined benefit obligation is 6.90 years for Leave encashment benefit, 9.40 years for gratuity scheme as on 31 March 2022. The expected maturity analysis of gratuity and compensated absences is as under :

	Less than a year	Between 2 - 5 years	between 5 -10 years	Over 10 years	Total
31 March 2022					
Gratuity scheme	39.59	99.99	142.99	76.80	359.37
Accrued leave salary	47.48	105.39	100.45	-	253.32
Post retirement medical benefits	26.64	88.18	263.64	212.76	591.22
Total	113.71	293.56	507.08	289.56	1,203.91

The weighted average duration of the defined benefit obligation is 13.61 years for Leave encashment benefit, 14.07 years for gratuity scheme as on 31 March 2021. The expected maturity analysis of gratuity and compensated absences is as under :

(₹ In Crore)

	Less than a year	Between 2 - 5 years	between 5 - 10 years	Over 10 years	Total
31 March 2021					
Gratuity scheme	33.54	99.00	162.47	61.96	356.97
Accrued leave salary	19.88	62.33	109.76	45.59	237.56
Post retirement medical benefits	28.20	127.62	244.81	126.03	526.66
Total	81.62	288.95	517.04	233.58	1,121.19

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	25,546.66	15,233.71	333.94	135.94	1.13	0.41	25,881.73	15,370.06
Inter-Segment Sales	83.06	-	-	-	(83.06)	-	-	-
Total Revenue	25,629.72	15,233.71	333.94	135.94	(81.93)	0.41	25,881.73	15,370.06
2. RESULT								
Segment Result	13,204.19	9,261.86	(70.20)	(131.46)	(232.03)	(188.90)	12,901.96	8,941.50
Unallocated Corporate Exps							(311.22)	(261.83)
Operating Profit							12,590.74	8,679.67
Finance Cost							(39.06)	(16.81)
Interest Income							428.82	238.77
Income Taxes							(3,582.02)	(2,648.58)
Net Profit							9,398.48	6,253.05

	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

3. OTHER INFORMATION

Segment Assets	10,778.10	7,590.76	493.54	579.28	32,889.35	28,206.58	44,160.99	36,376.62
Segment Liabilities	3,601.37	2,672.84	48.00	39.27	6,198.60	4,316.65	9,847.97	7,028.76
Additions to assets during the year :								
Tangible Assets	320.04	69.44	3.48	3.07	794.68	207.98	1,118.20	280.49
Intangible Assets	0.70	72.87	-	1.37	48.66	0.03	49.36	74.27
ROU Assets	-	0.00	-	-	2.63	1.19	2.63	1.19
Depreciation, Amortisation and Impairment expenses during the year	214.59	179.73	51.74	35.06	20.52	13.04	286.85	227.83
Impairment reversal/provided	-	-	-	-	-	-	-	-
Non-Cash expenses other than Depreciation & amortization	554.12	226.66	0.02	0.02	6.60	7.99	560.74	234.67

Geographical Segments

Sales Revenue by location of Customers:

(INR Crore)

	Curr. Year	Prev. Year
Revenue from External customers		
- Domestic	25,872.54	13,620.37
- Export : Through MMTC	9.19	1,749.69
Total	25,881.73	15,370.06

Assets by Geographical Location:

(INR Crore)

Location	Carrying amount of		Additions to Tangible and	
	Segment Assets		Intangible Assets	
	Curr. Year	Prev. Year	Curr. Year	Prev. Year
Chattisgarh	27,957.82	24,147.85	972.56	250.35
Telangana & Andhra Pradesh	12,358.80	9,540.60	100.70	6.79
Others	3,844.37	2,688.17	94.30	97.63
Total	44,160.99	36,376.62	1,167.56	354.77

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 31 st March 2022	Year ended 31 st March 2021
	INR crores	INR crores
Type of goods or service		
Sale of goods		
-Iron ore	25,546.66	15,233.70
-Sponge iron	-	-
-Diamonds	62.93	21.10
-Sale of pellets	222.11	73.50
-Sale of power	4.99	5.17
Sale of services		
-Sale of services	45.04	36.58
Others		
Other operating revenue	-	0.01
Total revenue from contracts with customers	25,881.73	15,370.06
India	25,872.54	13,620.37
Outside India	9.19	1,749.69
Total revenue from contracts with customers	25,881.73	15,370.06
Timing of revenue recognition		
Goods transferred at a point in time	25,831.70	15,328.31
Services transferred over time	50.03	41.75
Total revenue from contracts with customers	25,881.73	15,370.06

Set out below, is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment reporting

	31 st March 2022		31 st March 2021	
	Sale of goods	Sale of services	Sale of goods	Sale of services
Revenue				INR crores
External customer	25,836.69	45.04	15,333.48	36.58
Inter-segment	83.06	-	-	-
Inter-segment adjustment and elimination	83.06	-	-	-
Total revenue from contracts with customers	25,836.69	45.04	15,333.48	36.58

b) Contract balances

(₹ In Crore)

	31 st March 2022	31 March 2021 (Restated)	01 April 2021 (Restated)
	INR crores	INR crores	INR crores
Trade receivables	2,954.30	2,139.89	-
Contract assets	-	-	-
Contract liabilities	1,068.65	606.59	-

Trade receivables are non-interest bearing. In March 2022, ₹ 2932.14 crore (March 2021: ₹ 2384.43 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 than 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

Property Plant and equipment's (Accounting Policy no. 1-1.2-v) :

In order to bring more clarity, following para is added to the accounting policy at Para 1.2.v and it has Nil Impact on the financials of the company.

Spare parts, Standby equipment and service equipment meeting the definition of PPE and having value of more than ₹ 20 lakh in each case, are capitalized as and when available for use.

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, 2022	March 31, 2021
Legacy Iron Ore Limited	Australia	576,72,53,980	90.02%	90.05%
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	1,10,000	100%	100%
Jharkhand Kolhan Steel Limited (**)	India	1,60,000	100%	100%
NMDC-SARL, Madagascar (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 (under closure)	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%
Neelachal Ispat Nigam Ltd	India	7,47,99,878	10.10%	10.10%
Chhattisgarh Mega Steel Ltd.	India	13,000	26%	26%

(*) NCLT, Hyderabad bench dissolved NMDC Power Limited vide order dated 14.10.2021

(**) NCLT, Kolkata bench disposed of Jharkhand Kolhan Steel Limited vide order dated 17.12.2021

(***) Company has been struck off by ROC vide order dated 16.08.2021

(#) Under Closure

D: Key Management Personnel: (Directors) as on 31/03/2022**Directors :**

1. Shri Sumit Deb	CMD
2. Shri Amitava Mukherjee	Director (Finance)
3. Shri Somnath Nandi	Director (Technical)
4. Shri Dilip Kumar Mohanty	Director (Production) (w.e.f : 05.10.2021)
5. Shri P K Satpathy	Director (Production) (up to : 31.08.2021)
6. Shri Alok Kumar Mehta	Director (Commercial) (up to : 30.09.2021)

Company Secretary :

Shri A.S Pardha Saradhi

ii. RELATED PARTY TRANSACTIONS:**INVESTMENTS IN SUBSIDIARIES:**

(₹ In Crore)

Particulars	OB 1.4.2021	Additions	Deletions	CB 31.3.2022
a) Investment:				
Legacy Iron Ore Limited	214.70	-	-	214.70
J&K Mineral Development Corporation Limited	28.51	-	-	28.51
NMDC Power Limited (*)	0.55	-	-	0.55
Karnataka Vijaynagar Steel Limited	0.10	-	-	0.10
NMDC Steel Limited	0.06	0.05	-	0.11
Jharkhand Kolhan Steel Limited (**)	0.16	-	-	0.16
NMDC-SARL Madagaskar (under closure)	7.20	-	-	7.20
NMDC-CSR Foundation	2.00	-	-	2.00
Sub total	253.28	0.05	-	253.33
b) Investment De-ration				
- J&KMDC	28.51	-	-	28.51
- NMDC- SARL	7.20	-	-	7.20
- NPL	0.55	-	-	0.55
- JKSL	0.16	-	-	0.16
Sub Total	36.42			36.42
Total (Net)	216.86	0.05	-	216.91

LOANS AND ADVANCES TO SUBSIDIARIES:

(₹ In Crore)

Particulars	OB 1.4.2021	Additions	Deletions	CB 31.3.2022
a) Loans & Advances:				
- Legacy Iron Ore Limited	-	-	-	-
- J&K Mineral Development Corporation Limited	22.09	1.01	-	23.10
- NMDC Power Limited (*)	-	-	-	-
- Karnataka Vijaynagar Steel Limited	641.99	0.23	-	642.22
- NMDC CSR	-	-	-	-
- Jharkhand Kolhan Steel Limited (**)	-	-	-	-
- NMDC-SARL Madagaskar (under closure)	-	-	-	-
Sub total	664.08	1.24		665.32
b) Loans & Advances Deration				
Advances Deration- J&KMDC	16.51	6.59	-	23.10
Sub total	16.51	6.59		23.10
Total (Net)	647.57	-5.35		642.22

INVESTMENTS IN JOINT VENTURE COMPANIES (including advance against equity)

(₹ In Crore)

Particulars	OB 1.4.2021	Additions	Deletions	CB 31.3.2022
a) Investment:				
Kopano-NMDC Minerals (Proprietary) Limited [₹ 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		0.03	251.03
b) Investment Deration				
Investment Deration- NMDC-SAIL Ltd	0.03	-	0.03	-
Sub total	0.03		0.03	
Total (Net)	251.03			251.03

LOANS AND ADVANCES TO JOINT VENTURES:

(₹ In Crore)

Particulars	OB 1.4.2021	Additions	Deletions	CB 31.3.2022
a) Loans & Advances:				
Kopano-NMDC Minerals (Proprietary) Limited [₹ 324/-]	0.10	-	-	0.10
Jharkhand National Mineral Development Corporation Ltd	0.07	0.01	-	0.08
NMDC-CMDC Ltd, Raipur	46.10	-	-	46.10
NMDC-SAIL Ltd (***)	-	-	-	-
Bastar Railway Pvt Ltd	-	-	-	-
Sub total	46.27	0.01		46.28
b) Loans & Advances Deration:				
Advances Deration- Kopano NMDC	0.10	-	-	0.10
Sub total	0.10			0.10
Total (Net)	46.17	0.01		46.18

INVESTMENT IN ASSOCIATE COMPANIES:(including advance against equity):

(₹ In Crore)

Particulars	OB 1.4.2021	Additions	Deletions	CB 31.3.2022
a) Investment:				
Romelt-SAIL (India) Limited (under closure)	0.11	-	-	0.11
International Coal Ventures (Pvt) Ltd	376.36	2.50	-	378.86
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	2.50	-	519.58
b) Investment Deration:				
Investment Deration- Romelt-SAIL Ltd	0.11	-	-	0.11
Sub total	0.11	-	-	0.11
Total (Net)	516.97	2.50	-	519.47

LOANS AND ADVANCES TO ASSOCIATE COMPANIES:

(₹ In Crore)

Particulars	OB 1.4.2021	Additions	Deletions	CB 31.3.2022
a) Loans & Advances				
Neelachal Ispat Nigam Ltd	81.60	2.67	3.75	80.52
Sub total	81.60	2.67	3.75	80.52
b) Loans & Advances Deration				
Neelachal Ispat Nigam Ltd	-	-	-	-
Sub Total	-	-	-	-
Total (Net)	81.60	2.67	3.75	80.52

i) Aggregate amount of quoted investment is ₹ 214.70 crores (PY ₹ 214.70 crores). Aggregate amount of unquoted investments Gross ₹ 809.26 crores (PY ₹ 806.74 crore) and net ₹ 772.73 crores (PY ₹ 770.18 crore).

ii) NMDC Ltd has given two bank guarantees of ₹ 504.23 crore on behalf of NMDC CMDC Ltd for Deposit 13.

(*) NCLT, Hyderabad bench dissolved NMDC Power Limited vide order dated 14.10.2021

(**) NCLT, Kolkata bench disposed of Jharkhand Kolhan Steel Limited vide order dated 17.12.2021

(***) Company has been struck off by ROC vide order dated 16.08.2021

Particulars	As at March 31, 2022	As at March 31, 2021
Key Management Personnel:		
Key Managerial Personnel Remuneration	4.12	3.66

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. An amount of ₹ 0.24 crores (Previous year ₹ 0.21 crore) is spent towards security expenditure during the current year. The amount of ₹ 642.23 crores (PY ₹ 641.99 Crore) is included under Advances to Subsidiaries under the note 2.4.2.

As the possession certificate for Land is received, Land is capitalised at ₹ 639.61 crores in the books of KVSL during the Financial year 2017-18.

2.32.6 Earnings per share (IND AS-33)-: The details are as under:

(₹ In Crore)

Particulars	Year ended	
	31-MAR-2022	31-MAR-2021
1. Profit after Tax (INR in Crore)	9,398.48	6,253.05
2. No of Equity shares	293,06,05,850	293,06,05,850
3. Nominal value per Equity share (Rs)	1	1
4. Basic and Diluted Earnings per share (Rs) [*]	32.07	20.62

Note: [*] The earnings per share (EPS) of Previous year ended 31st March 2021 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) :

Silica Sand Project, Lalapur

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.

Screening Plant:

Board of director in its 525th meeting held on 10th December 2019 approved the termination of Screening Plant operation located at Vizag.

Details are as below:

(₹ In Crore)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
Silica Sand Project, Lalapur		
Carrying value of Assets	0.29	0.29
Carrying value of liabilities	0.90	0.88
Screening Plant -Vizag		
Carrying value of Assets	0.86	0.86
Carrying value of liabilities	0.29	0.29

The following statement shows the revenue and expenses of discontinued operations:

(₹ In Crore)

Particulars	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
A. Revenue		
Revenue from operations		
Other income	-	2.54
Total Revenue	-	2.54
B. Expenses		
Power, Electricity and Water	0.23	0.27
Repairs and Maintenance	-	0.08
Depreciation & Amortisation	-	0.11
Other expenses	0.68	1.55
Total Expenses	0.91	2.01
C.Profit(+)/Loss(-) from discontinued operations before tax (A-B)	(0.91)	0.53

2.32.9 Intangible Assets (IndAS-38) : R&D

The Research & Development expenditure, charged to Statement of Profit & Loss during the year is ₹ 27.16 crore (previous year ₹ 27.40 crore). It includes R&D net expenditure of ₹ 25.74 crores (PY ₹ 26.45 crores) and expenditure of ₹ 1.42 crores (PY ₹ 0.95 crores) on feasibility studies.

The amount of revenue expenditure incurred at Research & Development unit, Hyderabad is as under:

(₹ In Crore)		
Head of account	2021-22	2020-21
Consumption of Stores and Spares	0.16	0.16
Power, Electricity & Water	0.82	0.76
Employee benefit expense	17.40	17.04
Repairs and Maintenance	2.01	0.59
Other expenditure	3.92	5.68
Depreciation & Amortisation	2.77	2.84
Total expenditure	27.08	27.07
Less : Other income	1.34	0.62
Total net R&D expenditure	25.74	26.45

During the year, at R&D unit, the additions to tangible assets (except land and buildings) are ₹ 3.97 crore. (Previous year ₹ 1.80 crore).

2.32.10 Joint Ventures (IndAS- 28) Jointly Controlled entities:

Sl no	Name of the Joint Venture	Country of Incorporation	Proportion of ownership 2021-22	Proportion of ownership 2020-21
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 (Struck off)	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 considered for impairment in this financial year is ₹ 16.56 crore:

Unit	Year of impairment	Impaired Amount as on 01-04-2021	Adjustments during 2021-22			Impaired Amount as on 31-03-2022
			Reversal	Deletion	Addition	
SSP, Lalapur	2005-06	12.54	--	-	--	12.54
SAF Plant at Sponge Iron Unit	2004-05	15.48	-	-	-	15.48
SIIL- Paloncha	2019-2020	3.37	-	-	-	3.37
SIIL- Paloncha	2021-2022	-	-	-	4.40	4.40
DMP, Panna	2021-2022	-	-	-	9.35	9.35
Windmill- Donimalai	2021-2022	-	-	-	2.81	2.81
Total		31.39	-	-	16.56	47.95

- 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 fair value as assessed by the approved Valuer.
3. In case of SIIL plant, Impairment is based on the assessed fair 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. up to 30.06.2020. Consequently, Forest Clearance was extended up to lease validity as per MoEF&CC Circular dated 01.04.2015. After extension of supplementary mining lease by Government of Madhya Pradesh up to 30.06.2040, the Forest Clearance has also been extended up to 30th June 2040 vide letter no. F-5-11/2021/10-3 dated 6th January 2021 issued by Forest Department, Madhya Pradesh. However, the operation is stalled for want of wildlife clearance. Since the unit is not in operation since 01.01.2021, the assets of DMP Panna are impaired leaving the Land and Scheme Assets to employees. The residual value is considered as Nil for all assets except vehicles where 5% of gross block is considered as a realisable value as per the accounting policy.
5. Since the Windmill (BN-04) (Cash Generating Unit) is not in operation as on 31.03.2022 due to fire accident on 27.05.2021, net block of the unit is impaired after considering the realisable value of ₹ 0.80 crores as per the assessment of O&M Contractor M/s.Suzlon.

2.32.12 Provisions, Contingent Liabilities and Contingent Assets (IndAS-37) :

Necessary details in regard to provisions have been disclosed in notes 2.14.3,2.17& 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-2022	As at 31-Mar-2021
J&K Mineral Development Corporation Limited, Jammu	23.10	22.09
NMDC Power Ltd, Hyderabad	-	-
Jharkhand Kolhan steel Limited	-	-
Karnataka Vijayanagar Steel Limited	642.22	641.99
NMDC Steel Limited	-	-
NMDC CSR	-	-
Total	665.32	664.08
Advances derated / Provision made- JKMDC	23.10	16.51
Name of the Joint Venture	Maximum Balance outstanding	
	As at 31-Mar-2022	As at 31-Mar-2021
Kopano-NMDC Minerals (Proprietary) Limited	0.10	0.10
Jharkhand National Mineral Development Corporation Ltd.	0.08	0.07
NMDC-CMDC Ltd., Raipur	43.10	46.10
Bastar Railway Pvt. Ltd.	-	-
Total	43.28	46.27
Advances derated / Provision made (Kopano)	0.10	0.10

2.33.2 There are no Investments by the loanees as mentioned in 2.33.1 in the shares of NMDC Ltd.

2.33.3 Loans to Associate Companies

(₹ In Crore)

Name of the Associates	Maximum Balance outstanding	
	2021-22	2020-21
Neelachal Ispat Nigam Ltd	84.27	81.60
Total	84.27	81.60

No Loans and Advances were given to the Associate Companies except the above company.

2.33.4 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 Income Tax :

- a) After completion of the assessment for the A.Y. 2019-20, NMDC has received a demand for ₹ 204.56 Crores on 28.09.2021. NMDC has filed an appeal before the CIT(A) for ₹ 196.71 crore against the demand. The demand of ₹ 204.56 Crores is shown under earlier years tax expenses in the accounts of F.Y. 2021-22. The net impact in earlier tax expenses, including adjustment pertaining to other cases, is ₹ 260.53 Crore.
- b) The Current Tax assets (net) (note no. 2.9) includes an amount of ₹ 325.26 crore of receivable from Income Tax Department under Vivad Se Vishwas (VsV), towards settlement of all disputed Income tax cases up to assessment year 2017-18.

2.34.2 Enabling Facilities:

During the year an amount of ₹ 2.99 crore (PY- ₹ 24.51 crores) and ₹ 122.25 crore (PY- ₹ 123.30 crores) is utilised by Railways for the doubling of Railway line between Jagdalpur to Ambagaon and Kirandul to Jagdalpur respectively and the total amount of ₹ 125.24 crore (PY – ₹ 147.81 crores) is included in “Other Expenses”.

2.34.3 Demerger / Disinvestment of NISP:

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 Director 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. Further, NMDC Board in its meeting dated 13.07.2021, has approved the scheme of arrangement for Demerger between NMDC Limited and NMDC Steel Limited wherein 3 MTPA Steel Plant at Nagarnar of NMDC Limited will be transferred to NMDC Steel Limited.

Accordingly, after obtaining NOC from the Stock Exchanges, an application was filed by the Company with Ministry of Corporate Affairs (MCA) in January 2022. MCA, vide its Order dated 11.04.2022 has accepted the application filed by the company and directed for convening the meeting of Unsecured Creditors and Share holders of Demerged Company. Accordingly, notices have been issued to the Unsecured Creditors and Share holders for the meeting to be held on 7th of June 2022.

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 ₹ 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.

Gross value of Spare parts, stand by equipment and service equipment meeting the definition of PPE capitalised during the Year 2021-22 is ₹ 42.77 crore.

2.34.5 NMET:

As per the Gazette Notification dated 27th March 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 High 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 31st March 2022 is ₹ 4,555.27 crores (PY- ₹ 3,242.52 crores) . This includes regular dues of ₹ 1707.58 crore and ₹ 2,825.51 crore towards 10% of sales proceeds retained by Monitoring Committee for the period from 4th October 2011 to 31st March 2022 pending directions from Hon'ble Supreme Court. Further, an amount of ₹ 22.18 crore is long pending towards supply of Low Grade Fines for which provision is made. Company has made a total provision of ₹ 2,847.69 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 show cause notices dated 26.09.2019 were received for a revised amount of ₹ 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 ₹ 1,623.44 Crore (Bacheli - ₹ 1,131.97 Crore & Kirandul ₹ 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 ₹ 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. Revision application with Mines Tribunal, Ministry of Mines, Government of India New Delhi is heard on 09.03.2022 wherein the representatives of State Government were directed to file comments/ para wise reply within two weeks.

The demand amount of ₹ 1,623.44 crores has been shown under 'Contingent Liabilities'.

2.34.8 Allotment of Coal Block

Tokisud North Coal Mine

Ministry of Coal declared NMDC as a successful allottee for Tokisud North coal mine, in Jharkhand, on 16.12.2019. Allotment Agreement is signed on 24.12.2019 and Allotment order issued on 17.08.2020. NMDC paid the fixed Cost of ₹ 224.77 crores (PY- ₹ 224.77 crore) & upfront amount of ₹ 21.60 crore (PYRs.16.20 crore) up to 31.03.2022. All the amounts paid up to 31.3.2022 are included under Capital Advances (Note 2.6). NMDC submitted a Bank guarantee of ₹ 71.09 crore Pending execution of lease deed. Mine Developer cum Operator (MDO) has been appointed on 16.09.2021. Company has obtained Transfer of Environmental clearance and Forest Clearance (State-II). The Company is in the process of obtaining Mining lease, transfer of Free hold land and lease hold land.

Rohne Coal Mine

Ministry of Coal declared NMDC as a successful allottee for Rohne Coal Mine, in Jharkhand, on 17.03.2020. Allotment Agreement of the coal mine is signed on 17.02.2021 and allotment order issued on 18.06.2021. NMDC paid the fixed Cost of ₹ 39.46 crore & upfront amount of ₹ 33.15 crore up to 31.03.2022. All the amounts paid up to 31.3.2022 are included under Capital Advances (Note 2.6). Company has submitted a Bank guarantee of ₹ 405.17 crore Pending execution of lease deed. Company has obtained Transfer of Environmental clearance and Forest Clearance (Stage-I). Company is in the process of complying conditions given in stage-1 forest clearance.

2.34.9 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.

2.34.10 Review for Impairment of Investment in Legacy Iron Ore Ltd, Australia (LIOL):

The total investment of the Company in LIOL is ₹ 214.70 cr as on 31.3.2022. This is 90.05% of the total shareholding of the Company. This investment in Legacy was reviewed for impairment with reference to Ind AS 36.

It is noted that the period of exploration is not expired and exploration activity are being continued and the company has not reached the stage of establishing the commercial viability of the tenements. Legacy Iron Ore Limited is an active exploration company with a diverse portfolio. For an exploration company, the future cash flows are from the exploration tenements which have been recognised as assets i.e., Exploration and Evaluation (E&E) Assets. LIOL E&E assets as on 31.03.2022 is ₹ 91.83 crores (Previous year ₹ 77.38 crores).

LIOL is systematically exploring all the exploration tenements that are at varying levels of exploration potential and maturity. The company plans to continue exploration in all the above tenements and does not intend to surrender the current list of tenements. It is observed that the total mineral resources estimated from Mt. Celia Project is increased to 3,12,600 ounces from 1,79,700 ounces during the previous period. NMDC has a positive outlook based on the progress and success that is achieved so far in exploration works of Mt.Celia Gold project towards mining and also identification of 3,12,000 ounces of gold metal resources. Hence, the FVLCTS shall normally be more than the carrying value of exploration and evaluation assets as per the balance sheet.

Further the quoted price of LIOL share as on 31.3.2022 is AUD \$ 0.019 (Previous year AUD \$0.014) with a market capitalisation of AUD 121.69 million (Previous year \$89.67 million). The market capitalisation of the company is more than its net assets of AUD 23.32 million (Previous \$23.89 million) as on 31.3.2022. NMDCs share of Market cap @ 90.05% amounts to approx. ₹ 622.09 crores (Previous year ₹ 449.76 crores) which is more than the investment of ₹ 214.70 crores in LIOL.

Further, Legacy has also entered in to a new JV agreement, for Mt.Bevan Iron ore project, partnering with Hancock Prospecting Pty Ltd (HPPL) which is a mining giant in Australia with rich experience of developing green field iron ore projects. This has opened pathway for Legacy to develop its Iron Ore project which has led to further increase in the market value to more than AUD 186 million as on 03.05.2022.

In view of above no impairment is considered for Goodwill as well as Investment in LIOL for the current FY 2021-22.

2.34.11 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.

Tata Steel Long Products (TSLP) has purchased the NINL at a price of ₹ 12,100 crores and Government has already signed SPA with TSLP. The total liabilities of NINL is around ₹ 6,600 crores.

NMDC along with all other Associates has entered Share Sale and Purchase Agreement with TSLP on 10.03.2022.

NMDC holds total exposure of ₹ 188.65 crore (PY- ₹ 189.07 crores) in the form of Equity investment of ₹ 100.60 Crore (PY – ₹ 100.60 crore) and a Loan of ₹ 80.52 Crore (PY – ₹ 81.60 crore) and interest thereon of ₹ 7.53 crore (PY – ₹ 6.87 crore) as on 31.3.2022. The shareholding of NMDC in NINL is also being put up for strategic disinvestment and the entire value of ₹ 197.16 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 the above high bid, NMDC would recover all its Loans and Equity. Hence no impairment is considered necessary as on 31.03.2022.

2.34.12 Impact due to amendment in MMDR Act :

Govt. of India has amended the MMDR Act 1957 on 28.03.2021 and as per the 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 Act for the mineral produced after the commencement of the MMDR Act 2021. For such Mining Leases of Iron Ore, an additional amount equivalent to 150% of the Royalty will be payable. The additional amount shall be in addition to royalty or payment to the District Mineral Foundation (DMF) and National Mineral Exploration Trust (NMET) or any other

statutory payment. This amendment is applicable w.e.f 28.3.2021.

This amendment is applicable to all the Iron Ore Mines of NMDC except Kumarswamy Iron Ore Mines at Karnataka wherein the lease was extended before the commencement of MMDR Amendment Act 2015.

The impact of this amendment on the Financials of F.Y 2021-22 is ₹ 5,084.32 crores (PY- ₹ 149 crores) which is included under Royalty and other levies.

2.34.13 CSR Expenditure :

- a) Gross amount required to be spent by the company during the year is ₹ 148.15 crore (2% of the last three years average PBT ₹ 7407.49 crore), (Previous Year ₹ 130.00 crore (2% of the last three years average PBT ₹ 6499.95 crore).
- b) Amount spent during the year on account of CSR activities is ₹ 287.33 crore.(Previous Year ₹ 158.62 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	287.33	-	287.33
c) Shortfall at the end of the year	: Nil		
d) Total of previous years shortfall	: Nil		
e) Reason for shortfall	: Not Applicable		
f) Nature of CSR Activities : Education, Health & Hygiene, Nutrition, Drinking Water, Rural Development, Skill Development & Income Generation, Promotion of Sports, Protection of Culture & Heritage, Flood Relief & Natural Calamities, Environment and Others			
g) Details of related party transaction – ₹ 1.62 Crore Grants made in NMDC CSR Foundation by the company in relation to CSR Expenditure			
h) Where a provision is made with respect to a liability incurred by entering a contractual obligation, the movement in the provision during the year should be shown separately – NIL			

2.34.14 TERM Loan:

NMDC Board in its 525th meeting held on 10.12.2019 has accorded approval for borrowing up to a limit of ₹ 5,000 crores for capex requirements of the company by raising terms loans from Banks/ Financial Institutions etc., Accordingly, Rupee term Loan facility (RTL) of ₹ 4476.20 crores was availed from State Bank of India (SBI) for part funding of Nagarnar Integrated Steel Plant (NISP), at an interest rate fixed at 7.10% p.a till the Date of Commencement of Commercial Operation and there after 15 bps above the six months MCLR. NMDC, as a security, has hypothecated the entire Fixed Assets of the Project (NISP) including Plant and Machinery, equitable mortgage of Land & Building (except forest land) and First charge on the entire cash flows of the NISP. The availability period of the loan is 6 months from the Date of commencement of Commercial Operation repayable in 30 quarterly instalments.

The common Loan agreement has been entered on 10.06.2021 with SBI for RTL not exceeding ₹ 4476.20 crore and a drawdown of ₹ 1144 crores has been made till 31.03.2022 against the loan .

2.34.15 Bill Discounting:

During the year, Company discounted the Trade Receivables with the banks amounting to ₹ 1236.15 crores (Previous year – Nil) with recourse to the Company. In case of any claim on the company from the Banks, entire amount shall be recovered from the Customers. This is shown under contingent liabilities.

2.34.15 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. 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.

2.34.16 Analytical Ratios

The following are analytical ratios for the year ended 31st March 2022

Sl No.	Particulars	Numerators	Denominators	31 st March 2022	31 st March 2021	Variance (in %)
1	Current Ratio	Current Assets	Current Liabilities	2.28	1.95	16.92
2	Debt - Equity Ratio (*1)	Total Debt	Shareholder's Equity	0.10	0.07	42.86
3	Debt Service Coverage Ratio	Earnings Available for Debt services	Debt Services	2.71	3.19	(15.05)
4	Return on Equity (ROE) (*2)	(Net Profit After Tax - Preference Dividend (if any))	Average Shareholder's Fund	0.29	0.22	31.82
5	Inventory Turnover Ratio	Cost of Goods sold or Sales	Average Inventory	19.52	23.1	(15.50)
6	Trade receivables turnover ratio	Net Credit Sales	Avg. Accounts Receivables	10.16	7.04	44.32
7	Trade Payable Turnover Ratio	Net Credit Purchases	Average Trade Payables	1.46	1.23	18.70
8	Net Capital Turover Ratio	Net Sales	Working Capital	2.93	2.99	(2.01)
9	Net Profit ratio	Net Profit	Net Sales	0.36	0.41	(12.20)
10	Return on Capital employed (ROCE)	Earning before interest and taxes	Capital employed	0.35	0.29	20.69
11	Return on investment (ROI) (*3)					
	Unquoted	Income Generated from Investments	Time weighted average investments	-	-	
	Quoted	Income Generated from Investments	Time weighted average investments	-	-	

(*1) 1) Increase in Long term Borrowings :- Trust & Retention Accounts to ₹ 1144 crore (P.Y Nil)

2) Increase in Short term Borrowings :- OD on FD ₹ 1815 crore (P.Y ₹ 1471 crore)

(*2) Increase in Net profit of the company by 51% over the previous year

(*3) Only Long term investment are considered

Note. No. 2.34.17 : Fair Value Measurement

Financial instruments by category

₹ In crore

	As at 31 st March 2022			As at 31 st March 2021		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets						
Investments						
Trade receivables			2,954.30			2,139.89
Cash and cash equivalents			83.69			408.67
Other bank balances			7,856.48			5,397.34
Loans			682.99			753.69
Other financial assets			617.60			461.70
Total	-	-	12,195.06	-	-	9,161.29

	As at 31 st March 2022			As at 31 st March 2021		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial liabilities						
Borrowings			1,815.13			1,470.67
Trade payables			967.22			360.26
Lease Liability			1.45			1.11
Other financial liabilities			1,493.49			1,624.00
Total	-	-	4,277.29	-	-	3,456.04

(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 2022, and 31st March 2021, 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 2022, and 31st March 2021, respectively, are not included.

The carrying amounts of above financial assets and liabilities are considered to be same as their fair values, due to their short-term nature.

Note No: 2.34.18 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 31st March 2022

₹ In crore

Ageing	< 6 months	6-12 months	>12 months	Total
Gross carrying amount	2,651.51	657.90	2,577.03	5,886.44
Expected loss rate	8.50%	38.87%	95.11%	49.81%
Expected credit losses (loss allowance provision)	225.43	255.70	2,451.01	2,932.14
Carrying amount of trade receivables (net of impairment)	2,426.08	402.20	126.02	2,954.30

Year ended 31st March 2021

₹ In crore

Ageing	< 6 months	6-12 months	>12 months	Total
Gross carrying amount	2,043.33	196.16	2,284.83	4,524.32
Expected loss rate	6.14%	48.79%	94.68%	52.70%
Expected credit losses (loss allowance provision)	125.51	95.70	2,163.22	2,384.43
Carrying amount of trade receivables (net of impairment)	1,917.82	100.46	121.61	2,139.89

iii. Reconciliation of loss allowance provision - trade receivables

Loss allowance on 1 st April 2020	2,162.51
Changes in loss allowance	221.92
Loss allowance on 31 st March 2021	2,384.43
Changes in loss allowance	547.71
Loss allowance on 31 st March 2022	2,932.14

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 ₹ 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

	31 st March 2022	31 st March 2021
Flexible rate		
Expiring within one year (bank overdraft and other facilities)	467.00	585.50
Working capital Limits with Banks	1,249.00	635.00

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 2022	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	-	1,815.13	-	-	-	-	1,815.13
Trade payables	630.61	128.81	86.14	121.66	-	-	967.22
Lease Liability		0.36	0.72	0.37			1.45
Other financial liabilities	316.21	185.92	162.67	828.69	-	-	1,493.49
	946.82	2,130.22	249.53	950.72	-	-	4,277.29

Year ended 31 March 2021	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	-	1,448.04	-	-	-	-	1,448.04
Trade payables	536.74	63.32	-	-	-	-	600.06
Other financial liabilities	500.34	250.21	236.57	642.10	-	-	1,629.22
	1,037.08	1,761.57	236.57	642.10	-	-	3,677.32

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. : 2.34.19 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.

b) Dividends

₹ In crore

	31 st March 2022	31 st March 2021
(i) Equity shares		
Final dividend for the year ended 31st March 2022 of ₹ Nil (31st March 2021: NIL) per equity share.	-	-
Interim dividend for the year ended 31st March 2022 of ₹ 14.74 (31st March 2021: ₹ 7.76) per fully paid share	4,319.72	2,274.15

₹ In crore

Particulars	31 st March 2022	31 st March 2021
Net Debt (excluding short term) (*)	1668.22	523.8
Total equity	34,843.97	29,756.14
Net debt to equity ratio	0.05	0.02

(*) Debt included NCDs issued for ₹ 523.80 crore (P.Y ₹ 523.80 crore)

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 2022

The preparation of consolidated financial statements of NMDC Limited for the year ended on 31 March 2022 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 26th May 2022.

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 2022 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.

Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report:

A.. Comments on disclosure

Notes forming part of accounts

Property, Plant and Equipment of the Company includes a land at Rs. 639.61 crore which was received from Karnataka Industrial Areas Development Board (KIADB) for the purpose of establishment of a Steel Plant. Board of Directors of NMDC Limited (holding company) in the meeting held on 08.02.2022 have decided not to go ahead for development of steel plant and explore viable ways to get a return on this investment. The further course of action decided by the Board of NMDC can materialize only if agreed to by KIADB. As per agreement dated 11th Jan 2011, 100 per cent of the cost paid by the company for the land shall be forfeited in the event the Company abandons the acquisition after the issue of final notification under Section 28 (4) of

KIADB Act 1966. The Company has not disclosed the above fact in its Financial Statements. This amounts to material misstatement.

Further, the decision of the Company not to go ahead with the development of steel plant casts significant doubt on the entity's ability to continue as a going concern and the financial statements do not adequately disclose this matter. The Notes forming part of accounts are, therefore, deficient to such extent.

For and on the behalf of the
Comptroller and Auditor General of India



(J. S. Karape)
Director General of Commercial Audit
Hyderabad

Place: Hyderabad
Date: 05 August 2022

Annexure I

Subsidiaries

1. Karnataka Vijayanagara steel Limited
2. NMDC Steel Limited

Associate Companies

1. International Coal Ventures Limited

Annexure II

Subsidiaries

1. NMDC CSR Foundation
2. J&K Mineral Development Corporation Limited ,Jammu
3. 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. Krishnapatnam Railway company Limited, Secunderabad
2. Chhattisgarh Mega Steel Limited

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, 2022, and the consolidated statement of Profit and Loss, (including Other Comprehensive income), the consolidated statement of changes in Equity and the consolidated Statement of cash flows for the year then ended, and 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, 2022, their

consolidated profit, consolidated total Comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

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 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.

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	How our audit addressed the key audit matter
1	<p>Capital Work-in progress (NISP): (Refer Note No.2.2, 2.2.1, 2.2.2, 2.2.23 & 2.2.4 of the consolidated financial statements)</p> <p>Capital Work-in progress (CWIP) as on 31.03.2022 in the books of the unit is ₹ 17,045.14 Crores, out of which Incidental expenditure during Construction (IEDC) amounts to ₹ 2610.44 Crores.</p> <p>Since the amount involved is substantial and the original schedule date of completion has passed, inappropriate classification of IEDC could result in material misstatement of CWIP and hence this is a key audit matter.</p>	<p>Our audit procedures included the following:</p> <p>We obtained an understanding and evaluation of the system of internal control over the capital work in progress with reference to identification and testing of key controls.</p> <p>We have assessed the progress of the project and examined the management view on delay in project completion.</p> <p>We also assessed the intention and ability of the management to carry forward and bring the asset to its state of intended use.</p> <p>Based on the above procedures performed, we did not identify any significant exceptions in the management's assessment of Capital Work in Progress of NISP.</p>

Sr. No	Key Audit Matter	How our audit addressed the key audit matter
2	<p>Trade Receivables from Monitoring Committee: (Refer Note No.2.8.1 & 2.35.6 of the consolidated financial statements)</p> <p>As at 31st March 2022, current financial assets in respect of trade receivables includes receivables from monitoring committee as specified in aforesaid notes.</p> <p>Trade receivables from Monitoring committee is a key audit matter due to the size of the receivable and involvement of management judgement in determining the impairment provision</p>	<p>Our audit procedures included the following: We analyzed the ageing of trade receivables.</p> <p>We obtained the list of long outstanding receivables from the monitoring committee and assessed the recoverability of these through inquiry with management and by obtaining sufficient corroborative evidence to support these conclusions.</p> <p>Based on the above procedures performed, we did not identify any significant exceptions in the management's assessment and presentation of trade receivables and impairment provision thereof.</p>
3	<p>Mine Closure Obligation (MCO): (Refer Note-1(x) and Note no. 2.14.4 to the consolidated financial statements)</p> <p>The company creates Mine closure obligation(MCO) 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.</p> <p>The matter was considered to be a key audit matter because there is estimate involved as per management's policy</p>	<p>Our audit procedures included the following:</p> <p>We have reviewed the recommendations of the committee for mine closure obligations.</p> <p>We have reviewed the methodology to arrive at the liability for mine closure obligation at a rate per MT on the cumulative RoM quantity for mine closure obligations.</p> <p>We have verified the arithmetical accuracy of the mine closure obligation provision based on the recommendation of the committee.</p> <p>Based on the above procedures performed, we did not identify any significant exceptions in the management's assessment in Mine closure obligation provision</p>

Emphasis of Matter

We draw your attention to the following matters in the Notes to the Consolidated Financial Statements:

- i. Note No: 2.35.7, 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 ₹ 1623.44 Crores against which company has paid an adhoc amount of ₹ 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.2.35.15(iii) of Notes forming part of accounts for the period ended 31st March 2022 which describes balance of trade receivables payables are subject to confirmation/reconciliation and consequential adjustment, if any.
- iii. Note No:2.35.3, regarding the demerger of NMDC Iron & Steel Plant (NISIP) which is in progress.

Our opinion is not modified in respect of these matters.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors are 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 Holding Company's annual report, 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 under the relevant laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors are 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 4 subsidiaries, and 3 jointly controlled entities, whose financial statements / financial information reflect total assets of ₹ 809.69 Crores as at 31st March, 2022, total revenues of ₹ 0.19 Crores and net cash flows amounting to ₹ 17.74 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 loss of ₹ 7.17 Crores for the year ended 31st March, 2022, as considered in the consolidated financial statements, in respect of 4 associates, whose financial statements / financial information have 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 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 the reports of the other auditors.
- b. 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 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

1. 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, its Subsidiaries, Joint Ventures and Associates. Further, on the basis of the information and explanation received from the Holding Company's Management, none of the directors of the Group companies, its associate companies and jointly controlled companies incorporated in India is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- 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. 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.
- 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:

- a. 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.
- b. The Group, its associates and jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts.
- c. 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.
- d.
- i. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- ii. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
 - Directly or indirectly, lend or invest in other persons or entities identified in any

manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or

- Provide any guarantee, security or the like form or on behalf of the Ultimate Beneficiaries; and
- iii. Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d)(ii) contain any material mis-statement.
- e. The Dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure 2" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For Sagar & Associates
Chartered Accountants
(FRN.003510S)

CA.B.Srinivasa Rao
Partner

Hyderabad
Date: 26.05.2022

Membership No.202352
UDIN:22202352AJRNFI2852

ANNEXURE “1” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph(h) 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 31,2022.)

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 2022, 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 a 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, 2022, 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 dated.

For **Sagar & Associates**
Chartered Accountants
Firm's Registration No: 003510S

CA.B.Srinivasa Rao
Partner
Place: Hyderabad
Date: 26.05.2022
Membership No.202352
UDIN: 22202352AJRNF12852

ANNEXURE “2” TO THE INDEPENDENT AUDITOR’S REPORT

[Referred to in paragraph 2 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 31,2022.]

According to the information and explanations given to us, in respect of the following companies incorporated in India and outside India and included in the consolidated financial statements, the CARO report relating to them has not been issued by their auditors till the date of this audit report:

Sl. No.	Name	CIN	Holding Company/ Subsidiary/ Associates/ Joint Venture	Clause number of the CARO report which is qualified or adverse
1	J & K Mineral Development Corporation Limited	U14107JK1989SGC001110	Subsidiary	Unaudited
2	Karnataka Vijayanagar Steel limited	U27100KA2014GOI077968	Subsidiary	Unaudited
3	NMDC Steel Limited	U27310CT2015GOI001618	Subsidiary	Unaudited
4	Legacy Iron Ore Limited, Australia	Foreign Company	Subsidiary	Unaudited
5	Kopano-NMDC Minerals (Proprietary) Limited	Foreign Company	Joint Venture	Unaudited
6	Jharkhand National Mineral Development Corporation Limited	U10300JH2012GOI000585	Joint Venture	Unaudited
7	NMDC-CMDC Limited	U13100CT2008GOI020711	Joint Venture	Unaudited
8	Baster Railway Private Limited	U74900CT2016PTC007251	Joint Venture	Unaudited
9	International Coal Ventures (Pvt.) Limited	U10100DL2009PTC190448	Associates	Unaudited
10	Krishnapatnam Railway Company Limited	U45200TG2006PLC051378	Associates	Unaudited
11	Neelachal Ispat Nigam Limited	U27109OR1982GOI001050	Associates	Unaudited
12	Chhattisgarh Mega Steel Limited	U27100CT2015GOI001627	Associates	Unaudited

For Sagar & Associates
Chartered Accountants
Firm’s Registration No: 003510S

CA.B.Srinivasa Rao
Partner
Membership No.202352
UDIN: 22202352AJRNFI2852

Place: Hyderabad
Date: 26.05.2022

CONSOLIDATED BALANCE SHEET

As at 31st March 2022

(₹ In Crore)

Particulars	Note No.	Figures as at the end of current reporting year 31 st March 2022	Figures as at the end of previous reporting year 31 st March 2021
ASSETS			
Non-current Assets			
a) Property, plant & equipment	2.1.1	4,156.86	3,313.92
b) Right-of-Use Assets	2.1.2	8.27	7.02
c) Capital work-in-progress	2.2	18,324.52	17,106.51
d) Goodwill		93.89	93.89
e) Other intangible assets	2.3	535.73	518.57
f) Intangible assets under development	2.4	5.00	51.42
g) Financial assets			
i) Investments	2.4.1	894.95	874.90
ii) Loans	2.4.2	40.77	111.70
iii) Other Financial Assets	2.4.3	181.82	147.47
h) Deferred tax assets (Net)	2.5	530.95	408.28
i) Other non-current assets	2.6	4,267.98	3,695.91
Total non-current assets		29,040.74	26,329.59
Current Assets :			
a) Inventories	2.7	2,164.90	921.72
b) Financial assets			
i) Trade receivables	2.8.1	2,954.30	2,139.89
ii) Cash and cash equivalents	2.8.2	121.42	464.10
iii) Bank balances other than (ii) above	2.8.3	7,856.87	5,397.72
iv) Other financial assets	2.8.4	608.38	454.23
c) Current tax assets (Net)	2.9	900.12	257.05
d) Other current assets	2.10	1,204.03	964.86
e) Assets held for disposal	2.11	0.81	0.63
Total current assets		15,810.83	10,600.20
Total Assets		44,851.57	36,929.79
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	2.12	293.07	293.07
b) Other Equity	2.13	34,693.83	29,590.98
Equity attributable to owners of NMDC Ltd		34,986.90	29,884.05
Non-controlling interest		13.45	13.54
Total equity		35,000.35	29,897.59
Liabilities			
Non-current liabilities			
a) Financial liabilities			
i) Borrowings	2.14.1	1,668.22	523.80
ia) Lease Liability	2.14.2	5.85	4.70
ii) Other Financial liabilities	2.14.3	150.28	150.28
b) Provisions	2.14.4	1,092.46	948.10
Total non-current liabilities		2,916.81	1,626.88
Current liabilities			
a) Financial liabilities			
i) Borrowings	2.15.1	1,815.13	1,470.67
ia) Lease Liability	2.15.2	1.59	1.11
ii) Trade payables	2.15.3		
a) Total Outstanding dues of Micro Enterprises and Small Enterprises		26.70	12.66
b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		940.83	348.12
iii) Other financial liabilities	2.15.4	1,493.85	1,624.65
b) Other current liabilities	2.16	2,641.18	1,852.24
c) Provisions	2.17	15.13	95.87
Total current liabilities		6,934.41	5,405.32
Total liabilities		9,851.22	7,032.20
Total equity and liabilities		44,851.57	36,929.79

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 SRINIVASA RAO)
Partner
Membership No: 202352

Place : New Delhi
Dated : 26th May 2022

246 NMDC LIMITED

For and on behalf of the Board

(AMITAVA MUKHERJEE)
Director (Finance)
DIN : 08265207

(A S PARDHA SARADHI)
ED & Company Secretary

(SUMIT DEB)
Chairman-cum -Managing Director
DIN : 08547819

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for Year Ended 31st March 2022

(₹ In Crore)

Particulars	Note No	Figures for the current reporting year 31 st March 2022	Figures for the previous reporting year 31 st March 2021
I. Revenue from operations	2.18	25,881.73	15,370.06
II. Other Income	2.19	718.52	351.60
III. Total Income (I+II)		26,600.25	15,721.66
IV. Expenses :			
Consumption of raw materials	2.20	106.95	42.01
Consumption of Stores & Spares		396.53	257.41
Changes in inventories of finished goods/ Work in progress	2.21	(1,200.50)	(161.81)
Employee benefit expense	2.22	1,337.07	1,085.24
Power and electricity	2.23	122.54	110.82
Repairs & maintenance	2.24	192.23	136.02
Royalty & other Levies		9,986.76	2,969.38
Selling Expenses	2.25	227.74	695.27
Finance cost	2.26	39.06	16.81
Depreciation and amortisation expense	2.1 & 2.3	287.74	228.54
Other expenses	2.27	2,129.89	1,446.45
Total expenses		13,626.01	6,826.14
V. Profit before exceptional items and tax (III-IV)		12,974.24	8,895.52
VI. Exceptional items (Income)/Expenditure	2.28	-	-
VII. Profit before tax (V-VI)		12,974.24	8,895.52
VIII. Tax expense :			
(1) Current year	2.29	3,444.39	2,316.46
(2) Earlier years (net)		260.53	343.20
(3) Deferred tax	2.29	(122.67)	(11.21)
		3,582.25	2,648.45
IX. Profit for the year from continuing operations (VII-VIII)		9,391.99	6,247.07
X. Profit/(Loss) from discontinued operations		(0.91)	0.53
XI. Tax expense of discontinued operations	2.29	(0.23)	0.13
XII. Profit/(Loss) from discontinued operations (X-XI)		(0.68)	0.40
XIII. Profit for the year (IX +XII)		9,391.31	6,247.47
XIV. Share of non controlling interest (Loss)		(0.55)	(0.37)
XV. Share of Profit/(Losses) of Associates		(12.26)	29.17
XVI. Profit after adjusting minority interest and share of loss of Associates (XIII-XIV+XV)		9,379.60	- 6,277.01
Other Comprehensive Income			
A) (i) Item that will not be reclassified to profit or loss Re-measurements of post-employment benefit obligations		41.95	(139.32)
(ii) Income tax relating to these items	2.29	(3.07)	18.86
B) (i) Item that will be reclassified to profit or loss		2.10	(0.62)
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XVII. Other Comprehensive income (Net of tax)		40.98	(121.08)
XVIII. Total Comprehensive income for the year (XVI+XVII)		9,420.58	6,155.93
Profit is attributable to :			
Owners of the parent		9,379.05	6,276.64
Non controlling Interest		(0.55)	(0.37)
		9,379.60	6,277.01
Other Comprehensive Income/(Expenses) attributable to:			
Owners of the parent		40.98	(121.08)
Non controlling Interest		-	-
		40.98	(121.08)
Total Comprehensive Income attributable to:			
Owners of the parent		9,420.03	6,155.56
Non controlling Interest		(0.55)	(0.37)
		9,420.58	6,155.93
Earnings per equity share (for continuing operation)			
i) Basic	2.33.5	32.00	20.70
ii) Diluted	2.33.5	32.00	20.70
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	32.00	20.70
ii) Diluted	2.33.5	32.00	20.70

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: 0035105

For and on behalf of the Board

(CA B SRINIVASA RAO)
Partner
Membership No: 202352

(AMITAVA MUKHERJEE)
Director (Finance)
DIN : 08265207

(SUMIT DEB)
Chairman-cum -Managing Director
DIN : 08547819

Place : New Delhi
Dated : 26th May 2022

(A S PARDHA SARADHI)
ED & Company Secretary

STATEMENT OF CHANGES IN EQUITY

For Year Ended 31st March 2022

a) Equity Share Capital

(₹ In Crore)

	Note.no.	Amount
Balance as at 1 st April 2020	2.12	306.19
Changes in Equity share capital *		(13.12)
Balance as at 31 st March 2021	2.12	293.07
Changes in Equity share capital (*)		-
Balance as at 31 st March 2022		293.07

(*) Buyback of Equity shares refer to note No. 2.12

b) Other Equity - 2.13

Particulars	Reserve & Surplus						
	General Reserve	Retained earnings	CRR	OCI	Capital Reserve	Total Owners Equity	Non-controlling interest
Balance as at 1 st April 2020	25,467.06	1,518.68	90.28	52.62	238.24	27,366.88	8.05
Profit for the year		6,277.01				6,277.01	(0.37)
Other Comprehensive Income net of tax				(121.08)		(121.08)	
Transfer to Capital Redemption Reserve (CRR)	(13.12)		13.12			-	
Buyback of shares (including transaction charges)	(1,687.50)					(1,687.50)	
Interim Dividends (2020-21)		(2,274.15)				(2,274.15)	
Foreign Exchange Translation Reserve (OCI)				27.60		27.60	3.07
Adjustment on consolidation		2.34		(0.12)		2.22	2.79
Transfer to General Reserve	3,900.00	(3,900.00)				-	
Total	2,199	105.20	13.12	(93.60)	-	2,224.10	5.49
Balance as at 31 st March 2021	27,666.44	1,623.88	103.40	(40.98)	238.24	29,590.98	13.54
Balance as at 1 st April 2021	27,666.44	1,623.88	103.40	(40.98)	238.24	29,590.98	13.54
Profit for the year		9,379.60				9,379.60	(0.55)
Other Comprehensive Income net of tax				40.98		40.98	
Interim Dividends (2021-22)		(4,319.72)				(4,319.72)	
Foreign Exchange Translation Reserve (OCI)				4.12		4.12	0.46
Adjustment on consolidation		(2.13)				(2.13)	
Transfer to General Reserve	5,000.00	(5,000.00)				-	
Total	5,000.00	57.75	-	45.10	-	5,102.85	(0.09)
Balance as at 31 st March 2022	32,666.44	1,681.63	103.40	4.12	238.24	34,693.83	13.45

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 SRINIVASA RAO)
Partner
Membership No: 202352

(AMITAVA MUKHERJEE)
Director (Finance)
DIN : 08265207

(SUMIT DEB)
Chairman-cum -Managing Director
DIN : 08547819

Place : New Delhi
Dated : 26th May 2022

(A S PARDHA SARADHI)
ED & Company Secretary

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31st March 2022

(₹ In Crore)

Particulars	Figures as at the end of current reporting year 31 March 2022	Figures as at the end of previous reporting year 31 March 2021
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before income tax from		
Continued Operations	12,974.24	8,895.52
Discontinued Operations	(0.91)	0.53
Profit before income tax including discontinued operations	12,973.33	8,896.05
Adjustments for non cash/non operational expenses:		
Depreciation & amortisation expense	287.74	228.54
(Profit)/Loss on disposal of property, plant & equipment	1.87	0.74
Expenditure on enabling facilities	125.22	147.79
Provision for bad & doubtful advances	559.70	234.31
Interest Income classified as investing cash flow	(428.95)	(239.14)
Finance Costs	39.06	16.81
Operating Profits before working capital changes	13,557.97	9,285.10
Adjustments for working capital changes:		
(Increase)/ Decrease in Investments	-	-
(Increase)/ Decrease in trade receivables	(1,374.11)	(150.49)
(Increase)/Decrease in inventories	(1,243.18)	(198.21)
(Increase)/Decrease in other financial assets	(179.46)	(98.32)
(Increase)/Decrease loans to employees and related parties	70.93	(27.85)
(Increase)/Decrease in other non current assets	(198.63)	(144.89)
(Increase)/Decrease in other current assets	(239.17)	(224.22)
(Increase)/Decrease in assets held for disposal	(0.18)	0.03
Increase/(Decrease) in trade payables	606.75	134.88
Increase/(Decrease) in provisions	146.13	97.12
Increase/(Decrease) employee benefit obligations	(40.75)	(243.39)
Increase/(Decrease) in other financial liabilities	94.95	(152.16)
Increase/(Decrease) in other non-current liabilities	-	150.28
Increase/(Decrease) in other current liabilities	788.94	1,306.99
Cash generated from operations	11,990.19	9,734.87
Income Taxes paid	(4,350.83)	(2,468.74)
Net Cash Flow from operating activities	7,639.36	7,266.13

CONSOLIDATED CASH FLOW STATEMENT (CONT...)

For Year Ended 31st March 2022

(₹ In Crore)

Particulars	Figures as at the end of current reporting year 31 March 2022	Figures as at the end of previous reporting year 31 March 2021
CASH FLOW FROM INVESTING ACTIVITIES		
Expenditure on acquisition of tangible and intangible assets and towards capital work in progress (net of sale proceeds)	(3,047.36)	(1,622.11)
Purchase of investments	(27.58)	99.61
Interest received	419.91	241.69
Investment in term deposits with more than three months	(2,410.73)	(3,035.47)
Net Cash Flow from investing activities	(5,065.75)	(4,316.28)
CASH FLOW FROM FINANCING ACTIVITIES		
Amount paid on buyback of Shares (including transaction charges)	-	(1,700.62)
(Repayment)/Proceeds from borrowings*	344.46	905.10
Lease Liability	1.63	(0.02)
(Repayment)/Proceeds from borrowings (Non-Current)	1,144.42	523.80
Deposits paid towards LCs and BGs (towards non fund based facilities)	(48.22)	(29.49)
Interest paid	(39.06)	(16.81)
Dividends paid (including tax thereon and net off balances for unpaid dividends)	(4,319.52)	(2,273.28)
Net Cash Flow from financing activities	(2,916.29)	(2,591.32)
Net increase (decrease) in cash and cash equivalent	(342.68)	358.53
Cash & Cash equivalents at the beginning of the year	464.10	105.57
Cash & Cash equivalents at the end of the year	121.42	464.10
Details of the Cash and Cash Equivalents (Note no. 2.8.2)		
Cash in hand	-	0.01
On Current Accounts	86.56	411.71
On Deposit Accounts (Original Maturity less than 3 months)	34.86	52.38
Ear Marked Balance	-	-
Total Cash & Cash equivalents at the end of the year	121.42	464.10
Restricted Cash Balance	-	-

Subject to our Report of even date
For M/s Sagar & Associates
Chartered Accountants
Firm Regn No: 003510S

(CA B SRINIVASA RAO)
Partner
Membership No: 202352

Place : New Delhi
Dated : 26th May 2022

For and on behalf of the Board

(AMITAVA MUKHERJEE)
Director (Finance)
DIN : 08265207

(SUMIT DEB)
Chairman-cum -Managing Director
DIN : 08547819

(A S PARDHA SARADHI)
ED & Company Secretary

NOTES

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, 2020 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, Joint Ventures and associates are measured at cost. Dividend income is recognised 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 the previous GAAP value as deemed cost at 1 April 2015, the date of transition.

Spare parts, stand by equipment and service equipment meeting the definition of PPE and having value of more than ₹ 20 lakh in each case, are capitalized as and when available for use.

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 basis on additions / disposals of assets during the year. 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) Capital Work-in-Progress:

Assets in the course of construction are included under capital work in progress and are carried at cost, less any recognised impairment loss. Such capital work in progress, on completion, is transferred to the appropriate category of property, plant and equipment.

Expenses for assessment of new potential projects incurred till investment decisions are charged to revenue. Expenditure incurred for projects after investment decisions are accounted for under capital work in progress and capitalized subsequently.

Any costs directly attributable to acquisition/ construction of property, plant and equipment till it is brought to the location and condition necessary for it to be capable of operating in the manner as intended by the management form part of capital work-in-progress.

c) Investment property:

Investment Property is a property held to earn rentals and /or for capital appreciation. Investment properties are measured initially at cost including transaction costs.

Subsequent to initial recognition, investment properties are stated cost less accumulated depreciation and impairment losses.

Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognised in the statement of Profit and Loss.

d) 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. Until 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.

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.

c) 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.

d) 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.

e) 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 grant. 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

For and on behalf of the Board

(CA B SRINIVASA RAO)
Partner
Membership No: 202352

(AMITAVA MUKHERJEE)
Director (Finance)
DIN : 08265207

(SUMIT DEB)
Chairman-cum -Managing Director
DIN : 08547819

Place : New Delhi
Dated : 26th May 2022

(A S PARDHA SARADHI)
ED & Company Secretary

(₹ In Crore)

■ Note - 2.1.1 : PROPERTY, PLANT & EQUIPMENT

ASSETS	GROSS BLOCK					DEPRECIATION BLOCK					NET BLOCK				
	As at	Additions	Ded/Adj	Transfer	Internal	As at	Upto 1st	For	Asset	Deductions/	Transfer	Internal	Upto	As at	As at
	1 st Apr, 2021	during the year	during the year	to/from	transfer	31 st March 2022	1 st Apr, 2021	the year	Impairment	adjustments	to/from	transfers	31 st March 2022	31 st March 2022	31 st March 2021
A. General															
Land :															
- Free hold	913.84	-	-	-	-	913.84	0.06	-	-	-	-	-	0.06	913.78	913.78
- Lease hold	5.99	32.35	-	-	-	38.34	1.51	5.80	-	-	-	-	7.31	31.03	4.48
Buildings	325.50	95.23	[0.60]	-	-	420.13	56.52	16.66	0.17	[0.60]	-	-	72.75	347.38	268.98
Plant & Machinery	1,319.22	70.05	[18.31]	-	[2.31]	1,368.65	338.48	80.76	4.70	[15.75]	-	[0.79]	407.40	961.25	980.74
Heavy Mobile Equipmt.	595.47	122.29	[11.21]	-	2.31	708.86	346.71	56.70	1.11	[11.20]	-	0.79	394.11	314.75	248.76
Furniture & fittings	18.49	2.17	0.01	-	-	20.67	11.25	1.88	0.12	[0.01]	-	-	13.24	7.43	7.24
Vehicles	43.99	4.77	[2.36]	-	-	46.40	22.85	4.47	0.13	[2.11]	[0.01]	-	25.34	21.06	21.14
Office Equipment	74.49	13.19	[0.54]	0.02	3.51	90.65	45.71	12.63	0.46	[0.37]	0.01	1.27	59.70	30.95	28.77
Others :	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Roads, bridges etc.	158.23	6.09	-	-	-	164.32	108.86	20.44	0.15	-	-	-	129.46	34.86	49.37
Dams, Wells & Pools	14.11	4.16	-	-	-	18.27	2.83	1.60	0.58	-	-	-	5.01	13.26	11.28
Adit & tunnel	2.05	-	-	-	-	2.05	0.06	0.03	-	-	-	-	0.09	1.96	1.99
Railway sidings	34.34	-	-	-	-	34.34	19.33	2.53	-	-	-	-	21.86	12.48	15.01
Locomotives	89.98	17.54	-	-	-	107.52	10.53	6.80	-	-	-	-	17.33	90.19	79.45
Electrical Installations	290.31	6.38	-	-	[3.51]	293.18	128.72	25.32	0.16	-	[1.27]	-	152.93	140.25	161.59
Sanitary & W. S. Installations	33.96	128.70	-	-	-	162.66	6.61	3.35	0.04	-	-	-	10.00	152.66	27.35
TOTAL 'A'	3,919.97	502.92	[33.01]	0.02	-	4,389.88	1,100.03	238.98	7.62	[30.04]	-	-	1,316.59	3,073.30	2,819.93
Previous Year 2020-21	3,838.95	105.12	[24.10]	[0.09]	-	3,919.97	919.10	204.54	-	[23.60]	[0.08]	-	1,100.04	2,819.93	2,919.85
B. Social Facilities															
Land :															
- Free hold	0.29	10.35	-	-	-	10.64	-	-	-	-	-	-	-	10.64	0.29
- Lease hold	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Buildings	482.11	583.40	-	-	-	1,065.51	31.43	14.05	1.55	-	-	-	47.03	1,018.48	450.68
Plant & Machinery	5.54	1.12	-	-	-	6.66	0.69	0.30	-	-	-	-	0.99	5.67	4.85
Furniture & fittings	12.34	5.48	[5.09]	-	-	12.73	5.53	1.62	0.02	[3.08]	-	-	4.09	8.64	6.81
Vehicles	2.16	0.37	[0.27]	-	-	2.26	1.21	0.20	0.04	[0.22]	-	-	1.23	1.03	0.95
Office Equipment	28.61	7.72	[6.77]	[0.01]	-	29.56	18.03	3.43	0.30	[6.49]	-	-	15.27	14.29	10.58

ASSETS	GROSS BLOCK					DEPRECIATION BLOCK					NET BLOCK				
	As at 1 st Apr, 2021	Additions during the year	Ded/Adj during the year	Transfer to/from during the year	Internal transfer	As at 31 st March 2022	Upto 1 st Apr, 2021	For the year	Asset Impairment	Deductions/adjustments	Transfer to/from	Internal transfers	Upto 31 st March 2022	As at 31 st March 2022	As at 31 st March 2021
	Others :														
Roads, bridges etc.	8.57	0.10	-	-	-	8.67	3.98	0.50	0.02	-	-	-	4.50	4.17	4.59
Cess fund quarters	6.57	-	-	-	-	6.57	1.00	0.15	-	-	-	-	1.15	5.42	5.57
Dams, Wells & Pools	0.95	-	-	-	-	0.95	0.21	0.14	-	-	-	-	0.35	0.60	0.74
Electrical Instaln.	6.03	4.64	-	[0.01]	-	10.67	2.41	0.61	0.04	-	-	-	3.06	7.61	3.62
Sanitary & W.S.Instlns.	6.85	2.35	-	-	-	9.20	1.53	0.32	0.34	-	-	-	2.19	7.01	5.32
TOTAL 'B'	560.02	615.53	[12.13]	[0.02]	-	1,163.42	66.02	21.32	2.31	[9.79]	-	-	79.86	1,083.56	494.00
Previous Year 2020-21	389.31	175.54	[4.83]	0.09	-	560.02	55.29	15.11	-	[4.38]	0.08	-	66.02	494.00	334.02
TOTAL 'A + B'	4,479.99	1,118.45	[45.14]	-	-	5,553.30	1,166.05	260.30	9.93	[39.83]	-	-	1,396.45	4,156.86	3,313.93
Previous Year 2020-21	4,228.26	280.66	[28.93]	-	-	4,479.99	974.39	219.65	-	[27.98]	-	-	1,166.06	3,313.93	3,253.87

Note 2.1.2 : RIGHT-OF USE ASSETS

(₹ In Crore)

General:	GROSS BLOCK				AMORTISATION BLOCK				NET BLOCK	
	As at 1 st April, 2021	Additions/ Adjustments	Deductions/ Adjustments	As at 31 st March 2022	As at 1 st April, 2021	For the Year	Deductions/ adjustments	As at 31 st March 2022	As at 31 st March 2022	As at 31 st March 2021
Assets										
Land	1.31	-	[0.01]	1.32	0.91	0.24	[0.05]	1.20	0.12	0.40
Buildings										
Delhi - PTI- Building	7.41	-	-	7.41	1.66	0.86	-	2.52	4.89	5.75
Delhi - KG Marg Surya Kiran Building	0.26	-	-	0.26	0.26	-	-	0.26	-	-
REGIONAL OFFICE- Vizag	1.19	-	-	1.19	0.32	0.04	-	0.36	0.83	0.87
Ranchi-Office Building_JSFC	-	2.63	-	2.63	-	0.20	-	0.20	2.43	-
TOTAL	10.17	2.63	[0.01]	12.81	3.15	1.34	[0.05]	4.54	8.27	7.02
Previous year	8.81	1.19	[0.17]	10.17	1.72	1.43	-	3.15	7.02	7.08
Social Amenities:										
Buildings	-	-	-	-	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-	-	-	-	-
Previous year	-	-	-	-	-	-	-	-	-	-
Grand Total	10.17	2.63	[0.01]	12.81	3.15	1.34	[0.05]	4.54	8.27	7.02
Previous year	8.81	1.19	[0.17]	10.17	1.72	1.43	-	3.15	7.02	7.08

NON-CURRENT ASSETS

■ Note: 2.2 CAPITAL WORK IN PROGRESS

(₹ In Crore)

PARTICULARS	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Construction work in progress	15,421.12	14,584.95
Add : Impairment reversed/ (provided)	5.32	-
	15,415.80	14,584.95
Construction Stores	-	2.32
Capital Assets in stores awaiting installation or in transit	66.27	53.94
Less : Provision	-	-
	66.27	53.94
Expenditure incidental to construction awaiting allocation (See note 2.2.2)	2,842.45	2,465.30
Total	18,324.52	17,106.51

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 2021					
Opening gross carrying amount	13458.10	1.77	65.69	1974.66	15500.22
Additions	2882.41	4.42	69.62	490.64	3447.09
Disposals/Capitalisation to PPE	1755.56	3.87	81.37	0.00	1840.80
Closing gross carrying amount	14584.95	2.32	53.94	2465.30	17106.51
Accumulated amortisation					
Amortisation charge during the year					
Closing accumulated amortisation	0.00	0.00	0.00	0.00	0.00
Closing net carrying amount	14584.95	2.32	53.94	2465.30	17106.51
Year ended 31 March 2022					
Opening gross carrying amount	14584.95	2.32	53.94	2465.30	17106.51
Additions	1738.26	(2.32)	270.66	774.98	2781.58
Disposals/Capitalisation to PPE	902.09	0.00	258.33	397.83	1558.25
Closing gross carrying amount	15421.12	0.00	66.27	2842.45	18329.84
Accumulated amortisation					
Amortisation charge during the year	5.32		0.00		5.32
Closing accumulated amortisation	5.32	0.00	0.00	0.00	5.32
Closing net carrying amount	15415.80	0.00	66.27	2842.45	18324.52

Note : 2.2.2 EXPENDITURE INCIDENTAL TO CONSTRUCTION AWAITING ALLOCATION

(₹ In Crore)

PARTICULARS	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
a. Opening balance	2,465.30	1,974.65
b. Net Expenditure incurred during the year		
Consumption of stores and spares	0.59	0.22
Employee Benefit expense :		
Salaries, Wages & Bonus	150.90	152.12
Contribution to Provident fund, EPS, DLI	11.54	8.08
Contribution to Pension Fund	-	-
Contribution to Gratuity fund	0.77	4.33
Staff Welfare expenses	7.87	13.29
	171.08	177.82
Power, Electricity & Water	67.70	69.11
Repairs and Maintenance	8.99	64.38
Depreciation and amortisation	35.77	14.87
Other expenses :		
Rent, Insurance, Rates and taxes	3.88	4.62
Interest on Borrowings	65.54	22.63
Payment to auditors : As auditors	0.07	0.06
Payment to auditors : For Other Services	0.08	0.05
Reimbursement of expenses	-	-
Travelling and Conveyance expenses	0.99	0.51
Consultancy expenditure	34.72	46.15
CISF/Security expenditure	8.06	6.27
Environmental Development	4.46	0.02
Other expenditure	390.44	90.03
	792.37	496.74
Less : Recoveries/Income		
Interest recived	1.89	4.95
Other income	16.51	1.14
Total (b)	773.97	490.65
Sub-total (a+b)	3,239.27	2,465.30
Less : Amount allocated to Fixed assets/ Capital W I P	396.82	-
Total	2,842.45	2,465.30

Note: 2.2.3 Capital Work in Progress aging Schedule

(₹ In Crore)

PARTICULARS	Amount in CWIP for a period of				
	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	1,989.41	2,037.32	1,529.84	12,735.01	18,291.58
Project temporarily suspended	-	-	-	32.94	32.94
	-	-	-	-	-
Total	1,989.41	2,037.32	1,529.84	12,767.95	18,324.52

Note: 2.2.4 Capital Work in Progress Completion Schedule

(₹ In Crore)

PARTICULARS	To be completed in				
	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
NISP	17,045.14				17,045.14
Slury Pipe Line	518.62				518.62
SP - III at Kirandul Unit, Chhatishgarh	145.89				145.89
SP- II - Donimalai Project - Karnataka				0.79	0.79
Panthal Magnesite- Jammu				29.83	29.83
Others	4.76				4.76
Total	17,714.41	-	-	30.62	17,745.03

Note: Details of the project where activities has been suspended shall be given separately

■ Note -2.3 : INTANGIBLE ASSETS

(₹ In Crore)

ASSETS	GROSS BLOCK				AMORTISATION BLOCK				NET BLOCK	
	As at 1 st Apr-21	Additions during the year	Ded/Adj during the year	As at 31 st March 2022	As at 1 st Apr 2021	For the year	Deductions/ adjustments	Up to 31 st March 2022	As at 31 st March 2022	As at 31 st March 2021
Goodwill	93.89	-	-	93.89	-	-	-	-	93.89	93.89
Total	93.89	-	-	93.89	-	-	-	-	93.89	93.89
Previous Year 2020-2021	93.89			93.89	-			-	93.89	93.89
GENERAL										
Computer software	8.28	49.36	-	57.64	7.50	10.20	-	17.70	39.94	0.78
Mining rights	1,021.00	13.10	1.32	1,035.42	503.21	35.12	1.30	539.63	495.79	517.79
Total	1,029.28	62.46	1.32	1,093.06	510.71	45.32	1.30	557.33	535.73	518.57
Previous Year 2020-2021	942.93	86.38	(0.03)	1,029.28	488.27	22.44		510.71	518.57	612.46
Total	1,123.17	62.46	1.32	1,186.95	510.71	45.32	1.30	557.33	629.62	454.66
Previous Year 2020-2021	1,036.82	86.38	(0.03)	1,123.17	488.27	22.44	-	510.71	612.46	548.55

Additional notes to 2.1,1, 2.3 and 2.4 : PPE (Property Plant and Equipment), Intangible Assets and Intangible Assets under Development.

- Lease hold land measuring 3021.35 sq.mtrs. (previous year 3021.35 sq.mtrs.) is taken from Vizag Port Trust Authorities for construction of Regional Office building for a period of 30 years i.e. up to 01.01.2044. Action is on hand to execute the lease deed. However, rent have been accounted till 31.03.2022.

2. The Extent of land of 22.39 hectares taken over from CG Government, which is in favor of 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).
 - (b) Lease deeds in respect of parts of land for township at Bachel 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 2007 (6.66 acres) and the balance in Feb 2010 (2.46 acres). The process of vacating the lease hold area is under progress.
 - (e) Only Provisional allotment letters were issued for the land to the extent of 13.43 acres allotted by 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 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	2021-2022	2020-2021
2.1	Depreciation on PPE	260.30	219.65
2.1	Impairment of PPE	9.93	-
2.3	Amortisation of Intangible Assets	46.62	22.44
2.1.2	Amortisation of ROU Assets	1.34	1.43
2.2	Impairment of CWIP	5.32	-
	Total	323.51	243.52
2.2.2	Transferred to IEDC	(-)35.77	(-)14.87
2.28	Shown under Exceptional Item	-	-
2.33.7	Transfer to Discontinue Operation	-	(-) 0.11
	Depreciation, amortisation and Impairment as per Statement of Profit and Loss	287.74	228.54

5 Additional note to 2.1.1,2.3 and 2.4:PPE (Property Plant and Equipment)

Relevant Line Item in the Balance Sheet	Description of item on Property	Gross Carrying Value	Title Deed held in the name of	Whether title deed holder is a promoter or relative (#) of promoter(*)/ director or employee of promoter/ director	Property Held since which date	Reason for not being held in the name of the company
PPE	Forest Land for Uniflow Rly. Dispatch Systems (4.94 Acre)- Bachel Unit	1,240,000.00	Forest Dept.	No	6/7/2002	This is Forest Land (MOEF Letter No.8B/007/2002/ fcw/1313 dated 07.06.2002)
	Land for Shankhni Pump House & Pipeline (11.56 Acre) : Bachel Unit	103,528.00	Forest Dept.	No	3/14/2002	This is Forest Land (MOEF Clearance Letter dated 14.03.2002)
	Lease of Dep-10 (FO) (352.87 Acre) : Bachel Unit	139,164,937.00	Forest Dept.	No	7/10/2019	This is Forest Land (MOEF Letter dated 10.07.2019)
	Land at Madadi Village (2.4 Acre): Kirandul Unit	67,899.00		No	3/31/2006	Panchnama done by Railway, Revenue NMDC officials is available with the Project.
	"Land Lease hold For Township (51.4 Acre): Kirandul Unit"	-		No	3/31/1986	Panchnama done by Railway, Revenue NMDC officials is available with the Project.
	Freehold Land (47.18 Acre): Kirandul Unit	22,569.00		No	3/31/1966	Sale Deed available with the management for total 19.09 Hectares. Appeal against the order issued by the Tahsildar, Bade Bachel is being prepared by the advisor (Rvenue) and same will be submitted before the SDM, Bade Bachel.
Investment Property	Land					
	Building					
PPR Retired from	Land					
	Building					

6. During the current period the total addition towards Capex expenditure by Joint ventures and NMDC proportion thereon is given below:

Sl. No.	Particulars	Amount of Capex Spend in 2021-22. In INR Crore	% Holding of NMDC Ltd.	NMDC 's proportion in INR Crore
1	NMDC-CMDC Limited	2.42	51%	1.24
2	Bastar Railway Pvt. Ltd.	Nil	52%	Nil
	Total	2.42		1.24

7. During the year 2021-22 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	Useful 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
	<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 31 st March 2022	Figures as at the end of 31 st March 2021
Intangible assets under development	5.00	51.42
Total	5.00	51.42

Note: 2.4.(a) Intangible Assets under development aging Schedule

(₹ In Crore)

PARTICULARS	Amount in CWIP for a period of				
	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	5.00				5.00
Project temporarily suspended	-	-	-	-	-
Total	5.00	-	-	-	5.00

Note: 2.4.(b) Intangible Assets under development completion schedule

(₹ In Crore)

PARTICULARS	To be completed in				Total
	Less than 1 years	1-2 years	2-3 years	More than 3 years	
ERP Implementation	5.00	-	-	-	5.00
Project 2	-	-	-	-	-
Total	5.00	-	-	-	5.00

Note: Details of the project where activities has been suspended shall be given separately

Note : 2.4.1 INVESTMENTS

(₹ In Crore)

PARTICULARS	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
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) 5,50,000 (Previous Year 5,50,000) Equity shares of ₹ 10/- each fully paid up in NMDC Power Ltd.	0.55	-
Less: Investment deration	0.55	-
	-	-
iii) 10,000 (previous year Nil) equity shares of 10 each in Jharkhan Kolhan Steel Limited (JKSL)	0.16	-
Less: Investment deration	0.16	-
	-	-
iv) 20,00,000 (previous year NIL) 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 (Rs.324/- only)	-	-
Less: Investment deration	-	-
ii) 9,83,47,236 (Previous Year 9,83,47,236) Equity shares of ₹ 10/- each fully paid up in NMDC CMDC Ltd.		92.65
		94.09
iii) 15,26,74,600 (previous year 19,56,500) equity shares of ₹ 10/- each fully paid up in Bastar Railway Pvt. Ltd. (BRPL)		152.73
		153.19
iv) 25,500 (previous year 25,500) equity shares of ₹ 10/- each fully paid up in NMDC-SAIL Ltd.	-	0.03
Less: Investment deration	-	0.03
	-	-
v) 6,000 (Previous year 6,000) equity shares of ₹ 10/- each fully paid up in Jharkhand National Mineral Development Corporation Ltd.		-
		-
Investments in Associates :		
Unquoted at cost:		

PARTICULARS	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
i) 105,000 (previous year 105,000) Equity shares) of ₹ 10/- each fully paid up in Romelt SAIL India Ltd., New Delhi	0.11	0.11
Less: Investment deration	0.11	0.11
	-	-
ii) 37,88,59,405 (Previous year 33,63,57,143) Equity shares of ₹ 10/- each fully paid in International Coal Ventures (P) Ltd.	616.81	590.51
iii) 4,00,00,000 (P.Y 4,00,00,000) equity shares of ₹ 10/- each in Krishnapatnam Railway Co. Ltd fully paid	30.74	35.08
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 Nil) equity shares of ₹ 10/- each in Chhatishgarh Mega steel Ltd	-	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 ₹ 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, Bachel ₹ 5,000 (previous year ₹ 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 ₹ 2,500)	-	-
	0.02	0.02
Total	894.95	874.90
1. Aggregate amount of Quoted investments (Market value of quoted Investments)	-	-
2. Aggregate amount of Unquoted Investments	900.26	880.23
3. aggregate amount of provision for diminution in value investments	7.86	7.34

(*)The investment in NINL has become NIL since 2016-17 after adjustment of losses of NINL 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 31 st March 2022	Figures as at the end of 31 st March 2021
Loans to employees & outsiders	40.77	30.11
Loan to Subsidiaries	-	81.59
TOTAL	40.77	111.70
i) Considered Good, Secured	40.77	30.11
ii) Considered Good, Unsecured	-	-
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: 2.4.3 : Other Financial Assets

(₹ In Crore)

PARTICULARS	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Deposit with Others	181.82	147.47
TOTAL	181.82	147.47

Note: 2.5 Deferred tax assets (Net)

(₹ In Crore)

PARTICULARS	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
A. Deferred tax assets :		
1. Provision for bad & doubtful debts	744.82	606.44
2. Intangible Assets	(20.96)	(15.40)
3. Asset retirement obligation and spares	4.39	4.39
4. Investments	9.19	9.20
5. Others	31.50	37.14
Total Deferred Tax Assets	768.94	641.77
B. Deferred tax liability :		
1. Related to PPE	(235.94)	(231.82)
2. Accrued expenses	(2.05)	(1.67)
Total Deferred Tax Liability	(237.99)	(233.49)
Net Deferred Tax Assets	530.95	408.28

Note 2.6 : Other non-current Assets

(₹ In Crore)

PARTICULARS	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Capital Advances (*)	838.69	465.25
ITC Receivables	1,675.51	1,586.64
Mines Closure Fund with Life insurance Corporation	965.10	859.20
Other Advances (**)	788.68	784.82
Total	4,267.98	3,695.91

(*) Capital Advances includes an amount of ₹ 3.01 crore (P.Y ₹ 4.57 crore) towards doubling of railway lines between Jagdalpur and Ambagoan, also included payment of ₹ 246.51.(P.Y ₹ 241.27 crore) towards Tokisud Coal Block and payment of ₹ 73.16 crore (P.Y. ₹ 72.62) crore towards Rohne Coal Block.

(**) Includes an amount of ₹ 600 crore(P.Y. ₹ 600 crore), paid to South Bastar Dantewada under protest against the demand notice for Common Cause.

CURRENT ASSETS

■ Note: 2.7 INVENTORIES

(As Valued and Certified by the Management)

(₹ In Crore)

PARTICULARS	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Raw materials		
Iron Ore	1.42	4.44
Lime Stone	0.12	0.09
Bentolite	0.15	0.27
	1.69	4.80
Work-in-Process :		
Pellets	1.37	3.29
Diamonds	-	-
Sponge Iron	0.93	0.93
	2.30	4.22
Finished Goods:		
Iron Ore	1,887.19	672.47
Sponge Iron	0.01	0.01
Pellets	12.98	27.25
Ultra Pure Ferric Oxide NIL (Previous year ₹ 10/-)	-	-
Diamonds & Precious Stones	0.04	39.17
Total Finished Goods	1,900.22	738.90
Total	1,904.21	747.92
Stores & Spares	257.37	172.19
Loose tools and Implements	3.32	1.61
Total	260.69	173.80
G. Total	2,164.90	921.72
Inventories are valued at cost or NRV whichever is lower.		
1. Stores and Spares include:		
a) Stores-in-transit	4.16	3.65
b) Obsolete stores & spares valued at	0.01	0.01
Re1 per unit of their original value of ₹ 3.79 crore		
(previous year ₹ 3.75 crore)		

Notes: 2.8.1 Trade Receivables

(₹ In Crore)

PARTICULARS	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Considered Good, Secured	-	
Considered Good, Unsecured,	2,954.30	2,480.99
Which have significant increase in Credit Risk	-	
Credit impaired	2,932.14	2,043.33
Total (*)	5,886.44	4,524.32
Less: Provision for bad & doubtful trade receivables	84.45	17.87
Less: Provision for bad & doubtful (Monitoring Committee)	2,847.69	2,366.56
Total Povision	2,932.14	2,384.43
TOTAL	2,954.30	2,139.89

(*) i) Trade Receivables includes ₹ 4555.27 crore (Previous year ₹ 3,242.51 crore) dues from Monitoring Committee.

ii) Based on the arrangements between Company and Customers, the bills of the Customers amounting to ₹ 1236.17 crore (Previous year – Nil).

iii) Trade receivables includes:

a) For ₹ 681.43 crore (P.Y Nil) related to RINL which is not due as on 31st March 2022

b) For ₹ 987.23 crore related to Monitoring Committee which is not due as on 31st March 2022

Note: 2.8.1.1 Trade Receivables (Aging)

(₹ In Crore)

PARTICULARS	Outstanding for following periods from due date of payments (#)					
	Less than 6 months	6 months - 1 years	1-2 years	2-3 years	More than 3 years	Total
i) Undisputed Trade Receivables- Considered good	2,426.08	402.20	19.40	20.82	85.80	2,954.30
ii) Undisputed Trade Receivables- Which have significant increase in credit risk.						-
iii) Undisputed Trade Receivables- Credit Impaired						-
iv) Disputed Trade Receivables- Considered good						-
v) Disputed Trade Receivables- Which have significant increase in credit risk.						-
vi) Disputed Trade Receivables- Credit Impaired	225.43	255.70	221.92	188.27	2,040.82	2,932.14
Total	2,651.51	657.90	241.32	209.09	2,126.62	5,886.44

Note: Due date is the Date on which the amount of sales proceeds is due for claimed from the customer/ Monitoring Committee

Notes: 2.8.2 Cash and cash equivalents

(₹ In Crore)

PARTICULARS	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Cash in hand	-	0.01
Balance with Banks		
on current Accounts	86.56	411.71
On Deposit accounts (Original maturity less than 3 months)	34.86	52.38
Total	121.42	464.10

Notes :2.8.3 Bank Balances other than (ii) above

(₹ In Crore)

PARTICULARS	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Balance with bank on 'Deposits Accounts (original maturity more than 3 months but less than 12 months.(*))	7,769.24	5,358.51
Balance with bank for Unpaid Dividend	3.84	3.64
Balance with banks TDS on DIVIDEND - (F.Y 2020-21)	41.10	34.51
Bank deposits offered as security for Bank guarantees and letter of credit	42.69	1.06
Total	7,856.87	5,397.72

(*) Fixed Deposits of ₹ 1114.80 crore (P.YRs. 2,138 crore) pledged for availing OD Facilities.

Note: 2.8.4 Other Financial Assets

(₹ In Crore)

PARTICULARS	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Related Parties		
Advances to Directors	0.06	-
Loans/Advances to Subsidiaries/ Jv's/ Associates	126.80	46.28
Less: Prov. Made	9.35	2.76
	117.45	43.52
Deposits with Others	-	-
Employees and outsiders		
Advances to Employees and outsiders	427.93	357.26
Interest Accrued		
Accrued interest on deposits with banks	32.07	27.82
Accrued interest on Other	8.21	3.42
Other Receivables	22.66	22.21
Total	608.38	454.23

(*) Advance received by Monitoring Committee on behalf of NMDC ₹ 293.40 crore (P.Y ₹ 161.62 crore) against advance auction.

Note: 2.9 Current Tax Asset (Net)

(₹ In Crore)

PARTICULARS	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Advance Income tax & TDS	8,803.58	4,444.27
Less : Provision	7,903.46	4,187.22
	900.12	257.05
Total	900.12	257.05

■ **Note: 2.10 Other Current Assets**

(₹ In Crore)

PARTICULARS	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Advances to Employee and outsiders	712.20	726.98
Less: Provision for bad and doubtful advances	4.03	8.54
Net	708.17	718.44
Current Investments	5.90	3.58
ITC Receivables	489.96	242.84
Total	1,204.03	964.86

■ **Note: 2.11 Assets Held for disposal**

(₹ In Crore)

PARTICULARS	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Assets held for disposal	0.81	0.63
Total	0.81	0.63

■ **Note: 2.12 Equity Share Capital**

(₹ In Crore)

PARTICULARS	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
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:		
2,93,06,05,850 Equity Shares of Re.1/- each fully paid up (Previous year 30,61,849,659 Re.1/- each fully paid)	293.07	306.19
Less: Buyback of shares during the year Nil (Previous year 13,12,43,809 Equity shares of Re.1/- each fully paid up)	-	13.12
2,93,06,05,850 Equity Shares of ₹ 1/- each fully paid up (Previous year 2,93,06,05,850 of ₹ 1/- each fully paid)	293.07	293.07

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	31 st March 2022		31 st March 2021		% of Change
	% of shareholding	Number of shares	% of shareholding	Number of shares	% of change in No. of Shares
i) President of India	60.79	1,781,633,571	68.29	2,001,283,891	(10.98)
ii) LIC of India (incl all schemes)	14.16	414,885,432	13.46	394,591,074	5.14

b) Other Equity - 2.13

Particulars	Reserve & Surplus						
	General Reserve	Retained earnings	CRR	OCI	Capital Reserve	Total Owners Equity	Non-controlling interest
Balance as at 1 st April 2020	25,467.06	1,518.68	90.28	52.62	238.24	27,366.88	8.05
Profit for the year		6,277.01				6,277.01	(0.37)
Other Comprehensive Income net of tax				(121.08)		(121.08)	
Transfer to Capital Redemption Reserve (CRR)	(13.12)		13.12			-	
Buyback of shares (including transaction charges)	(1,687.50)					(1,687.50)	
Interim Dividends (2020-21)		(2,274.15)				(2,274.15)	
Foreign Exchange Translation Reserve (OCI)				27.60		27.60	3.07
Adjustment on consolidation		2.34		(0.12)		2.22	2.79
Transfer to General Reserve	3,900.00	(3,900.00)				-	
Total	2,199	105.20	13.12	(93.60)	-	2,224.10	5.49
Balance as at 31 st March 2021	27,666.44	1,623.88	103.40	(40.98)	238.24	29,590.98	13.54
Balance as at 1 st April 2021	27,666.44	1,623.88	103.40	(40.98)	238.24	29,590.98	13.54
Profit for the year		9,379.60				9,379.60	(0.55)
Other Comprehensive Income net of tax				40.98		40.98	
Interim Dividends (2021-22)		(4,319.72)				(4,319.72)	
Foreign Exchange Translation Reserve (OCI)				4.12		4.12	0.46
Adjustment on consolidation		(2.13)				(2.13)	
Transfer to General Reserve	5,000.00	(5,000.00)				-	
Total	5,000.00	57.75	-	45.10	-	5,102.85	(0.09)
Balance as at 31 st March 2022	32,666.44	1,681.63	103.40	4.12	238.24	34,693.83	13.45

NON-CURRENT LIABILITIES

Note 2.14.1 Borrowings (Non Current)

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
7.30% Non Convertible Debentures Series - 1	523.80	523.80
Interest Accrued on 7.30% Non Convertible Debenture Series - 1	1,144.42	-
Total	1,668.22	523.80

Note 2.14.2 Lease Liability

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Lease Liabilities	5.85	4.70
Total	5.85	4.70

Note 2.14.3 Financial Liability (Non- Current)

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Other Financial Liabilities	150.28	150.28
Total	150.28	150.28

Note 2.14.4 Provisions(Non- Current)

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Employee Benefits :		
Gratuity	0.11	0.09
Accrued leave	0.03	0.02
Long Service Reward	45.69	47.69
Mine closure Liability	1,043.75	897.62
Provisions for de-commissioning liability (ARO Obligation)	2.88	2.69
Total	1,092.46	948.10

Note: 2.15.1 Borrowings

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Interest Accrued on 7.30% Non Convertible Debenture Series - 1	22.63	22.63
Loan against FD/ Working Capital Loan (*)	1,788.05	1,448.04
Interest on Working Capital Loan	4.45	
Total	1,815.13	1,470.67

(*) Over Drafts availed by pledging Fixed Deposits is ₹ 1114.80 crore (P.Y ₹ 2,138 crore) and ₹ 1249 crore short term working capital loan from SBI.

Note: 2.15.2 Lease Liabilities

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Lease Liabilities	1.59	1.11
Total	1.59	1.11

Note: 2.15.3 Trade & Other Payables

(₹ In Crore)

Particulars	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Total outstanding dues of micro and small enterprises	26.70	12.66
Other than micro and small enterprises	940.83	348.12
Total	967.53	360.78

DISCLOSURE RELATING TO MICRO AND SMALL ENTERPRISES

i) (a). The principal amount remaining unpaid to the supplier as at the end of the year	26.70	12.66
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;		
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and		
(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.		

Note: 2.15.3.(I) Trade Payable (Aging)

(₹ In Crore)

PARTICULARS	Outstanding for following periods from due date of payments (#)				
	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
i) MSME	26.45	0.15	-	0.10	26.70
ii) Others	732.77	186.53	7.39	14.14	940.83
iii) Disputed Dues: MSME	-	-	-	-	-
iv) Disputed Dues: Others	-	-	-	-	-
Total	759.22	186.68	7.39	14.24	967.53

Note: Due date is the Date on which the amount to be paid to the vender, for supply of goods and services, upon receipt and acceptance.

Relationship with Struck off Companies

(₹ In Crore)

Name of the Struck Off Company	Nature of transaction	Transaction During the Year 31-Mar-2022	Balance Outstanding As at 31-Mar-2022	Relationship with the Struck off companies
Hima Marketing (P) Ltd	Payable	-	11,330.00	Vendor
Noice Elevators and Engineering Work	Payable	-	700.00	Vendor
PG Power System (P) Ltd	Payable	-	188,553.00	Vendor
Pioneer Tech Engineering Services	Payable	44,777.00	229,145.00	Vendor
Pratah India	Payable	-	3,242.00	Vendor
Techtrix Controls Chennai (P) Ltd	Payable	-	17,446.00	Vendor
Total		44,777.00	450,416.00	

Note: 2.15.4 Other Financial Liabilities

(₹ In Crore)

PARTICULARS	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Unpaid Dividend	3.84	3.64
Deposits from Suppliers, Contractors	318.59	308.43
Capital Creditors	756.67	982.82
Lease Liabilities	414.75	329.76
Total	1,493.85	1,624.65

■ Note : 2.16 Other Current Liabilities

(₹ In Crore)

PARTICULARS	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Contract Liabilities (*)	1,068.65	606.59
Other Payables	46.78	154.66
(like withholding and other taxes payable, amounts payable to employees and others)		
Statutory Dues	1,525.75	1,090.99
Total	2,641.18	1,852.24

(*)Advance deposited by cutomers with Monitoring Committee (on behaf of NMDC) ₹ 293.40 crore (P. Y ₹ 161.62 crore) against advance auction.

■ Note: 2.17 Provisions

(₹ In Crore)

PARTICULARS	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Employee Benefits :		
Accrued leave	0.74	0.50
Long service reward	2.35	2.50
Provision for gratuity, leave salary, family benefit scheme and post employment medical benefits	12.04	92.87
Provisions for de-commissioning liability (ARO Obligation)	-	
Total	15.13	95.87

■ **Note: 2.18 Revenue from operations**

(₹ In Crore)

PARTICULARS	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Sale of Products :		
Iron ore :		
Export through MMTC	9.19	1,749.69
Domestic		
Basic price	20,899.81	10,914.92
Royalty	3,605.94	1,960.16
Development Cess	65.26	52.92
Forest Permit Fee	43.51	35.28
Forest development Fee	-	-
District Mineral Fund (DMF)	865.27	467.40
National Mineral Exploration Trust (NMET)	57.68	53.33
Total Domestic	25,537.47	13,484.01
Total Iron Ore Sales	25,546.66	15,233.70
Sponge Iron	-	-
Diamonds	62.93	21.10
Sale of Power	4.99	5.17
Sale of Services	45.04	36.58
Sales of Pellets	222.11	73.50
Other operating revenue	-	0.01
Total	25,881.73	15,370.06

■ **Note: 2.19 Other Income**

(₹ In Crore)

PARTICULARS	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Interest Income:		
On Deposits with Banks	289.16	156.33
Others	139.79	82.81
	428.95	239.14
Gain in Exchange	0.96	0.01
Profit on sale/adjustment of assets	0.12	0.26
Profit on sale of Current investments(MUF)	16.74	19.66
Other non operating income	271.75	92.54
Total	718.52	351.60

■ **Note: 2.20 Consumption of Raw Materials**

(₹ In Crore)

PARTICULARS	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Iron ore	105.07	41.16
Coal	-	-
Lime Stone	0.86	0.45
Internal handling of raw materials	1.02	0.40
Total	106.95	42.01

■ **Note: 2.21 Changes in inventories of finished goods and work in progress** (₹ In Crore)

PARTICULARS	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Work-in-process:		
Balance as at the beginning of the Year	4.22	2.79
Less: Balance as at close of the Year	2.30	4.22
	1.92	[1.43]
Finished Goods:		
Balance as at the beginning of the Year	711.67	550.41
Less: Balance as at close of the Year	1,887.25	711.66
Less- Capital Inventory	41.11	
	(1,216.69)	(161.25)
Finished Goods: (Pellets)		
Balance as at the beginning of the Year	27.25	28.12
Less: Balance as at close of the Year	12.98	27.25
	14.27	0.87
Total	(1,200.50)	(161.81)

■ **Note: 2.22 Employee Benefit Expense** (₹ In Crore)

PARTICULARS	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Salaries, Wages & Bonus	908.29	808.78
Contribution to Provident fund and other funds		
Provident Fund, FPS & DLI	49.29	51.43
Pension Fund	42.89	36.95
Group Gratuity Fund	5.45	11.47
Staff Welfare Expenses (*)	331.15	176.61
Total	1,337.07	1,085.24

(*) Current period amount includes the compensation of ₹ 109,81 crore paid to NMDC EPF Trust towards investment defaults

■ **Note: 2.23 Power, Electricity And Water Charges** (₹ In Crore)

PARTICULARS	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Power charges	100.73	91.79
Electricity charges	18.12	15.64
Water charges	3.69	3.39
Total	122.54	110.82

■ **Note: 2.24 Repairs & Maintenance** (₹ In Crore)

PARTICULARS	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Buildings	32.30	30.36
Plant and Machinery	61.89	38.08
Vehicles	3.86	1.78
Others	94.18	65.80
Total	192.23	136.02

■ **Note: 2.25 Selling Expense**

(₹ In Crore)

PARTICULARS	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Railway freight	-	293.88
Export duty	0.96	182.55
Infrastructure Development cess	32.75	29.11
Environmental Development cess	32.75	29.11
Other selling expenses	161.28	160.62
Total	227.74	695.27

■ **Note: 2.26 Finance Cost**

(₹ In Crore)

PARTICULARS	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
i) Interest on Short term Borrowings	32.26	10.13
ii) Interest - Others	6.62	6.50
iii) Interest on deposit from contractors, suppliers & others	0.18	0.18
Total	39.06	16.81

(*)The Short term Borrowings is for meeting working capital requirement.

■ **Note: 2.27 Other Expenses**

(₹ In Crore)

PARTICULARS	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Rent	2.46	2.78
Insurance	8.14	7.94
Rates & Taxes	7.07	3.44
Directors' Travelling expenses	0.41	0.46
Directors, Sitting Fees	0.33	0.34
Payment to Auditors:		
As audit Fee	0.72	0.64
For taxation matters	0.04	0.03
For Management Services	-	0.03
For Other Services	0.42	0.38
For reimbursement of expenses	0.01	0.01
	1.19	1.09
Loss on sale/adjustment of Assets	1.99	1.00
Miscellaneous losses written off	1.04	0.20
Provision for doubtful debts/advances	559.70	234.31
Mine closure Obligation	146.11	97.10
Raising and Transportation	130.80	52.73
Local Area Development (Towards SPV in Karnataka)	481.13	221.92
Entertainment	2.90	1.40
Donations	-	150.00
Travelling & Conveyance	37.66	21.68
Advertisement & Publicity	21.83	12.37
Postage, Telephone & Telex	3.93	4.43

Stationery & Printing	2.26	2.36
Consultancy charges	11.35	18.04
CISF/Security guards	217.49	191.67
Safety expenses	0.23	0.34
Corporate Social Responsibility	287.33	158.62
Loss in Exchange variation (net)	0.04	0.06
Environmental Development	21.46	36.33
Other expenses	57.82	78.04
Exp. On Enabling Assets for the compnay	125.22	147.79
Total	2,129.89	1,446.45
(*) CSR Expenditure During the Year	287.33	158.62
CSR Expenditure as per Statutory obligation	130.00	130.00
CSR Expenditure made Voluntarily	157.33	28.62

■ Note: 2.28 Exceptional Items

(₹ In Crore)

PARTICULARS	Figures as at the end of 31 st March 2022	Figures as at the end of 31 st March 2021
Expenditure:	-	-
Total Expenditure	-	-
Total Expenditure/ (Income)	-	-

(*)There was a demand from CISF for payment of 'Risk and Hardship allowance for the periods 2009 onwards. An amount of ₹ 68.01 crore provided in the accounts 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 2022

(₹ In Crore)

PARTICULARS	Figures as at the end of 31 st March 2022		Figures as at the end of 31 st March 2021
	Income	Expenditure	
CURRENT TAX			
Current Tax on profit for the year	3,447.23		2,297.73
Adj. of current tax for prior period	260.53		343.20
Total current tax expenses	3,707.76		2,640.93
DEFERRED TAX			
Decrease/(increase) in defferred tax assets	(132.73)		(32.34)
Decrease/(increase) in defferred tax liabilities	-	10.06	21.13
Total defferred tax expenses/(benefit)	-	(122.67)	(11.21)
Total Expenditure	3,585.09		2,629.72

Particulars	Amount ₹ In crore	Tax - ₹ In crore	Tax %
Accounting profit before tax from continuing operations	12,974.24		
Profit/(loss) before tax from discontinued operations	(0.91)		
Accounting profit before income tax	12,973.33		
Tax at Income tax rate/Income tax rate		3,265.13	25.168
Tax effect of amount not deductible in calculating taxable income			
CSR exp.	287.33	72.32	0.557
Prov. For bad & doubtful exp.	559.70	140.87	1.086
Change in Depreciation	(124.70)	(31.38)	(0.242)
Provision for deration of inv. and advance	12.14	3.05	0.024
Investment allowance	-	-	-
Other items	(12.10)	(3.06)	(0.024)
Taxable income	13,695.70		
Current Tax on Profit for the year	3,446.93	3,446.93	26.569

NOTE 2.30 ADDITIONAL INFORMATION

(₹ In Crore)

	Figures as at the end of 31 st March 2022		Figures as at the end of 31 st March 2021	
2.30.1. Value of imports calculated on CIF basis:				
i. Components & Spare parts		1.65		2.22
ii. Capital Goods		46.08		2.94
2.30.2. Expenditure in foreign currency:				
i. Consultancy charges		-	0.00	0.00
ii. Others		0.08	4.28	4.28
2.30.3. Particulars of consumption of raw material				
Raw material	Value	Percentage	Value	Percentage
a) Imported	-	-	-	-
b) Indigenous	106.95	100	42.01	100
	106.95	100	42.01	100
2.30.4. Particulars of consumption of Stores & spares:				
Components & spare parts (including consumable stores)		Percentage	Value	Percentage
a) Imported	2.07	0.52	6.01	2.33
b) Indigenous	394.46	99.48	251.40	97.67
	396.53	100.00	257.41	100.00
2.30.5. Foreign Exchange earnings :				
	-	-	-	-

2.31 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, 2022	March 31, 2021
Legacy Iron Ore Limited	Australia	576,72,53,980	90.02%	90.05%
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	1,10,000	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 (Under closure)	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%
Neelachal Ispat Nigam Ltd	India	7,47,99,878	10.10%	10.10%
Chhattisgarh Mega Steel Ltd.	India	13,000	26%	26%

(*) NCLT, Hyderabad bench dissolved NMDC Power Limited vide order dated 14.10.2021

(**) NCLT, Kolkata bench disposed of Jharkhand Kolhan Steel Limited vide order dated 17.12.2021

(***) Company has been struck off by ROC vide order dated 16.08.2021

(#) Under Closure

D: Key Management Personnel: (Directors) as on 31/03/2022

Directors :

1. Shri Sumit Deb CMD
2. Shri Amitava Mukherjee Director (Finance)
3. Shri Somnath Nandi Director (Technical)
4. Shri Dilip Kumar Mohanty Director (Production) (w.e.f : 05.10.2021)
5. Shri P K Satpathy Director (Production) (up to : 31.08.2021)
6. Shri Alok Kumar Mehta Director (Commercial) (up to : 30.09.2021)

Company Secretary :

Shri A.S Pardha Saradhi

- i) The consolidated financial statements are drawn by considering unaudited financial statements of the above-mentioned subsidiaries for the year ended 31/03/2022 .
- ii) In respect of Associate companies, the consolidated financial statements are drawn by considering the unaudited financial statements for the period ending 31/03/2022

- iii) In respect of Joint Venture, the consolidated financial statements are drawn by considering the unaudited financial statements for the period ending 31/03/2022.
- iv) NMDC has infused ₹ 1.61 crore (Previous year ₹ 1.62 crore) in NMDC CSR Foundation (NCF) a not-for-profit company. NMDC CSR Foundation is a Not-for-Profit company (incorporated under Sec 8 of the Companies Act, 2013. The company is not being considered for consolidation in preparation of Consolidated Financial statements as per Ind-AS 110.

The following subsidiary/JV/Associate companies are not consolidated for the following reasons:

- a) The accounts of the subsidiary company i.e. NMDC SARL, Madagascar - 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.
- c) NMDC Power Limited (NPL) - Voluntary liquidation: The financials for the company have been prepared up to 28th Dec.2020 and liquidation accounts for the period from 29th Dec.2020 to 23rd March 2021. As the NCLT Hyderabad bench has ordered for dissolution vide order dated 14.10.2021, same is not considered for consolidation.
- d) Jharkhand Kolhan Steel Limited (JKSL) - Voluntary liquidation: The financials for the company have been prepared up to 18th Feb.2021. As the NCLT Kolkata bench has ordered for dissolution vide order dated 17.12.2021, same is not considered for consolidation.

ii. RELATED PARTY TRANSACTIONS

INR in crore

INVESTMENTS IN JOINT VENTURE COMPANIES (including advance against equity)

Particulars	OB 1.4.2021	Additions	Deletions	CB 31.3.2022
a) Investment:				
Kopano-NMDC Minerals (Proprietary) Limited (₹ 324/-)				
Jharkhand National Mineral Development Corporation Ltd	0.01	-	-	0.01
NMDC-CMDC Ltd, Raipur	98.35	-	-	98.35
NMDC-SAIL Ltd (Struck off)	0.03	-	0.03	-
Bastar Railway Pvt Ltd	152.67	-	-	152.67
Sub total	251.06	-	0.03	251.03
b) Investment Deration				
Investment Deration- NMDC-SAIL Ltd	0.03	-	0.03	-
Sub total	0.03	-	0.03	-
Total (Net)	251.03	-	-	251.03

LOANS AND ADVANCES TO JOINT VENTURES:

(₹ In Crore)

Particulars	OB 1.4.2021	Additions	Deletions	CB 31.3.2022
a) Loans & Advances:				
Kopano-NMDC Minerals (Proprietary) Limited (₹ 324/-)	0.10	-	-	0.10
Jharkhand National Mineral Development Corporation Ltd	0.07	0.01	-	0.08
NMDC-CMDC Ltd, Raipur	46.10	-	-	46.10
NMDC-SAIL Ltd	-	-	-	-
Bastar Railway Pvt Ltd	-	-	-	-
Sub total	46.27	0.01	-	46.28
b) Loans & Advances Deration:				
Advances Deration- Kopano NMDC	0.10	-	-	0.10
Sub total	0.10	-	-	0.10
Total (Net)	46.17	0.01	-	46.18

INVESTMENT IN ASSOCIATE COMPANIES:(including advance against equity):

(₹ In Crore)

Particulars	OB 1.4.2021	Additions	Deletions	CB 31.3.2022
a) Investment:				
Romelt-SAIL (India) Limited (under closure)	0.11	-	-	0.11
International Coal Ventures (Pvt) Ltd	376.36	2.50	-	378.86
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	2.50	-	519.58
b) Investment Deration:				
Investment Deration- Romelt-SAIL Ltd	0.11	-	-	0.11
Sub total	0.11	-	-	0.11
Total (Net)	516.97	2.50	-	519.47

LOANS AND ADVANCES TO ASSOCIATE COMPANIES:

(₹ In Crore)

Particulars	OB 1.4.2021	Additions	Deletions	CB 31.3.2022
a) Loans & Advances				
Neelanchal Ispat Nigam Ltd	81.60	2.67	3.75	80.52
Sub total	81.60	2.67	3.75	80.52
b) Loans & Advances Deration				
Neelanchal Ispat Nigam Ltd	-	-	-	-
Sub Total	-	-	-	-
Total (Net)	81.60	2.67	3.75	80.52

(₹ In Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Key Management Personnel:		
Key Managerial Personnel Remuneration	4.12	3.66

2.31.1 (V) Additional Information as Required by Schedule III of Companies Act 2013

Sl. No.	Name of the entity (% of Share)	Proportion of ownership interest as on 31 st March 2022	Net Assets (i.e Total assets minus Total liabilities)		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
			As % of consolidated net assets	Amount (₹ crore)	As % of consolidated Profit & Loss	Amount (₹ crore)	As % of consolidated	Amount (₹ crore)	As % of total comprehensive income	Amount (₹ Crore)
1	NMDC Limited (Equity Holder as Parent)		99.55%	34,843.97	100.20%	9,398.48	22.13%	9.07	99.86%	9407.55
2	Subsidiaries									
A)	Indian									
i)	J&K Mineral Development Corporation Limited, Jammu	95.86	0.022%	7.834	-0.01%	(0.90)	-	-	-0.01%	(0.905)
ii)	NMDC Power Ltd, Hyderabad	100	0.000%	-	0.00%	-	-	-	0.00%	-
iii)	Karnataka Vijaynagar Steel Limited	100	-0.005%	(1.915)	-0.01%	(0.70)	-	-	-0.01%	(0.701)
iv)	NMDC Steel Limited	100	0.000%	0.042	0.00%	(0.01)	-	-	0.00%	(0.009)
v)	Jharkhand Kolhan Steel Limited	100	0.000%	-	0.00%	-	-	-	0.00%	-
B)	Foreign									
i)	NMDC SARM, Madagascar	100								
ii)	Legacy Iron Ore Ltd, Perth, Australia	78.56	0.386%	135.142	(0.06)	(5.56)	5.13	2.10	-0.04%	(3.455)
iii)	Non-controlling Interests in all subsidiaries		0.038%	13.450	0.01	0.540	-	-	0.01%	0.540
3	Associates (Investment as per the equity method)									
A)	Indian									
i)	Romelt-Sail(India)Limited, New Delhi.	25	Equity Method	Equity Method						
ii)	International Coal Ventures Pvt. Ltd.	25.94	Equity Method	Equity Method	(0.06)	(6.010)	72.74%	29.810	0.25%	23.800
iii)	Nilachal Ispat Nigam Ltd, Bhubaneswar.	12.87	Equity Method	Equity Method	-	-	-	-	0.00%	-
iv)	Krishnapatnam Railway Co.Ltd, Secunderabad.	6.4	Equity Method	Equity Method	(0.05)	(4.340)	-	-	-0.05%	(4.340)
v)	Chhattisgarh Mega Steel Ltd.	26	Equity Method	Equity Method	-	-	-	-	0.00%	-

Sl. No.	Name of the entity (% of Share)	Proportion of ownership interest as on 31 st March 2022	Net Assets (i.e. Total assets minus Total liabilities)		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
			As % of consolidated net assets	Amount (₹ crore)	As % of consolidated Profit & Loss	Amount (₹ crore)	As % of consolidated	Amount (₹ crore)	As % of total comprehensive income	Amount (₹ Crore)
4	Join Ventures (Investment as per the equity method)									
A)	Indian									
i)	Jharkhand National Mineral Development Corporation Ltd, Ranchi	60	Equity Method	Equity Method	-	-	0	0.00%	-	-
ii)	NMDC-CMDC Ltd., Raipur	51	Equity Method	Equity Method	(0.02)	(1.44)	0	-0.02%	(1.44)	
iii)	NMDC SAIL Ltd	51	Equity Method	Equity Method	-	-	0	0.00%	-	-
iv)	Bastar Railway Pvt Ltd (BRPL)	52	Equity Method	Equity Method	(0.00)	(0.46)	0	0.00%	(0.46)	
B)	Foreign									
i)	Kopano-NMDC Minerals (Proprietary) Limited, Johannesburg, South Africa	50	Equity Method	Equity Method						
	Consolidated Adjustment		0.044%	15.28						
	Total			35,000.35		9,379.60		40.98		9,420.58

■ 2.32. Contingent liabilities and Commitments (to the extent not provided for)

A. Contingent liabilities

(₹ In Crore)

Particulars	As at 31 st March 2021	Additions	DeletionsW	As at 31 st March 2022
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.,	2,398.50	20.89	26.42	2392.97
B Claims by contractors under arbitration				
i. On capital account	910.35	353.01	38.06	1225.30
ii. On revenue account	5.24	1.03	-	6.27
C Other claims on company not acknowledged as debts	366.01	18.32	136.67	247.66
Total	3680.10	393.25	201.15	3872.20
		31st March 2022	31st March 2021	
1.2 Contingent liability on bills discounted/ LCs/BG's		2,640.73		1,269.30
a. Corporate Guarantee of USD 30 million submitted to EXIM bank on behalf of ICVL Maruritius in respect of short term working capital loan. (3.00*76.47*25.94/100		59.51		58.67

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 Benga Limitada, 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.

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 ₹ 487.37 Crore (from August 2008 to Sep-2011), the Company has deposited an amount of ₹ 121.84 Crore (25%) in cash which has been shown as amount recoverable and submitted a bank guarantee for similar amount. An amount of ₹ 365.53 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.

B. Commitments: (INR in crore)

(₹ In Crore)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
1.1 Estimated Amount of contracts remaining to be executed on Capital account	5,272.42	4,846.63
1.2 Other commitments- commitments to subsidiaries and JV	Nil	Nil

2.33 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 2022

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 2021						
Present value of obligation at the beginning of the year	359.54	224.12	13.77	526.28	36.69	30.37
Interest cost	23.46	15.25	-	35.79	-	-
Current service cost	9.44	25.50	-	28.20	-	-
Past service cost	-	-	-	-	-	-
Benefits paid/payable	(28.96)	(0.32)	(0.57)	(36.53)	(7.90)	(3.13)
Actuarial gain/loss on obligation	(6.51)	(26.99)	5.53	38.47	14.64	22.80
Present value of obligation at the end of the period	356.97	237.56	18.73	592.21	43.43	50.04
31st March 2022						
Present value of obligation at the beginning of the year	356.97	237.56	18.73	592.21	43.43	50.04
Interest cost	23.46	15.89	-	40.74	-	3.43
Current service cost	10.43	32.98	-	26.64	-	(1.48)
Past service cost	-	-	-	-	-	-
Benefits paid/payable	(29.78)	(9.34)	(0.49)	(57.80)	(23.73)	(3.83)
Actuarial gain/loss on obligation	(1.71)	(23.77)	0.67	(42.36)	31.71	(0.45)
Present value of obligation at the end of the period	359.37	253.32	18.91	559.43	51.41	47.71
B. Changes in the fair value of the Plan Assets as on						
31st March 2021						
Fair value of plan assets at the beginning of the year	307.64	162.95	41.59	432.88	40.26	-
Expected return on plan assets	19.95	4.25	2.85	36.91	3.78	-
Contributions	50.49	61.18	-	93.40	-	-
Benefits paid/payable	(28.96)	(0.32)	(0.57)	(36.53)	(7.90)	-
Actuarial gain/loss on plan assets	(0.01)	-	-	-	-	-
Fair value of plan assets at the end of the period	349.11	228.05	43.87	526.66	36.14	-

Particulars	Gratuity	Accrued Leave Salary	Settlement Allowance	Post retirement medical facilities	Family Benefit Scheme	Long Service Award
31st March 2022						
Fair value of plan assets at the beginning of the year	349.11	228.05	43.87	526.66	36.14	-
Expected return on plan assets	27.66	29.75	3.61	56.81	19.67	-
Contributions	6.03	9.52	-	65.55	7.29	-
Benefits paid/payable	(29.78)	(9.34)	(0.49)	(57.80)	(23.73)	-
Actuarial gain/loss on plan assets	-	-	-	-	-	-
Fair value of plan assets at the end of the period	353.02	257.98	47.00	591.22	39.37	-
C. Amounts recognised in the Balance sheet as on						
31st March 2021						
Present value of the obligations at the end of the year	356.97	237.56	18.73	592.21	43.43	50.04
Fair value of plan assets at the end of the year	349.11	228.05	43.87	526.66	36.14	-
Liability(+)/Asset (-) recognised in the balance sheet	7.86	9.51	(25.14)	65.55	7.29	50.04
31st March 2022						
Present value of the obligations at the end of the year	359.37	253.32	18.91	559.43	51.41	47.71
Fair value of plan assets at the end of the year	353.02	257.98	47.00	591.22	39.37	-
Liability(+)/Asset (-) recognised in the balance sheet	6.35	(4.66)	(28.09)	(31.79)	12.04	47.71
D. Amounts recognised in the Statement of P&L for the period ended						
31st March 2021						
Current service cost	9.44	25.50	-	28.20	-	-
Past service cost	-	-	-	-	-	-
Interest cost	23.46	15.25	-	35.79	-	-
Expected return on plan assets	(19.95)	(4.25)	(2.85)	(36.91)	(3.78)	-
Net actuarial gain/loss recognised in the year (OCI)	(6.50)	(26.99)	5.53	38.47	14.64	22.80
Total	6.45	9.51	2.68	65.55	10.86	22.80
31st March 2022						
Current service cost	10.43	32.98	-	26.64	-	(1.48)
Past service cost	-	-	-	-	-	-
Interest cost	23.46	15.89	-	40.74	-	3.43
Expected return on plan assets	(27.66)	(29.75)	(3.61)	(56.81)	(19.67)	-
Net actuarial gain/loss recognised in the year (OCI)	(1.71)	(23.77)	0.67	(42.36)	31.71	(0.45)
Total	4.52	(4.65)	(2.94)	(31.79)	12.04	1.50

E. PRINCIPAL ACTUARIAL ASSUMPTIONS :

DESCRIPTION	2021-2022	2020-2021	2019-2020
i. Discount Rate	7.32%	6.80%	6.80%
ii. Mortality Rate	IALM (2012-14 Till age 60 and IIAMT (2012-15) Thereafter	IALM (12-14)	LIC 1994-96 ultimate
iii. Medical Cost Trend rates	5%	5%	5%
iv. Withdrawal rate	1%	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	1% Decrease	1% Increase	1% Decrease
	31/3/2022	31/3/2022	31/3/2021	31/3/2021
A Effect of 1% Change in the Assumed Discount Rate	331.88	391.31	328.37	390.44
1. Effect on DBO	(7.60)	8.90	(8.00)	9.40
A Effect of 1% Change in the Assumed Salary Rate	371.38	346.06	367.23	346.73
2. Effect on DBO	3.10	(3.70)	2.90	(2.90)
A Effect of 1% Change in the Assumed Attrition Rate	366.70	351.07	359.76	353.92
3. Effect on DBO	2.00	(2.30)	0.80	(0.90)

b) Accrued Leave Salary

DESCRIPTION	1% Increase	1% Decrease	1% Increase	1% Decrease
	31/3/2022	31/3/2022	31/3/2021	31/3/2021
A Effect of 1% Change in the Assumed Discount Rate	228.39	248.98	208.71	247.31
1. Effect on DBO	(4.20)	4.50	(7.90)	9.20
A Effect of 1% Change in the Assumed Salary Rate	249.05	228.14	247.08	208.58
2. Effect on DBO	4.60	(4.20)	9.10	(7.90)
A Effect of 1% Change in the Assumed Attrition Rate	238.09	238.31	227.11	225.92
3. Effect on DBO	-	-	0.20	(0.30)

c) Post Retirement Medical Facilities

DESCRIPTION	1% Increase	1% Decrease	1% Increase	1% Decrease
	31/3/2022	31/3/2022	31/3/2021	31/3/2021
A Effect of 1% Change in the Assumed Discount Rate	505.02	624.89	534.39	661.92
1. Effect on DBO	(9.72)	11.70	(9.76)	11.77
A Effect of 1% Change in the Assumed Medical Inflation rate	612.27	511.89	648.11	541.92
2. Effect on DBO	9.45	(8.50)	9.44	(8.49)

(G) Defined benefit liability

(₹ In Crore)

The weighted average duration of the defined benefit obligation is 6.90 years for Leave encashment benefit, 9.40 years for gratuity scheme as on 31 March 2022. The expected maturity analysis of gratuity and compensated absences is as under :

DESCRIPTION	Less than a year	Between 2 - 5 years	between 5 -10 years	Over 10 years	Total
31 March 2022					
Gratuity scheme	39.59	99.99	142.99	76.80	359.37
Accrued leave salary	47.48	105.39	100.45	-	253.32
Post retirement medical benefits	26.64	88.18	263.64	212.76	591.22
Total	113.71	293.56	507.08	289.56	1,203.91

The weighted average duration of the defined benefit obligation is 13.61 years for Leave encashment benefit, 14.07 years for gratuity scheme as on 31 March 2021. The expected maturity analysis of gratuity and compensated absences is as under :

(₹ In Crore)

	Less than a year	Between 2 - 5 years	between 5 -10 years	Over 10 years	Total
31 March 2021					
Gratuity scheme	33.54	99.00	162.47	61.96	356.97
Accrued leave salary	19.88	62.33	109.76	45.59	237.56
Post retirement medical benefits	28.20	127.62	244.81	126.03	526.66
Total	81.62	288.95	517.04	233.58	1,121.19

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.

Reputable 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	25,546.66	15,233.71	333.94	135.94	1.13	0.41	25,881.73	15,370.06
Inter-Segment Sales	83.06	-	-	-	(83.06)	-	-	-
Total Revenue	25,629.72	15,233.71	333.94	135.94	(81.93)	0.41	25,881.73	15,370.06
2. RESULT								
Segment Result	13,198.63	9,258.16	(71.10)	(132.81)	(232.74)	(189.43)	12,894.79	8,935.92
Unallocated Corporate Exps							(311.22)	(261.83)
Operating Profit							12,583.57	8,674.09
Finance Cost							(39.06)	(16.81)
Interest Income							428.82	238.77
Income Taxes							(3,582.02)	(2,648.58)
Non-controlling Interest							0.55	0.37
Share of associates							(12.26)	29.17
Net Profit							9,379.60	6,277.01
3. OTHER INFORMATION								
Segment Assets	10,794.12	7,607.88	474.32	561.03	33,052.18	28,352.60	44,320.62	36,521.51
Segment Liabilities	3,603.05	2,674.67	49.46	40.79	6,198.71	4,316.74	9,851.22	7,032.20
Additions to assets during the year :								
Tangible Assets	320.29	69.61	3.48	3.07	794.68	207.98	1,118.45	280.66
Intangible Assets	13.81	84.99	-	1.37	48.65	0.02	62.46	86.38
ROU Assets	0.00	-	-	-	2.63	1.19	2.63	1.19
Depreciation and Amortisation expenses during the year	215.04	180.01	51.74	35.06	20.95	13.47	287.74	228.54
Impairment reversal/provided	-	-	-	-	-	-	-	-
Non-Cash expenses other than Depreciation & amortization	554.12	226.66	0.02	0.02	6.60	7.83	560.74	234.51

Geographical Segments

Sales Revenue by location of Customers:

(₹ In Crore)

	Curr. Year	Prev. Year
Revenue from External customers		
- Domestic	25,872.54	13,620.37
- Export : Through MMTC	9.19	1,749.69
Total	25,881.73	15,370.06

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	27,957.78	24,164.98	972.56
Telangana & Andhra Pradesh	12,504.35	9,668.37	100.70	-6.11
Others	3,858.49	2,688.17	107.65	109.90
Total	44,320.62	36,521.51	1,180.91	367.04

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)

Segment	Year ended	
	31-Mar-22	31-Mar-21
Type of goods or service		
Sale of goods		
-Iron ore	25,546.66	15,233.70
-Sponge iron	-	-
-Diamonds	62.93	21.10
-Sale of pellets	222.11	73.50
-Sale of power	4.99	5.17
Sale of services		
-Sale of services	45.04	36.58
Others		
Other operating revenue	-	0.01
Total revenue from contracts with customers	25,881.73	15,370.06
India	25,872.54	13,620.37
Outside India	9.19	1,749.69
Total revenue from contracts with customers	25,881.73	15,370.06
Timing of revenue recognition		
Goods transferred at a point in time	25,836.69	15,333.48
Services transferred over time	50.03	41.75
Total revenue from contracts with customers	25,886.72	15,375.23

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-22		31-Mar-21	
	Sale of goods	Sale of services	Sale of goods	Sale of services
Revenue				
External customer	25,836.69	45.04	15,333.48	36.58
Inter-segment	83.06	-	-	-
Inter-segment adjustment and elimination	83.06	-	-	-
Total revenue from contracts with customers	25,836.69	45.04	15,333.48	36.58

b) Contract balances

(₹ In Crore)

	31-Mar-22	31 March 2021 (Restated)	01 April 2021 (Restated)
	INR crores	INR crores	INR crores
Trade receivables	2,954.30	2,139.89	-
Contract assets	-	-	-
Contract liabilities	1,068.65	606.59	-

Trade receivables are non-interest bearing . In March 2022, ₹ 2932.14 crore (March 2021: ₹ 2384.43 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

Property Plant and equipment's (Accounting Policy no. 1-1.2-v) :

In order to bring more clarity, following para is added to the accounting policy at Para 1.2.v and it has Nil Impact on the financials of the company.

Spare parts, Standby equipment and service equipment meeting the definition of PPE and having value of more than ₹ 20 lakh in each case, are capitalized as and when available for use.

2.33.5 Earnings per share (IND AS-33)-: The details are as under: (₹ In Crore)

Particulars	Year ended	
	31 st March 2022	31 st March 2021
1. Profit after Tax (INR in Crore)	9,379.60	6,277.01
2. No of Equity shares	293,06,05,850	293,06,05,850
3. Nominal value per Equity share (₹)	1	1
4. Basic and Diluted Earnings per share (₹) [*]	32.00	20.70

Note: [*] The earnings per share (EPS) of Previous year ended 31st March 2021 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) :

Silica Sand Project, Lalapur

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.

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:

Particulars	(₹ In Crore)	
	As at 31-Mar-2022	As at 31-Mar-2021
Silica Sand Project, Lalapur		
Carrying value of Assets	0.29	0.29
Carrying value of liabilities	0.90	0.88
Screening Plant -Vizag		
Carrying value of Assets	0.86	0.86
Carrying value of liabilities	0.29	0.29

The following statement shows the revenue and expenses of discontinued operations:

(₹ In Crore)

Particulars	For the year ended 31-Mar-2022	For the year ended 31-Mar-2021
A. Revenue		
Revenue from operations		
Other income	-	2.54
Total Revenue	-	2.54
B. Expenses		
Power, Electricity and Water	0.23	0.27
Repairs and Maintenance	-	0.08
Depreciation & Amortisation	-	0.11
Other expenses	0.68	1.55
Total Expenses	0.91	2.01
C. Profit(+)/Loss(-) from discontinued operations before tax (A-B)	(0.91)	0.53

2.33.8 Intangible Assets (IndAS-38) : R&D

The Research & Development expenditure, charged to Statement of Profit & Loss during the year is ₹ 27.16 crore (previous year ₹ 27.40 crore). It includes R&D net expenditure of ₹ 25.74 crores (PY ₹ 26.45 crores) and expenditure of ₹ 1.42 crores (PY ₹ 0.95 crores) on feasibility studies.

The amount of revenue expenditure incurred at Research & Development unit, Hyderabad is as under:

(₹ In Crore)

Head of account	2021-22	2020-21
Consumption of Stores and Spares	0.16	0.16
Power, Electricity & Water	0.82	0.76
Employee benefit expense	17.40	17.04
Repairs and Maintenance	2.01	0.59
Other expenditure	3.92	5.68
Depreciation & Amortisation	2.77	2.84
Total expenditure	27.08	27.07
Less : Other income	1.34	0.62
Total net R&D expenditure	25.74	26.45

During the year, at R&D unit, the additions to tangible assets (except land and buildings) are ₹ 3.97 crore. (Previous year ₹ 1.80 crore).

2.33.9 Joint Ventures (IndAS-28) Jointly Controlled entities:

Sl no	Name of the Joint Venture	Country of Incorporation	Proportion of ownership 2021-22	Proportion of ownership 2020-21
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 (Struck off)	India	51%	51%
5	Bastar Railway Pvt Ltd	India	52%	52%

(*) Under Closure

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 considered for impairment in this financial year is ₹ 16.56 crore:

INR in crore

Unit	Year of impairment	Impaired Amount as on 01-04-2021	Adjustments during 2021-22			Impaired Amount as on 31-03-2022
			Reversal	Deletion	Addition	
SSP, Lalapur	2005-06	12.54	--	-	--	12.54
SAF Plant at Sponge Iron Unit	2004-05	15.48	-	-	-	15.48
SIIL- Paloncha	2019-2020	3.37	-	-	-	3.37
SIIL- Paloncha	2021-2022	-	-	-	4.40	4.40
DMP, Panna	2021-2022	-	-	-	9.35	9.35
Windmill- Donimalai	2021-2022	-	-	-	2.81	2.81
Total		31.39	-	-	16.56	47.95

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 fair value as assessed by the approved Valuer.
3. In case of SIIL plant, Impairment is based on the assessed fair 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. up to 30.06.2020. Consequently, Forest Clearance was extended up to lease validity as per MoEF&CC Circular dated 01.04.2015. After extension of supplementary mining lease by Government of Madhya Pradesh up to 30.06.2040, the Forest Clearance has also been extended up to 30th June 2040 vide letter no. F-5-11/2021/10-3 dated 6th January 2021 issued by Forest Department, Madhya Pradesh. However, the operation is stalled for want of wildlife clearance. Since the unit is not in operation since 01.01.2021, the assets of DMP Panna are impaired leaving the Land and Scheme Assets to employees. The residual value is considered as Nil for all assets except vehicles where 5% of gross block is considered as a realisable value as per the accounting policy.
5. Since the Windmill (BN-04) (Cash Generating Unit) is not in operation as on 31.03.2022 due to fire accident on 27.05.2021, net block of the unit is impaired after considering the realisable value of ₹ 0.80 crores as per the assessment of O&M Contractor M/s.Suzlon.

2.33.11 Provisions, Contingent Liabilities and Contingent Assets (IndAS-37) :

Necessary details in regard to provisions have been disclosed in notes 2.14.3,2.17& 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-2022	As at 31-Mar-2021
J&K Mineral Development Corporation Limited, Jammu	23.10	22.09
NMDC Power Ltd, Hyderabad	-	-
Jharkhand Kolhan steel Limited	-	-
Karnataka Vijayanagar Steel Limited	642.22	641.99
NMDC Steel Limited	-	-
NMDC CSR Foundation	-	-
Total	665.32	664.08
Advances derated / Provision made - JKMD	23.10	16.51

INR in crore

Name of the Joint Venture	Maximum Balance outstanding	
	As at 31-Mar-2022	As at 31-Mar-2021
Kopano-NMDC Minerals (Proprietary) Limited	0.10	0.10
Jharkhand National Mineral Development Corporation Ltd.	0.08	0.07
NMDC-CMDC Ltd., Raipur	43.10	46.10
Bastar Railway Pvt. Ltd.	-	-
Total	43.28	46.27
Advances derated / Provision made - Kopano	0.10	0.10

2.34.2 There are no Investments by the loanees as mentioned in 2.34.1 in the shares of NMDC Ltd.

2.34.3: Loans to Associate Companies

INR in crore

Name of the Associates	Maximum Balance outstanding	
	2021-22	2020-21
Neelachal Ispat Nigam Ltd	84.27	81.60
Total	84.27	81.60

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 Income Tax :

- After completion of the assessment for the A.Y. 2019-20, NMDC has received a demand for ₹ 204.56 Crores on 28.09.2021. NMDC has filed an appeal before the CIT(A) for ₹ 196.71 crore the demand of ₹ 204.56 Crores is shown under earlier years tax expenses in the accounts of F.Y. 2021-22. The net impact in earlier tax expenses, including adjustment pertaining to other cases, is ₹ 260.53 Crore.
- The Current Tax assets (net) (note no. 2.9) includes an amount of ₹ 325.26 crore of receivable from Income Tax Department under Vivad Se Vishwas (VsV), towards settlement of all disputed Income tax cases up to assessment year 2017-18.

2.35.2 Enabling Facilities:

During the year an amount of ₹ 2.99 crore (PY- ₹ 24.51 crores) and ₹ 122.25 crore (PY- ₹ 123.30 crores) is utilised by Railways for the doubling of Railway line between Jagdalpur to Ambagaon and Kirandul to Jagdalpur respectively and the total amount of ₹ 125.24 crore (PY – ₹ 147.81 crores) is included in "Other Expenses".

2.35.3 Demerger / Disinvestment of NISP:

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. Further, NMDC Board in its meeting dated 13.07.2021, has approved the scheme of arrangement for Demerger between NMDC Limited and NMDC Steel Limited wherein 3 MTPA Steel Plant at Nagarnar of NMDC Limited will be transferred to NMDC Steel Limited.

Accordingly, after obtaining NOC from the Stock Exchanges, an application was filed by the Company with Ministry of Corporate Affairs (MCA) in January 2022. MCA, vide its Order dated 11.04.2022 has accepted the application filed by the company and directed for convening the meeting of Unsecured Creditors and Share holders of Demerged Company. Accordingly, notices have been issued to the Unsecured Creditors and Share holders for the meeting to be held on 7th of June 2022.

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 ₹ 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.

Gross value of Spare parts, stand by equipment and service equipment meeting the definition of PPE capitalised during the Year 2021-22 is ₹ 42.77 crore.

2.35.5 NMET:

As per the Gazette Notification dated 27th March 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 High 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.

2.36.6 Dues from Monitoring Committee- Donimalai complex in Karnataka:

The total trade receivables from Monitoring Committee as on 31st March 2022 is ₹ 4,555.27 crores (PY- ₹ 3,242.52 crores) . This includes regular dues of ₹ 1707.58 crore and ₹ 2,825.51 crore towards 10% of sales proceeds retained by Monitoring Committee for the period from 4th October 2011 to 31st March 2022 pending directions from Hon'ble Supreme Court. Further, an amount of ₹ 22.18 crore is long pending towards supply of Low Grade Fines for which provision is made. Company has made a total provision of ₹ 2,847.69 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 show cause notices dated 26.09.2019 were received for a revised amount of ₹ 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 ₹ 1,623.44 Crore [Bacheli - ₹ 1,131.97 Crore & Kirandul ₹ 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 ₹ 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. Revision application with Mines Tribunal, Ministry of Mines, Government of India New Delhi is heard on 09.03.2022 wherein the representatives of State Government were directed to file comments/ para wise reply within two weeks.

The demand amount of ₹ 1,623.44 crores has been shown under 'Contingent Liabilities'.

2.35.8 Allotment of Coal Block

Tokisud North Coal Mine

Ministry of Coal declared NMDC as a successful allottee for Tokisud North coal mine, in Jharkhand, on 16.12.2019. Allotment Agreement is signed on 24.12.2019 and Allotment order issued on 17.08.2020. NMDC paid the fixed Cost of ₹ 224.77 crores (PY- ₹ 224.77 crore) & upfront amount of ₹ 21.60 crore (PYRs.16.20 crore) up to 31.03.2022. All the

amounts paid up to 31.3.2022 are included under Capital Advances (Note 2.6). NMDC submitted a Bank guarantee of ₹ 71.09 crore Pending execution of lease deed. Mine Developer cum Operator (MDO) has been appointed on 16.09.2021. Company has obtained Transfer of Environmental clearance and Forest Clearance (State-II). The Company is in the process of obtaining Mining lease, transfer of Free hold land and lease hold land.

Rohne Coal Mine

Ministry of Coal declared NMDC as a successful allottee for Rohne Coal Mine, in Jharkhand, on 17.03.2020. Allotment Agreement of the coal mine is signed on 17.02.2021 and allotment order issued on 18.06.2021. NMDC paid the fixed Cost of ₹ 39.46 crore & upfront amount of ₹ 33.15 crore up to 31.03.2022. All the amounts paid up to 31.3.2022 are included under Capital Advances (Note 2.6). Company has submitted a Bank guarantee of ₹ 405.17 crore Pending execution of lease deed. Company has obtained Transfer of Environmental clearance and Forest Clearance (Stage-I). Company is in the process of complying conditions given in stage-1 forest clearance.

2.35.9 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.

2.35.10 Impact due to amendment in MMDR Act :

Govt. of India has amended the MMDR Act 1957 on 28.03.2021 and as per the 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 Act for the mineral produced after the commencement of the MMDR Act 2021. For such Mining Leases of Iron Ore, an additional amount equivalent to 150% of the Royalty will be payable. The additional amount shall be in addition to royalty or payment to the District Mineral Foundation (DMF) and National Mineral Exploration Trust (NMET) or any other statutory payment. This amendment is applicable w.e.f 28.3.2021.

This amendment is applicable to all the Iron Ore Mines of NMDC except Kumaraswamy Iron Ore Mines at Karnataka wherein the lease was extended before the commencement of MMDR Amendment Act 2015.

The impact of this amendment on the Financials of F.Y 2021-22 is ₹ 5,084.32 crores (PY- ₹ 149 crores) which is included under Royalty and other levies.

2.35.11 CSR Expenditure :

- a) Gross amount required to be spent by the company during the year is ₹ 148.15 crore (2% of the last three years average PBT ₹ 7407.49 crore), (Previous Year ₹ 130.00 crore (2% of the last three years average PBT ₹ 6499.95 crore).
- b) Amount spent during the year on account of CSR activities is ₹ 287.33 crore. (Previous Year ₹ 158.62 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	287.33	-	287.33
a) Shortfall at the end of the year	:	Nil	
b) Total of previous years shortfall	:	Nil	
c) Reason for shortfall	:	Not Applicable	

- f) Nature of CSR Activities : Education, Health & Hygiene, Nutrition, Drinking Water, Rural Development, Skill Development & Income Generation, Promotion of Sports, Protection of Culture & Heritage, Flood Relief & Natural Calamities, Environment and Others
- g) Details of related party transaction – ₹ 1.62 Crore Grants made in NMDC CSR Foundation by the company in relation to CSR Expenditure
- h) Where a provision is made with respect to a liability incurred by entering a contractual obligation, the movement in the provision during the year should be shown separately – NIL

2.35.12 TERM Loan:

NMDC Board in its 525th meeting held on 10.12.2019 has accorded approval for borrowing up to a limit of ₹ 5,000 crores for capex requirements of the company by raising terms loans from Banks/ Financial Institutions etc., Accordingly, Rupee term Loan facility (RTL) of ₹ 4476.20 crores was availed from State Bank of India (SBI) for part funding of Nagarnar Integrated Steel Plant (NISIP), at an interest rate fixed at 7.10% p.a till the Date of Commencement of Commercial Operation and there after 15 bps above the six months MCLR. NMDC, as a security, has hypothecated the entire Fixed Assets of the Project (NISIP) including Plant and Machinery, equitable mortgage of Land & Building (except forest land) and First charge on the entire cash flows of the NISP. The availability period of the loan is 6 months from the Date of commencement of Commercial Operation repayable in 30 quarterly instalments. The common Loan agreement has been entered on 10.06.2021 with SBI for RTL not exceeding ₹ 4476.20 crore and a drawdown of ₹ 1144 crores has been made till 31.03.2022 against the loan .

2.35.13 Bill Discounting:

During the year, Company discounted the Trade Receivables with the banks amounting to ₹ 1236.15 crores (Previous year – Nil) with recourse to the Company. In case of any claim on the company from the Banks, entire amount shall be recovered from the Customers. This is shown under contingent liabilities.

2.35.14 General:

- 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.
- The goodwill of ₹ 93.89 crore is tested for impairment and concluded that as the project is still in exploration stage, it is too early to consider impairment loss on goodwill.
- Some of the balances appearing under Trade receivables, Trade payables, advances, Security deposits and other payables are subject to confirmations.
- 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. 2.35.15 : Fair Value Measurement

Financial instruments by category

	As at March 22			As at March 21		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets						
Investments						
Trade receivables			2,954.30			2,139.89
Cash and cash equivalents			121.42			464.10
Other bank balances			7,856.87			5,397.72
Loans			40.77			111.70
Other financial assets			608.38			454.23
Total	-	-	11,581.74	-	-	8,567.64

	As at March 22			As at March 21		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial liabilities						
Borrowings			1,815.13			1,470.67
Trade payables			967.53			360.78
Lease Liability			1.59			1.11
Other financial liabilities			1,493.85			1,624.65
Total	-	-	4,278.10	-	-	3,457.21

- (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 2022, and 31 March 2021, 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 2022, and 31 March 2021, respectively, are not included.

The carrying amounts of above financial assets and liabilities are considered to be same as their fair values, due to their short-term nature.

Note No: 2.35.16 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 2022 (₹ In Crore)

Ageing	< 6 months	6-12 months	>12 months	Total
Gross carrying amount	2,651.51	657.90	2,577.03	5,886.44
Expected loss rate	8.50%	38.87%	95.11%	49.81%
Expected credit losses (loss allowance provision)	225.43	255.70	2,451.01	2,932.14
Carrying amount of trade receivables (net of impairment)	2,426.08	402.20	126.02	2,954.30

Year ended 31 March 2021 (₹ In Crore)

Ageing	< 6 months	6-12 months	>12 months	Total
Gross carrying amount	2,043.33	196.16	2,284.83	4,524.32
Expected loss rate	6.14%	48.79%	94.68%	52.70%
Expected credit losses (loss allowance provision)	125.51	95.70	2,163.23	2,384.43
Carrying amount of trade receivables (net of impairment)	1,917.82	100.46	121.60	2,139.89

iii. Reconciliation of loss allowance provision - trade receivables (₹ In Crore)

Loss allowance on 1 April 2020	1,958.15
Changes in loss allowance	426.28
Loss allowance on 31 March 2021	2,384.43
Changes in loss allowance	547.71
Loss allowance on 31 March 2022	2,932.14

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 ₹ 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 2022	31 March 2021
Flexible rate		
Expiring within one year (bank overdraft and other facilities)	467.00	585.50
Working capital Limits with Banks	1,249.00	635.00

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 2022	On demand	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
Borrowings	-	1,815.13	-	-	-	-	1,815.13
Trade payables	630.92	128.81	86.14	121.66	-	-	967.53
Lease Liability		0.50	0.72	0.37			1.59
Other financial liabilities	316.57	185.92	162.67	828.69	-	-	1,493.85
	947.49	2,130.36	249.53	950.72	-	-	4,278.10

Year ended 31 March 2021	On demand	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
Borrowings	-	1,448.04	-	-	-	-	1,448.04
Trade payables	537.26	63.32	-	-	-	-	600.58
Other financial liabilities	500.99	250.21	236.57	642.10	-	-	1,629.87
	1,038.25	1,761.57	236.57	642.10	-	-	3,678.49

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. : 2.35.17 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.

b) Dividends

(₹ In Crore)

	31 March 2022	31 March 2021
(i) Equity shares		
Final dividend for the year ended 31 March 2022 of ₹ Nil (31 March 2021: NIL) per equity share.	-	-
Interim dividend for the year ended 31 March 2021 of ₹ 14.74 (31 March 2021: ₹ 7.76) per fully paid share	4,319.72	2,274.15
Particulars		
	31 March 2022	31 March 2021
Net Debt (excluding short term) [*]	1733.76	0
Total equity	35,000.35	29,897.59
Net debt to equity ratio	0.05	-

(*) Debt included NCDs issued for ₹ 523.80 crore and accrued interest on NCD ₹ 23.63 crore

2.35.18 Analytical Ratios

The following are analytical ratios for the year ended 31st March 2022

Sl. No.	Particulars	Numenators	Denominators	31 st March 2022	31 st March 2021	Variance (in %)
1	Current Ratio	Current Assets	Current Liabilities	2.28	1.96	16.33
2	Debt - Equity Ratio [*1]	Total Debt	Shareholder's Equity	0.10	0.07	42.86
3	Debt Service Coverage Ratio	Earnings Available for Debt services	Debt Services	2.70	3.18	(15.09)
4	Return on Equity (ROE) [*2]	(Net Profit After Tax - Preference Dividend (if any))	Average Shareholder's Fund	0.29	0.22	31.82
5	Inventory Turnover Ratio	Cost of Goods sold or Sales	Average Inventory	19.52	23.10	(15.50)
6	Trade receivables turnover ratio	Net Credit Sales	Avg. Accounts Receivables	10.16	7.04	44.32
7	Trade Payable Turnover Ratio	Net Credit Purchases	Average Trade Payables	1.46	1.23	18.70
8	Net Capital Turover Ratio	Net Sales	Working Capital	2.92	2.96	(1.35)
9	Net Profit ratio	Net Profit	Net Sales	0.36	0.41	(12.20)
10	Return on Capital employed (ROCE)	Earning before interest and taxes	Capital employed	0.35	0.29	20.69
11	Return on investment (ROI) [*3]					
	Unquoted	Income Generated from Investments	Time weighted average investments	-	-	
	Quoted	Income Generated from Investments	Time weighted average investments	-	-	

[*1] 1) Increase in Long term Borrowings :- Trust & Retention Accounts to ₹ 1144 crore (P.Y Nil)

2) Increase in Short term Borrowings :- OD on FD ₹ 1815 crore (P.Y ₹ 1471 crore)

[*2] Increase in Net profit of the company by 51% over the previous year

[*3] Only Long term investment are considered

NOTICE

Notice is hereby given to the Members of NMDC Limited that the 64th Annual General Meeting (AGM) of the Company will be held on Monday the 29th August 2022 at 11.30 (A.M.) hours IST through video conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.

A. ORDINARY BUSINESS:

1. To receive, consider and adopt (a) the Audited Standalone Financial Statements of the Company for the financial year ended 31st March 2022 together with the reports of the Board of Directors', Statutory Auditor and Comptroller and Auditor General of India thereon; and (b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2022 together with the reports of Statutory Auditor and Comptroller and Auditor General of India thereon and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolutions as an **Ordinary Resolutions**:
 - (a) **"RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the financial year ended 31st March 2022 together with the reports of the Board of Directors', Statutory Auditor and Comptroller and Auditor General of India thereon as circulated to the Members be and are hereby considered and adopted."
 - (b) **"RESOLVED THAT** the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2022 together with the reports of Statutory Auditor and Comptroller and Auditor General of India thereon as circulated to the Members be and are hereby considered and adopted."
2. To approve and ratify the payment of interim Dividend of ₹ 9.01ps. and second interim Dividend of ₹ 5.73ps. per equity share of ₹ 1.00 each already paid for the financial year 2021-22 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 recommendation of the Board of Directors, Interim dividend of ₹ 9.01 ps. and second interim Dividend of ₹ 5.73 ps. per equity share of ₹ 1.00 each, already paid for the financial year 2021-22, be and is hereby approved and ratified."

3. To appoint a Director in place of Shri Sumit Deb (DIN: 08547819), who retires by rotation and being eligible, offers himself for re-appointment 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 152 and other applicable provisions of the Companies Act, 2013, Shri Sumit Deb (DIN: 08547819), who retires by rotation at this meeting and being eligible offers himself for re-appointment, be and is hereby re-appointed as Director of the Company, liable to retire by rotation."

4. To authorize the Board of Directors for fixing the remuneration of Statutory Auditors for the financial year 2022-23.

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 2022-23, 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 Section 139, 142 and other applicable provisions of the Companies Act, 2013, the Board of Directors of the Company be and are hereby authorized to determine and fix the remuneration, including out-of-pocket expenses, if any, of the Statutory Auditors of the Company, as may be appointed by the Comptroller and Auditor General of India, and as per the terms and conditions of their appointment, for the Financial Year 2022-23."

B. SPECIAL BUSINESS:

5. To appoint Shri Dilip Kumar Mohanty (DIN: 09296720) as Director (Production) 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 Dilip Kumar Mohanty (DIN: 09296720) who was appointed as Director (Production) of the Company, in terms of Ministry

of Steel, Government of India Order No. 3/1/2020-BLA dated 5th October 2021, from the date of his assumption of charge of the post i.e., 5th October 2021, till the date of his superannuation (30th June 2024), or until further orders, whichever is earlier, and subsequently who was appointed by the Board of Directors as an Additional Director to hold the post of Director (Production) of the Company and who holds office up to the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013 (the Act) and the Articles of Association of the Company 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 Dilip Kumar Mohanty as a candidature for the office of Director, be and is hereby appointed as Director (Production) of the Company pursuant to the provisions of Section 152 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) on the terms and conditions as fixed by Government of India, 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.”

6. To appoint Shri Sanjay Tandon (DIN: 00484699) 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 a **Special Resolution**:

“**RESOLVED THAT** Shri Sanjay Tandon (DIN: 00484699), who was appointed as Non-Official Independent Director of the Company, vide Ministry of Steel Order No.1/10/2015-BLA (Vol-V) (pt.) dated 1st November 2021 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 who was appointed by the Board of Directors as an Additional Director and Non-Official Independent Director of the Company w.e.f. 1st November 2021, and who holds office up to the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013 (the Act) and the Articles of Association of the Company and who meets the criteria of independence as provided under Section 149(6) of the Act 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 Sanjay Tandon as a candidate for the office of Director,

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.”

7. To appoint Dr. Anil Sadashivrao Kamble (DIN: 07528586) 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 a **Special Resolution**:

“**RESOLVED THAT** Dr. Anil Sadashivrao Kamble (DIN: 07528586), who was appointed as Non-Official Independent Director of the Company, vide Ministry of Steel Order No.1/10/2015-BLA (Vol-V) (pt.) dated 1st November 2021 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 who was appointed by the Board of Directors as an Additional Director and Non-Official Independent Director of the Company w.e.f. 1st November 2021, and who holds office up to the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013 (the Act) and the Articles of Association of the Company and who meets the criteria of independence as provided under Section 149(6) of the Act 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 Dr. Anil Sadashivrao Kamble as a candidate for the office of Director, 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 Vishal Babber (DIN: 09344150) 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 a **Special Resolution**:

“**RESOLVED THAT** Shri Vishal Babber (DIN: 09344150), who was appointed as Non-Official Independent Director of the Company, vide Ministry of Steel Order No.1/10/2015-BLA (Vol-V) (pt.) dated 1st November 2021 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 who was appointed by the Board of Directors as an Additional Director and Non-Official Independent Director of the Company w.e.f. 1st November 2021, and who holds office up to the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013 (the Act) and the Articles of Association of the Company and who meets the criteria of independence as provided under Section 149(6) of the Act 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 Vishal Babber as a candidate for the office of Director, 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.”

9. To appoint Shri Sanjay Singh (DIN: 09347257) 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 a **Special Resolution**:

“**RESOLVED THAT** Shri Sanjay Singh (DIN: 09347257), who was appointed as Non-Official Independent Director of the Company, vide Ministry of Steel Order No.1/10/2015-BLA (Vol-V) dated 29th December 2021 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 who was appointed by the Board of Directors as an Additional Director and Non-Official Independent Director of the Company w.e.f. 29th December 2021, and who holds office up to the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013 (the Act) and the Articles of Association of the Company and who meets the criteria of independence as provided under Section 149(6) of the Act 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 Sanjay Singh as a candidate for the office of Director, 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.”

10. To ratify the remuneration of the Cost Auditors of the Company for the financial year 2022-23 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 ₹ 6.00 lakhs (excluding travelling, out-of-pocket expenses plus GST) payable to M/s B. Mukhopadhyay & Co., Cost Accountants, having office at 3E Aparupa Apartment, No. 2 G.B. Dutta Road, 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 2022-23, 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.”

By Order of the Board

A.S. Pardha Saradhi
ED (Company Secretary)
Membership No: FCS 10808

Place: New Delhi
Date: 27th June 2022

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 64th Annual Report of the Company for the year 2021-22.

NOTES TO NOTICE:

1. In view of the ongoing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has, vide its General Circular No. 02/2022 dated 5th May 2022 read with other previous MCA General Circulars No. 02/2021 dated 13th January 2021, No. 20/2020 dated 5th May 2020, No. 17/2020 dated 13th April 2020 and No. 14/2020 dated 8th April 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 64th AGM of the Company is being held through VC / OAVM. The proceedings of the 64th AGM will be deemed to be conducted at the Registered Office of the Company at 10-3-311/A, Khanij Bhavan, Castle Hills, Masab Tank, Hyderabad - 500028, Telangana, which shall be deemed venue of the AGM.
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. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 13th May 2022, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories, unless any Member has requested for a physical copy of the same. Members may note that the 64th AGM Notice and Annual Report 2021-22 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 - www.evoting.nsdl.com.
4. 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.
5. 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 cs@nmdc.co.in
6. Details of the Directors seeking appointment / re-appointment at the 64th AGM as mandated under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto and forms part of the Notice.
7. The Register of Members and Share Transfer Books of the Company will remain closed from 24th August 2022 to 29th August 2022 (both days inclusive).
8. For the financial year 2021-22, the Company declared and paid interim dividend @ ₹ 9.01 ps. per equity share of ₹ 1.00 each (amounting to ₹ 2640.48 crores) and second interim Dividend of ₹ 5.73 ps. per equity share of ₹ 1.00 each (amounting to ₹ 1679.24 crores) total aggregating to ₹ 4319.72 crores.
9. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system or view the live webcast of AGM provided by NSDL at <https://www.evoting.nsdl.com>. Members may access by following the steps mentioned for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "Join Meeting" menu against Company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member 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.
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, registered 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 in which they wish to receive the dividend, MICR code, IFSC code, etc., to their Depository Participants in case the shares are held by them in electronic form. Members who are holding shares in physical form are requested to intimate changes in the prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 to M/s Aarathi Consultants Private Ltd., the Registrar and Share Transfer Agent, 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. Investors service request forms are uploaded on the website of the Company under Investors section under dividend and shares - FAQs for Investors.

11. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
12. 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 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.ip@karvy.com/ einward.ris@kfintech.com Website: www.kfintech.com.
13. 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.
14. 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 their 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.

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 Aarathi 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 August 2022.
19. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e., 23rd August 2022, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or to RTA. 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. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. **1800 1020 990** and **1800 22 44 30**. In case of

Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e., 23rd August 2022 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

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 64th 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 Aarathi Consultants Pvt. Limited, Hyderabad, Registrar and Share Transfer Agent of the Company. The unclaimed/unpaid dividends declared up to financial years 2014-15 (1st and 2nd interim) have been transferred to the Investor Education and Protection Fund (IEPF). 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 September 2021 (date of previous AGM) on the website of the Company (www.nmdc.co.in) under "Investors" section, 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 submitting an online application to the IEPF Authority in 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 on the website of the Company (www.nmdc.co.in) under "Investors" section. The attention of Members is particularly drawn to the Corporate Governance Report forming part of the Annual Report 2021-22 in respect of unpaid/unclaimed dividends and transfer of dividends/shares to the IEPF.
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: cs@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".
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 Aarathi 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 in Form SH-13 in their own interest. Blank form can be obtained from M/s Aarthi Consultants Private Ltd., on request. If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website under Investors section under dividend and shares - FAQs for Investors. 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 along with the requisite KYC Documents 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. RTA has stopped accepting any fresh lodgement of transfer of shares in physical form.
33. The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 in Form ISR-1. The Form ISR-1 is also available on the website of the Company under Investors section - Dividend and Shares - FAQs for Investors and on the website of the Company's RTA at <https://www.aarthiconsultants.com/>. Attention of the Members holding shares of the Company in physical form is invited to go through and submit the said Form ISR-1.
34. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in demat

form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Sub-division/Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website under Investors section - Dividend and Shares - FAQs for Investors and on the website of the Company's RTA at <https://www.aarthiconsultants.com/>. It may be noted that any service request can be processed only after the folio is KYC compliant.

35. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.
36. 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: 10% 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 does not exceed ₹ 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. 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 in which dividend is received, 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).

37. 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 2022-23 after taking into consideration including change, if any, in statutory requirements, increase in volume of work and change in inflation index.
38. Since the AGM will be held through VC / OAVM, the Route Map is not required and hence not annexed to this Notice.
39. The following documents will be available for inspection by the Members electronically during the 64th AGM. Members seeking to inspect such

documents can send an email to cs@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 or explanatory statement.
40. NMDC, being a Government Company, all the appointments to the Board and terms and conditions thereto are fixed by the Government of India.
 41. The details of remuneration / sitting fees paid to Board Members have been given in Corporate Governance Report.
 42. None of the Directors have any relationship with other Directors, Manager(s) and other Key Managerial Personnel of the Company.
 43. **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 5th May 2022, 13th January 2021, 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. For this purpose, the Company has appointed National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as voting during AGM will be provided by 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 Friday the 26th August 2022 (10.00 a.m. IST) and ends on Sunday the 28th August 2022 (5.00 p.m. IST). The voting rights of the Shareholders shall be proportionate to the shares held in the Company as on the cut-off date i.e., 23rd August 2022. 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 August 2022 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 and joining General Meeting are as under:

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) LOGIN METHOD FOR E-VOTING AND JOINING VIRTUAL MEETING for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated 9th December 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nSDL.com either on a Personal Computer or on a mobile. On the e-Services home page click on the " Beneficial Owner " icon under " Login " which is available under ' IDeAS ' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on " Access to e-Voting " under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

2. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nSDL.com>. Select "**Register Online for IDeAS Portal**" or click at <https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp>

3. 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. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience.



Individual Shareholders holding securities in demat mode with CDSL

1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <https://web.cdslindia.com/myeasi/home/login> or www.cdslindia.com and click on New System Myeasi.

2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL**. Click on **NSDL** to cast your vote.

3. If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>

4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.

Individual Shareholders (holding securities in demat mode) login through their depository participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request to Ms. Sarita More, Assistant Manager at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Individual Shareholders holding securities in demat mode with CDSL

Members facing any technical issue in login can contact CDSL helpdesk by sending a request at [helpdesk.evoting@cdslindia.com](mailto:evoting@cdslindia.com) or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to 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.nsd.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 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP 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.nsd.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. Password details for shareholders other than Individual shareholders 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, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
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 etc.
 - 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.

Step 2: CAST YOUR VOTE ELECTRONICALLY AND JOIN GENERAL MEETING on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

 1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
 2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
 3. Now you are ready for e-Voting as the Voting page opens.
 4. 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.
 5. Upon confirmation, the message "Vote cast successfully" will be displayed.
 6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
 7. 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 1020 990 and 1800 22 44 30 or send a request to Ms. Sarita More, Assistant Manager at evoting@nsdl.co.in.

44. 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.
- 45. Process for those shareholders whose email ids are not registered with the depositories / Company/ Registrar and Share Transfer Agent for procuring user id and password and registration of e mail ids 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. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
 - (iii) Alternatively, member may send an e-mail request to evoting@nsdl.co.in for procuring User ID and Password for voting by providing above mentioned documents.
 - (iv) In terms of SEBI circular dated 9th December 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
- 46. Instructions for members for attending the AGM through VC/OAVM are as under:**
- (i) Member will be provided with a facility to attend the 64th AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member 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.
 - (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 22nd August 2022 (9.00 a.m. IST) to 25th August 2022 (5.00 p.m. IST) mentioning their name, DP ID and Client ID /folio number, email id, mobile number at: cs@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 questions and speakers depending on the availability of time for the AGM.

- (vii) Members who need assistance before or during the AGM, can contact NSDL, Ms. Sarita More, Assistant Manager at evoting@nsdl.co.in or call on toll free no.: 1800 1020 990 and 1800 22 44 30
47. Shri D Hanumanta Raju (Membership No. FCS: 4044) of M/s D Hanumanta Raju & Co., 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.
48. The Scrutinizer shall immediately 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.
49. 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 Company shall simultaneously communicate the results to the BSE Limited (BSE), National Stock Exchange of India Limited (NSE), and the Calcutta Stock Exchange Limited (CSE), where the shares of the Company are listed, within two working days of conclusion of the 64th AGM.

Details of Director seeking reappointment at the 64th Annual General Meeting (Pursuant to Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

(a) Brief Resume of the Director

Name of the Director	Shri Sumit Deb (DIN: 08547819)
Date of Birth & Age	18.02.1963 & 59 years
Date of Appointment	1 st August 2020
Qualifications	Degree in Mechanical Engineering
(b) Nature of expertise in specific functional areas	<p>Shri Sumit Deb is having Degree in Bachelor of Science in Mechanical Engineering from Orissa University of Agriculture and Technology, Bhubaneswar.</p> <ul style="list-style-type: none"> ✓ 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 <p>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. 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.</p>

	<p>Shri Sumit Deb is also Director on the Board of the following Companies:</p> <ol style="list-style-type: none"> 1. Legacy Iron Ore Ltd. 2. NMDC-CMDC Limited 3. NMDC CSR Foundation 4. Indian Iron and Steel Sector Skill Council. <p>Other positions held:</p> <ol style="list-style-type: none"> (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 and the membership of Committees of the Board along with listed entities from which the person has resigned in the past three years	<u>Directorship in listed entity</u> Legacy Iron Ore Ltd. [listed on Australian Securities Exchange (ASX)]
(e) No. of Equity Shares held in NMDC Limited	NIL

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

SPECIAL BUSINESS

Item No 5: Appointment of Shri Dilip Kumar Mohanty (DIN: 09296720) as Director (Production) of the Company

In terms of Ministry of Steel, Government of India Order No. 3/1/2020-BLA dated 5th October 2021, Shri Dilip Kumar Mohanty (DIN: 09296720) was appointed as Director (Production) from the date of his assumption of charge of the post i.e., 5th October 2021, till the date of his superannuation (30th June 2024), or until further orders, whichever is earlier, and was subsequently appointed by the Board of Directors as an Additional Director to hold the post of Director (Production) of the Company with effect from 5th October 2021, 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 the 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 Companies Act, 2013 has been received from a member proposing the name of Shri Dilip Kumar Mohanty as a candidate for the office of Director of the Company.

Information pursuant to Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given below:-

(a) Brief Resume of the Director

Name	Shri Dilip Kumar Mohanty (DIN: 09296720)
Date of Birth & Age	19.06.1964 & 58 years
Date of Appointment	5 th October 2021
Qualifications	BSc Engineering (Metallurgy)
(b) Nature of expertise in specific functional areas	<p>Shri D K Mohanty started his career in Vizag Steel Plant, Rashtriya Ispat Nigam Limited as Management Trainee (Technical) in the year 1987 after completing his BSc Engineering (Metallurgy) from NIT Rourkela.</p> <p>He has rich and varied experience spanning over 33 years in steel plant operations & projects. He has gained reputation to solve critical issues in Steel Making and project executions. During his career in Vizag Steel Plant he gained vast experience in operations of steel plant including commissioning of various units.</p> <p>In the year 2015, he joined NMDC Limited in the prestigious green field 3.0 MTPA NMDC Iron and Steel Plant (NISP) at Nagarnar, Bastar Chhattisgarh. He was in-charge of major packages and has played significant role for execution of works at NISP project.</p> <p>As Chief General Manager (Operations) he has prepared the strategy for operation of plant by giving directions to various O&M contracts, AMCs, manpower planning, budgeting, raw materials, spares, consumables etc. which are required for commissioning and operation of NISP, Nagarnar.</p> <p>He is also Director on the Board of International Coal Ventures Private Limited, Jharkhand National Mineral Development Corporation Limited, NMDC-CMDC Limited, J & K Mineral Development Corporation Limited and NMDC Steel Limited.</p>
(c) Disclosure of relationships between Directors inter-se	There exists no relationship between Directors inter-se.
(d) Directorship held in other listed entities and the membership of Committees of the Board along with listed entities from which the person has resigned in the past three years	NIL
(e) No. of Equity Shares held in NMDC Limited	NIL

Shri Dilip Kumar Mohanty 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 Dilip Kumar Mohanty 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.5 of the Notice.

Board considers it desirable that the Company should continue to avail itself of his services as Director (Production) and recommend this Resolution for approval of the shareholders.

Item No 6: Appointment of Shri Sanjay Tandon (DIN: 00484699) as an Independent Director of the Company

Shri Sanjay Tandon (DIN: 00484699), was appointed as Non-Official Independent Director in terms of order issued by Ministry of Steel Order No.1/10/2015-BLA (Vol-V) (pt.) dated 1st November 2021, 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 1st November 2021 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 Sanjay Tandon as a candidate for the office of Independent Director of the Company.

Information pursuant to Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given below:-

(a) Brief Resume of the Director

Name	Shri Sanjay Tandon (DIN: 00484699)
Date of Birth & Age	10.09.1963 & 59 years
Date of Appointment	1 st November 2021
Qualifications	B. Com (Hons.) Chartered Accountant Cost Accountant
(b) Nature of expertise in specific functional areas	Shri Sanjay Tandon started his CA practice after qualifying in 1986, and over a span of thirty odd years has built the Competent Group. The group has verticals like - Accounting, Auditing, Consulting, Stock Broking, Commodity Broking, BPO services, Software products, and Co-working spaces. The group carries out many social service activities through their NGO Competent Foundation which works on the motto - Help Ever, Hurt Never. He is also Director on the Board of Stan Professionals Private Limited Competent Syntech Private Limited. He is also holding the following positions: <ul style="list-style-type: none"> • Member - Administrator's Advisory Council, Chandigarh Administration • Chairperson - Standing Committee of Administrator's Advisory Council on Sports Management, Chandigarh Administration • Member - Bharat Vikas Parishad, Chandigarh • Member - DAV Management Committee Pratinidhi Sabha • President - UT Cricket Association, Chandigarh • Nominated Member - Advisory Committee of Home Minister on UT Chandigarh • Non-Official Member of Governing Council & Executive Committee of Indira Holiday Home Society, UT Chandigarh.
(c) Disclosure of relationships between Directors inter-se	There exists no relationship between Directors inter-se.
(d) Directorship held in other listed entities and the membership of Committees of the Board along with listed entities from which the person has resigned in the past three years	Ceased to be Director in the following listed company and date of cessation: GAIL (INDIA) LIMITED (18/11/2019)
(e) No. of Equity Shares held in NMDC Limited	NIL
(f) Skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Chartered Accountant and Cost Accountant

Shri Sanjay Tandon 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 Sanjay Tandon 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.

In the opinion of the Board, Shri Sanjay Tandon fulfils the conditions specified in the SEBI Listing Regulations, the Act and the Rules framed thereunder for his appointment as an Independent Director and he is independent of the Management.

Save and except Shri Sanjay Tandon 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 Special 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 an Independent Director and recommend this Special Resolution for approval of the shareholders.

Item No 7: Appointment of Dr. Anil Sadashivrao Kamble (DIN: 07528586) as an Independent Director of the Company

Dr. Anil Sadashivrao Kamble (DIN: 07528586), was appointed as Non-Official Independent Director in terms of order issued by Ministry of Steel Order No.1/10/2015-BLA (Vol-V) (pt.) dated 1st November 2021, 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 1st November 2021 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 Dr. Anil Sadashivrao Kamble as a candidate for the office of Independent Director of the Company.

Information pursuant to Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given below:-

(a) Brief Resume of the Director

Name	Dr. Anil Sadashivrao Kamble (DIN: 07528586)
Date of Birth & Age	11.08.1972 & 49 years
Date of Appointment	1 st November 2021
Qualifications	MBBS M.D. Medicine
(b) Nature of expertise in specific functional areas	Dr. Anil Sadashivrao Kamble is a Doctor (private practice since 20 years) in critical care and emergency services. In his 20 years of practice he has helped numerous people specially poor people, women and children by providing them with free health care camps. He has set up an old age home for the elderly women. He is also Director on the Board of Crossandra Pharma Private Limited and Aboli Hospital Private Limited.
(c) Disclosure of relationships between Directors inter-se	There exists no relationship between Directors inter-se.
(d) Directorship held in other listed entities and the membership of Committees of the Board along with listed entities from which the person has resigned in the past three years	NIL
(e) No. of Equity Shares held in NMDC Limited	NIL
(f) Skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Doctor, Administration of Hospital

Dr. Anil Sadashivrao Kamble 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.

Dr. Anil Sadashivrao Kamble 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.

In the opinion of the Board, Dr. Anil Sadashivrao Kamble fulfils the conditions specified in the SEBI Listing Regulations, the Act and the Rules framed thereunder for his appointment as an Independent Director and he is independent of the Management.

Save and except Dr. Anil Sadashivrao Kamble 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 Special 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 Special Resolution for approval of the shareholders.

Item No 8: Appointment of Shri Vishal Babber (DIN: 09344150) as an Independent Director of the Company

Shri Vishal Babber (DIN: 09344150), was appointed as Non-Official Independent Director in terms of order issued by Ministry of Steel Order No.1/10/2015-BLA (Vol-V) (pt.) dated 1st November 2021, 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 1st November 2021 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 Vishal Babber as a candidate for the office of Independent Director of the Company.

Information pursuant to Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given below:-

(a) Brief Resume of the Director

Name	Shri Vishal Babber (DIN: 09344150)
Date of Birth & Age	14.12.1980 & 41 years
Date of Appointment	1 st November 2021
Qualifications	B.Com Chartered Accountant MBA in Finance DISA – ICAI
(b) Nature of expertise in specific functional areas	Shri Vishal Babber is a Proprietor of M/s Babber Vishal & Co. Chartered Accountants. He started the firm in 2010 as proprietor of the firm after clearing the Chartered Accountancy exams from “The Institute of Chartered Accountants of India”. With 11 years of experience and under guidance of his father Shri Ramesh Babber, who is also Chartered Accountant, Shri Vishal Babber is running the firm successfully with main area of practice in Income Tax, GST, Audits, Public Sector Bank Audits, Financial Statements Finalization etc. He usually takes parts in debates regarding the current financial scenario of India and also shares the stage with renowned Chartered Accountants for Discussion on different topics of GST, Income Tax etc.
(c) Disclosure of relationships between Directors inter-se	There exists no relationship between Directors inter-se.
(d) Directorship held in other listed entities and the membership of Committees of the Board along with listed entities from which the person has resigned in the past three years	NIL
(e) No. of Equity Shares held in NMDC Limited	NIL
(f) Skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Chartered Accountant, MBA in Finance

Shri Vishal Babber 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 Vishal Babber 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.

In the opinion of the Board, Shri Vishal Babber fulfils the conditions specified in the SEBI Listing Regulations, the Act and the Rules framed thereunder for his appointment as an Independent Director and he is independent of the Management.

Save and except Shri Vishal Babber 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 Special 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 an Independent Director and recommend this Special Resolution for approval of the shareholders.

Item No 9: Appointment of Shri Sanjay Singh (DIN: 09347257) as an Independent Director of the Company

Shri Sanjay Singh (DIN: 09347257), was appointed as Non-Official Independent Director in terms of order issued by Ministry of Steel Order No.1/10/2015-BLA (Vol-V) dated 29th December 2021, 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 29th December 2021 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 Sanjay Singh as a candidate for the office of Independent Director of the Company.

Information pursuant to Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given below:-

(a) Brief Resume of the Director

Name	Shri Sanjay Singh (DIN: 09347257)
Date of Birth & Age	05.10.1969 & 52 years
Date of Appointment	29 th December 2021
Qualifications	B.Com
(b) Nature of expertise in specific functional areas	Shri Sanjay Singh has held two term Councillor of Howrah Municipal Corporation from 1998 to 2008. Shri Singh is actively involved in social work and holds the following positions :- i. President of Aparadh Nirodhak Samity; ii. Secretary of Jugnu Association; iii. Secretary of Managing Committee for Vikram Vidyalay Branch School; iv. Skill Development Programs for Women from 1998; v. President of Belilious Road Vyavsaik Samity
(c) Disclosure of relationships between Directors inter-se	There exists no relationship between Directors inter-se.
(d) Directorship held in other listed entities and the membership of Committees of the Board along with listed entities from which the person has resigned in the past three /years	NIL
(e) No. of Equity Shares held in NMDC Limited	NIL
(f) Skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Social Service, CSR

Shri Sanjay Singh 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 Sanjay Singh 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.

In the opinion of the Board, Shri Sanjay Singh fulfils the conditions specified in the SEBI Listing Regulations, the Act and the Rules framed thereunder for his appointment as an Independent Director and he is independent of the Management.

Save and except Shri Sanjay 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 Special Resolution set out at Item No.9 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 Special Resolution for approval of the shareholders.

Item No. 10: Ratification of the Remuneration of Cost Auditors of the Company for the financial year 2022-23

The Board of Directors, on the recommendation of Audit Committee 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 2022-23 at a remuneration of ₹ 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. 10 to the Notice for ratification of the remuneration payable to Cost Auditors of the Company for the financial year 2022-23.

The Board recommends the Ordinary Resolution set out at item no. 10 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. 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)
ED (Company Secretary)
Membership No. FCS 10808

Place: New Delhi
Date: 27th June 2022



CMD Shri Sumit Deb leads the NMDC delegation to Australia



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