

एनएमडीसी



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(5)/2023-Sectt.

18.10.2023

National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra-Kurla Complex,
Bandra (East), Mumbai – 400051

Dear Sir / Madam,

Sub: Submission of Annual Report 2022-23 of NMDC Ltd.

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

As desired by the Exchange, please find enclosed a copy of Annual Report 2022-23 of NMDC Ltd.

This is for your information and records.

Thanking you,

Yours faithfully,
for NMDC Limited

A.S. Pardha Saradhi
Executive Director &
Company Secretary

Encl:- As above.



एनएमडीसी



NMDC
Responsible
Mining

New Look
Soaring Aspirations
Incredible Possibilities

65th Annual Report
2022-23

www.nmdc.co.in





Shri Jyotiraditya M. Scindia, Honourable Union Minister of Civil Aviation and Steel, Government of India, unveiled NMDC's dynamic new logo in the presence of Shri Nagendra Nath Sinha, Steel Secretary; Shri Amitava Mukherjee, CMD (Additional Charge), NMDC and senior officials from the Ministry of Steel and NMDC



Senior Officials from the Ministry of Steel and NMDC endorse NMDC's new logo at the Logo Launch Press Interaction with Shri Nagendra Nath Sinha, Steel Secretary and Shri Amitava Mukherjee, CMD (Additional Charge)



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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. Neeraj Prakash & Associates
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: L13100TG1958G01001674
Website: www.nmdc.co.in

Share Transfer Agent

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

FY 23 PERFORMANCE HIGHLIGHTS

408.17

Production (LT)

382.23

Sales (LT)

₹ **17,667** Crore

Revenue from Operations

₹ **7,637** Crore

Profit Before Tax

₹ **5,529** Crore

Profit After Tax



“ NMDC has been a key player in India's mining industry for six decades. For two consecutive fiscals in FY22 and FY23, we produced over 40 million tonnes of iron ore. This achievement is a testament to the company's tireless efforts and dedication to contribute to India's growing economy.

NMDC has played a pivotal role in fostering self-sufficiency in the steel sector. By ensuring the availability of high-quality iron ore, we have been a key enabler in India's industrial progress. Our partnership with the steel industry has been a cornerstone in the nation's development journey, and we take great pride in this responsibility.

Amitava Mukherjee

Chairman and Managing Director (Addl Charge)

”

FY 23 HIGHLIGHTS

408.17_{LT} **382.23_{LT}**
Production Sales

₹17,667_{Crore} **4565/_L**
Revenue from Operations Sales Realisation

₹7,637_{Crore} **₹5529_{Crore}**
PBT PAT

₹22,332_{Crore} **₹1,099_{Crore}**
Net Worth Dividend

₹76 **₹18.86**
BVPS EPS

38% **25%**
RoCE* ROE/RONW
* RoCE = $\text{PAT} / (\text{PPE} + \text{ROU} + \text{Intangible Assets} + \text{WC})$



CHAIRMAN'S MESSAGE

“ NMDC's remarkable physical performance in FY23, driven by our expansion and investment strategy, sets a promising foundation for the new fiscal. Our focus on digitalization is already yielding positive results, transforming our business practices to customize to the requirements of our stakeholders. With the Government of India's efforts to boost domestic steel consumption, NMDC is poised to play an even more significant role in fortifying raw material supply and driving self-reliance in the sector. I am proud of our achievements and eager to continue propelling NMDC's growth and contributions to the nation's steel industry

”

Amitava Mukherjee
Chairman and Managing Director (Addl Charge)



Dear Members,

The Sun of good health is once again shining bright as the overcast of the pandemic finally cleared. The world however, always has a propensity of fixation on some issue or the other that hangs above like the proverbial Damocles' sword. Sometimes they blow out to be a major hurdle in the progress and many a times an irritant that we can do away with. But then, that is life with all its vagaries.

The world today is facing unprecedented environmental challenges in areas including climate change, clean water, biodiversity. New efforts are needed to harness the 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 nation is alive to the situation and proactive in its endeavours. India is steadily rising and consolidating its position as a trailblazer and global influencer in international politics. The economy is emerging strong with international trade showing an upward trend and its issue based stance on various global disputes has gained the respect of world leaders across the continents.

Global Economic Scenario:

The global economy has shown glimpses of improvement, though the upturn remains fragile in the face of substantial risks. Lower energy prices are easing inflation and financial strain, while China's swift reopening after lockdowns is boosting global activity. Yet, persistent core inflation and the impact of rising interest rates are being felt across economies. Predicted global GDP growth for 2023 is 2.8%, the lowest since the financial crisis, with a slight uptick to 3% in 2024. Possible upsides include increased demand and lower inflation, while downsides encompass China's health crisis, Russia-Ukraine conflict escalation, higher financing costs, inflation shocks, and geopolitical tensions. Commodity prices fluctuated due to supply chain issues and China's Covid policy. Inflation is expected to decline but remain above pre-pandemic levels. Sustained disinflation is a priority amid cost-of-living issues, necessitating macroprudential tools, debt frameworks, targeted fiscal support, and global cooperation for climate and economic stability.

Indian Economic Scenario:

Amid pandemic recovery, Russian-Ukraine conflict effects, and high inflation, the Indian economy is undergoing a broad-based revival across sectors, positioning itself for a return to pre-pandemic growth in 2023. S&P Global's report - "Look Forward: India's Moment" projects that the country is set to remain the fastest-growing large economy while growth will primarily be driven by capital expansion. The projected full-year growth stands at a robust 6.8%, driven by substantial investment activity propelled by

governmental capex initiatives and strong private consumption, particularly among higher-income groups. While inflation remained high at around 6.7%, Q3 saw a narrower current-account deficit due to service export growth and lower global commodity prices. The agricultural sector's buoyant performance owes much to government measures enhancing productivity, price support, crop diversification, and market infrastructure. The industry sector saw a modest growth of 4.1% in FY 2022-23, compared to 10.3% in the previous fiscal year. India's economic growth is supported by path-breaking measures such as PM GatiShakti, National Logistics Policy, and Production-Linked Incentives schemes, while the country's energy demands are being met with increased focus on renewables to enable a gradual and sustainable energy transition. Despite strong global headwinds and tighter domestic monetary policy, India is still expected to grow between 6.5 percent and 7.0 percent, contributing to approximately 15% of global growth in 2023.

Global Iron Ore and Steel Industry Outlook

Global iron ore production stood at 2600 MT in 2022, growing at a CAGR of ~1.4% from 2018. Iron ore production saw a slight decrease in 2022 due to rising global inflation, which resulted in decreased steel demand and subsequent iron ore consumption. The global iron ore production landscape is dominated by Australia and Brazil, which together account for approximately 50%, following China at 15% and India at 11%. Collectively, these four nations contribute about 75% of the world's iron ore production.

Global steel production surged from 850 MT in 2000 to 1,878.5 MT in 2022, driven by industrialization. However, 2022 marked the first decline in seven years, with a 4.2% drop to 1,878.5 MT due to China's economic slowdown under its zero-COVID policy, Japan's 7.4% dip due to chip shortages, and a 2% decrease in non-China countries' output, including a 15% plunge in CIS due to the Russia-Ukraine conflict and a 9% EU drop due to war-driven economic impact. In contrast, India's steel output in the 2022 calendar year rose 5.5% to 124.72 MT.

Indian Iron Ore and Steel Outlook

Iron ore mining sector in India registered the highest ever production figure of 257.34 MT in FY 2023, a growth of ~2% over the 251.11 MT production in FY 2022. The top iron ore producers in FY 2023 included NMDC, SAIL, Tata Steel, and OMC. Export of iron ore in FY 2023 was 14.96 MT of which 91% was sent to China.

India ranks as the world's second-largest crude steel producer, producing 125.5 MT in FY 2023, a 4.8% increase from the previous year's 119.8 MT. Finished steel consumption grew at a 6% CAGR in the past five years, reaching 110 MT in FY 23, driven by



construction (~62%), capital goods (~15%), and automotive (~9%) industries, facilitated by government initiatives like GatiShakti, Make in India, housing schemes and private investments. Despite being the second-largest consumer, India's per capita steel consumption at 76 kgs is notably below the global average of 233 kgs, with Korea, Taiwan, and China as the leaders. India's consumption is growing rapidly, boosted by measures like PLI schemes and expansion in steel capacity, yet the domestic steel players face market volatility due to global headwinds.

Financial Performance

The outcome is the validation of success and progress of any organization. During the year under review, the Company has recorded a production of 40.82 MT and a sale of 38.22 MT, generating revenue of Rs. 17,667 Cr from operations, and achieved Profit Before Tax (PBT) of Rs. 7,637 Cr, and Profit after Tax (PAT) of Rs. 5,529 Cr.

Net worth of the Company stood at Rs. 22,332 Cr as on 31.03.2023 – 25% higher than the previous financial year.

The Company declared an Interim Dividend of Rs. 3.75 per share and Final Dividend of Rs. 2.85 per share for FY 2022-23.

Capital expenditure of Rs. 3,747 Cr (including Rs. 2,283 Cr for Nagarnar Steel Plant) has been incurred during the year under review.

Major Developments

The Government of India has charted a road map to augment India's steel production to 300 MTPA by 2025. To fulfil this vision, green-field steel plants are being promoted through Special Purpose Vehicles ("SPVs") in mineral rich states of Chhattisgarh, Jharkhand, Karnataka and Odisha. 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 NISP was taken keeping in view the linkage with iron ore reserves and availability of investible 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, therefore considered the scheme to add more value to Company's stakeholders by demerging NISP into a separate company and subsequently inviting investors. In this regard, demerger of NMDC steel limited was successfully completed in October 2022, and the steel plant is under final stages of commissioning.

Furthermore, as a part of Government thrust to tap renewable energy sources, grid connected RoofTop Solar (RTS) power plants are installed in various production units of NMDC, with the latest addition of a 425 kWp Roof Top solar power plant in Bachel Complex, Dantewada, Chhattisgarh in March 2023. Further, NMDC is also contemplating setting up a ground-mounted solar power plant.

Research-oriented Approach

NMDC R&D centre is committed to maintain its excellence in undertaking product and technology development projects related to ore and minerals. Our R&D centre extends its vital support to NMDC's existing and upcoming projects. Expertise of the 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 sophisticated laboratory equipment to analyse different minerals, coal, metal and non-metals using state-of-the-art technology.

Good Corporate Governance

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.

Vigilance and Safety

The 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 sensitising programmes were conducted for awareness on vigilance matters for the employees of the Corporation. Setting up a vigilance portal, organising Vigilance Awareness Week and other such activities ensure all round participation, accountability and a positive thrust in the right direction.

Social and Environmental Responsibility

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. The quality of a company's relationships and engagement with its stakeholders is critical. Company affects what happens to employees, workers in the value chain, customers and local communities, and it is important to manage the impacts proactively.

In order to extensively monitor and effectively implement environment management programmes, qualified and experienced Environment Scientists/Engineers are working in all projects. Expert organizations are engaged to measure and report various environmental and sustainability parameters periodically.

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 towards the Sustainable Development Goals and the ambitious targets set in the Paris Agreement. Notable activities include - planting of 3 million trees, conducting greenhouse gas emissions tests in carbon disclosure projects.

Our efforts, be it the CSR initiatives, or sustainable 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 the company also encourages those with whom it does business. I call upon all the stakeholders to partner with us in achieving these noble goals. NMDC had allocated an amount of Rs. 200.00 Cr amounting to 2.14% of Average PBT of preceding 3 years towards our social initiatives.

Exploring the Future

The future plans include augmenting the production and improving the quality of product mix from Bailadila Sector, additional screening lines in Bachel and Rapid Wagon Loading System (RWLS) are envisaged. Waste mining and increase in evacuation capacity being a major area of focus for enhancing the life of mines, schemes like beneficiation plant at Bachel & Kirandul and Slurry pipeline from Bachel to Nagarnar has been taken up.

In the Screening Plant-III project at Kirandul the site work in packages like MRSS packages, Dry circuit (major technological package), wet circuit and RWLS, Miscellaneous building packages 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. Stage-1 Forest Clearance for the project was received in March 2023 and the process for final Forest Clearance is in progress.

To augment the evacuation capacity from Bailadila sector, many projects and schemes are taken up like doubling of railway line between Kirandul & Jagdalpur (150.462 kms) is being executed by Railways as a Deposit work and overall progress for this work is 84%. Doubling of the 106 km rail line is already completed and is in operation. Another 22 km rail line doubling is expected to be completed by August 2023. 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 existing 28 MTPA to 40 MTPA.

NMDC has taken up an ambitious project of laying the 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. Work 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. Around 25.5 km of laying of the pipeline line is completed.

NMDC is marching ahead with a steady resolve, digging up the bountiful resources with responsibility and commitment expected of an organisation of our calibre. The goal is always in focus; the efforts are deliberate, the results therefore are stupendous, year after year.

Honourable Union Minister of Civil Aviation and Steel Shri Jyotiraditya M. Scindia unveiled NMDC's new logo in the presence of Secretary Steel Shri Nagendra Nath Sinha, IAS in New Delhi recently

The new NMDC logo encapsulates our past achievements, our present commitment, and our future aspirations. It is a manifestation of our vision of NMDC 2.0. As a homage to our heritage, we retain the blue cog representing the mineral mining cycle, symbolizing the steadfastness and trust we have earned over the decades. Our legacy is strong, and we carry it forward with pride. In the center of the logo, you will see a hand cradling the earth, which signifies our commitment to sustainable & responsible mining and also our global aspirations. The vibrant green color symbolizes growth, renewal, and harmony with nature. As we progress into the future, we aim to leave a greener and cleaner footprint on this planet while being responsible to all our stakeholders.



I am grateful to all the Board members, employees, customers, suppliers, banks, regulatory bodies, state governments, the central government and all our stakeholders for supporting the company in its journey of growth.

Yours Sincerely,

Amitava Mukherjee

Chairman and Managing Director (Addl Charge)

ABOUT US

NMDC Ltd., a prestigious Navratna Public Sector Enterprise (PSE) under the esteemed Ministry of Steel, Govt. of India, stands tall as the nation's foremost producer of iron ore. With highly advanced and mechanized iron ore mines in Chhattisgarh and Karnataka, NMDC holds the position of a global leader in cost-effective iron ore production. Adding to its repertoire, the company operates the sole mechanized diamond mine in India, nestled in the exquisite landscape of Panna, Madhya Pradesh. Embracing growth and diversification, NMDC ventures into steel production, undertaking capital-intensive projects to fortify its domestic leadership while successfully expanding its footprint beyond national borders.

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

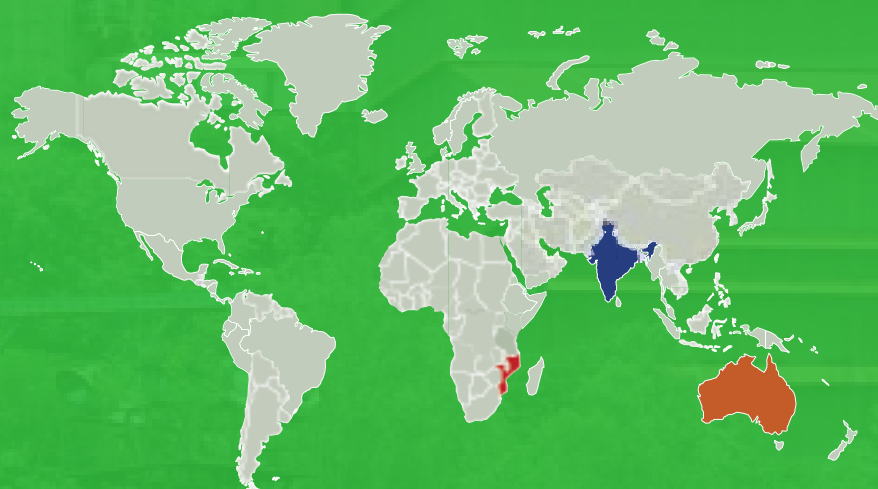
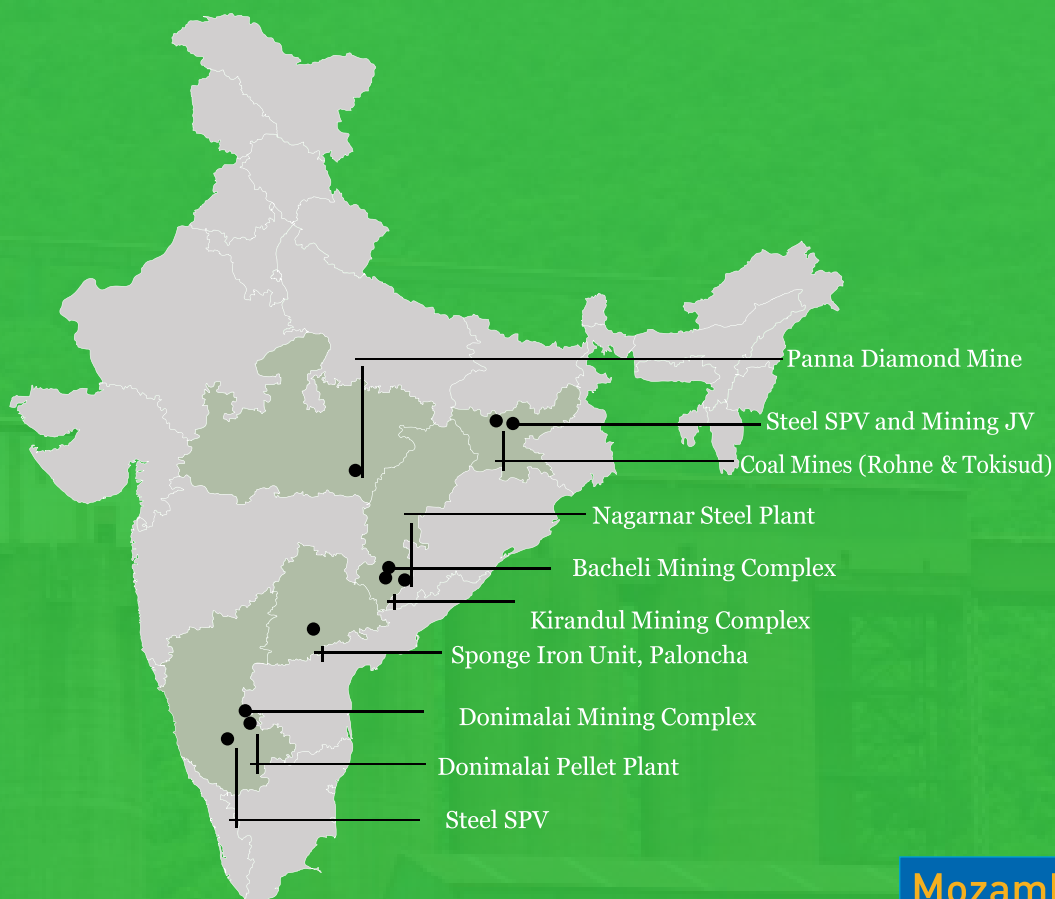
Iron ore pellets: Produced at Donimalai with around 64% Fe.



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.

CREATING VALUE

NMDC Ltd., a profit-making Public Sector Undertaking (PSU) and a key player in the mining industry, harnesses the potential of six capitals to drive its success.

Financial Capital: NMDC boasts of a strong balance sheet, positioning itself as a financially robust entity.

Operation/Business Capital: With three mechanized mining complexes, including two in Chhattisgarh and one in Karnataka, NMDC extracts approximately 42 million tonnes of iron ore annually. Additionally, the company operates the only mechanized diamond mine in Panna, Madhya Pradesh.

Intellectual Capital: Backed by a remarkable 60-year legacy, NMDC leverages its expertise and unique processes to sustain its industry leadership.

People Capital: NMDC's strength lies in its highly experienced Board of Directors, senior management, and skilled staff, who contribute to the company's continued growth.

Environment Capital: Committed to environment friendly mining practices, NMDC ensures sustainable operations that align with conservation efforts.

Relationship Capital: NMDC maintains strong partnerships with the Ministry of Steel, central and state government authorities, customers, suppliers, investors, and society at large, fostering mutually beneficial relationships.

NMDC's core business revolves around iron ore mining, a critical resource for the steel industry. With its state-of-the-art technology and efficient mining practices, NMDC produces iron ore in the form of lumps and fines, catering to steel industries utilizing blast furnace and direct reduced iron (DRI) routes. The company's operations not only generate economic value but also create job opportunities and essential infrastructure.

Key Strengths:

Competitiveness, profitability, and growth are at the core of NMDC's operations. The company excels in deploying cutting-edge technology for efficient mining. Lean ore utilization and effective tailings management ensure resource optimization.

NMDC maintains strong backward and forward integration, enhancing its competitive advantage.

A diversified board and experienced senior management drive strategic decision-making.

NMDC attracts, develops, and retains talent, ensuring a skilled workforce.

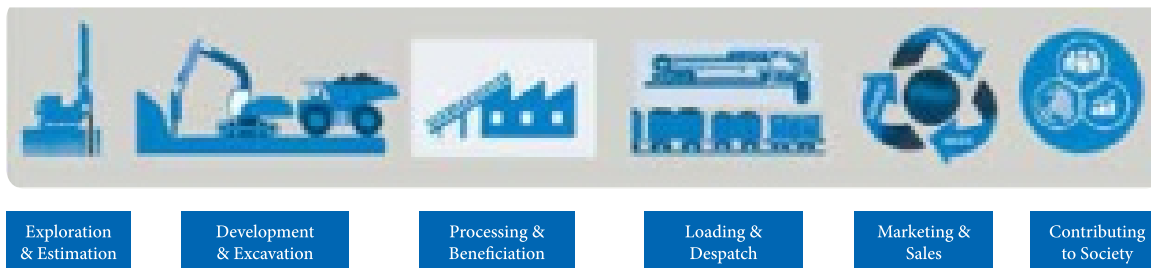
The company emphasizes advanced research and development to stay at the forefront of innovation.

NMDC's business model is deeply ingrained with a focus on environmental and social sustainability.

NMDC's journey spans six decades of excellence in the mining sector. Producing over 40.0 million tonnes of iron ore annually, the company caters to the steel industry's diverse needs and is actively exploring forward integration into pellets and steel production. Additionally, NMDC successfully operates a diamond mining project in Panna, Madhya Pradesh, adding to its diverse portfolio.

With a relentless commitment to excellence, sustainability, and innovation, NMDC Ltd. continues to shape the mining industry and contribute significantly to India's steel production and economic growth.

What we do



OUR VALUE CHAIN



Exploration & Estimation



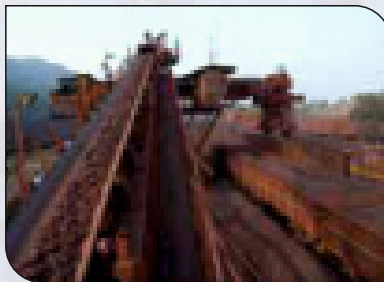
Processing & Beneficiation



Marketing & Sales



Development & Excavation



Loading & Despatch



Contributing to Society

ECONOMIC AND SOCIAL OUTPUTS

Turnover

₹ **17,667**

Crores

R&D Expenses

₹ **30.28**

Crores

Employee
Benefit Expenses

₹ **1,527**

Crores

Dividend

₹ **1,099**

Crores

FINANCIAL HIGHLIGHTS

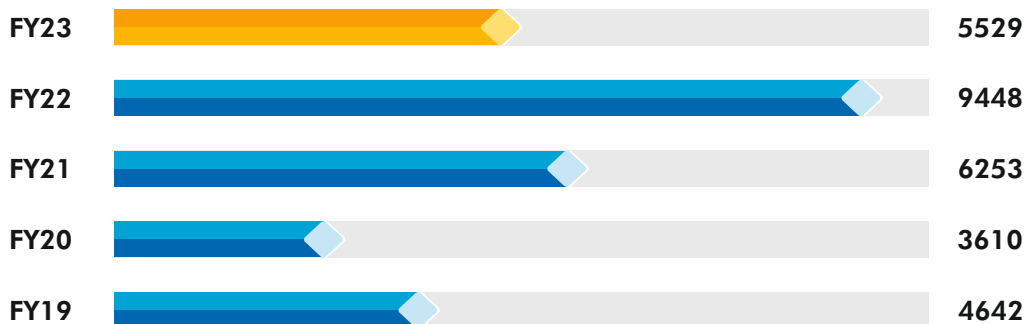
Turnover (₹ Crore)

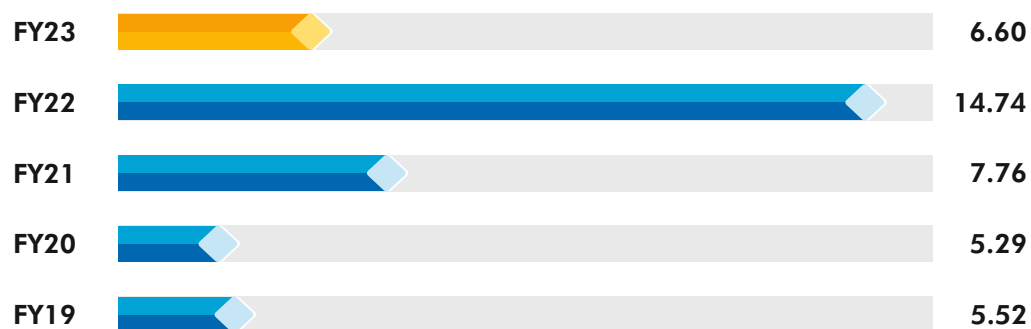


PBT (₹ Crore)



PAT (₹ Crore)



EBITDA (₹ Crore)**Dividends Distributed** (₹ Per Share)**Networth** (₹ Crore)

BOARD OF DIRECTORS



Shri Amitava Mukherjee

Chairman and Managing Director
(Addl Charge)

Functional Directors



Shri Amitava Mukherjee

Director (Finance)



Shri Dilip Kumar Mohanty

Director (Production)



Shri Vishwanath Suresh

Director (Commercial)



Shri Vinay Kumar

Director (Technical)

GOVERNMENT NOMINEE DIRECTORS



Smt. Sukriti Likhi, IAS

Director, NMDC Ltd., & Additional
Secretary and Financial Advisor,
Ministry of Steel, Government of India



Shri Abhijit Narendra

Director, NMDC Ltd
Joint Secretary, Ministry of Steel,
Government of India

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

COMPANY SECRETARY



Shri A.S. Pardha Saradhi

Executive Director & Company
Secretary

SENIOR MANAGEMENT



Shri B. Sahoo

Executive Director (PC)
Head Office, Hyderabad



Shri A.K. Prajapati

Executive Director
Coal Division, Ranchi



Shri A.K. Padhy

Executive Director (Commercial)
Head Office, Hyderabad



Shri M. Jayapal Reddy

Executive Director
(RP & Environment)
Head Office, Hyderabad



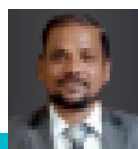
Shri B. Mohan Kumar

Executive Director (Works)
Head Office, Hyderabad



Shri Satyender Rai

Executive Director (P&A&DT)
Head Office, Hyderabad



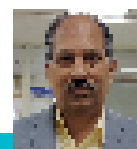
Shri B. Venkateswarlu

Executive Director
BIOM, Bachel Complex



Shri Sanjeev Sahi

Chief General Manager
Donimalai Complex



Shri P. Laxman Rao

Chief General Manager
(Mechanical)
Head Office, Hyderabad



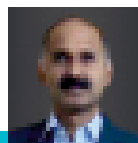
Shri J. P. Singh

Chief General Manager
(Materials Management)
Head Office, Hyderabad



Shri Suresh Kumar Jain

Chief General Manager
(R.E.D)
Head Office, Hyderabad



Shri N. Ramakrishna Prasad

Chief General Manager
(IE & MS)
Head Office, Hyderabad



Shri Rabindra Narayan

Chief General Manager
Bachel-Works



Shri Kishan Ahuja

Chief General Manager
Kirandul-Works



Shri Padmanabha Naik

Chief General Manager
BIOM, Kirandul Complex



Shri K. Mohan

Chief General Manager
(Law)
Head Office, Hyderabad



Shri A. Bandopadhyay

Chief General Manager
(Electrical)
Head Office, Hyderabad



Shri Subrata Chaki

Chief General Manager
(Engineering Services)
Head Office, Hyderabad



Shri S. Jagadeswara Rao

Chief General Manager
(Mechanical)
Head Office, Hyderabad



Shri K. Srinivasa Murthy

Chief General Manager
(Comm.)
Head Office, Hyderabad



Shri Sanjay Basu

Chief General Manager
(Prodn.)
Bachel Complex



Shri G. S. S. V. Suresh

Chief General Manager (Mech.)
Head Office, Hyderabad



Shri P. Ramiyan

Chief General Manager (Mech.)
Bachel Complex



Shivendra Bahadur Singh

Chief General Manager (Prod.)
NMDC Limited,
Donimalai Complex



Shri Pradeep Saxena

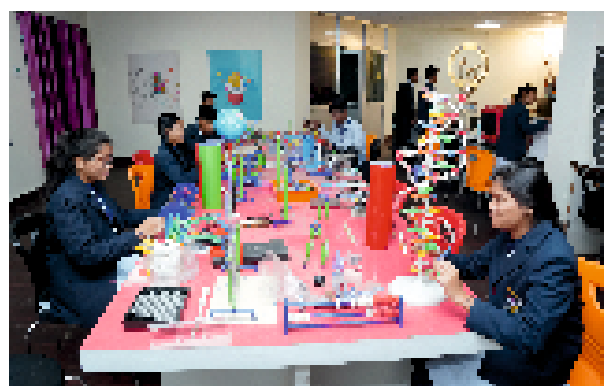
Chief General Manager
(Personnel)
Head Office, Hyderabad



Shri M. Rajagopal

Chief General Manager
Slurry Pipeline

CSR@NMDC



DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 65th Annual Report on the performance of your Company, together with the Audit Report and Financial Statements for the year ended 31st March 2023 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 Rs.17,667 crores, achieved Profit Before Tax (PBT) of Rs. 7,637 crores and achieved Profit after Tax (PAT) of Rs.5,529 crores.

The major performance highlights are summarized as under:-

- The company achieved production of 40.82 MT and sales of 38.22 MT.
- Turnover for the year under review was Rs.17,667 crores as against Rs.25,965 crores in the previous financial year 2021-22 – a decrease of 32%.
- Profit before tax (PBT) from continuing operations (before exceptional income) was Rs. 6,399 crores compared to Rs. 13,022 crores in the previous financial year 2021-22– a decrease of 51%.
- Profit before tax (PBT) after exceptional income was Rs. 7,637 crores compared to Rs. 13,022 crores in the previous financial year 2021-22– a decrease of 41%.
- Profit after tax (PAT) was Rs.5,529 crores compared to Rs.9,448 crores in the previous financial year 2021-22 – an increase of 41%.
- Net worth of the Company stood at Rs.22,332 crores as on 31.03.2023 – 25% higher than the previous financial year 2021-22 to Rs. 17,875 crore.
- The Company declared an Interim Dividend of Rs.3.75 per share and Final Dividend of Rs. 2.85 per share for F.Y 2022-23.
- Capital expenditure of Rs.3,747 crore (including Rs.2,283 crore for Nagarnar Steel Plant) has been incurred during the year under review.
- The demerger scheme of arrangement between NMDC Limited ("Demerged Company" or the "Company") and NMDC Steel Limited (NSL)



("Resulting Company") and their respective shareholders and creditors (the "Scheme") pursuant to the provisions of Sections 230-232 of the Companies Act, 2013 ("Act"), other applicable provisions and rules thereof thereunder (hereinafter referred to as the "Scheme"), involving demerger of NMDC Iron & Steel Plant Business Undertaking ("Demerged Undertaking" or "NISP") from Demerged Company to the Resulting Company has been duly sanctioned by the Ministry of Corporate Affairs ("MCA") vide its order dated 6th October 2022 ("Order"). The Company received the Order on 11th October 2022 and filed the same with the concerned Registrar of Companies on 13th October 2022. Hence, the Scheme is operative from 13th October 2022 (Effective Date). The Appointed Date of the Scheme is 1st April 2021.

(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 was incorporated on 02.01.2015 as a

Private Limited Company. The transfer of NISP was envisaged of a scheme of demerger into 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 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 separate company and subsequently inviting investor.

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.

- 1 Accordingly, to achieve the above objective, the Board of Directors of the NMDC Limited 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.
- 2 Joint Petition dated 18.01.2022 between NMDC Ltd., (Applicant / Demerged Company) and NMDC Steel Ltd. (Applicant /

Resulting Company) was 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.

3. The Demerged Company M/s NMDC Limited and Resulting Company M/s NMDC Steel Limited 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
- (ii) 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),
- (iii) To dispense with the requirement of convening the meeting of equity shareholders of Resulting Company.
- (iv) To dispense with the requirement of convening the meeting of the unsecured creditors of the Resulting Company.
- (v) Directing issuance of notice of meetings of equity shareholders and unsecured creditors of the Demerged Company.
- (vi) 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)
- (vii) 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.

4. 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.
5. The Demerged Company 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.
6. The Resulting Company 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.
7. Pursuant to the Ministry of Corporate Affairs

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

8. 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 was convened on 07.06.2022 for considering the Scheme of Arrangement. Smt. Rasika Chaube, Additional Secretary, Ministry of Steel, Government of India was appointed as the Chairperson of the unsecured creditors meeting. The meeting was duly convened on 28.06.2022 for seeking the approval of the unsecured creditors in the matter of Scheme of Arrangement.
9. 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).

10. The meeting was convened on 28.6.22 for approval of the shareholders and Unsecured Creditors of the Company and the resolution of demerger was approved by both with the requisite majority.
11. Chairperson of the meeting submitted the report as required under law to Ministry of Corporate Affairs, Government of India on 5th July, 2022 being the outcome of the meeting.
12. The Second Motion Application was prepared and all the annexures to the application and petition were filed before the due date 12.7.22.
13. The hearing in the demerger matter was fixed on 23.08.2022 and vide letter dated 01.08.2022, the petitioner companies were informed about fixation of the date of the hearing in the matter and also directed to the petitioner companies to publish the notice of hearing in the newspaper in terms of Rule 16 of the Companies (Compromises, Arrangement and Amalgamation) Rules, 2016 and furnish a compliance report to this ministry. Further, it was also observed from the details of voting results of equity shareholders' meeting along with the Scrutinizers with the Scrutinizer's Report which was submitted to the Stock Exchanges on 30.06.2022 that there are 6,06,187 no. of equity shareholder as on the cutoff date i.e. 29.04.2022. However, as per the email confirmation for sending the individual notice to the equity shareholders, the NSDL had confirmed that email communication was sent to 5,79,482 no. of equity shareholders on 05.05.2022. Hence, a clarification was also sought from the petitioner companies in the aforesaid letter dated 01.08.2022 regarding actual number of equity shareholders as on the cut-off date.
14. Thereafter, the petitioner companies vide letter dated 10.08.2022 clarified that the total number of equity shareholders of the Demerged Company as on the cut-off date

was 6,06,187 which included 26,705 shareholders without email id. Therefore, the email communication was sent only to 5,79,482 shareholders, who were registered on NSDL/the depository through email address. Thereafter, this ministry also sought the comments of the petitioner companies as to why the individual notices were not issued to the 26,705 equity shareholders by speed post/ registered post etc. for convening the meeting of equity shareholders. The petitioner companies informed that notices could not be sent to 26705 equity shareholders of the Demerged Company as their email address were not registered with the Demerged Company. However, the notice of the meeting of equity shareholders was duly published in the newspaper on 05.05.2022 and the said notice clearly states that the members will be provided with the facility to attend and vote at the meeting through VC/OAVM through the, NSDL evoting system.

15. MCA vide its orders dated 06.10.2022 sanctioned the Scheme of Arrangement of M/s NMDC Limited (Demerged Company) and M/s NMDC Steel Limited (Resulting Company) under section 230-232 of the Companies Act, 2013. The Scheme shall be binding on the shareholders and creditors of the Demerged Company and Resulting Company and all concerned with effect from the appointed date i.e. 01.04.2021.
- 16 The broad contours of the scheme of demerger are briefly outlined as under:-
 - **Appointed Date:** April 01, 2021 (“MCA”);
 - **Effective Date:** 13th October, 2022
 - **Transfer of Demerged Undertaking:** Under the Scheme, the NMDC Iron & Steel Plant at Nagarnar, Chhattisgarh (“**Demerged Undertaking**”) was demerged from NMDC Limited (“**NMDC**”) into NMDC Steel Limited (“**NSL**”), which was earlier a wholly owned Subsidiary of NMDC;
 - **Transfer of Assets and Liabilities:** All assets and liabilities of the Demerged Undertaking, except certain assets/liabilities as specified under the Scheme, were 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 without any further application, act, instrument or deed, issued and allotted 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 was 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 was tax neutral on NMDC as NMDC did not receive any cash consideration;
- **Record Date:** 28th October, 2022
- **Increase in Authorized Share Capital:** Upon the Scheme becoming effective, the authorized share capital of NSL automatically stood 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, were 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/- each 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 were issued and allotted to the shareholders of NMDC were 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 the 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 was filed with National Stock Exchange of India Ltd, BSE Ltd and The Calcutta Stock Exchange Ltd.

17. Copy of the orders were received on 11.10.2022 by the NMDC Steel Ltd and NMDC Ltd. The Board of NMDC Ltd. on 13.10.2022 took on record the orders received from MCA. The Record Date being 28.10.2022, List of eligible shareholders was obtained from NSDL and CDSL on 29.10.2022.
18. Subsequently, the Board of NMDC Steel Ltd. on 08.11.2022 passed a resolution for allotment of equity shares subject to the conditions that approval of the Ministry of Steel, Govt. of India is mandatory as the increase in the Authorized Share Capital of the Company requires assent of the President of India.
19. NMDC Steel Ltd. vide its letter dated 09.11.2022 formally applied to the Ministry of Steel seeking approval for increase in

Authorized Share Capital and completing the other formalities for credit of shares to the shareholders of NMDC Steel Ltd. as per the Record Date 28.10.2022.

20. Ministry of Steel has in turn approached Department of Investment and Public Asset Management (DIPAM), Govt. of India, Ministry of Finance vide their DO letter No.S-28016/1/2020-NMDC dated 18.11.2022 for enhancement of Authorized Share Capital and Paid-up Share Capital of NMDC Steel Ltd. upon its demerger from NMDC Ltd. DIPAM vide its letter dated 24.11.2022 have gave consent for the request to Ministry of Steel. Ministry of Steel vide its letter dated 01.12.2022 gave its consent for the request of enhancement of Authorized Share Capital and Paid-up Share Capital of NMDC Steel Ltd. upon its demerger from NMDC Ltd.
21. Corporate Actions for credit of shares was taken up by NMDC Steel Ltd. with NSDL and CDSL on 05.12.2022. Physical share certificates, along with failed records and IEPF records was completed on 10.12.2022. On 31.12.2022, in-principle approval was received from Bombay Stock Exchange. On 06.01.2023, in-principle approval was received from National Stock Exchange. On 13.01.2023, in-principle approval was received from Calcutta Stock Exchange. On 19.01.2023, SEBI approval under Securities Contract Regulations 19(2)(b) was received.

On 27.01.2023, Final Listing Application was made to BSE, NSE and CSE.

22. BSE vide its approval dated 16.02.2023 inter alia, gave the approval for the listing of 2,93,06,05,850 equity shares of Rs.10/- each and stated that with respect to the various letters and email resting with us as on February 16, 2023, in informing that effective from Monday, February 20, 2023, the equity shares of NMDC Steel Ltd. will be listed on the Exchange under Rule 19(2)(b) of SCRR, 1957 and Trading Members of the Bombay Stock Exchange will be permitted to do business in the equity shares of NMDC Steel Ltd. Vide its Notice No.20230216-3 dated February 16, 2023, issued in this regard to the Trading Members of the Exchange.
23. National Stock Exchange pursuant of Regulation 3.1.1 of the National Stock Exchange (Capital Market) Trading Regulations Part A, notified that the list of securities further admitted to dealings on the National Stock Exchange (Capital Market segment) with effect from February 20, 2023 and the designated security codes. Pursuant to Regulation 2.5.5 of the National Stock Exchange (Capital Market) Trading Regulations Part A, it was notified that the respective lot sizes in respect of securities above shall be as specified.



24. Calcutta Stock Exchange vide its Ref No CSE/LD/157762023 dated 17.02.2023 inter alia, gave the approval for the listing of 2,93,06,05,850 equity shares of Rs.10/- each.

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

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

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

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

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

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

- to issue a writ of certiorari or any other appropriate writ order or direction, declaring the levy of penalty and compensation vide impugned demand notice dated 15-11-2019 as illegal, without jurisdiction and violative of Article 19(1)(g) and Article 246 of the Constitution of India.
 - to allow the present writ petition by setting aside the impugned notice dated 15/11/2019 for demand of penalty and compensation towards excess production over the Environment Clearance Capacities.
 - any other relief as deem fit and proper by Hon'ble High Court in the facts and circumstances of the petition may kindly be passed.
- (c) When the matter was listed for hearing on 19.02.2020, the Hon'ble Court after hearing both counsels directed as under:-
- As prayed, list both the cases on 12th March, 2020.
 - Considering the fact that the petitioner has



already deposited more than 600 crore rupees pursuant to the demand notice made, no coercive step further shall be taken against the petitioner till 12th March, 2020.

- The respondents are directed to produce the statistics as regards the production of the petitioner exceeding the capacity on 12th March, 2020.
- iv) A revision application No. 12/(01)/2020/RC-II challenging validity of demand notices dated 15/11/2019 on the allegation of extraction of iron ore in excess to the proposed production quantity as per approved Mining Plan / Scheme during 2000-2017, has been filed before Hon'ble Mines Tribunal, Ministry of Mines, Govt. of India, New Delhi on 24.01.2020. The following prayers have been made in the revision application –
 - to set aside the demand of penalties, towards the alleged excess production above the proposed production in the approved Mining Plan / Scheme, since the same is without jurisdiction, illegal, arbitrary, violative of principles of natural justice and ultravires the provisions of MMDR Act - 1957;
 - pass such other orders as Hon'ble Tribunal

deems fit under the facts and circumstances of the case, in the interest of justice and in the public interest.

NMDC is pursuing the matter.

(C) Impact of Covid-19 Pandemic

(a) Production

The production performance of NMDC Ltd. during the FY 2022-23 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 including Booster doses to all our eligible employees as per the guidelines of Ministry of Health & Family Welfare.

(b) Commercial

The impact of Covid-19 Pandemic was negligent and NMDC has achieved its second best physical performance in FY'23 by producing 40.82 Mn T.

(c) Finance

The COVID-19 had not impacted the operations of the company during the FY 2022-23.



2.0 PHYSICAL PERFORMANCE**2.1 Production**

Product	Achievement		Percentage of change
	2021-2022	2022-2023	
Iron Ore (Million tonnes)	42.19	40.82	(-) 3 %
Diamond (Carats)	0.00	0.00	-
Pellets (Tonnes)	1,82,299	2,02,330	(+)11 %

3.0 SALES OF IRON ORE

Particulars	Physical (in Million Tones)		% of change	Value (Rs. in crore)		% of change
	Achievement			Achievement		
	2021-2022	2022-2023		2021-2022	2022-2023	
Domestic	40.67	38.22	(-)6.02 %	25,620.53	17,447.39	(-)31.90%
Export through MMTC	0.00	0.00	- %	9.19	-	-
Total Sales	40.67	38.22	(-)6.02%	25,629.72	17,447.39	(-)31.93 %

3.1 Other Sales

Particulars		Achievement	
		2021-2022	2022-2023
a) Diamond			
Sales (carats)		25,219	-
Value (Rs. in crore)		62.93	-
b) Sponge Iron			
Sales (tonnes)		-	-
Value (Rs. in crore)		-	-
c) Wind Power			
Sales (lakh units)		1.47	1.79
Value (Rs. in crore)		4.99	6.08
d) Pellet (In WMT)			
Sales (In WMT)		1,96,972	1,88,988
Value (Rs. in crore)		222.11	165.50

4.0 FINANCIAL PERFORMANCE**4.1 Operating Results**

Parameter	Achievement		Percentage of change
	2021-2022	2022-2023	
Profit Before Tax (PBT) (Rs. in crore)	13,022	7,637	(-) 41.35 %
Profit After Tax (PAT) (Rs. in crore)	9,448	5,529	(-) 41.48 %
Net Worth (Rs. in crore)	17,875	22,332	(+) 24.93 %
Book value per share (Rs.)	60.99	76.20	(+) 24.94 %
Earnings per Share (Rs.)	32.24	18.86	(-) 41.50 %

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 of Rs 7,637 crores on a turnover of Rs.17,667 crores in comparison with previous year's achievement of Rs.13,022 crores and Rs.25,965 crores respectively.

The Company has declared 1st Interim Dividend for FY 2022-23 @ Rs. 3.75 per share in the month of Feb 2023 and recommended. Final Dividend for FY 2022-23 @ Rs. 2.85 per share in the month of May 2023. Subject to the approval of shareholders in ensuing AGM.

Amount outgo towards 1st interim Dividend for FY 2022-23 was Rs.1,098.98 crores. The share of Government with equity stake of 60.79 % was Rs.668.07 crores.

4.3 TRANSFER TO RESERVES

The company proposed to transfer Rs.4,400 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 23rd May, 2023 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 2022-23 is unmodified and does not contain any qualification, reservation or adverse remark.

(b) SECRETARIAL AUDIT REPORT

The Secretarial Audit Report for the FY 2022-23 as done by M/s Hanumanta Raju & Co., Company Secretary in whole time practice does not contain any qualification, reservation or adverse remark.

8.0 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 2022-23, 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 Bacheli to Nagarnar along with 2.0 MTPA

Ore Processing Plant at Bacheli 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, Bacheli.
5. Township Project at Kirandul

B. Projects in pipeline:

1. Screening Plant II- Donimalai Complex
2. New crushing Plant and Downhill Conveyor system at Dep-14 & 11C
3. 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 Bacheli, Rapid Wagon Loading System (RWLS) etc. are envisaged. Waste mining and increase in evacuation capacity being a major area of focus for enhancing the life of mines, the schemes like beneficiation plant at Bacheli & Kirandul and Slurry pipeline from Bacheli to Nagarnar has been taken up.

In Screening Plant-III project at Kirandul the site work in packages like MRSS packages, Dry circuit (major technological package), wet circuit and RWLS, Miscellaneous building packages 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. Stage -1 Forest clearance for the project is received in March-2023 and process for final Forest clearance is in progress.

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 79 %. Doubling of 106 Km rail line is already completed and is in operation. Another 22 km rail line doubling is expected to be completed by Aug-23. 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 & Bacheli, pellet plant at Nagarnar. Laying of slurry pipeline between Bacheli and Nagarnar, 2.0 MTPA Ore Processing plant at Bacheli 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 Bacheli and Pellet Plant at Nagarnar are completed along with soil investigation studies. Works orders are already issued for packages like Main Receiving Substation, Slurry Pumping system, 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. Around 25.5 km of pipeline line laying is completed.

Township project at Kirandul is awarded in October'2022. Clearances like Environmental clearance, lay out approval for Type-III&IV from Town & Country Planning Dept. are received. Clearances like Consent to Establish, Layout approval for Type-V quarters and Building Permission from Nagarpalika are in process.

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 & Bacheli Complex and Donimalai Iron Ore Mine, Donimalai Complex) and are in operation. Another 425 kWp Roof Top solar power plant in Bacheli Complex, Dantewada, CG was installed in March' 2023. Further, as per MNRE guidelines, to meet the target equal to 50% of the electricity consumption generated by Renewable Energy by financial year 2030, NMDC is planning to set up a 4.5 MW ground mounted solar power plant at SIU, Paloncha, Telangana.

Initiatives for Technological upgradation

1. Fleet Management System for BIOM Bacheli & 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 Bacheli 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 FMS 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-Bacheli Complex and BIOM-Kirandul Complex of NMDC Limited" at a total contract price of Rs. 47.08 Cr, on 27.09.2021. Letter of award of Contract was issued on 04.10.2021 and Contract Agreement was signed on 14.10.2021.

M/s Amnex has started to supply the Offered FMS modules materials and also started the erection works. M/s Amnex has been given 2nd time interim extension to complete all the modules of FMS upto 03.07.2023.

2. Fully Automated dispatch Iron ore Sampling and Analysing System for BIOM, Bacheli, 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.

3. Automated Capturing of Production & Dispatch data on real time basis from OCSI Plant Belt Scales of Kirandul, Bacheli & Donimalai Complex

In order to reduce human interference, increase productivity, utilize manpower efficiently, storage of historic data in easily retrievable format, improve reliability of operation, having diagnostics, centralized control and integration with ERP (SAP HANA) the proposal was taken up as part of first phase of digital ERP initiative in each OCSL Plant of Kirandul, Bacheli & Donimalai Complex. Integration of all the real time relevant belt scales Production & Dispatch data with a centralized web based SCADA server 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. The work of automated capturing of data have been completed, tested and on Go-Live for Donimalai and Bacheli Complex. The work at Kirandul Complex is near completion and Go-Live proposed by 15th June, 2023.

4. Replacement of existing Relay Logic Circuit (RLC) with Automation System (DCS) 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) work has been taken up to upgrade the system from RLC to latest DCS automation system.

E-tender issued online and bids under evaluation. Award of contract will be finalised by July'23. Estimated time for completion after award of work 240 days.

5. 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).

E-tender issued online and bids under evaluation. Award of contract will be finalised by June'23. Estimated time for completion after award of work is 30 days.

6. Replacement of existing Relay Logic Circuit (RLC) with Automation Distributed Control System (DCS) and upgradation of LTMCC to IMCC of SP-1 of BIOM, Kirandul Complex.

The existing electrical control system for process in Screening Plant-1 of Kirandul Complex is based on Relay Logic Circuit (RLC). The system was commissioned in the year 1966 and which is vital part of process plant to supply processed and sized Iron ore to final dispatch yard of Loading Plant.

Complete refurbishment of all Switchgears, different types of cables, LTMCC, upgradation of RLC with latest automation has been taken up in two phases.

- A. First phase of work has been taken up for replacement of LTMCC with IMCC (Intelligent motor control centre), interfacing/ integration of the system with PLC and ERP. For this work, A/T No. HQMM/1018-21/ 1100000342/ 1582 dtd 25.01.2023 issued to M/s Nucle Systems, Noida. Delivery is expected in June'23 & work completion by August' 23.
- B. The second phase of work is regarding DCS (Distributed Control System) PLC automation in place of existing RLC (Relay Logic Control) system at SP-1. E-tender issued online and bids under evaluation. Award of contract will be finalised by May'23. Estimated time for completion after award of work is 270 days.

9.1 OVERSEAS PROJECTS / NMDC GLOBAL

Australia

Legacy Iron Ore, Perth, Australia

Legacy Iron Ore Ltd (Legacy) is an ASX-listed mineral resources company based in Perth, Western Australia, focusing on gold, iron ore and base metals. NMDC has 92.32% equity in the company. Legacy holds 24 prospective tenements across its Mount Bevan, South Laverton, and East Kimberley project areas in Western Australia. The tenements are in various stages of exploration for a host of commodities, including iron (1), gold (20), base metals and tungsten (3).

The Mount Bevan Project in Western Australia is of strategic importance to Legacy. It endows a significant magnetite Mineral Resource of 1.17 billion tonnes at 30.6% Fe (JORC Inferred & Indicated). The project has been the focus of considerable investment, with approximately 21,000 metres of reverse circulation (RC) and 3,000 metres of core drilling for iron ore (haematite and magnetite) and nickel exploration.

Legacy signed a Joint Venture (JV) Magnetite Agreement with Hancock Magnetite Prospecting Ltd (Hancock) to complete a pre-feasibility study (PFS). Under this arrangement, Hancock will invest and undertake the developmental works in Mount Bevan Project. Currently, Legacy has a 42% interest in the asset. After completing the pre-

feasibility studies, Legacy will retain a 29.4% interest in Mount Bevan JV.

Additionally, to further underpin the future potential and strategic importance of the Mount Bevan tenement, Legacy signed a joint venture agreement for lithium and other minerals with Hancock in June 2023. The Agreement formalises terms for Hancock to earn-in to all non-iron minerals, focusing on the exploration and development of lithium and other critical minerals.

The South Laverton Project includes Mount Celia, Yilgangi, Yerilla and Patricia North gold assets. Of these, the Mount Celia deposits are at the most advanced stage of development. Some of the significant milestones for Mount Celia's progress include signing the Mining agreement with the Native Title Group and the grant of the Mining Lease by the Western Australian Department of Mining Industry Regulation and Safety (DMIRS) in the first half of 2023. Legacy is committed to commencing open-cut mining in the latter half of 2023. Mount Celia has a declared JORC-compliant Mineral Resource of 312,600 ounces at 1.39g/t Au supported by 30,173 metres of RC drilling and 1,150 metres of core drilling.

The Yilgangi and Patricia North tenements are in the early to mid-stage of exploration maturity. Yilgangi has a Mineral Resource of 10,000 ounces but can potentially develop as a satellite gold deposit for Mount Celia's operation.

The East Kimberley Project is 350 km south of Kununurra, Western Australia. It includes Koongie Park, Sophie Downs, Ruby Plains and Taylor Lookout tenements, known to host prospective geology for base metals, gold, rare earth elements (REE) and tungsten mineralisation. The East Kimberley tenements are in the early stages of exploration, with first-pass drilling for base metal exploration completed.

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 1.63 Million tons in FY'23 (Both low ash & high ash) and exported 1.71 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	17/10/2042

Your Company has applied for various minerals in different State for Prospecting and Mining Operations, which are as follows:

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-Karswan, Jharkhand, under Section 17A of MM(D&R) Act, 1957 for prospecting and mining operation of Gold & associated minerals. Director, (Mines) DMG. GoJ sought comments on 31-01-2023 from DMO, Khunti Dist., regarding any over lapping issues of the applied area with granted mineral concessions adjacent if any. The matter is being pursued with Govt. of Jharkhand for reservation.

Copper, Nickel, Cobalt and Molybdenum minerals:-

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 Tambadungri Village, Saraikela-Kharswan district, Jharkhand under Section 17A of MM(D&R) Act 1957 for grant of Prospecting and Mining operation of Copper, Nickel, Cobalt and Molybdenum minerals.

The matter is being pursued with Govt. of Jharkhand for reservation.

Iron ore Sasangada

Your Company has made a JV Company (NMDC 60% & JSMD 40%), named Jharkhand National Mineral Development Corporation Limited (JNMDC) 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. 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 of MM(D&R) Act 1957 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 (JNMDC) 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 of MM(D&R) Act 1957 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 Govt. of Jharkhand (GoJ) and MoS, GoJ.

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 of MM(D&R) Act, 1957. Matter is being pursued with MoS, Govt. of India and Govt. of Karnataka.

Lithium-

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 of MM (D&R) Act, 1957 for grant of prospecting and mining operation. Director, DMG, GoK vide letter dated 22/07/2022 favourably recommended to the Secretary, Government (MSME & Mines),

Commerce & Industries Dept., GoK for consideration and obtaining prior approval of Govt. of India to reserve in favour of NMDC for grant of prospecting & mining operation.

The matter is being pursued with Govt of Karnataka.

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 pursuing the matter with Ministry of Mines, Govt of India through MoS, GoI for reservation of Malangtoli Iron Ore Block in favour of NMDC where detailed exploration was carried out by NMDC. Due to continuous persuasion by 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.

Director (Mines), Govt. of Odisha vide letter dtd. 6.10.2022 requested NMDC to provide the proposed reservation area map in triplicate for reservation of Malangtoli Iron Ore block (B, F & G Blocks) over an area of 39.03 sq. kms under section 17 A (1A) for Exploration of prospecting which was applied by NMDC for reservation for grant of mining lease.

Against the above communication of DMG, Odisha, NMDC vide letter dtd. 25.10.2022 has submitted the maps as sought and requested DMG, Odisha and Ministry of Mines to reserve the said Malangtoli Iron Ore block under Section 17A (1A) of MMDR Act, 1957 for grant of mining lease as the applied area was already explored by NMDC. Matter is being pursued with MoS, Govt. of India and Govt. of Odisha.

Andhra Pradesh

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 of MM (D&R) Act, 1957 for Prospecting & Mining. The matter is being pursued with Govt of AP.

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 Rs 3.42 Crores to NMDC as per Schedule of Charges fixed by MoM, Gol and claim made by NMDC.

Your Company submitted a proposal to NMET on 06/07/2022 for G4 level Diamond Exploration at Jheriya Block, Janjgir-Champa District, Chhattisgarh.

NMET, MoM, Govt. of India allotted Jheriya Diamond Block (Area- 100.31 Sq.km) on 20.09.2022 for carrying out regional Diamond exploration with a time line of 18 months at an estimated cost of Rs. 2.46 Crores.

Your Company obtained forest permission over the forest area of Jheriya Diamond block on 20th Dec, 2022 from DFO, Janjgir district, CG for collection of stream sediment sample and surface chip samples.

Your Company started first phase of exploration i.e. collection of Stream Sediment Samples (SSS) from 24/01/2023 in Jheriya Diamond block and total 36 nos. of SSS are collected and processed through zigging at Panna Exploration Camp, MP. Heavy liquid separation through TBE and Microscopic sorting of heavy Mineral indicators have completed at R & D Centre, NMDC, Hyderabad for further EPMA Analysis.

Chigargunta-Bisanatham gold block-

Your Company has become preferred bidder for Chigargunta-Bisanatham gold block for Mining Lease (ML area 262.01 Ha.) located in Chittoor Dist. in Andhra Pradesh through e-auction route with a final bid offer of 38.25%.

Hon'ble High Court of AP issued common orders in W. P. Nos. 15965 (filed by Bharat Gold Mines All Employees Industrial Cooperative Society Ltd. and others) & 21750 (filed Global Gold Mines All Employees Industrial Cooperative Society Ltd.) of 2018, dt. 05/08/2022 and disposed the W.P.s. The operative portion of the orders are as follows:



“For all the aforesaid reasons, there are no merits in these writ petition and they are accordingly dismissed. There shall be no order as to costs. As a sequel, pending miscellaneous petitioners. If any, shall stand closed”.

Your Company made payment of first instalment (10%) of upfront amount i.e., Rs. 1,23,80,650/- to Govt of AP in Sept, 2022.

Subsequently, Government of Andhra Pradesh issued LOI on 7th Oct'2022 for grant of Mining Lease to your Company.

As an initial step for commencement of mining operation in a time bound manner, on 17.10.2022 your Company appointed a Technical Advisor on contract basis for assisting all technical works pertaining to preparation of mining plan, underground mine & processing plant design, tailing disposal etc. along with Consulting Agency to be appointed for commencement and operation of Chigargunta Gold Mine.

Your Company made a payment of 2nd instalment of upfront payment (10%) @ Rs. 1.24 Cr to DMG, GoAP on 31/03/2023.

Mining Plan preparation and obtaining statutory clearances of Chigargunta-Bisanatham Gold Block is under progress.

NMDC has paid 1st & 2nd Instalments of upfront payments (10%+10%) amounting to Rs 2.48 crores and deposited the Performance Security (i.e Bank Guarantee for amount of Rs.12.39 Cr) to DMG, GoAP. The Joint DGPS Survey of the Gold Block is completed. Efforts are on to seek all the clearances for execution of the Mining lease within stipulated time of October 2025.

Drone Based Mineral Exploration

Your Company has signed Contract Research Agreement & EOI with Geology & Geophysics Dept. and Mining Dept. of IIT, Khargapur signed on 16.03.2022. The development of data analysis, data science & machine learning technologies are creating an optimal ecosystem for mineral exploration & mining. Drone



Technology plays an important role in generation of meaningful digital spatial data.

NMDC becomes First CPSE to initiate “Drone Based Mineral Exploration in India”. NMDC procured 2 Nos. Drones, One Magnetometer and one Hyperspectral + LIDAR Sensors. NMDC Executives became Drone Pilot after trained from TSAA, Telangana. Draft projects prepared for 3 types of studies, which would be taken up jointly with IIT-KGP.

The acquisition of image data with drone based UAS is fast, easy, targeted and without the need of extensive time- and cost-consuming. It is mostly independent of cloud cover conditions and is even applicable in barely accessible areas. The heavily decreased influence of the atmosphere does not require difficult and complex atmospheric corrections. Drones present the perfect trade-off between coverage and scale of observation, and are essential when ground access is impossible, dangerous or logistically costly.

Drone based mineral exploration to conduct- Geological exploration using hyperspectral remote sensing data collected by Hyperspectral imaging sensor, Geophysical exploration using magnetic data collected by magnetometer, Topographical mapping using 3D data collected by LiDAR, Environmental studies in mines, Photogrammetry and generation of anomalous maps for identification of potential mineralized targets.

Drone based Hyperspectral sensors have become a key tool for a large range of applications in remote sensing and are now widely used in geology, mineral mapping and exploration. During the last few years, lightweight hyperspectral imaging (HSI) sensors and geophysical instrument have been increasingly developed for use on Drone. These drone-borne sensors can close the gap between field- and air- or space-borne data and provide small-scale high-resolution hyperspectral imagery.

Drone based magnetic survey is used to collect magnetic data which is very important to define the location and the shape of the buried magmatic body, and to estimate if its magnetic properties are indicative for mineralization.

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.

Terms of Reference (ToR) for Industry-1 sector (ancillary activities outside ML area) issued on 21.02.2022 and for Mining sector (mining activities inside ML area) issued on 11.03.2022 for obtaining environment clearance. Ecological studies, flora & fauna studies completed on 31.05.2022. Draft EIA/EMP report submitted to CECB, Govt. of Chhattisgarh for public hearing on 31.03.2023.

Gram Sabha for acquisition of private revenue land held on 25.04.2023. Land acquisition applications for village Bhansi and Porokameli along with the requisite fee towards service charge of Land Acquisition, Administrative cost of Rehabilitation and Resettlement and cost for social impact assessment study is submitted on 25.05.2023. District Collector, Dantewada has issued notification under section 4 of LARR Act 2013 for SIA studies on 26.05.2023.

Forest application for forest diversion proposal is registered vide registration no. FP/CG/MIN/146694/2021 dated 16.06.2022. Forest Department has made available required degraded Forest Land for Compensatory Afforestation in the Forest Ranges of Marwahi

and Janjgir-Champa. DGPS Survey report of 846.296 Ha degraded forest land in Janjgir-Champa Forest division submitted to DFO, Janjgir-Champa on 19.04.2023, CA plantation scheme prepared & submitted. DGPS survey report for 530.302 Ha degraded forest land for Compensatory Afforestation at Marwahi forest division was submitted on 08.05.2023 and CA plantation scheme submitted. Tree enumeration work completed and report has been submitted to Forest Ranger Office, Bacheli. Revised forest diversion proposal for a revised area of 682.2722 Ha (570.100 Ha inside ML area + 100.077 Ha outside ML area + 12.0952 Ha Bade Jhad ke jungle) along with 44-point check list submitted to DFO, Dantewada and updated in PARIVESH Portal on 29.04.2023.

Draft Wild Life conservation & Management Plan, Biodiversity Conservation Plan and Soil, Water & Moisture Conservation Plan submitted to the office of DFO-Dantewada on 29.04.2023 for the scrutiny.

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 favor 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. CECB 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 Rs. 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.

Performance security has been renewed for another five years as per Mine Development and Production agreement (MDPA) on 05.11.2022.

Baloda - Belmundi Diamond Block

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.

MRD, GoCG, Raipur vide letter dated 28.04.2022 has issued LOI for grant of Prospecting License for Baloda-Belmundi Diamond Block (156.80 sq. km) under Rule 17A(1A) of MMDR Act 2015 (as amended) in favour of NMDC-CMDC Limited for three (3) years.

The Company has submitted permission letter from forest department for carrying out prospecting work in 33.23 sq.km forest area of Baloda-Belmundi Diamond block and affidavit to work in revenue land with due consent of land owner and asked MRD, GoCG to issue final grant order for prospecting licence of Baloda-

Belmundi Diamond Block on 20.05.2022.

MRD, GoCG, Raipur vide letter dated 02.01.2023 has issued final grant order for prospecting licence of Baloda-Belmundi Diamond Block.

The Company has submitted Scheme of prospecting for Diamond Exploration in Baloda-Belmundi Diamond Block to IBM, Raipur and Mining Officer, Mahasamund, GoCG on 06.01.2023. PL deed of Baloda-Belmundi Diamond Block with GoCG on dated 28.02.2023 and the same is registered on dated 01.03.2023.

District Collector, Mahasamund vide letter dated 26.05.2023 has given permission to NMDC-CMDC Limited to start the prospecting work. First phase of exploration (Stream Sediments Sampling) has been done in the allotted block from 08.05.2023 to 09.05.2023

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.

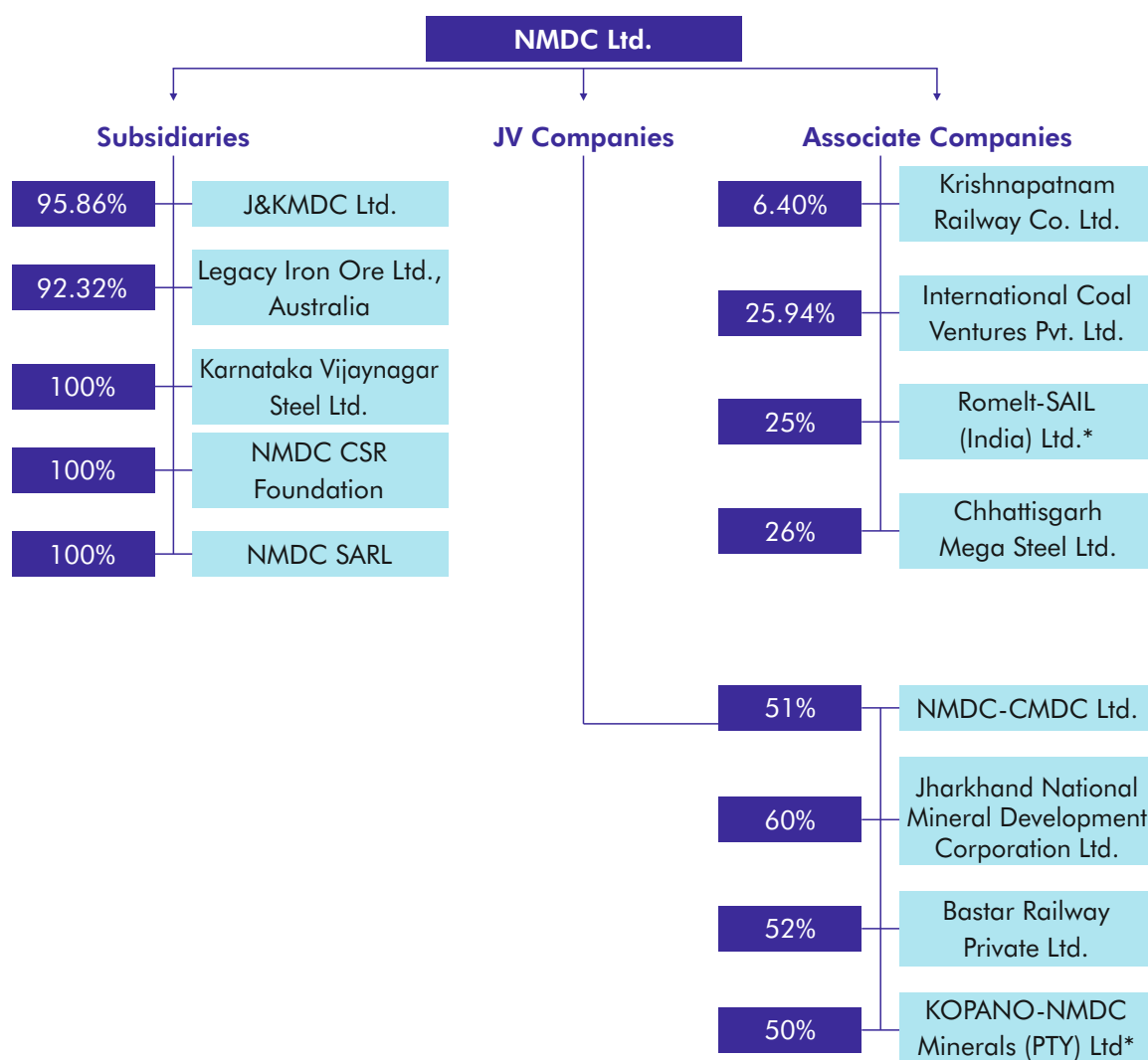
MRD, GoCG vide letter dated 24.11.2021 has recommended to MoM, GOI for reservation of 21.3 Sq.km area of Dep-1 mine in favour of NMDC-CMDC Limited under rule 17A(2) of MMDR Act 1957 (as amended) for undertaking prospecting followed by mining operations.

MoM, GOI has turned down the request for reservation of Dep-1 in favour of NMDC-CMDC Limited since NMDC, CMDC and NMDC-CMDC Limited has exceeded the area limit prescribed for ML of 10 sq. km under section 6 of MMDR Act vide letter dated 04.07.2022.

MRD, GoCG, Raipur vide letter dated 20.04.2022 has recommended to MoM, GOI for reservation of 18.15 Sq.km area of Dep-3 & 8 mine for prospecting cum mining in favour of NMDC-CMDC Limited under rule 17A of MMDR Act 1957 (as amended).

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

a) NMDC has 5 subsidiaries and stake in 4 Associate and 4 JV Companies. The names of these Companies and percentage of NMDC stake in these companies are as follows:



* Under closure.

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.

11.0 ENVIRONMENT MANAGEMENT:

Environmental Clearances:

1. Your company has obtained Environment Clearance (EC) from State Environmental Impact Assessment Authority (SEIAA), Bangalore on 16.11.2022 for construction of Multi storied Residential complex {Type-III (560 units, 14 towers, stilt+10), Type-IV (96 units, 2 towers, stilt+8) & Type-V (21 units, 1 tower, Stilt+7)}.
2. Your company has obtained Environment Clearance from State Environmental Impact Assessment Authority, (SEIAA), Raipur on 15.3.2023 for Construction of multi storied residential complex {Type-III (200 units, 5 towers, stilt+10). Type-IV (144 units, 3 towers, stilt+8) & Type-V (21 units, 1 tower, Stilt+7)}
3. Your company has obtained recommendations by Environment Appraisal Committee (EAC), MoEF&CC for grant of Environment Clearance for Capacity Expansion of Kumaraswamy Iron Ore Mine from 7 to 10 MTPA Iron Ore on 10.11.2022.

Terms of Reference (TOR)

- Your company has obtained TOR on 6.2.2023 from MoEF&CC, New Delhi with specific and standard conditions for Main Mining Lease & Supplementary Mining Lease

of the Diamond Mining Project, Majhgawan (Panna), Madhya Pradesh for preparation of EIA/EMP report.

Certified Compliance Report

1. Your company has obtained Certified Compliance Report (CCR) with respect to the conditions stipulated in the existing Environment Clearance dated 23/7/2007 accorded to Bailadila Iron Ore Mine - Deposit 5 from Integrated Regional Office (IRO), Raipur along with a closure report on 30/1/2023.
2. Your company has obtained Certified Compliance Report (CCR) from IRO, Bangalore with respect to the conditions stipulated in the existing Environment Clearance dated 25/1/2021 accorded to Kumaraswamy Iron Ore Mine, Bellari (Karnataka).

Forest Clearances:

1. Your company has obtained extension of validity of Forest Clearance co-terminus with Mining Lease by another 20 years i.e. up to 17/10/2042 in respect of the KIOM over an area of 324.70 Ha from Government of Karnataka, Forest, Ecology and Environment (FEE) Deptt, Bangalore.
2. Your company has obtained the Final Stage Forest Clearance from MOEF&CC for



diversion of 5.71 Ha of forestland for widening of existing approach road w.r.t KIOM (ML No. 1111) S.M Block Forest, Donimalai, Sandur, Karnataka on 10.11.2022.

3. Your company has obtained Stage-1 Forest Clearance from MOEFCC on 6.3.2023 for diversion of 53.67 Ha of forest land (near M.L No. 2396 of NMDC) in Donimalai forest block, Sandur Taluk, Ballari Distt for construction of new screening plant-II, Tailing Dam and laying of water pipeline at Donimalai.

Wild Life Clearance:

- Diamond Mining Project Panna, has obtained Wild life Clearance from PCCF / Chief Wild Life Warden, Madhya Pradesh for a period of 20 years (valid up to 30.6.2040).

Consent to Operate

- Your company has obtained valid operating consents from State Pollution Control Boards under Air (Prevention & Control of Pollution) Acts 1981 and Water (Prevention & Control of Pollution) Act 1974 for all projects. Your company also obtained validity extension of consent to establish for Screening Plant-III at Kirandul, Pellet Plant at Nagarnar & Iron Ore Beneficiation Plant at Bacheli.

Environment, Social Governance:

- Your company has conducted ESG studies in line with the SEBI guidelines and prescribed frameworks. The Sustainability report for the year 2021-22 has been released on 26.1.2023 and FY 2022-23 the report will be released along with annual report of the company.

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.

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 (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 and the recommendations are implemented.

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.

In order to ensure that safety systems are up to date & also comply with the latest safety regulations, a cross-project Internal Safety Audit has been started in NMDC.

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

NMDC provides extensive safety training programmes to inculcate safety habits & mindset at work to its employees. Behavioral based safety training is also given to the employees.

The Severity Rate for the year 2022-23 is 15.09.

(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.

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, Bacheli Complex (BIOM, BC); Donimalai Iron Ore Mine & Kumarswamy Iron Ore Mine, Donimalai Complex (DIOM & KIOM) are accredited with Integrated Management System (IMS).

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	:	Rs. 50.00 crores
Procurements	:	Rs. 15.00 crores

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

Contracts	:	Rs. 20.00 crores
Procurements	:	Rs. 10.00 crores

Subsequently, to cover majority of cases under Integrity Pact, the threshold limits have been reduced to Rs.1.00 crore for procurements / contracts w.e.f September 2018.

During 2022-23, 183 tenders valuing Rs.1568.79 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 Rs.2 lakh are tendered through e-mode at HO & Projects. Reverse e-auctions are conducted for high value Equipments, spares & consumables, wherever possible, by declaring upfront in the tender document.
- Broad basing of vendors done for high value items viz. Milled Ferro Silicon, Crusher Spares, Under Carriage parts of Excavators, TCRR bits, conveyer belts and plant items which resulted in substantial savings in cost.



➤ Mode of Tendering:

Efforts are continuously taken to minimize proprietary & single tender purchases. Instead, open/global tenders are resorted to by giving generalized specifications & drawings, wherever possible or with OEM Part Numbers. Single Tender / Proprietary purchases have been reduced from Rs.1579.15 lakhs (85 cases) during 2017-18 to Rs.287.67 lakhs (34 cases) during 2018-19. Rs.271.85 lakhs (26 cases) during 2019-20, Rs.3975.96 Lakhs (33 cases) during 2020-21, Rs.13939.95 Lakhs (56 cases) during 2021-22. Rs.17689.98 Lakhs (93 cases) during 2022-23. The Increase during FY 2022-23 is due to implementation of MII-

Make In India Policy in NMDC.

➤ **Pre-qualifying conditions:**

PQC for HEM equipments tenders have been reviewed and a structured PQCs have been made keeping in view wider participation.

➤ **GeM Portal:**

Procurement through GeM portal as per the guidelines of GOI, is being done for the Materials which are available in the GeM Portal. **Total 2811 orders valuing Rs.840 crores were placed during the year 2022-23.**



➤ **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 its efforts to implement and comply with the Official Language Policy of the Government of India in its headquarters, projects and units.

Hindi Parangat training continued whole the year through on- line mode. So far 170 employees of Corporate Office have been successfully imparted Parangat training. Hindi workshops were organized in every quarter at headquarters and various projects. Official Language Implementation Committee meetings were held every quarter at headquarters as well as at projects.

Hindi Kavi Sammelan was organized by Corporate Office at Hyderabad with Hindi poets of international fame. Honorable Members of Hindi Salahakar Samiti of Ministry of Steel alongwith NMDC family attended the event. Rajbhasha Technical seminars were organized at Bailadila Iron Ore Complex, Kirandul and Diamond Mining Project, Panna.

Inter-PSU Hindi competition was conducted by Corporate Office for all the PSUs of Hyderabad.

Hindi Fortnight was organized at Corporate Office as well as at all the Projects and Units.

Messages of CMD were published in Hindi dailies of Hyderabad and posted on various social media platforms. Various competitions were conducted and prizes were distributed.

Apart from Hindi Fortnight, to maintain continuity in promotion activities for use of Rajbhasha in official work various monthly competitions were organized and prizes distributed.

A meeting of official language representatives of various departments of Corporate office was held to speed up the use of official language in all departments.

NMDC actively participated in 12th World Hindi Conference held at Fiji. Two Officers from the company attended conference.

The official language house journal "Khanij Bharati" of the headquarters was published. Various Hindi/bilingual/trilingual monthly magazines namely Baila Samachar, Bacheli Samachar, Doni Samachar, Hira Samachar were also published from the projects. "Takaniki Kshitij" and "Hira panna" magazines were published respectively from Kirandul and Panna Projects.

Diamond Mining Project, Panna shoulders the responsibility as convenor of Town Official Language Implementation Committee of Panna. Project organized Half yearly meetings and other programs for all the member offices for

implementation of Rajbhasha in Panna.

Special Hindi workshop for member offices of TOLIC, Vishakhapatnam was organized by RO, Visakhapatnam under the aegis of Nagar Rajbhasha Implementation Committee, Visakhapatnam.

Head Office of NMDC Ltd received the most coveted Rajbhasha Kirti Puraskar (Third) for PSUs in "C" region for the Year 2021-22. NMDC was honored with Rajbhasha Kirti award for the fourth year consecutively.

NMDC received "Rajbhasha Sammaan" award from Ministry of Steel amongst Steel PSUs.

Head Office of NMDC Ltd won first prize "Rajbhasha Shield" for the year 2021-22 in the category of medium sized undertakings for excellent implementation of Official Language by Town Official Language Implementation Committee (Undertaking), Hyderabad-Secunderabad. NMDC received this award for the seventh year consecutively.

Hindi House journal of Corporate Office "Khanij Bharati" also received First prize of Town Official Language Implementation Committee (Undertaking), Hyderabad-Secunderabad in e-magazine category.



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 and also at Hyderabad 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 12 Nos. Vendor Meets / programmes at various places in total during 2022-23. NMDC interacted with prospective MSE entrepreneurs encouraging them for supply of goods for various plants at Bailadila, Donimalai & Panna.

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 2022-23 are given below: -

Category of MSE Firm	Norms	Achievement
Procurement from MSE firms	25%	77.49 %
Procurement from SC / ST MSE firms	4%	5.25 %
Procurement from Women Entrepreneurs MSE firms	3%	4.65 %

NMDC also received the Certificate of Appreciation from Ministry of MSME for highest procurement amongst Navratna CPSEs during 2021-22 and The Best Performer under the Navratna Category during the year 2019 and 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

59 candidates belonging to Scheduled Caste and 114 candidates belonging to Scheduled Tribes were appointed against 435 posts filled by direct recruitment.

17.3 Strength of SCs & STs as on 31st March 2023

1. Total number of employees	: 5713
2. Scheduled Castes amongst them	: 837
3. Scheduled Tribes amongst them	: 1485
4. Other Backward Class	: 1202
5. Physically challenged employees	: 105

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

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

Sport tournaments were arranged for the employees, the wards of employees and also for the local youth.

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

One complaint has been received under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013 during the financial year 2022-2023.

18.0 HUMAN RESOURCES DEVELOPMENT

At NMDC, your employees are crucial assets and their contribution is critical to its success and performance. We value and invest in your employees so as to attract and retain talent, increase productivity and profitability, and achieve its goals and objectives. In NMDC, we provide a robust learning culture environment in which learning is encouraged, supported, and integrated into the daily activities.

In your company, a high impact learning culture is provided where learning is not just a one-time event but is an ongoing & continuous process that is integrated into the daily work environment. This means that your workforce is encouraged and supported to learn on the job and to continuously develop their skills and knowledge. At NMDC learning is a collaborative process. Employees are encouraged to work together to share knowledge, skills, and experiences, and to learn from each other.

Corporate HRD Learning and Development department is aligned with its business as well as strategic goals. This means that your employees are trained to develop the skills, knowledge and attitude that are critical to achieving its objectives. In a high impact learning culture, your company recognizes that each of its employee has unique learning needs and styles. Therefore, learning is personalized to meet individual needs and preferences.

We believe that in NMDC, a high impact learning culture is critical factor that will attract and retain top talent, drive innovation and growth, and stay competitive in today's rapidly changing business environment. By creating a culture that supports and encourages continuous learning and development, organizations can build a workforce that is agile, engaged, and committed to achieving its goals. **NMDC spent Rs.21.03 Crores (approx.) on Learning and Development during the year 2022-23 as compared to Rs.15 crores(approx.) in previous year.**

In your company, productivity and employees are closely related, as employees are the ones who perform the tasks and activities that contribute to an organization's overall productivity. We firmly believe that, employee productivity is critical to our success, and organizations that prioritize employee engagement, skills and knowledge, health and well-being, workload management and job design, and employee satisfaction can create an environment that support high levels of productivity.

Business sustainability and learning are closely interconnected. We believe that business sustainability is about creating value for all stakeholders over the long term, while balancing economic, environmental, and social considerations. By adopting sustainable business & best practices we have reduced environmental footprint, build strong relationships with stakeholders, and created a more resilient and prosperous future for all. Overall, learning can play a critical role in supporting business sustainability. By building a culture of sustainability, driving innovation, supporting continuous improvement, engaging stakeholders, and building a more sustainable business model, organizations can enhance their sustainability practices and drive long-term success.

For a high-performance organization, it's imperative that the knowledge and skills are continuously upgraded by virtue of imparting new age learning technologies. It is pertinent to mention here that, during 2022-23 Learning and Development initiatives were aligned with our business goals. 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 organization.

A. TRAINING PROGRAMMES (In-House / External)

Corporate HRD has organised customized In House Training as well as External Training programmes covering executives during 2022-23. Corporate HRD Conducted several specialized & curated Programmes on:

- Specialised intervention w.r.t 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).
- Successfully organised and conducted in house training & programme on New labour codes by XLRI Jamshedpur by covering 25 executives from various disciplines.
- Online Training programme for Inquiry Officers (IOs) & Presenting Officers (POs) by CBI Academy
- Workshop on Arbitration and Contract Management Negotiation Skills.
- Environment, Health and Safety Awareness master class in Dubai.
- Conducted various health & wellness programme by various bodies.
- Workshop on Recent Amendments in Arbitration and Conciliation Act 1966.
- Online Programme on Design thinking for top management by CII.
- Conducted Gender Sensitisation program at Head office
- Organised program on GEM & Contracts, IO/PO, tender & contracts, public procurement, GEM & Disciplinary Matters.
- NMDC HR conclave approved for all NMDC HR executives with ISB Hyderabad as academic partner in 3 cohorts. 2 cohorts are already successfully conducted at Kolkata and Kerala. The program was well appreciated by

NMDC top leadership and participants. 3rd HR Conclave to be conducted shortly.

B. CULTURE BUILDING & HAPPINESS WORKSHOPS

COVID-19 pandemic has brought with it a great deal of stress and anxiety for many people. To overcome unprecedented challenges of COVID 19 before us alongside Fear, Stress & Anxiety, happiness programme was conducted by NMDC for the employees not only to increase the level of happiness within the organisation but also help employees at various levels to understand why happiness is worthwhile goal for achieving high performance in life and work.

Covered 500 executives Managers & above executives in a unique tailored programme namely "IKIGAI- A Happy Workforce Programme- Phase 2". Keeping in view the feedback from the phase-1&2 participants, the programme is further extended to 540 executives "IKIGAI- A Happy Workforce Programme- Phase 3"

Culture building and happiness programs can help to create a positive work environment that foster employee engagement, retention, and productivity. This can lead to improved business outcomes and a stronger brand reputation, ultimately driving long-term success.

C. SKILL DEVELOPMENT TRAINING

Signed MoU with National Skill Development Corporation (NSDC) for Skill Development



Program and RPL Certification for 1600 NMDC workmen in collaboration with NSDC. Job Roles Identified and currently selection of Training Partner (TP) is in hand by NSDC in consultation with NMDC.

D. STRENGTHENING OF QUALITY CIRCLES

Strengthened the Quality Circles movement, by giving more thrust on quality circles activities to solve problems and facilitate high standards in the workplace by participation from all projects

E. TRAINING ON PREVENTIVE VIGILANCE

- Conducted Preventive Vigilance Training Module for mid-career Executives by covering a total of 478 (Mid-career) & 186 (Induction Level) upto 2022-23 plus employees sensitizing them on various Preventive vigilance aspects.

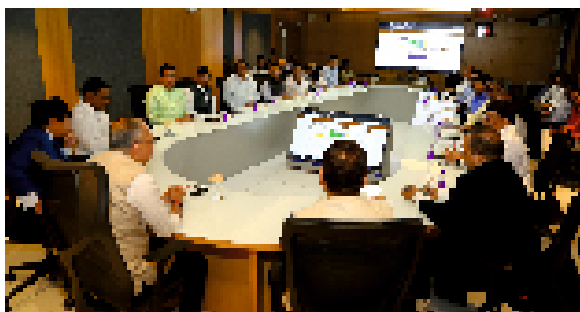
F. FOREIGN VISITS -

There has been no foreign training in terms of government directives.

- Mining Indaba teams deputed to South Africa, P-DAC teams deputed to Canada, IMARC teams deputed to Australia, Vishwa Hindi Sammelan, Fiji and Company work related viz pre-dispatch Inspection, Board Meeting w.r.t to Legacy.
- Conducted Successfully 2 Advanced Management Program (AMP) Study tour for 13 nos Senior executive in association with ASCI, Hyderabad.

G. 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.



H. DIGITAL INITIATIVES

SAP Learning Solutions & HRD Dash Board.

While learning can be challenging at times, it is important to embrace this challenge and view it as an opportunity for growth and development. By committing to lifelong learning and embracing new challenges, we can unlock our full potential and achieve greater success in all areas of our lives.

In line with the implementation of ERP-SAP in NMDC, Corporate HRD is working on the SAP Learning Solution Module which paves the way for this development and delivers high-quality training and development programs that are scalable, flexible, and cost-effective. They can also provide valuable data and insights to help organizations continuously improve their training programs and drive business success and opens up new learning possibilities for learners, trainers, companies, and educational institutions.

In NMDC, SAP Digital initiatives are extremely important for learning and development, as they help in delivering training programs more efficiently and effectively.

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 sensitising programmes were conducted for awareness on vigilance matters for the employees of the Corporation like:

- Interactive session, talk by Shri K.P.Singh, Director (Procurement Policy Division), Dept. of Expenditure, Ministry of Finance, New Delhi on Recent developments in Public Procurement Policy and challenges ahead on 03.09.2022.



2. Interactive session, talk by Shri M.Srinivas, Director (Vigilance)-Engg., Ministry of Railways, New Delhi on Vigilance Perspective in Tenders and Contracts on 14.09.2022.
3. Interactive session, talk by Dr. Upender Vennam, IPoS, CVO, BDL, Hyderabad on 15.10.2022 from 10:30 am to 01:30 pm on Training for Inquiry Officer and Presenting Officer.
4. Interactive session by Shri Prakash Mirani, JS & Addl. CEO, GeM, Ministry of Commerce & Industry, New Delhi on 24.02.2023 on GeM Contracts & Management with focus on Customized bids.

The vigilance functionaries at the projects have conducted regular training classes for the employees on vigilance matters.

Executives of the Vigilance Department have attended training/workshops organized in India.

1. Officers have been imparted training on "Vigilance course" during September-2022 and February-2023 at CBI Academy, New Delhi.
2. Officers have been imparted training on "Preventive Forensics" at National Forensic Science University, Gandhinagar during October-2022.
3. Officers have been imparted training on "Contract Labor Payment related issues and Challenges" during March-2023.

The systems and procedures including the document handling, maintenance of records is maintained to ensure that the Vigilance Department is conforming to the Quality Management Systems as per ISO 9001:2015 Standards. Vigilance Department in NMDC has been 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 2022 – March 2023), 100 Surprise checks, 72 Regular inspections, 58 Files Study, 16 CTE Inspections, 18 Audit Paras study are 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 80 complaints were received through various source information (2 of PIDPI, 4 of CVC-NA, 1 of CVC-IR, 4 of MoS, 2 of CBI & 67 of Others) during the period which were handled/disposed of as per CVC guidelines/complaint handling procedure.

E-Platform: As part of the implementation of "Leveraging of Technology for transparency" in all the transactions, details of contracts concluded above Rs. 10 lakhs, all works awarded on nomination basis, single tender basis above Rs. 1 lakh, information regarding bill payments to the contractors, etc. are provided on the company's website. Vigilance department made all out 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 Rs. 20 crores in case of Civil works and Contracts and Rs. 10 crores in case of Procurement on approval of NMDC Board. The Integrity Pact has been entered into in 191 contracts with a value of Rs. 1,698.23 Crores during the period, April 2022-March 2023. 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.

As a part of preventive checks, a study on implementation and applicability of "Integrity Pact (IP)" in NMDC inline with the latest Standard Operation Procedure issued by CVC (vide

circular no. 05/01/22 dated 25.01.2022), was carried out at Vigilance Department at HO. Certain points of CVC circular no. 05/01/22 dated 25.01.2022 were not incorporated in existing IP format of NMDC and CMM-2016, are suggested for incorporation and be updated in Integrity Pact format provided in both Contract Manual and Materials Management Manual.

To ensure transparency in vigilance works, necessary action has been taken for rotation / repatriation of vigilance officers, and for inducting of new officers in Vigilance department for compliance of CVC guidelines and 6 Officers have been inducted in June-2022 and 4 officers have been repatriated to their parent department. Identification of Sensitive Posts has been carried out on 01.10.2022. The rotational transfer of officers of other departments was also effected in compliance of CVC guidelines and a total of 112 officers were rotated / transferred during 2022-23.

The **Quarterly Review-cum-Coordination meeting** of the Vigilance dept. with CVO was held in June 2022, in September 2022, in November 2022, December 2022 & in February 2023. The said meeting was attended by all the Vigilance Officers. 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. A total of 43 trainees / new inductees were covered for the Induction level training and **186 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.

With the intervention of Vigilance Dept., Circular on **detailed revised guidelines & procedure regarding storage & handling loss** for issue of **HSD & MS** has been issued on 19.10.2022.

It has been informed & discussed during Structured Meeting of CVO with CMD on 27.09.2022, 28.12.2022 and 18.02.2023 to update Contract Manual and Materials Management Manual, etc. in-line with the Manuals released by the Department of Expenditure on 1st July 2022.

Ethical and transparent practices in any organization are as essential as generating revenue, and neither of these can be sacrificed for the other. Hence, it is imperative to ensure that the decisions taken are not only fair, but also appear to be fair. To accomplish this, it is vital to have written down procedures and also to ensure that they are being followed. For the purpose, **NMDC Vigilance Manual has been released on 2nd June 2022**. This first edition of the NMDC Vigilance Manual attempts to provide information on essential guidelines and procedures established by the Central Vigilance Commission and other organizations involved in anti-corruption activities.

With the purpose of enhancing transparency and accountability among the employees, to stress on the importance of the monitoring system and the prevalence of the noteworthy practices in our organization, 2 Editions of Subodh have been released on 11th November 2022 and 18th February 2023.

Vigilance Portal: NMDC's vigilance department has taken the initiative to implement an Online Vigilance Portal in an effort to digitalize existing processes, in order to adhere to NMDC's digital mission and to address existing flaws. It will improve transparency, accountability and data integrity. NMDC Vigilance portal is an end-to end digital platform for all Vigilance functions from lodging of a complaint to till its logical conclusion. This will also have provisions for recording various preventive, punitive and administrative matters of vigilance department. This will be a digital repository for all vigilance activities. This will also provide data analytics like

age-wise pendency and status of complaints; department wise, area wise complaint/preventive check undertaken; frequency of complaint from same person or against same officials etc. This will help in preparation of proactive vigilance action plan and thrust areas on quarterly/annual basis.

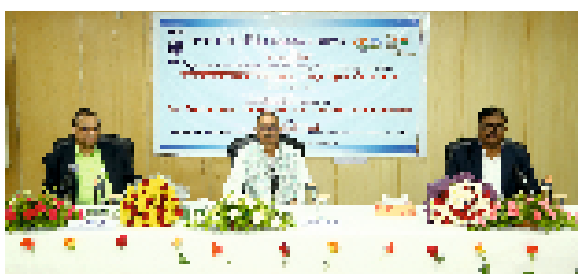
The portal has been envisaged to include following modules:

1. Online Complaint Management Module
2. Preventive Checks Module
3. DE Cases Monitoring Module
4. Online Vigilance Clearance/status Module
5. MIS reporting Module
6. Management Dashboard
7. Digital Knowledge Base

Structured Meetings with CMD have been regularly conducted on 29.06.2022, 27.09.2022, 28.12.2022 & 18.02.2023. Board Meeting was conducted on 13.10.2022.

System improvements suggested for Implementation during 2022-23:

As per the Action Plan of the Vigilance dept. for the year 2022-23, 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. Totally, 54 System Improvement suggestions were recommended for implementation.

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

1. Procurement of Compressor Oil Cooler (COC) Assembly, a study on observations of CAG Audit Report-2022 was carried out by Vigilance dept. Bacheli, which mainly pointed out

the non-availability of the equipment due to inordinate delays in procurement. Competent Authority had approved the following System improvements:

- a) Inordinate delays should be avoided for efficient running of the machinery.
- b) The decision to process the Procurement through OTE or LTE or STE should be taken by the indenter based on the required item, available details of the required item.
- c) The negotiation should be exception rather than the rule and may be resorted to only in exceptional circumstances.

2. Procurement of PPE kits at Bacheli

Complex, a detailed study was carried out by Vigilance dept., Bacheli. Competent Authority had approved the following System improvements:

- a) The purchase based on the sample should be avoided. The procurement based on the sample will not give an equal opportunity to all the prospective bidders and there will be scope for interpretation.
- b) To issue proper guidelines for the time-frame for acceptance / rejection of the material.

3. Procurement of Steel Cord Belt, a study was carried out by Vigilance dept. at HO which mainly highlighted the reason for procurement of the item on Single Tender Enquiry (STE)/Nomination basis. Competent Authority had approved the following System improvements:

- a) Inordinate delays should be avoided for efficient running of the machinery.
- b) The organization should develop greater number of sources for the continuity of the supplies, for the price stability etc.
- c) The organization may develop a testbed comprising the toughest parameters for testing the product at the project sites. This will give an edge for the organization as it is possible to test the item before put into the use.

4. Accumulation of Non-Moving Inventory, a study on Audit para was carried out by Vigilance dept. Kirandul. Competent Authority had

approved the following System improvements:

- a) There should be regular review mechanism & survey of non-moving items at each of the Production Unit of NMDC and provision through ERP for the same.
- b) The Planning and Coordination Department should forecast the requirement and indent correctly.
- c) Materials Management Department should enter into Rate Contracts or Long Term Contracts, for Just-in-time concept for the receipt of the material, as and when required.

VIGILANCE AWARENESS WEEK:

As per CVC Circular No. 20/09/2022 dt. 08/09/2022, Vigilance Awareness Week-2022 was observed at NMDC Limited from 31st Oct, 2022 to 6th Nov, 2022 on the theme of VAW-2022, i.e., "Corruption free India for a developed Nation".

On the Inaugural day of VAW-2022, Integrity Pledge was administered to the employees of NMDC at HO by CVO and by respective Project Heads/Regional Managers at Projects and ROs. Hyperlink for taking e-pledge was also provided at NMDC's website.

During observance of Vigilance Awareness Week-2022, following Participative Vigilance activities were conducted:

1. Address by Eminent Speaker & Director, Shri A.S.Rajan, Sardar Vallabhbhai Patel National Police Academy, Hyderabad on 31.10.2022 at 03:30 pm on the theme of VAW-2022, Corruption Free India for Developed Nation.
2. Vendors Meet was organized on 02.11.2022; 67 Vendor Rep.s attended, their views and grievances were discussed.
3. Interactive session by CTE, Shri Ashok Kumar, CVC, New Delhi on 04.11.2022 at 10:30 am on Procurement of Goods, Services and Works.

Various activities including awareness programmes and prescribed individual/inter-departmental competitions like Slogan writing, Essay writing, Elocution, Quiz competition, poster drawing competition on the VAW theme were arranged for the employees during the Vigilance

Awareness Week-2022. Awareness and sensitization programmes, Gram Sabhas & Grievance redressal camps were conducted at project level for other stakeholders also as a part of VAW-2022. For propagation of VAW-2022 theme, wide display of banners & posters, newspaper release/teasers and extensive use of social media was under taken. An article on 'Ethical dilemma in Public Procurement-A Pragmatic Approach at NMDC' by CVO, NMDC was published in CVC's News Letter 'VIGEYE VANI' during the campaign period in Oct, 2022 edition. An In-house journal of NMDC Vigilance dept., "SUBODH" was also released during the VAW-2022 week by CMD, NMDC Ltd. Various competitions for school/college children were conducted at Head Office & 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-2022 on 5th Nov, 2022 at HO and all Projects.

During the observance of VAW-2022, all the precautions as per COVID-19 guidelines were strictly followed.

During VAW-2022, Land records have been examined exhaustively in mission mode and all records are available with Estate Dept./Respective Project.

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) 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 Integrated Annual Report 2022-23 Directors' Report | 86 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 2023.

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 2022-23.

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'23, the production of crude steel stood at 125.5 MT with a growth of 4.8% 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. 300 billion (US\$ 3.6 billion) and expand speciality steel capacity by 25 million tonnes (MT) to 42 MT by FY'28. 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 160 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'23, the Company has progressed significantly on various activities to enhance its production capacity. The augmentation of

Capacities of crushing and screening plants at Bailadila and Donimalai is in process and various statutory clearances are being processed. 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-Jagdulpur line, Slurry Pipeline, etc. Doubling of KK line is being executed by Railways as deposit work is in full swing and two completed sections have been opened for traffic. Out of 150 km of planned doubling of railway line, 79% of work has already been completed & the project is likely to be completed by FY'25. 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'26.

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'24.

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 investing environment, social and governance (ESG) initiatives. Three Mines of NMDC has 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 Sumit Deb	28.02.2023
ii) Shri Somnath Nandi, Director (Technical)	31.12.2022
iii Smt. Rasika Chaube	30.06.2022

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

	Date of Appointment
i) Shri Abhijit Narendra, Govt. Nominee Director	09.02.2023
ii) Shri V. Suresh, Director (Commercial)	01.03.2023
iii) Shri Vinay Kumar, Director (Technical)	19.05.2023

The Board places on record its deep appreciation for the valuable contribution made by Shri Sumit Deb, Smt. Rasika Chuabe and Shri Somnath Nandi 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 2022-2023:

Sl. No.	Unit/Statutory Auditors
1 Head Office R & D Center SIU & Consolidation	M/s SAGAR & ASSOCIATES Chartered Accountants House No.6-3-244/5 Saradadevi Street, Premnagar, Hyderabad Telangana: 500 004
2 Kiradul Complex Bacheli Complex NISP, Jagdalpur & Vizag Office	M/s AGASTI & ASSOCIATES Chartered Accountants 334/24, Gurunanak Nagar Durg, Chhatisgarh:- 491 001
3 Donimalai Complex	M/s YOGANANDH & RAM LLP Chartered Accountants Third Floor, Shri Narasimha Nilaya No. 263/1, Second Cross, T. Mariappa Road, Second Block, Jayanagar, Bengaluru Karnataka : 560 011
4 Panna Project	M/s 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. Transparency Audit /Third party Audit towards proactive disclosure under RTI Act, 2005 has been conducted.

The details of RTI applications received in Head Office and all the Units of the Company during the period 01.04.2022 to 31.03.2023 are as follows:

	Opening balance as on 01.04.2022	Applications received during the year	Information Provided/denied/ forwarded	Balance as on 31.03.2023
Online applications	24	415	423	16
Offline applications	04	169	162	11
TOTAL	28	584	585	27

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:-

- NMDC received the Public Relations Awards 2022 conferred by Public Relations Society of India (PRSI), winning the first position in four categories i.e. Corporate Website, Annual Report, Layout and Design of Newsletter and CSR Corporate Video on 21st Apr'22 at Hyderabad.
- NMDC won the Gold Award in the category of social responsibility for the project 'Promotion of Technical Education & Skill Development in Dantewada District through NMDC ITI Bhansi' and the Silver Award in the category of digital inclusion for the 'Project Kalpataru' for ERP implementation in the 80th SKOCH Summit and SKOCH Awards on 9th Apr'22 conducted by SKOCH, New Delhi.
- Donimalai Iron Ore Mine has received "PLATINUM AWARD" Under Apex India Best FIRE & SAFETY MEASURES Award 2022 on 22nd Aug'22.
- Kirandul Iron ore Mine has received "CSR Award 2022" for its strong focus and contribution to education by 'Greentech Foundation' in the 9th CSR India summit and Awards ceremony held on 24th Aug'22 at Guwahati.
- Kumarswamy Iron Ore Mine has received "Outstanding Achievement" in Environment Protection by 'Greentech Foundation' on 24th Aug'22 at Guwahati.
- NMDC received the Rajbhasha Kirti Award for 2021-22 at the Hindi Diwas Samaroh organised by the official language department, Ministry of Home Affairs, Government of India on 14th Sep'22 at Surat .





- NMDC received the National Awards for Excellence in CSR and Sustainability bestowed by ET Ascent on 21st Sep'22 at Bengaluru.
- NMDC recognized as the 'Best PSU' in other Minerals & Metals (Central PSUs) category by Dun & Bradstreet during its 'PSU and Government Summit 2022' in the publication 'India's Top PSUs 2022' released on 29th Sep'22.
- NMDC received following awards from Town Official Language Implementation Committee, Hyderabad-Secunderabad on 28th Oct'22.
 - o First Prize amongst mid-sized PSUs for implementation of Official Language
 - o Best Magazine award to our Hindi Magazine "Khanij Bharati" in E-magazines category amongst PSUs in Hyderabad
 - o Seven Officers received various prizes in Hindi Competitions held by TOLIC at Town Level.
- NMDC bagged the Champion of Champions Award, sweeping the 16th PRCI Global Communication Conclave 2022, to bring home fourteen Corporate Communication Excellence Awards. i.e. Gold awards for Most Resilient Company of the Year; Internal Communication Campaign, Corporate Brochure; Best PSE Implementing CSR. It won Silver Awards in the categories of Best Use of CSR for Childcare; Corporate Community Impact; Best Corporate Event; Unique HR Initiatives; Annual Report; Arts, Culture & Sports Campaign and Bronze Awards for Visionary Leadership; Website of the Year;

Innovative Environmental Program and Consolation Award for Best Use of Social Media. The awards were organised by Public Relations Council of India (PRCI) in Kolkata on 14th Nov'22.

- NMDC won the coveted IEI (Institution of Engineers, India) Industry Excellence Award 2022 for its outstanding business performance at the inaugural session of the 37th Indian Engineering Congress in Chennai on 16th Dec'22.
- NMDC won 7 awards at the Public Relations Society of India (PRSI) National Awards 2022 for its Public Relations and CSR efforts towards building an Atmanirbhar Bharat in Bhopal on 25th Dec'22.
- NMDC swept five awards i.e. PSU Leadership Award 2022, CSR Leadership, CSR Commitment (Overall), HR Excellence (Overall) and Nation Building at the "Governance Now 9th PSU Awards" held in New Delhi on 16th Feb'23.
- NMDC stall won 2nd prize in the annual conference & awards function of the IME Journal, Bhubhabneswar at AKS university, Satna on 25th Feb'23.
- NMDC's iron ore mines - Kirandul Deposit - 14 MZ, Kirandul Deposit - 14, NMZ and Bachel Deposit - 5 have been awarded 5 Star Ratings by the Indian Bureau of Mines (IBM) in Nagpur on 2nd Mar'23.

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. which has been uploaded in the website of the company under the link https://www.nmdc.co.in/cms-admin/Upload/Policies/Document/405f4d8884cb49bdf42fc548d4edd_a2_20210920061059002.pdf

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

34.0 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.

35.0 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) and one Independent Director. The constitution of the Committee is as under:-

Risk Management Committee

- 1) Shri Vishal Babber, Independent Director
- 2) Director (Finance)
- 3) Director (Commercial)
- 4) Director (Production)
- 5) Director (Personnel)
- 6) Director (Technical)

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, three meetings of the Board level Risk Management Committee

were held.

36.0 DIVIDEND DISTRIBUTION POLICY

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

37.0 ERP Implementation, Digitalization and IT Infrastructure

In the process of continuous improvement in Digitalisation and Innovative activities, your company has rolled out Dash Boards for the functionalities like Material Module, Quality Management, Human Resource Management & Environment, Health and Safety etc. Launched Ex-employee Portal & Vigilance Complaint Portal.

As a part of automated data capturing on real time basis, Belt Scales weightometers of Plants in Donimalai Mines, Kumaraswamy Mines, Dep-10&11A of Bacheli Mines are integrated with SAP. Integration of Automated Data Capture for other mines is under progress and will be done shortly.

Facial Biometric Recognition System for attendance has been launched also in Kirandul, Bacheli & Donimalai and integrated with SAP.

Towards Revamping of IT Infrastructure & Technology refresh for providing seamless back up and support to ERP and other Future Digital Initiatives, an MOU entered with RailTel for Implementation of IT Network Infrastructure on 01.12.2022. The age old, redundant network infrastructure will be replaced shortly.

Further automations for digitalisation environment like implementation of Vendor Invoice Management System, development of E-Measurement Book, Integration of SAP with Fleet Management System, Hospital Management System are in process and will be completed shortly

37.1 COMPUTER & INFORMATION TECHNOLOGY INITIATIVES

1. A Facial Recognition System based attendance recording system has been

implemented at all the units of NMDC. This system is interfaced with SAP for preparation of paydata used for payroll.

2. Reward Point Management System along with IR Clearance module has been made live at Bacheli, Kirandul and Panna. This system automates and digitizes the process of issue of manual food coupon being issued to contract labour.
3. A work order has been issued to M/s.YRO Systems Pvt. Ltd, Chennai for implementation of Hospital Management System (HMS) at all project hospitals of NMDC. Implementation work is in progress.
4. Technical support is being extended to the team for implementation of Fleet Management System (FMS) at Bailadila Complex.
5. Internet leased lines at Bacheli and Donimalai have been upgraded to 200 Mbps and Kirandul to 300 Mbps respectively.
6. An MOU has been signed with M/s.Railtel for ICT and Digital Transformation Services in NMDC.

38.0 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.**

39.0 REPORT ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO UNDER THE COMPANIES (ACCOUNTS) RULES, 2014

Annexure-II.

40.0 CORPORATE GOVERNANCE

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

41.0. 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>

42.0 BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

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

43.0 SECRETARIAL AUDIT REPORT

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

44.0 GLOBAL COMPACT – COMMUNICATION ON PROGRESS

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

45.0 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.

46.0 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.

47.0 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 my Report is enclosed at **Annexure-IX.**

48.0 ACKNOWLEDGEMENT

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

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

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

Place : Hyderabad
Date : 18th July, 2023

Amitava Mukherjee
Chairman and Managing
Director (Addl. Charge)
(DIN: 08265207)



PROGRAMMES AND EVENTS



PROGRAMMES AND EVENTS



Annexure - I

Management Discussion & Analysis Report for the year 2022-23

1. NMDC: An overview

1.1 Introduction

NMDC Limited is a prominent player in the Mining and Mineral sector, operating since November 1958. As a 'Navratna' public sector company under the Ministry of Steel, NMDC has established itself as a highly profitable entity. NMDC has extensive experience in exploring and extracting various minerals, including iron ore, copper, rock phosphate, limestone, dolomite, gypsum, bentonite, magnesite, diamond, tin, tungsten, graphite, and beach sands.

NMDC takes pride in being the largest iron ore mining company in India with its average annual production consistently exceeding 40 million tonnes. In FY'23, NMDC achieved an iron ore production of approximately 40.82 million tonnes, contributing to around 16% of the domestic production (excluding captive iron ore production). With an average grade of 64% Fe, NMDC supplies one of the highest-quality iron ores globally. The company offers a wide range of ore grades and sizes tailored to meet the specific requirements of its customers.

NMDC has ambitious plans to expand its production capacity in the near future, aiming to increase the capacity of its three mining complexes from the current 51.8 million tonnes per annum (MTPA) to 67 MTPA. This expansion is in response to the growing demand for iron ore in the Indian steel sector. Further more, NMDC is actively diversifying its operations beyond exploration and mining. The company has invested in the construction of a 3 MTPA integrated steel plant in Nagarnar, Chhattisgarh. (Now demerged as a separate legal entity as NMDC Steel Limited) 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 has appointed MDO for Tokisud North Coal Block and plans to start its operations in FY'24.

NMDC places a strong emphasis on productivity improvement and cost optimization, resulting in consistently high profitability. FY'22 was a golden year for the mining industry, mainly due to post-covid recovery and prices of iron ore touching record high figures. However, iron ore prices have taken a downward trend in FY'23 and the overall mining industry has been affected as a result of the same. In FY'23, NMDC has recorded a revenue of Rs.17667 crores, with a decline of 32% over last year. NMDC recorded a Profit (before tax) of Rs.6399 crores in FY'23 and a net worth of Rs. 22,332 crores (as on 31st March 2023). **NMDC has a strong history of rewarding investors with an average dividend payment of around 798.19% in the last 5 years, which is the testimony to consistently creating value for its stakeholders.**

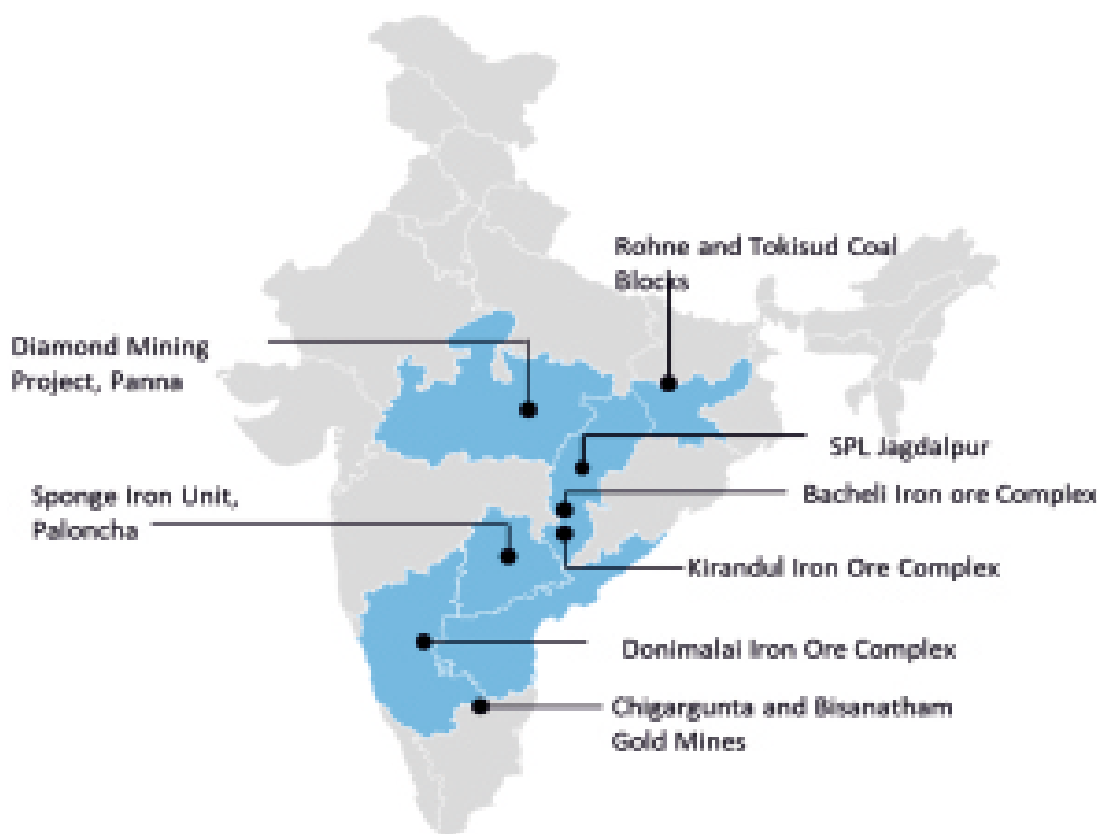
NMDC remains dedicated to delivering long-term value to all its stakeholders through the implementation of various policies and programs. The company has also made substantial investments in the socio-economic development of local communities, particularly those residing near its mining projects.

1.2 Operating Projects

NMDC operates three highly-mechanized 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

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 90.05% 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 (@34.9% Fe). Legacy Iron also has Gold, Base metals & Tungsten tenements in Western Australia. Legacy has 24 tenements-Iron ore (01 tenement), Gold (19 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, 31,613 Mts RC drilling and 1150 Mts diamond drilling in gold tenements and 2133 Mts drilling in Base metal tenements. Presently RC drilling is underway at the Mt. Celia and Sunrise Bore projects.
- JORC resource at Mt. Celia Gold project now stands at 312,600 ounces @1.39 g/t gold (as of Feb 2022). 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. Current holding for the tenement is Legacy at 42%, Hancock at 30 % and Hawthorn at 28 %. After completion of the pre-feasibility studies, Legacy will have 29.4% stake in Mt Bevan JV.

- 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 1.63 Million tons in FY'23 (Both low ash & high ash) and exported 1.71 Million Tons.

1.4 Growth plan

- NMDC has made a comprehensive strategic management plan to enhance its iron ore production capacity to 67 MTPA by FY-26 and further to 100 MTPA by FY-30 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 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 Bacheli and 15 MTPA Slurry Pipeline from Bacheli 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, 79% of work has already been completed.
- NMDC has developed an intermediate iron ore stockyard at Kumarmaranga in Chhattisgarh for uninterrupted supplies to customers. This stockyard became operational in FY'23.

- 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. Mining Plan preparation and obtaining statutory clearances of Chigargunta-Bisanatham Gold Block is under progress. NMDC has paid 1st & 2nd instalments of upfront payments (10%+10%) amounting to Rs 2.48 crores and deposited the Performance Security (i.e Bank Guarantee for amount of Rs.12.39 Cr) to DMG, GoAP. The Joint DGPS Survey of the Gold Block is completed. Efforts are on to seek all the clearances for execution of the Mining lease within stipulated time of October 2025.
- **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'24.
- NMDC Steel Limited (NSL) 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'24.

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 12,150 meters of core drilling in FY'23, at existing mines. NMDC is also conducting exploration in different blocks of Iron ore, Manganese, & Diamond in M.P. under MOU route. NMDC conducted 664 meters of drilling for manganese in Jabalpur district, and 5571 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 orebody 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 four years.

2 Industry Structure and Developments Market Environment:

2.1 Economy:

2.1.1 Global:

- The global economy is showing signs of improvement but the upturn remains weak, amid significant downside risks. Lower energy prices are helping to bring down headline inflation and ease strains on household budgets, and the earlier-than-expected reopening of China after the series of lockdowns, has provided a boost to global activity. However, core inflation is proving persistent and the impact of higher interest rates is increasingly being felt across the economies.

- Global GDP growth in 2023 is projected to be 2.8%, the lowest annual rate since the global financial crisis, with the exception of the 2020 pandemic period. A modest improvement to 3% is foreseen for 2024.
- The balance of risks remains tilted to the downside, but adverse risks have moderated since the October 2022 publication of World Economic Outlook (WEO). On the upside, a stronger boost from pent-up demand in numerous economies or a faster fall in inflation are plausible. On the downside, severe health outcomes in China could hold back the recovery, Russia-Ukraine war could escalate, and tighter global financing costs could worsen debt distress. Financial markets could also suddenly reprice in response to adverse inflation news, while further geopolitical fragmentation could hamper economic progress.
- Commodity prices eased the early gains of CY 2022 amidst supply chain issues and China's Zero Covid policy due to the demand slowdown. Metal prices, however, stabilized following China's reopening and measures to revive its economy and retracing inflation in advanced economy like USA and EU.
- Global inflation is expected to fall from 8.8 percent in 2022 to 6.6 percent in 2023 and 4.3 percent in 2024, still above pre-pandemic (2017–19) levels of about 3.5 percent.
- In most economies, amid the cost-of-living crisis, the priority remains achieving sustained disinflation. With tighter monetary conditions and lower growth potentially affecting financial and debt stability, it is necessary to deploy macro prudential tools and strengthen debt restructuring frame works. Fiscal support should be better targeted at those most affected by elevated food and energy prices, and broad-based fiscal relief measures should be withdrawn. Stronger multilateral cooperation is essential to preserve the gains from the rules-based multilateral system and to mitigate climate change by limiting emissions and raising green investment.

Overview of World Economic Outlook Projections

Region/Country	Projections			
	2021	2022	2023	2024
World	6.1	3.4	2.8	3.0
Advanced Economies	5.2	2.7	1.3	1.4
US	5.7	2.1	1.6	1.1
EU	5.3	3.5	0.8	1.4
UK	7.4	4.0	-0.3	1.0
Canada	4.6	3.4	1.5	1.5
Emerging market & developing economies	6.8	4	3.9	4.2
Russia	4.7	-2.1	0.7	1.3
China	8.1	3	5.2	4.5
India*	8.9	6.8	5.9	6.3
Brazil	4.6	2.9	0.9	1.5

Note: * For India, the data and forecasts are presented in a fiscal year basis with FY 2022-23 (April'22 – Mar'23) shown in the 2022 column.

2.1.2 India

Recovering from pandemic-induced contraction, effects of Russian-Ukraine conflict and inflation, Indian economy is staging a broad based recovery across sectors, positioning to ascend to the pre-pandemic growth path in FY'23.

The overall growth remains robust and is estimated to be 6.8 percent for the full year with real GDP growing 7.7 percent year-on-year during the first three quarters of fiscal year 2022-23. There were some signs of moderation in the second half of FY 22-23. Growth was underpinned by strong investment activity bolstered by the government's capex push and buoyant private consumption, particularly among higher income earners.

Inflation remained high, averaging around 6.7 percent in FY22-23 but the current-account deficit narrowed in Q3 on the back of strong growth in service exports and easing global commodity prices.

As per the Economic Survey report of 2022-23, the performance of the agriculture and allied sector has been buoyant over the past

several years, much of which is on account of the measures taken by the government to augment crop and livestock productivity, ensure certainty of returns to the farmers through price support, promote crop diversification, improve market infrastructure through the impetus provided for the setting up of farmer-producer organizations and promotion of investment in infrastructure facilities through the Agriculture Infrastructure Fund. The industry sector is estimated to witness modest growth of 4.1 per cent in FY 2022-23 relative to 10.3 per cent in FY 2021-22.

Support for India's economic growth will come from path-breaking measures like PM Gati Shakti, National Logistics Policy and Production-Linked Incentives schemes.

According to the survey, while roads, railways and waterways have seen unprecedented expansion in the last eight years, ports and airports have been substantially upgraded.

With a population of nearly 140 crore, India has a massive demand for energy from all sectors including primary, secondary and tertiary. Affordable and reliable availability of power is critical for India's aspirations for the manufacturing sector to be fulfilled, the Survey said. Further, with the growing importance of clean energy, there has been a renewed push towards non-fossil fuel-based energy sources in the power sector. The government, along with the private sector, has progressively worked towards increasing the share of renewables. This will ensure a gradual but calibrated energy transition, meeting the country's sustainability targets and giving primacy to its national developmental requirements.

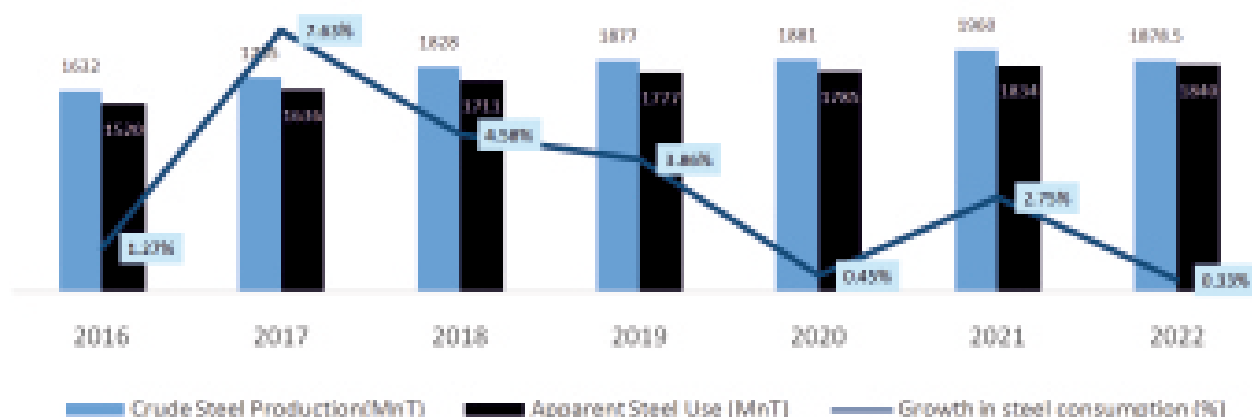
However, India will continue to be the bright spot in the world economy, accounting for ~15 percent of global growth in 2023. Despite strong global headwinds and tighter domestic monetary policy, India is still expected to grow between 6.5 percent and 7.0 percent. This reflects India's underlying economic resilience and ability to recoup, renew, and re-energize the growth drivers of the economy.

2.2 Iron Ore Industry Outlook:

Global: Steel & Iron Ore

- Global steel production has increased from 850 MT in 2000 to 1,878.5 MT in 2022, due to an increase in demand (majorly because of rapid industrialization).
- The world's crude steel output, saw its first decline in seven years in 2022, as production dropped by 4.2 percent to 1,878.5 MT. China's crude steel production declined by 2.1 percent to 1.01 BT, largely due to a subdued economy amidst its zero-COVID policy and uncertainties over its real estate market. Japan recorded a 7.4 percent decline in production to 89.2 MT as auto production slowed on account of chip shortage. Global crude steel output in countries other than China fell by ~2 percent in 2022, expected due to a 15 percent drop in CIS (Commonwealth of Independent States) production following Russia's invasion of Ukraine. There was a fall of 9 percent in the EU due to the economic impact of the war resulting in rising energy and power prices.
- However, India was the only country that saw an increase of 5.5 percent in steel output amongst the five major steel-producing countries, producing 124.72 MT of crude steel in CY 2022.
- The global consumption trend of steel has witnessed an increasing trend in CY-2022, unlike the production trend. Global consumption of steel was estimated at 1,840 MT in 2022 against the total production volume of 1,878.5 MT. The strong growth in construction activity and rising automotive output saw a rise in crude steel consumption in 2022. China dominates global crude steel consumption with a 50 percent market share in 2022. The major driving industry is the construction sector, which accounts for China's 55 percent finished steel consumption. The EU is the world's second-largest consumer of steel, accounting for 8 percent of global consumption in 2022. As energy prices surged after Russia invaded Ukraine, Europe's economy faced a sharp slowdown in the second half of 2022, declining the EU's steel consumption by 7 percent year-on-year.
- Global iron ore production stood at 2600 MT in 2022, growing at a CAGR of ~1.4% from 2018. Iron ore production saw a slight decrease in 2022 due to rising global inflation, which resulted in decreased steel demand and consumption.
- The global iron ore production landscape is dominated by Australia and Brazil, which together account for approximately 50%, following China at 15% and India at 11%. Collectively, these four nations, contribute about 75% of the world's iron ore production.

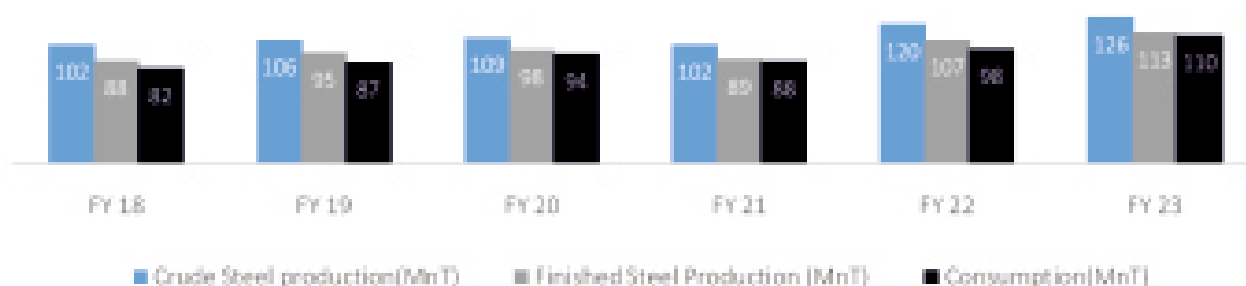
Global Crude Steel Production vs Apparent Steel Use:



Source: World Steel Association

India:

- India is the second-largest producer of crude steel globally with 125.5 MT of crude steel production in FY 23, registering an increase of ~4.8 percent compared with 119.8 MT produced in FY 22.
- India's finished steel consumption grew at a CAGR of ~6 percent in the past five years to 110 MT in FY23. The buildings and construction industry is the primary demand driver that consumes ~62 percent of the total production, followed by the capital goods and automotive industry with shares of 15 percent and 9 percent, respectively. The Indian government's initiatives and schemes, such as Gati Shakti Master Plan, Make in India, Pradhan Mantri Awas Yojna - Housing for all, Urban infrastructure development scheme for small and medium towns, etc., have created prospects for significant consumption of steel.
- Although India is the second-largest consumer of finished steel, its per capita consumption of 76 kgs is noticeably below the world average of 233 kgs. Some of the leading countries include South Korea (1,075.6 kgs), Taiwan (885.6 kgs), Czech Republic (775 kgs), China (666.5 kgs), Austria (516.9 kgs), Italy (439.4 kgs), and Germany (426.1 kgs). The per capita consumption of steel declined significantly across most economies in 2020, due to the COVID-19 crisis. However, India's per capita consumption of steel is growing at the highest rate, after China, amongst other countries across the globe.
- Iron ore mining sector also registered highest ever production figure of 257.34 MT in FY 2023, a growth of ~2% over the 251.11 MT production in FY 2022. The top iron ore producers in FY 2023 included NMDC, SAIL, Tata Steel, and OMC. Export of iron ore in FY 2023 was 14.96 MT of which 91% of consignment was sent to China.
- The steel product prices, however, have been volatile. The domestic long steel prices reached highs of ~`70,000/tonne during April 2022, as raw material prices increased following the Russia-Ukraine war. However, with increase in export duty during May-December, 2022, the prices fell as domestic market-focussed producers liquidated inventories. Prices recovered back to ~`60,000/tonne levels during March 2023 with reversal of export duty, and subsequent uptick in export orders along with improved domestic demand.
- 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.



3 NMDC – Opportunities & Threats

a) Opportunities

- i) Envisaged growth in domestic steel production on account of the factors mentioned below would lead to higher demand for Iron Ore in the country:
 - The construction and infrastructure sectors account for more than 60 percent of the overall steel consumption. The infrastructure development activities by the Government of India to drive the growth of the construction, automotive, consumer durables sectors etc. are expected to boost the iron and steel sector demand in India.
 - India's low per capita steel consumption and ample scope of urbanization, rural steel consumption is expected to play a pivotal role in the Indian steel industry's growth. Multiple key initiatives by the government along with a host of consumption enablers are expected to drive up the steel demand in key end-use sectors of the rural economy (food processing and storage, agriculture and farming, dairy and animal husbandry, and rural infrastructure development). Government initiatives for Self-Reliant India creating new avenues to set-up new industries is leading to demand in iron and steel.
 - Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India.
 - 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 NSL's steel plant in Nagarnar.
- ii) IMF projections of 6% GDP growth in 2023, Production Linked Incentive scheme for specialty steel sector expected to attract addition investment of Rs. 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) 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 NMDC competitive advantage over others.
- iv) Development of National Mineral Index could help in further driving the profitability and investments in metal mining sector.

b) Threats

- i) Rising inflation can impact consumption and lead to fiscal tightening increasing the cost of borrowings affecting investments.
- ii) Intensification of geopolitical tension in Europe can disrupt the whole market dynamics.
- iii) Uncertainty in export duties of iron ore, pellets can lead to volatility in the prices of iron ore, further leading to reduced iron ore demand.
- iv) 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 green steel.
- v) 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.

- vi) Backward integration by Steelmakers into iron ore mining after the start of auctioned mines will affect the demand from the customers of the Company.
- vii) 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.
- viii) Increasing regulatory pressure on environment, health & safety and sustainability.
- ix) 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 Production:	2018-19	2019-20	2020-21	2021-22	2022-23
Production:					
Production of Iron Ore WMT (In lakh tonnes)	323.61	314.89	341.50	421.88	408.17
Production of Sponge Iron (tonnes)*	2,475.37	Nil	Nil	Nil	Nil
Production of Diamonds (carats)	38,148.77	28,537.23	13,681.01	Nil	Nil
Production Pellets (in tonnes)	1,15,623	1,10,482	83,751	1,82,299	2,02,330
Sales:					
Sale of Iron Ore (in lakh tonnes)	323.56	315.16	332.52	406.68	382.23
Sale of Diamonds (carats)	29,345.54	33,722.99	22,248.84	25,218.95	Nil
Sale of Sponge Iron (tonnes)	495.58	1,943.88	Nil	Nil	Nil
Sale of Pellets (tones)	1,12,010	85,793	92,774	1,96,972	1,88,988

4.2 Financial Performance of NMDC

Details Production:	2018-19	2019-20	2020-21	2021-22	2022-23
Sale of Iron Ore	11,997.98	11,569.00	15,233.70	25,546.66	17447.40
Sale of Diamonds	38.86	34.29	21.10	62.93	Nil
Sale of Wind Power	5.51	5.40	5.17	4.99	6.08
Sale of Sponge Iron	0.94	4.39	Nil	Nil	Nil
Sales- Pellet	76.52	55.55	73.50	222.11	165.50
Sales – Others	32.86	30.59	36.59	45.10	47.91
Turnover	12,152.67	11,699.22	15,370.06	25,964.79	17,666.88
EBITDA	7,518.91	6,426.69	9,146.27	13,349.27	8047.64
PBT	7,199.06	6,123.48	8,901.10	13,023.36	7637.00
PAT	4,642.11	3,610.12	6,253.05	9,447.59	5529.00
Dividend	1,690.14	1,619.72	2,274.15	4,319.72	1933.98
Dividend as % of PAT	36%	45%	36%	46%	35%

5. Outlook for NMDC

NMDC proposes to augment its production capacity of iron ore to 67 million tonnes by FY'26 and further to 100 MT by FY'30. 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 (Now demerged as a separate legal entity as NMDC Steel Limited). 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-Jagdapur 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'24. 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 Andhra Pradesh. The AP state govt has issued Letter of Intent (LOI) on 07.10.2022 after the Hon'ble High Court of A.P. dismissed the W.P.s on 05.08.2022. Joint Survey was carried out in Dec 22 to mark the boundary pillars. Land type survey was carried out in February – March 23. The Preliminary report finalized by the revenue Department and sent for seeking directives from DC, Chittoor in July 23. After meeting with NMDC on 13th July, DC has directed to issue NOC for area in Chigargunta and part area (only Norther Part) for Bisanatham. Revenue authorities are seeking consent of villagers. Based on the NOC, action will be taken for land acquisition and R&R.

NMDC has recently prepared its International 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 have already started production from newly acquired mines & planned to increase it further in the near future. New tranches of auction are 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.

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 into 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 23rd May, 2023 which forms part of the Annual Report.

8. Discussion on financial performance with respect to operational performance

During the year under review, the Company's revenue from operations decreased by 32% from Rs.25,965 crores to Rs.17,667 crores mainly on account of:

- Decrease in Iron ore Sales quantity by 6.01% from 406.68 Lakh Tons to 382.23 Lakh Tons.
- Realization was lower by 27.52% during this period from Rs 6,298/- per ton to Rs 4,565/- 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.

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 sanitization & health measures, Ex-Gratia of Rs 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 its existing manpower and also to go for fresh induction.

Further, 55 executives, 93 Junior Officers, and 219 Workmen have been recruited in FY'2022-23. 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, 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:

2017-18	:	5,382
2018-19	:	5,887
2019-20	:	5,722
2020-21	:	5,569
2021-22	:	5,539
2022-23	:	5,713

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)

- 1) Debt Turnover Ratios : 6.30 (P.Y. 10.19)
Decrease in revenue from operation by 32% (Current Year Turnover decreases to Rs. 17,666 crore from Rs. 25,964 crore against previous year 2021-22)
- 2) Inventory Turnover : 8.21 (P.Y. 19.58)
Decrease in Sales by 32 % and increase in average inventory by 62 %
- 3) Interest Coverage Ratio : 107 (P.Y. 342)
EBITDA is decreased by 40 % (Current EBITDA is Rs 8048 crore against the previous year Rs. 13,349 crore)
- 4) Current Ratio : 3.75 (P.Y. 2.79)
Decrease in Short term borrowings: Loan against FD for Rs. 1372 crore
- 5) Debt Equity Ratio : 0.02 (P.Y. 0.10)
Decrease in Short term borrowings: Loan against FD for Rs. 1372 crore
- 6) Net Capital Turnover Ratio : 1.53 (P.Y. 2.58)
Decrease in Short term borrowings: Loan against FD for Rs. 1372 crore
- 7) Operating Profit Margin : 39% (P.Y. 51%)
Decrease in revenue from operation by 32%

(Current Year Turnover decreases to Rs. 17,666 crore from Rs. 25,964 crore against previous year 2021-22)

- 8) Return on capital employed (ROCE): 0.33 (P.Y. 0.77)
Decrease in PBT by 41%
- 9) Return on Net Worth : Current Year 24.76 (P. Y. 52.85 – due to Demerger of NISP)
Decrease in PAT by 41 %
Sector Specific equivalent ratios as applicable
Figures of the F.Y 21-22 is restated due to demerger of NISP.

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)

	2022-2023	2021-2022	(% of Change)
Net Worth (Rs. In crore)	22,332	17,875	(+) 24.93 %
PAT (Rs. in crore)	5,529	9,448	(-) 41.48 %
Return on Net Worth	24.75(%)	52.85(%)	

The Company declared 1st Interim Dividends for FY 2022-23 @ Rs. 3.75 per share in the month of Feb 2023. Further, the Board has recommended Final Dividends for FY 2022-23 @ Rs. 2.85 per share, subject to approval of shareholders.

Amount outgo towards 1st interim Dividend for FY 2022-23 was Rs.1,098.98 crores. The share of Government with equity stake of 60.79 % was Rs.668.07 crores.

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. Three 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 environmental monitoring studies, it is concluded that all environmental parameters are well within the limits during FY 22-23. A total of 6 no.s Continuous Ambient Air Quality Monitoring Stations (CAAQMS) have been installed at Bacheli project (2 nos), Kirandul project (2 nos) and Donimalai Project (2 nos) for recording of Ambient air quality parameters such as PM10, PM2.5, SO2, NOx and CO in real time. 2 no.s of CAAQMS were installed at Kumaraswamy Iron Ore Mines during June'23.
- 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.
- 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. were 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 for water quality and water levels covering all 4-seasons in a year at iron ore projects. 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 Donimalai (3 MLD) township for treatment of domestic waste water. STP works are in progress at Kirandul (3 MLD) and the treated water will be reused for green belt development.
- About 3 million saplings were planted in and around NMDC projects covering an area of 2300 Ha. NMDC is also 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 2022-23 is 15.09 (Severity Rate = Man-days lost per 100000 Man-days 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 & wellbeing 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 projects associated with characterization (mineralogical & chemical), mineral beneficiation, material handling and storage, physical & metallurgical characterization of iron ore, coal & coke, value added products from mine waste through hydrometallurgical route 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, 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.

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.
- Use of alternate and novel screening media to improve productivity.
- Utilization of microwave heating in iron ore pellet making for energy conservation.

➤ Technology Absorption:

- Development of Vision Enhancement System for foggy weather at Bachel.
- Development of technology for dry processing and beneficiation.
- Development of technologies for utilization of mine waste.
- Development of microwave absorbing ferrite for defence application.

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 Rs 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).

Various research projects completed by R&D Centre:

1.0 Projects of NMDC Mines/Projects

- i. Beneficiation studies with composite samples of Deposit 5 and 10&11A for capacity expansion of Bacheli complex.
- ii. Implementation of water absorbing polymer application to improve flowability of iron ore during monsoon season.
- iii. Development of vision enhancement system for foggy weather at Bacheli (In collaboration with CSIR-CIMFR).
- iv. Development of dry beneficiation process flow for sub-grade Iron ore (45-55% Fe) from Bailadila complex.
- v. Evaluation of indigenous wear liner to be used in NMDC mines- An import substitution initiative.
- vi. Study on physical, metallurgical & flowability properties of coking coal sample of NISP, Nagarnar.
- vii. Physical and metallurgical characterization of iron ore samples received from Bailadila sector.

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

2.0 In-house Developmental Research Projects

Process Improvement:

1. Development of iron ore pellet from Kumaraswamy fines suitable for gas based DRI process.
2. Development of high basicity iron ore pellets as blast furnace feed.
3. Utilization of microwave heating in iron ore pellet making.
4. Utilization of mining waste (Slime) to produce Bricks / Tiles.

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.
CSIR-IMMT, Bhubaneswar	i. Feasibility studies for preparation of fused magnesia from kimberlite tailings ii. Development of application of Nano Iron oxide obtained from blue dust in energy & sensors devices. iii. Study of conveying characteristics and behavior of iron ore in pneumatic conveying system iv. Preparation of building materials from iron ores mines waste and base calculation for scale-up production of brick manufacturing
CSIR-CIMFR	Development of Vision enhancement system for foggy weather

4.0 R&D Investment

(INR Crore)

Year	Investment on R&D (Rs Cr.)			Turnover (Rs Cr.)	% of Turnover	Profit after tax (Rs Cr.)	(% of PAT
	Revenue	Capital	Total				
2018-19	23.81	7.50	31.31	12,153	0.26	4,642	0.68
2019-20	23.79	7.00	30.79	11,699	0.26	3,610	0.87
2020-21	27.40	1.80	29.20	15,370	0.20	6,253	0.47
2021-22	27.16	3.97	31.13	25,965	0.12	9,448	0.33
2022-23	29.43	0.85	30.28	17,667	0.17	5,529	0.55

*Note: In addition to the above, expenditure on Innovations initiatives during the year 2022-23 was Rs.133.93 crore.

5.0 Foreign Exchange earnings and outgo

- (i) Foreign Exchange Earning NIL
- (ii) Foreign Exchange outgo Rs.22.38 crores

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 2023, the Board of NMDC comprises of three Whole time / Functional Directors including Chairman and Managing Director, two Government Nominee Directors and four Independent Directors.

a. Composition and category of Directors:

Whole-time / Functional Directors

- i) Shri Amitava Mukherjee, Director (Finance) and Additional Charge of Chairman and Managing Director.
- ii) Shri Dilip Kumar Mohanty, Director (Production)
- iii) Shri Vishwanath Suresh, Director (Commercial) (w.e.f. 01.03.2023)

Government of India Nominee Directors

- i) Smt. Sukriti Likhi, Additional Secretary & Financial Advisor, Ministry of Steel
- ii) Shri Abhijit Narendra, Joint Secretary, Ministry of Steel (w.e.f. 09.02.2023)

Independent Directors (Non-Executive)

- i) Shri Sanjay Tandon
 - ii) Dr. Anil Sadashivrao Kamble
 - iii) Shri Vishal Babber
 - iv) Shri Sanjay Kumar Singh
- Being a Government company and pursuant

to Article 74 of the Articles of Association of the company, the power of appointment of Directors on the Board of the company vests with the controlling Ministry, viz. Ministry of Steel, Govt. of India. The company is in constant communication with the controlling ministry for appointment of requisite number of Independent Directors including Woman Independent Director on the Board of the company. Once the requisite number of Independent Directors are appointed on the Board, the company will be in compliance of the provisions of Companies Act, 2013 and SEBI (LODR) Regulations with regard to composition of Board.

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 cease to be Directors 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 (upto 28.02.2023)	9	9	YES
2	Shri Amitava Mukherjee Director (Finance) and Addl. Charge of Chairman and Managing Director (w.e.f 01.02.2023)	9	9	YES
3	Shri Somnath Nandi Director (Technical) (upto 31.12.2022)	8	8	YES
4	Shri Dilip Kumar Mohanty Director (Production)	9	9	YES
5	Smt. Rasika Chaube Govt. Nominee Director (upto 30.06.2022)	3	2	NA
6	Smt Sukriti Likhi Govt. Nominee Director	9	9	NO
7	Shri Sanjay Tandon Independent Director	9	9	YES
8	Dr. Anil Sadashivrao Kamble Independent Director	9	9	YES
9	Shri Vishal Babber Independent Director	9	9	YES
10	Shri Sanjay Kumar Singh Independent Director	9	8	YES
11.	Shri Abhijit Narendra Govt. Nominee Director (w.e.f. 09.02.2023)	1	1	NA
12	Shri Vishwanath Suresh Director (Commercial) (w.e.f. 01.03.2023)	0	0	NA

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

Sl.No.	Name of the Director	No. of Directorship and Committee Membership / Chairmanship			
		Other Board Directorship * (Excluding NMDC)	Committee Membership #	Committee Chairpersonship #	Names of Other Listed entity and category of directorship
1	Shri Sumit Deb Chairman and Managing Director (upto 28.02.2023)	5	--	--	---
2	Shri Amitava Mukherjee Director (Finance)	5	2	1	NMDC Steel Ltd., Director (Finance)
3	Shri Somnath Nandi Director (Technical) (upto 31.12.2022)	2	--	--	---
4	Shri Dilip Kumar Mohanty Director (Production)	6	1	--	NMDC Steel Ltd., Director (Production)
5	Smt. Rasika Chaube Govt. Nominee Director (upto 03.06.2022)	1	1	--	---
6	Smt. Sukriti Likhi Govt. Nominee Director	5	--	--	Nominee Director in KIOCL Ltd., Steel Authority of India Ltd. and NMDC Steel Ltd.
7	Shri Sanjay Tandon Independent Director	2	4	2	---
8	Dr. Anil Sadashivrao Kamble Independent Director	2	3	--	---
9	Shri Vishal Babber Independent Director	--	4	--	---
10	Shri Sanjay Kumar Singh Independent Director	--	--	--	---
11	Shri Abhijit Narendra Govt. Nominee Director (w.e.f. 09.02.2023)	2	--	--	Nominee Director in NMDC Steel Ltd.
12	Shri Vishwanath Suresh Director (Commercial) (w.e.f. 01.03.2023)	1	--	--	NMDC Steel Ltd., Director (Commercial)

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 2022-23, 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	546	11.04.2022	10	9
2	547	26.05.2022	10	9
3	548	27.06.2022	10	10
4	549	05.08.2022	9	9
5	550	13.10.2022	9	9
6	551	20.10.2022	9	9
7	552	14.11.2022	9	9
8	553	22.12.2022	9	9
9	554	14.02.2023	9	9

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, 2023**

Shri Vinay Kumar - 60 shares

g. Web link of Familiarization Programme:

In terms of the Articles of Association of the company, Ministry of Steel, Govt. of India, the controlling ministry of the company appoints Independent Directors on the Board of the company.

As a process, when a new Independent Director is appointed, a familiarization programme is conducted by the senior management team. Further, whenever a new member is appointed to a Board Committee, information relevant to the functioning of the Committee and the role and responsibility of Committee members is informed. The Board and Committee meetings of the Company are held at least on a quarterly basis and members of the Board meet key functional / business heads separately to get themselves more familiarized with the business/operations and challenges faced by the industry on an ongoing basis.

The web link of the Familiarization Programmes is: www.nmdc.co.in/investors/policies-and-documents

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.

Sl. No.	Name of the Director	Existing Skills / expertise / competence
1	Shri Sumit Deb, Chairman and Managing Director (upto 28.02.2023)	Management, Personnel, HR, Comml.
2	Shri Amitava Mukherjee, Director (Finance)	Finance, Costing, Taxation
3	Shri Somnath Nandi, Director (Technical) (upto 31.12.2022)	Steel, Projects
4	Shri Dilip Kumar Mohanty, Director (Production)	Steel
5	Smt. Rasika Chaube, Govt. Nominee Director (upto 30.06.2022)	IDAS officer
6	Smt. Sukriti Likhi, Govt. Nominee Director	IAS Officer
7	Shri Sanjay Tandon, Independent Director	Chartered Accountant
8	Dr. Anil Sadashivrao Kamble, Independent Director	Doctor, Administration of Hospital
9	Shri Vishal Babber, Independent Director	Chartered Accountant
10	Shri Sanjay Kumar Singh, Independent Director	Social Service, CSR
11	Shri Abhijit Narendra, Govt. Nominee Director (w.e.f. 09.02.2023)	IRTS Officer
12	Shri Vishwanath Suresh, Director (Commercial) (w.e.f. 01.03.2023)	Metallurgy, Management

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 2022-23.

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;
- o Disclosure of any related party transactions;
- o 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:
 - o The adequacy of internal controls including computerized information system controls and security;
 - o Related findings and recommendations of the independent auditor and internal auditor, together with the management responses.

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

ii. Composition, names of Members and Chairperson

The Audit Committee consists of the following Directors:

- Shri Sanjay Tandon, Independent Director and Chairman
- Dr. Anil Sadashivrao Kamble, Independent Director and Member
- Shri Vishal Babber, Independent Director and Member

- Shri Somnath Nandi, Director (Technical) and Member (upto 31.12.2022)

- 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, 7 meetings of the Audit Committee were held. The details of attendance of the Members are indicated below:

Sl. No.	Meeting Sl. No.	Meeting Date	Strength of Audit Committee	No. of Members Present
1	123	26.05.2022	4	4
2	124	14.07.2022	4	4
3	125	05.08.2022	4	4
4	126	20.10.2022	4	4
5	127	14.11.2022	4	4
6	128	26.11.2022	4	3
7	129	14.02.2023	3	3

iv. Attendance of each Director at the Audit Committee meetings

Sl. No.	Name of the Director	No. of meetings held	No. of meetings attended
1	Shri Sanjay Tandon Independent Director & Chairman	7	7
2	Dr. Anil Sadashivrao Kamble Director (Commercial)	7	6
3	Shri Vishal Babber Independent Director & Member	7	7
4	Shri Somnath Nandi Director (Technical) (upto 31.12.2022)	6	6

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
- 2 Dr. Anil Sadashivrao Kamble, Independent Director and Member
- 3 Shri Vishal Babber, Independent Director and Member

(c) Meetings and attendance during the year:

During the year under review, 1 meeting of the Nomination, Remuneration & HR Committee was held on 26.05.2022.

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	1	1
2	Dr. Anil Sadashivrao Kamble Director (Commercial)	1	1
3	Shri Vishal Babber Independent Director & Member	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 Shri Sanjay Tandon as (Chairman of the Committee) and Shri. Dilip Kumar Mohanty, Director (Production) and Shri. Amitava Mukherjee, 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 Committee	No. of Members present
1	53	26.05.2022	3	3
2	54	05.08.2022	3	3
3	55	14.11.2022	3	3
4	56	19.01.2023	3	3

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

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

(a) Name of the Non-Executive Director heading the Committee – Shri Sanjay Tandon, Independent Non-Executive Director.

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

(c) Number of shareholders complaints received during the financial year - 21

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

(e) Number of pending complaints – Nil.

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

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 financial year 2022-23, one meeting of Share Transfer Committee was held on 29.09.2022. All the members of the Committee were present in the said meeting.

7. Risk Management Committee**(a) Brief description of terms of reference**

The Board at its 442nd meeting held on 19.01.2012 had 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 Functional Directors are members of the Risk Management Committee:-

1. Shri Amitava Mukherjee, Director (Finance) and Chairperson (Addl. Charge)
2. Shri Vishal Babber, Independent Director
3. Shri Somnath Nandi, Director (Technical) (upto 31.12.2022)
4. Shri Dilip Kumar Mohanty, Director (Production)
5. Shri Vishwanath Suresh, Director (Commercial) (w.e.f. 01.03.2023)
6. Director (Personnel) – Presently vacant

Director (Finance) chairs the Risk Management Committee.

(c) Meetings and attendance during the year

During the year under review, three meetings of the Board level Risk Management Committee were held on 08.08.2022, 03.02.2023 and 29.03.2023.

Sl. No.	Name of the Director	No. of meetings held	No. of meetings attended
1	Shri Vishal Babber, Independent Director	3	3
2	Director (Finance)	3	2
3	Director (Technical)	1	0
4	Director (Production)	3	3
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 2022-23 are as follows:

(Rs.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 (upto 28.02.2023)	80.85	35.84	116.69
2	Shri. Amitava Mukherjee Director (Finance)	61.21	0	61.21
3	Shri Somnath Nandi, Director (Technical upto 31.12.2022)	73.97	26.5	100.47
4	Dilip Kumar Mohanty Director (Production)	70.37	0	70.37
5	Shri. V Suresh Director (Commercial) (w.e.f 01.03.2023)	4.13	0	4.13
	Total	290.53	62.34	352.87

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:

		Amount (Rs.)
Sl. No.	Name of the Director	Amount
1	Shri Sanjay Tandon	6,70,000
2	Shri Vishal Babber	6,20,000
3	Shri Anil Sadashivrao Kamble	5,45,000
4	Shri Sanjay Kumar Singh	2,35,000
	Total	2,070,000

Notes:-

During the year under review, the part-time Directors (Independent Directors) were paid sitting fees of Rs.30,000/- per meeting. In respect of Board level Committee Meeting, sitting fees was Rs.25,000/- per meeting. Government Nominee 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
62 nd AGM	Video Conferencing	29.09.20 at 1130 hrs	Yes *
63 rd AGM	Video Conferencing	30.09.21 at 1130 hrs	Nil
64 th AGM	Video Conferencing	29.08.22 at 1130 hrs	Yes **

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

** Appointment of Independent Directors in line with the provisions of Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

(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 65th AGM of the Company shall be held on Thursday 7th September, 2023 at 11:30 hrs. via Video Conferencing (VC)/Other Audio Visual means (OAVM) in line with General Circulars issued by Ministry of Corporate Affairs/SEBI as per details and process set out in the Notice convening the meeting

Webcast of the AGM :

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

(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:

(Rs in Crore)

Particulars	Gol Share	Others	Total Dividend	% of Share Capital
Interim Dividend	668	431	1099	375
Final*	508	327	835	285
Total	1176	758	1934	660
Pervious Year (Including Final Dividend)	2,626	1,694	4,320	1,474

* Final Dividend @ Rs.2.85 Per share has been recommended by the Board, subject to the approval of Shareholders at this AGM.

Date of Book Closure: from 1st September 2023 to 7th September 2023 (both days inclusive)

d. Listing on Stock Exchanges

NMDC shares 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 2022-23 has been paid to the three Stock Exchanges.

e. Stock Code:

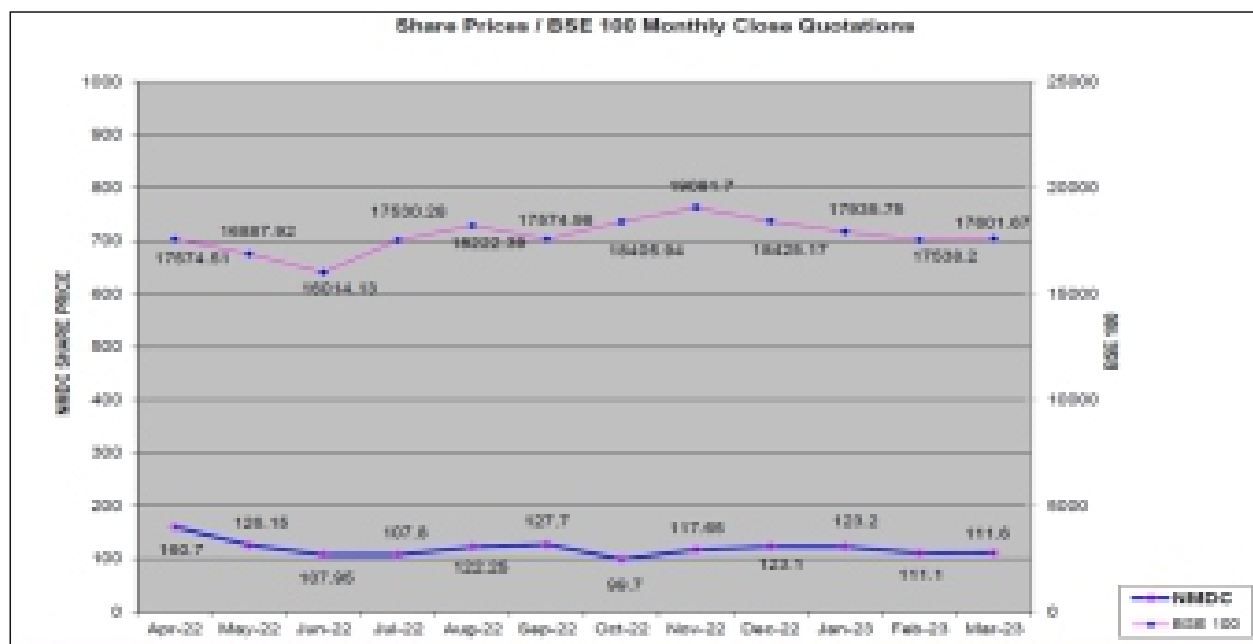
Sl. No.	Name of the Stock Exchange where Company's equity shares are listed	Security Code / Symbol
i)	BSE Ltd., Mumbai	526371
ii)	National Stock Exchange of India Ltd., Mumbai	NMDC
iii)	The Calcutta Stock Exchange Ltd., Kolkata	24131

f. Market price data: High, Low during each month in the last financial year**Market High & Low prices at BSE Ltd. (BSE) & National Stock Exchange of India Ltd. (NSE)**

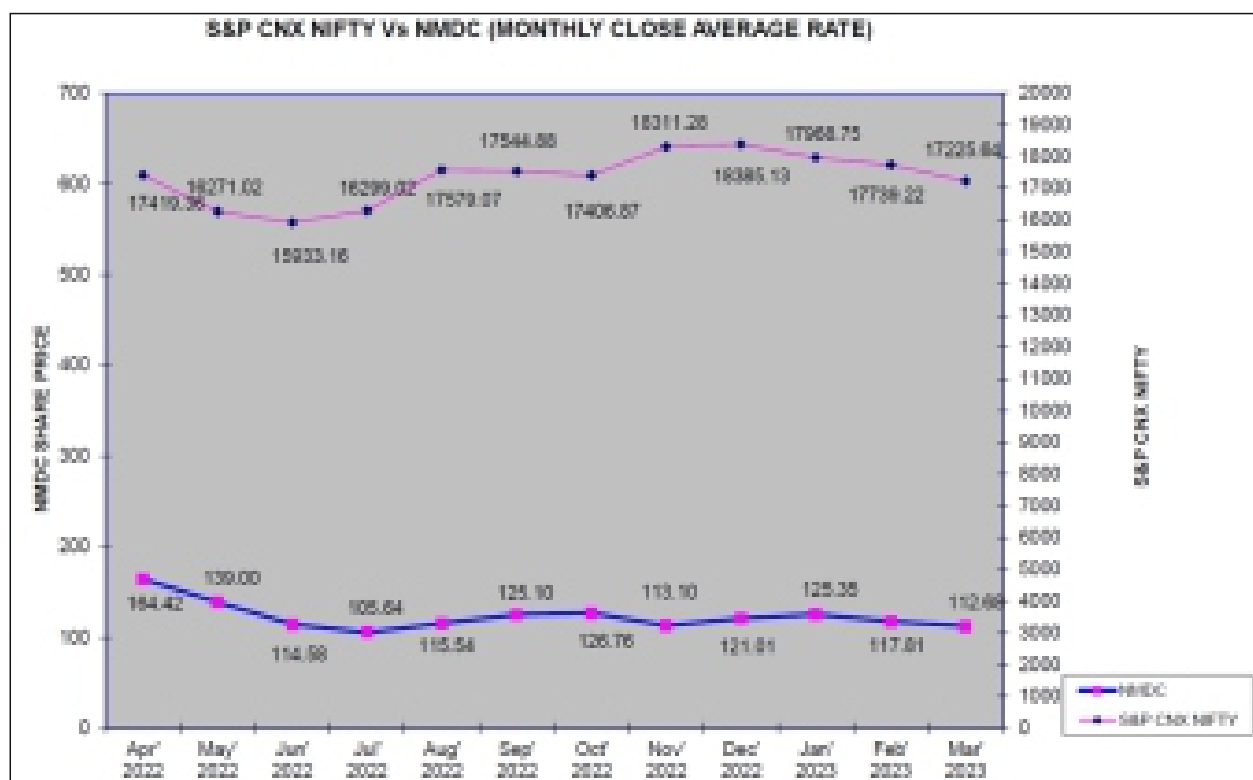
MONTH	BSE		NSE	
	HIGHEST	LOWEST	HIGHEST	LOWEST
Apr-22	175.40	157.40	175.35	157.40
May-22	161.80	119.25	162.00	119.20
Jun-22	129.85	101.60	129.65	101.55
Jul-22	111.40	99.60	111.35	99.60
Aug-22	125.20	104.25	125.25	104.25
Sep-22	132.75	119.95	132.70	119.90
Oct-22	137.40	93.60	137.45	92.25
Nov-22	119.65	98.80	119.70	98.80
Dec-22	126.75	111.15	126.75	111.20
Jan-23	131.85	120.30	131.80	120.20
Feb-23	124.95	110.20	124.95	110.05
Mar-23	118.10	105.65	118.10	105.65

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

With effect from April 1, 2019, requests for transfer of securities shall be processed only in those cases where the securities are held in dematerialized form with a depository, in terms of guidelines issued by SEBI. Further, in terms of SEBI circular dated January 25, 2022, while processing investor service requests such as transmission, transposition, renewal, exchange, sub-division, consolidation and issue of duplicate certificates etc., the securities shall be issued in dematerialized form only. Accordingly, all shareholders of the company are requested to convert their shareholdings from physical form to demat form at the earliest to reap the benefits of dematerialization. Requests for dematerialization of shares are processed and confirmation is given to the respective depositories viz, NSDL and CDSL within 15 days.

SEBI vide Circular dated November 3, 2021, has inter-alia made it mandatory for holders of physical securities to furnish/update PAN, email address, mobile number, bank account and nomination details, besides linking their PAN with Aadhar. The said circular also prescribes that those folios wherein any one or more of the aforesaid details are not available on or after September 30, 2023 shall be frozen and the investor will not be eligible to lodge grievance or avail service request from R&TA and will not be eligible for receipt of dividend. In view of the same, members holding shares in physical mode are requested to furnish PAN, KYC details and nomination forms immediately to the Company / R&TA in the prescribed forms available on the website of the company www.nmdc.co.in.

k. Distribution of Shareholding :

(i) Shareholding Pattern of the Company as on 31.03.2023

Table I - Summary Statement holding of specified securities									
Category (i)	Category of shareholder (ii)	No. of share holders (iii)	No. of fully paid up equity	No. of Partly paid-up equity shares	No. of shares underlying	Total nos. shares held (vii) =	Shareholding as a % of total no. of shares	Shareholding as a % assuming full	Number of equity shares held in
(A.)	Promoter & Promoter Group	1	1781633571	0	0	1781633571	60.79	60.79	1781633571
(B.)	Public	713831	1148972279	0	0	1148972279	39.21	39.21	1148886782
(C)	Non Promoter-Non Public								
(C1)	Shares underlying DRs	0	0	0	0	0	N.A	0	0
(C2)	Shares held by Employee Trusts	0	0	0	0	0	0	0	0
	Total	713832	2930605850	0	0	2930605850	100	100	2930522353

Distribution of Shareholding by size as on 31.03.2023

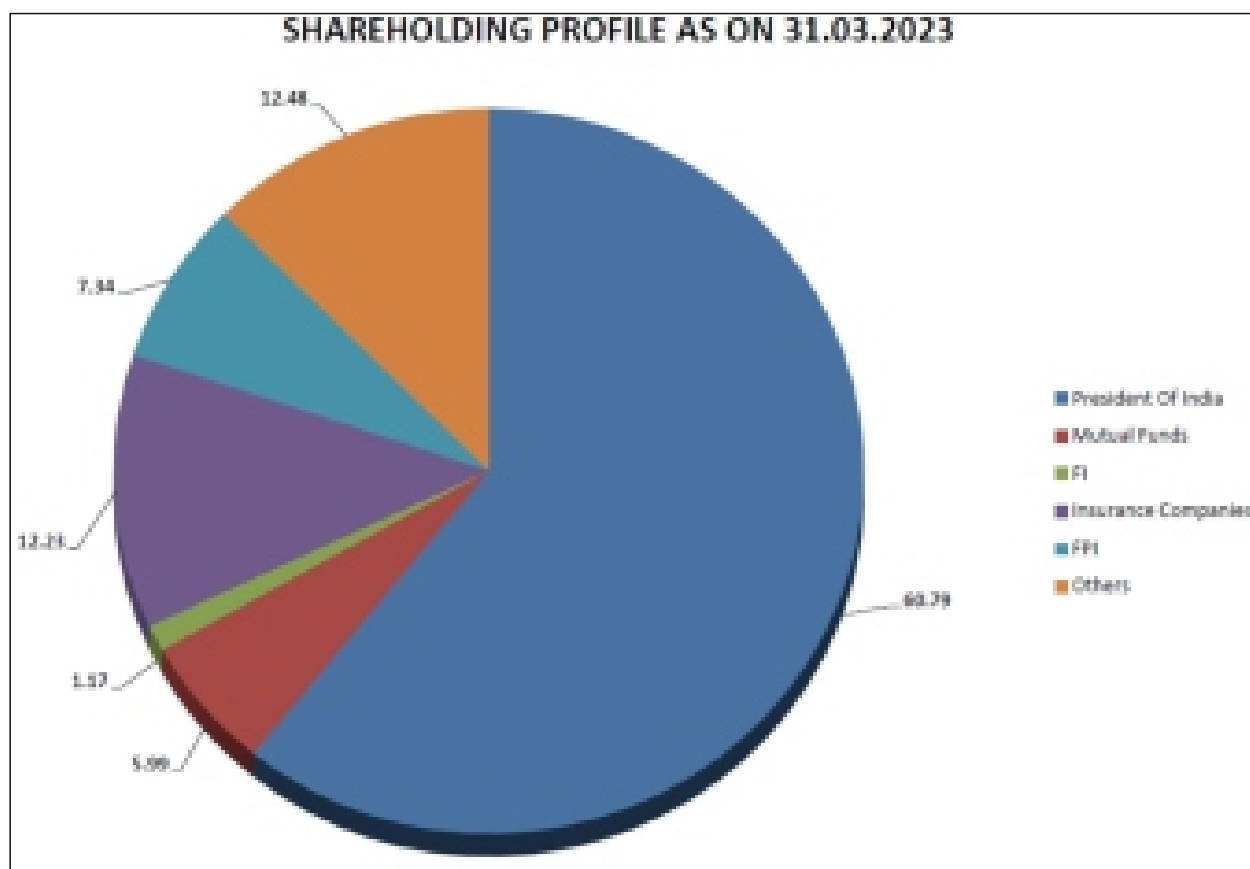
SL NO	CATEGORY	HOLDERS	HOLDERS PERCENTAGE	NO. OF SHARES	AMOUNT	AMOUNT PERCENTAGE
1	1 - 5000	7,05,735	98.87	17,54,73,606	17,54,73,606	5.99
2	5001 - 10000	4490	0.63	3,29,08,757	3,29,08,757	1.12
3	10001 - 20000	1,865	0.26	2,65,20,802	2,65,20,802	0.90
4	20001 - 30000	583	0.08	1,45,15,442	1,45,15,442	0.50
5	30001 - 40000	223	0.03	78,56,417	78,56,417	0.27
6	40001 - 50000	176	0.02	80,80,329	80,80,329	0.28
7	50001 - 100000	304	0.04	2,22,45,423	2,22,45,423	0.76
8	100001 & Above	456	0.06	264,30,05,074	264,30,05,074	90.19
	Total:	7,13,832	100	293,06,05,850	293,06,05,850	100.00

(iii) Top ten shareholders of the Company as on 31.03.2023

SL NO	ShareHolder	Shares	Percent	Group	Category
1	President Of India	1,78,16,33,571	60.79	Pro	Central Government/ State Government(s)
2	LIFE INSURANCE CORPORATION OF INDIA	33,77,84,217	11.53	pub	Insurance Companies
3	Aditya Birla Sun Life Trustee Private Limited A/C Aditya Birla Sun Life Special Opportunities Fund	2,92,41,439	1	Pub	Mutual Funds
4	Parag Parikh Flexi Cap Fund	2,82,11,811	0.96	Pub	Mutual Funds
5	ICICI Prudential Midcap Fund	1,60,61,237	0.55	Pub	Mutual Funds
6	Vanguard Emerging Markets Stock Index Fund, A Series Of Vanguard International Equity Index Funds	0.53	Pub		Foreign Portfolio Investors Category I
7	Vanguard Total International Stock Index Fund	1,51,45,635	0.52	Pub	Foreign Portfolio Investors Category I
8	SBI Large & Midcap Fund	1,32,48,628	0.45	Pub	Mutual Funds
9	Canara Bank-Mumbai	1,10,69,767	0.38	Pub	Banks
10	Mirae Asset Emerging Bluechip Fund	99,19,544	0.34	Pub	Mutual Funds
	Total:	2,25,77,04,740	77.05		

(iv) Geographical Distribution of Shareholders as on 31.03.2023

SL NO	City	No. of Share Holders	% to Total	No.of Shares	% to Total
1	AHMEDABAD	19546	2.67	15073897	0.51
2	BANGALORE	31518	4.30	19603300	0.67
3	BHUBANESWAR	2587	0.35	778932	0.03
4	CHANDIGARH	2680	0.37	1568500	0.05
5	CHENNAI	23747	3.24	21000339	0.72
6	GUWAHATI	2099	0.29	560971	0.02
7	HYDERABAD	23457	3.20	11241690	0.38
8	JAIPUR	11102	1.52	4219289	0.14
9	KANPUR	4293	0.59	1344751	0.05
10	KOLKATA	25193	3.44	26055891	0.89
11	MUMBAI	83077	11.35	857248890	29.25
12	NAGPUR	5351	0.73	1967659	0.07
13	NEW DELHI	42083	5.75	1821642772	62.16
14	PATNA	3936	0.54	3403674	0.12
15	TRIVANDRUM	2182	0.30	659874	0.02
16	OTHERS	449421	61.37	144235421	4.92
	TOTAL	732272	100.00	2930605850	100.00

(v) Shareholding Profile as on 31.03.2023**I. Dematerialization of shares**

The shares of the Company are dematerialized with National Securities Depository Limited and Central Depository Services (India) Ltd. 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, 2023 are as under:

Sl. No	Type	Holders	Shares	Percentage
1	C D S L	479262	163419708	5.576
2	N S D L	252939	2767102645	94.421
3	PHYSICAL	71	83497	0.003
Total:		732272	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.

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. DonimalaiComplex:-
(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 financial year, the company had fund based and non-fund based facility / limits from various Banks and Rupee Term Loan from State Bank of India, aggregating to Rs.6,000 crore. Credit Rating for the said facility / loan are as below:-

Fund and Non Fund Based Limits:

- a) Fund Based Limit – CRISIL AAA Stable (for INR 3,300 crore)
- b) Non-Fund Based Limit – CRISIL A1+ (for INR 2,700 crore)

Further, pursuant to the Scheme of Arrangement between NMDC Limited (demerged company) and NMDC Steel Limited (resulting Company), the Non-Convertible debentures and Rupee Term Loan appearing in the books of NMDC was shifted to the books of NMDC Steel Limited. Accordingly, the disclosure of credit ratings for aforesaid debentures and Rupee Term Loan is no longer required.

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 Rs. 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 Rs. 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 Rs. 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 Rs. 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 Rs.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 Rs. 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 Rs. 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 Rs. 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 Rs. 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 Rs. 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 Rs. 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 Rs. 9,79,400/- including GST payable to each exchange.
- e. 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 Rs.5,31,000/- including GST payable to each Exchange.

4) Notices received in the financial year 2022-2023:

- 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 Rs.5,31,000/- including GST payable to each Exchange.
- b. The Company is in receipt of BSE email and NSE notice dated 22.08.2022 for non compliance with the provisions of Regulation 17(1) of SEBI (LODR) Regulations 2015 for the quarter ended 30th June, 2022, imposing a fine of Rs. 5,36,900/- each including GST payable to each Exchange.
- c. The Company is in receipt of BSE email and NSE notice dated 21.11.2022 for non compliance with the provisions of Regulation 17(1) of SEBI (LODR) Regulations 2015 for the quarter ended 30th September, 2022, imposing a fine of Rs. 5,42,800/- each including GST payable to each Exchange.
- d. The Company is in receipt of BSE email and NSE notice dated 21.02.2023 for non compliance with the provisions of Regulation 17(1) of SEBI (LODR) Regulations 2015 for the quarter ended 31st December 2022, imposing a fine of Rs. 5,42,800/- each including GST payable to each Exchange.

5 Notices received in the financial year 2023-2024:

- a. The Company is in receipt of BSE email and NSE notice dated 22.05.2023 for non compliance with the provisions of Regulation 17(1) of SEBI (LODR) Regulations 2015 for the quarter ended 31st March 2023, imposing a fine of Rs.5,31,000/- including GST payable to each Exchange.
1. 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) – N.A.
- (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 – Rs.1.10 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 3.42%.
- (q) Disclosure of Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount

Sl. No.	Name of the Entity	Nature of Relationship	Amount as on 31.03.2023 (in Rs. crore)
1	J&K Mineral Development Corporation Ltd.	Subsidiary Company	24.39
2	Karnataka Vijaynagar Steel Ltd.	Subsidiary Company	642.44
3	NMDC-CMDC Ltd.	Joint Venture Company	55.61
4	Kopano-NMDC Minerals (Pty) Ltd.	Joint Venture Company	0.10
5	Jharkhand National Mineral Development Corporation Ltd.	Joint Venture Company	0.09
6	NMDC Steel Ltd.	Entities under common control	2542.93

- (r) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries - There are no material subsidiaries of the Company.

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. As on 31.03.2023, the composition of the Board of NMDC Ltd. consists of three (3) Functional Directors including CMD, two (2) Government Nominee Directors and four (4) Independent Directors. There is a vacancy of four (4) Independent Directors; including one woman Independent Director and three (3) Functional Directors i.e., CMD, Director (Personnel) and Director (Technical), which needs to be filled in by Ministry of Steel, Govt. of India. In the absence of Independent Directors on the Board of NMDC, the company is non-compliant with the following:-

- (i) Non-compliance with composition of the Board with regard to requisite number of Independent Directors;
- (ii) 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 2022-23 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 Board's 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 Rs.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	
		Share holders	Equity Shares	Share holders	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 2022-23, unclaimed dividend for the financial year 2014-15, 2nd Interim 2014-15 & Final dividend aggregating Rs.25,05,138/- and the corresponding 6,969 Equity 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 2014-15, 2nd Interim & 2014-15 Final 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 2016-17 and the corresponding shares will be due for transfer to IEPF on 13.04.2024.

Financial Year	Dividend Identification No.	Date of declaration of Dividend	Total Dividend (Rs.)	Unclaimed Dividend as on 31.03.2023		Due date for transfer to IEPF
				Rs.	%	
2015-16	2015-16 1 st Interim	12.02.2016	37664819874.00	5261420	0.0139691	21.03.2023
2015-16	2015-16 2 nd Interim	19.03.2016	5947091716.00	1476772	0.0248318	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	701992	0.0221876	29.10.2024
2017-18	2017-18 Interim	26.03.2018	13604741375.00	2824794	0.0207633	02.05.2025
2018-19	2018-19 Interim	12.03.2019	16901412082.00	3382418	0.0200126	18.04.2026
2019-20	2019-20 Interim	06.02.2020	16197198449.00	3313749	0.0204588	15.03.2027
2020-21	2020-21 Interim	11.03.2021	22741509724.00	3964911	0.0174347	16.04.2028
2021-22	2021-22 1 st Interim	03.12.2021	26404769975	5328703	0.0201808	10.01.2029
2021-22	2021-22 2 nd Interim	08-02-2022	16792499274	3519948	0.0209614	14.03.2029
2022-23	2022-23 Interim	14-02-2023	10989904198	295822654 *	2.6917674	21.03.2030

*Note: As on 31st March, 2023, TDS on Dividend Payment was Pending and the same was subsequently paid, within prescribed time

(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@arthiconsultants.com
Web site : www.arthiconsultants.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 Karvy Fintech Pvt. Ltd. at the following address:

K Fin Technologies Limited
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

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 Companies Act, 2013, a separate meeting of Non-official (Independent) Directors was held on 01.07.2022.

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 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: L13100TG1998GO1001674 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, 2023 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. Sukriti Likhj	01825997	23/04/2021
2.	Mr. Amitava Mukherjee	08265207	26/11/2018



**D. HANUMANTA RAJU & CO,
COMPANY SECRETARIES**
NMDC LIMITED

3.	Mr. Dilip Kumar Mohanty	09296720	06/10/2021
4.	Mr. Vishal Babber	09344150	01/11/2021
5.	Mr. Sanjay Kumar Singh	09347257	29/12/2021
6.	Mr. Sanjay Tanden	00484699	01/11/2021
7.	Mr. Anil Sadashivrao Kamble	07528386	01/11/2021
8.	Mr. Abhijit Narendra	07851224	28/02/2023
9.	Mr. Vishwanath Suresh	10059734	01/03/2023

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 this, 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 : 18.07.2023

For D.HANUMANTA RAJU & CO
COMPANY SECRETARIES



CS D.HANUMANTA RAJU
PARTNER
FCS: 4044, CP NO: 1709
UDIN: F004044E000633024
PR. No: 696/2020

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 of Directors 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 2023.

Place:

Date :

Amitava Mukherjee
Chairman and Managing
Director (Addl. Charge)
(DIN: 08265207)

Office
J-10, C-1, P.R. Nagar
Wing, near Colony, Hyderabad - 500 057
Phone : (0) 91-40-28840883, 28840946
28841212, 28841213
e-mail : dh@dhbmail.com, dh@dhbtechn.com
website : www.dhbnr.org/india/nmnc



DR. DATLA HANUMANTA RAJU
B.COM., LL.D., P.S.T., M.D.A., FCS
P.R. N.R.

D. HANUMANTA RAJU & CO.
COMPANY SECRETARIES

CERTIFICATE

TO
THE MEMBERS OF
NMDC LIMITED

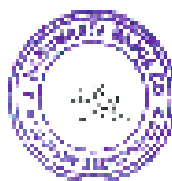
We have examined the compliance of conditions of Corporate Governance by NMDC Limited ("the Company") for the year ended on March 31, 2023, as per Regulation 17(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") for the period 1st April, 2022 to 31st March, 2023 and the Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises (DPE), Government of India.

The compliance or non-compliance of Corporate Governance is the responsibility of the management. Our examination was limited to review the procedures and implementation followed adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It does not constitute 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 having the requisite number of Independent Directors and Independent Members of Board as required.

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 : 18.07.2023



DR. DATLA HANUMANTA RAJU & CO
COMPANY SECRETARIES

DR. DATLA HANUMANTA RAJU
PARTNER
FCS:4844, CP NO: 178
UDIN: 0014044E01D63846
PR No. 6982020

Annexure – IV

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Section A: General disclosures

I.Details of the listed entity

1	Corporate Identity Number (CIN) of the Listed Entity	L13100TG1958G0I001674
2	Name of the Listed Entity	NMDC Limited (NMDC)
3	Year of incorporation	1958
4	Registered office address	Khanij Bhavan, 10-3-311/A, Castle Hills, Masab Tank, Hyderabad – 500 028
5	Corporate address	Khanij Bhavan, 10-3-311/A, Castle Hills, Masab Tank, Hyderabad – 500 028
6	E-mail	ims@nmdc.co.in
7	Telephone	040-2353 8757
8	Website	www.nmdc.co.in
9	Financial year for which reporting is being done	April 1, 2022 – March 31, 2023
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited (BSE) National Stock Exchange of India Limited (NSE) Calcutta Stock Exchange Ltd.
11	Paid-up Capital	Rs.293.06 crore
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Shri A.S. Pardha Saradhi Executive Director & Company Secretary Tel: 040-23538757 Email ID: cs_pardha@nmdc.co.in
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone basis

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

Sl. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing	Extraction of Iron Ore. NMDC is producing about over 40 MTPA of iron ore from its major iron producing units i.e. from Bailadila Sector in Chhattisgarh and Donimalai in Bellary-Hospet region in Karnataka	98%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover)

Sl.No.	Product/Service	NIC Code	% of total Turnover contributed
1	Iron ore	071	98%
2	Diamond	089	2%
3	Pellets	241	
4	Sponge iron	241	
5	Wind power	351	

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	4*	1	5
International	0	0	0

*The Iron ore Mines (Kirandul, Bacheli and Donimalai) One Diamond Mine (Panna)

17. Markets served by the entity:

S.No.	Locations	Number
A	National	11
	International	0
B	What is the contribution of exports as a percentage of the total turnover of the entity?	Nil
C	A brief on types of customers	NMDC serves B2G, B2B and B2C customers meeting their resource requirements across the value chain. Majority of our customers are steel manufacturers.

IV. Employees

18. Details as at the end of Financial Year (FY2022-23)

a. Employees (executives) and workers (non-executives) (including differently abled)

S. No.	Particulars	Total (A)	Male No. (B)	Percentage % (B / A)	Female No. (C)	Percentage % (C / A)	Other No. (C)	Percentage % (C / A)
EMPLOYEES (executives)								
1	Permanent	1696	1608	94.81%	88	5.19%	0	0
2	Other than Permanent (Contractual / Third Party / Temporary / Intern / Project consultants working on site)	0	0		0		0	0
3	Total employees (1+2)	1696	1608	94.81%	88	5.19%	0	0
WORKERS (non-executives)								
4	Permanent	4017	3741	93.13%	276	6.87%	0	0

S. No.	Particulars	Total (A)	Male No. (B)	Percentage % (B / A)	Female No. (C)	Percentage % (C / A)	Other No. (C)	Percentage % (C / A)
5	Other than Permanent (Contractual / Third Party / Temporary / Intern / Project consultants working on site)	7733	7308	94.50%	425	5.50%		
6	Total workers (4 + 5)	11750	11049	94.03%	701	5.97%	0	0

b. Differently abled Employees (executives) and workers (non-executives)

S. No.	Particulars	FY 2022-23						
		Total (A)	Male No. (B)	Percentage % (B / A)	Female No. (C)	Percentage % (C / A)	Other No. (C)	Percentage % (C / A)
DIFFERENTLY ABLED EMPLOYEES (executives)								
1	Permanent	20	19	95%	1	5%	0	0
2	Other than Permanent (Contractual / Third Party / Temporary / Intern)	0	0	0	0	0	0	0
3	Total differently abled employees (1 + 2)	20	19	95%	1	5%	0	0
DIFFERENTLY ABLED WORKERS (non-executives)								
4	Permanent	85	79	92.94%	6	7.06%	0	0
5	Other than Permanent (Contractual / Third Party / Temporary/Intern)	5	3	60%	2	40%	0	0
6	Total differently abled workers (4 + 5)	90	82	91.11%	8	8.89%	0	0

19. Participation/Inclusion/Representation of women

Representative Stakeholder	Total (A)	No. and percentage of Females (B)	% (B / A)
Board of Directors	9	1	11.11%
Key Management Personnel	1	0	0%

20. Turnover rate for permanent employees (executives) and workers (non-executives)

	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	5.6	1.13	5.36	4.12	5	4.17	3.47	6.17	3.61
Permanent Workers	4.27	2.17	4.13	3.53	2.14	3.43	3.25	1.81	3.15

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. Names of holding / subsidiary / associate companies / joint ventures

Sl. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Legacy Iron Ore Ltd.	Subsidiary	90.02%	No
2	J&K Mineral Development Corporation Ltd.	Subsidiary	95.86%	No
3	Karnataka Vijaynagar Steel Ltd.	Subsidiary	100%	No
4	NMDC-SARL, Madagascar	Subsidiary	100%	No
5	NMDC CSR Foundation	Subsidiary	100%	No
6	Kopano-NMDC Minerals (Pty.) Ltd. SOUTH AFRICA	Joint Venture	50%	No
7	Jharkhand National Mineral Development Corporation Ltd.	Joint Venture	60%	No
8	NMDC-CMDC Ltd.	Joint Venture	51%	No
9	Bastar Railway Pvt. Ltd.	Joint Venture	52%	No
10	Romelt-SAIL (India) Ltd.	Associate	25%	No
11	International Coal Ventures Pvt. Ltd.	Associate	25.94%	No
12	Krishnapatnam Railway Company Ltd.	Associate	6.40%	No

VI. CSR details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) - Yes
(ii) Turnover (in Rs.) 17,667 Crores
(iii) Net worth (in Rs.) 22,332.31 Crores

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide the documented management approved SOP for grievance mechanism and the web-link for grievance redressal policy)	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks (e.g., categorization of nces if available)	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes. Here is the weblink for NMDC's whistle blower policy https://www.nmdc.co.in/cms-admin/Upload/Policies-Documents/405f4d8884cb49bdbf42fc548d4edda2_20210920061059002.pdf	0	0	NA	0	0	NA
Investors (other than share holders)		0	0	NA	20	0	NA
Share holders		21	0	NA	25	1	NA
Employees and workers		1	1	NA	1	1	Complaint was suitably resolved in a timely manner
Customers		42	0	NA	33	0	NA
Value Chain Partners (upstream & downstream)		0	0	NA	0	0	NA
Other (please specify, if any / Add additional rows with description in addition to the as required)		80	12	NA	57	80	The number of complaints categorized under this category include diverse set of complaints collated by vigilance department.

NA: Not Applicable

24. Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Energy	Risk / Opportunity	Risk Our operations are dependent on fossil fuels for running of our equipment and other operations. Our profitability is dependent on continuous availability of fuels at constant price. Any fuel price fluctuation results into an impact on our profitability. Opportunity Energy transition provides an opportunity for NMDC to transition to green and renewable energy and contribute to India's NDCs	We constantly monitor our fuel consumption and have introduced several retrofits/ initiatives to optimize the fuel consumption.	Negative/Positive
2	Climate Change Vulnerability	Risk	Climate Change poses risks to mining operations. Events like heavy rainfall may result in slow-down in mining activities and improving our revenues.	NMDC is in the process of conducting robust climate risk assessments to determine transition and physical risks and will subsequently develop a climate change mitigation and adaptation strategy	Negative
3	Biodiversity	Risk / Opportunity	Risk NMDC operates in areas of dense biodiversity. The mining operations and resultant waste may pose threats to biodiversity. Any negative impact on biodiversity also poses a risk of community agitation, and legal and regulatory sanctions on our expansion plans. Opportunity We rigorously contribute to biodiversity enhancement in all o project sites and the nearby areas. Our Afforestation activities presents an opportunity of creating carbon sink to offsetting our emissions.	NMDC seeks periodic renewal of Environmental Clearances. NMDC has also developed project specific biodiversity management plans.	Negative/Positive
4	Water	Risk	Water usage in operation for ore-washing and runoff water forms tailings which poses a risk of nearby land contamination. This may result into community agitations and regulatory interventions resulting into reputational risk.	NMDC has also stopped wet washing of ores at most of the mines except Bachel, hence reducing the risk. NMDC is aiming to use 100% recycled water for dust sprinkling in mine sites by 2025.	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Human Resource Management and Human Capital Development	Opportunity	NMDC's employees and workers present and opportunity to further NMDC's commitments to sustainability. We have integrated ERP to monitor our human resource department, leveraging technology to connect our employees and workers across projects. NMDC is conducting regular trainings and have introduced regular ESG training in the annual module for the senior management as well. Our skill development initiatives are also helping our employees integrate digital skills into their day-to-day work. Trainings also help us prevent health and safety related incidents at mine sites.		Positive
6	Community Relations	Opportunity	NMDC acknowledges social development as its utmost priority. Undertaking CSR activities that addresses the needs of the communities help NMDC build deeper, more transparent relationship with the community members.		Positive
7	Occupational Health and Safety	Risk	Mining activities may pose occupational health and safety risks to our employees and workers owing to the nature of operations.	NMDC conducts periodic training/sensitization sessions for its employees and workers. NMDC monitors its accident statistics through its trained safety professionals deployed on-site. NMDC apprises the Senior management including the Board of Directors on the safety related incidents and corresponding preventive actions on a periodic basis.	Negative
8	Right to Indigenous People	Risk	Our project sites at Kirandul and Bacheli are located near to the indigenous people's inhabitant area. This exposes us to the reputational risk of impacting indigenous population, their culture and belief.	NMDC interacts with Indigenous peoples on a regular basis. We have positively impacted the lives of many, in the surrounding areas in terms of better connectivity, improved access to medical facilities, markets for local produce and many more opportunities for Socio-economic development.	Negative
9	Economic Performance	Opportunity	NMDC has remained the largest Iron-ore producer in the country. Their processes are deeply linked with innovation and technology, keeping them ahead of the curve at all times.		Positive

Section B: Management and process disclosures

Description		This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.								
Sl. No.	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Policy and management processes									
1	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c. Web Link of the Policies, if available	https://www.nmdc.co.in/investors/policies-and-documents Some of the policies of the NMDC are accessible only to employees and other internal stakeholders through intranet.								
2	Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Vigilance Department in NMDC is ISO 9001-2015 compliant and accredited with certification. Also, NMDC's Whistle Blower Policy confirms the requirements as stipulated by the Companies Act, 2013 and the rules thereunder and of the applicable securities laws and regulations. NMDC follows GRI standards for measuring and reporting its sustainability performance (Refer: Sustainability Report FY 2019-22) from https://www.nmdc.co.in/cms-admin/Upload/Environment_Sustenbility_Documents/be3367683a1435e88f8e019f191d1de_20230214111643646.pdf								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	Technology and innovation are at the core of NMDC's eco-friendly mining process. These innovations and technology integrations are now playing a significant role in our aim towards achieving our ESG goals and targets as follows: •Increase renewable energy share to 25% •Zero Harm to life •Perform human rights audits at project sites Assign roles and responsibilities for ESG management through the organisation structure.								
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.									

Sl. No.	Governance, leadership, and oversight	
7	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure)	NMDC is committed to environmental stewardship and sustainability. The company invests in innovative technologies and R&D to reduce its environmental footprint and increase resource eco-efficiency. In FY 2022-23, NMDC focused on reducing GHG and fugitive emissions, wastewater recycling, solid waste management, and biodiversity conservation. In the financial year 2022-23, NMDC conducted a climate risk assessment and is working on developing mitigation and adaptation strategies for its mines. The company complied with all environmental regulations and laws and went above and beyond to ensure environmental sustainability. Natural resource depletion, occupational health & safety, climate change, and biodiversity loss stand out as key impacts of our business on the environment and society at large. These challenges are often influenced by global trends and evolving

Sl. No.	Governance, leadership, and oversight																			
	stakeholder expectations regarding the sustainability of our planet. As a public-sector enterprise, we are committed to bolstering India’s efforts of transforming into an economically advanced and sustainable nation. In the year 2022-23 we have adopted ESG targets specifically pertaining to energy, water, climate change, biodiversity, waste management, health & safety and human rights. The company engages in transparent and meaningful dialogue with local communities and collaborates with them through CSR programs to ensure sustainable development and maintain its social license to operate. NMDC focuses on education and skill development, access to healthcare, clean drinking water and sanitation, and community infrastructure development. The company ensures compliance with human rights and applicable rules and regulations to foster synergistic relationships with local communities. NMDC values its employees and provides a safe and healthy working environment by imparting training, conducting health check-ups, providing PPEs, and ensuring access to grievance redressal mechanisms. The company also conducts regular training and upskilling programs for its employees. Governance is a key driver of sustainability, and NMDC maintains the highest ethical standards as laid out in the law and the constitution of India. The company conducts risk assessments, vigilance awareness sessions, and promotes ethical business conduct amongst all employees and senior management. In FY 2022-23, NMDC established an internal governance structure for ESG practices and developed an ESG communication strategy for reliable, timely, and consistent communication. From our ongoing initiatives, it can be concluded that we are well ahead of the curve with respect to upholding Business responsibility towards the environment and society.																			
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy / (ies).									Shri A.S. Pardha Saradhi, Executive Director & Company Secretary Email id - cs_pardha@nmdc.co.in										
9	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.									Yes. The following Committees of the Board with their specific terms of reference are in place to ensure decision making/oversight on sustainability-related issues – ▪ Sustainability and CSR Committee ▪ Stakeholders Relationship Committee ▪ Risk Management Committee										
Details of Review of NGRBCs by the Company:																				
10	Subject for Review		Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
			P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
	Performance against above policies and follow up action		Y	Y	Y	Y	Y	Y	Y	Y	Y	Annually								
	Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances		Y	Y	Y	Y	Y	Y	Y	Y	Y	Annually								

Sl. No.	Governance, leadership, and oversight									
11	Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9
		N	N	N	N	N	N	N	Y*	N

* Impact assessment has been done by NIRD (National Institute of Rural Development) for the CSR Policy.

12. If answer to question (1) above is 'No', i.e. not all Principles are covered by a Policy, reasons to be Stated - Not Applicable.

Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

Essential indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact									%age of persons in respective category covered by the awareness programmes
		P1	P2	P3	P4	P5	P6	P7	P8	P9	
Board of Directors	During the year, the Board engaged in various updates pertaining to ethics, business, regulatory, safety, Sustainability reporting, ESG impacts, etc. These topics provided insights on the above-mentioned Principles.										100%
Key Managerial Personnel	517	- Health & Safety - Skill Development - Knowledge upgradation and others									100%
Employees other than BoD and KMPs											
Workers	144										

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

There were no cases of fines, penalties, punishment, awards compounding fees or settlements by the entity or by its directors for the FY 2022-23.

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Not Applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web link to the policy.

Yes. The principles of anti-corruption and anti-bribery form a part of the various policies and procedures adopted by NMDC. The company has entered into an MoU with transparency International India for implementation of Integrity Pact Programme with the view to improve transparency in procurement. During the FY 22-23, 183 tenders valuing Rs. 1568.79 Cr. were covered under this category. Further, the

company has policies in place at HO and Projects with clear demarcation of delegation of powers and requirement of e-procurement and reverse e-auctions for contracts above specified threshold limits with a view to enhance transparency and increase competitiveness.

Further, in line with the company's act and LODR regulations, the company has a Whistleblower Policy in place which aims to safeguard the employees from reprisals or victimization for whistle blowing in good faith in case they observe any unethical and improper practices, procedures or wrongful conduct.

The weblink for the Whistle-blower policy has been given below:

https://www.nmdc.co.in/cms-admin/Upload/Policies-Documents/405f4d8884cb49bdf42fc548d4edda2_20210920061059002.pdf

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Particulars	FY 2022-23	FY 2021-22
Directors	0	0
KMPs	0	0
Employees (executives)	0	0
Workers (non-executives)	0	0

6. Details of complaints regarding conflict of interest:

No complaints were received regarding conflict of interest.

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not applicable as no complaints regarding conflicts of interest were received.

Leadership indicators

1. Awareness programmes conducted for value chain partners (VCP) on any of the principles during the financial year:

There was no awareness programme conducted for value chain partners during the financial year.

2. Does the of the Board? (Yes/No) If Yes, provide details of the same.

Yes, there is a Vigilance department that plays an advisory role and after investigation or study of any matter or any system/process of the organization, suggests for system improvements. In case, during investigation any deviation or misconduct with malicious intention is found on the part of any employee, vigilance may bring it to the notice of the Disciplinary Authority, in a confidential manner, with recommendation for necessary disciplinary action as deemed fit. However, whether recommendations from vigilance warrants for disciplinary action /imposition of penalty or not is to be decided by such authority only.

Further, the code of conduct for Board of Directors and Senior Management of NMDC provides necessary guidelines to avoid conflict of interest. This specifies that the director(s) shall not involve in a situation in which he/she may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.

Weblinks are provided herein:

https://www.nmdc.co.in/cms-admin/Upload/Policies-Documents/94da6cf9fb9046c389b078e3b02c62a6_20210920060935419.pdf

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Name of Element	FY2022-23	FY2021-22	Details of improvements in environmental and social impacts
R&D	2.5%	6.2%	Various research projects at R&D Centre are under progress on dry beneficiation technologies to reduce water uses in beneficiation process.
Capex	16.0%*	15.3%	NMDC is always proactive in investing in technology to improve environmental and social impact of its products and processes. The details of one such interventions have been explained below: NMDC is operating iron ore mines in Bailadila sector. The products, i.e., iron ore lumps and fines are transported through K- K Railway line from Bailadila to Vizag. To create additional evacuation facilities, NMDC has taken up slurry pipeline transport as an alternate mode of transport for transportation of iron ore fines subsequent to conversion of iron ore fines to iron ore concentrate slurry form. At the terminal stations, the slurry is filtered producing filter cake (pellet feed concentrate) which is converted into pellets used in iron and steel making. NMDC's Project assume significance as it synchronizes with the changing scenario in iron and steel making, in the way to use the iron ore fines in the form of pellets due to the inherent advantages (physical and metallurgical) that helps in increasing the productivity of steel plants. In this mode of pipeline transport, the pipeline is laid below ground. Therefore, after completion of laying of pipeline, the existing activity like agricultural activities can be resumed. Only permanent structures cannot be constructed on the pipeline corridor. In case of transport by rail mode, due to laying of railway tracks, land usage gets completely converted. During the process of preparation of iron ore concentrate low grade slimes which are lying as waste are also beneficiated and converted into iron ore concentrate thereby reducing the wastage of ore. The rail transport is subject to good weather, whereas pipeline transport is not dependent on weather conditions. Iron ore mines are located in remote areas. It is not possible to lay railway lines at all places. In such situations, slurry pipeline transport is a viable solution. In the first phase, NMDC has taken up laying 135 km from Bailadila to Nagarnar which will be further extended by laying additional 300 km slurry pipeline system.

*Target – Target of INR 600 Cr. has been taken for FY 22-23 as a part of Capex Investments.

The above data represent total R&D and Capital expenditure. However, R&D and Capex expenditure pertaining to investments in specific technologies to improve the environmental and social impacts of products & process has not been segregated.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

No

- b. If yes, what percentage of inputs were sourced sustainably?

Not Available

3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

Not Applicable as NMDC's main product, i.e. iron ore, is not reclaimed for recycling.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

EPR is not applicable to iron ore which is NMDC's major product.

Leadership indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

LCA was not conducted in FY 2022-23.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Not applicable as LCA was not conducted in FY 2022-23.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

This is not applicable for iron ore as it is mined and processed.

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

This is not applicable to NMDC's product i.e. iron ore.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category

This is not applicable to NMDC's product i.e. iron ore.

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential indicators

1. a. Details of measures for the well-being of employees (executives):

Category	% of employees covered by										
	Total (A)	Health insurance		Accident		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees (executives)											
Male	1608	1608	100%	1608	100%	NA	NA	1608	100%	NA	NA
Female	88	88	100%	88	100%	88	100%	NA	NA	88	100%
Total	1696	1696	100%	1696	100%	88	5.19%	1608	94.81%	88	5.19%

b. Details of measures for the well-being of workers (non-executives):

Category	% of workers covered by										
	Total (A)	Health insurance		Accident		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers (executives)											
Male	3741	3741	100%	3741	100%	NA	NA	3741	100%	NA	NA
Female	276	276	100%	276	100%	276	100%	NA	NA	276	100%
Total	4017	4017	100%	4017	100%	276	6.87%	3741	93.13%	276	6.87%
Other than Permanent workers (non-executives)											
Male	7308	7308	100%	7308	100%	NA	NA	7308	100%	NA	NA
Female	425	425	100%	425	100%	425	100%	NA	NA	425	100%
Total	7733	7733	100%	7733	100%	425	5.5%	7308	94.5%	425	5.5%

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY2022-23			FY2021-22		
	No. of employees covered as a % of total employees*	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity ESI	100%	100%	Yes	100%	100%	Yes
ESI	NA	NA	NA	NA	NA	NA

*- executives

3. Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, all our office premises are accessible to the differently abled employees. NMDC is continuously working towards improving accessibility of Infrastructure to the differently abled persons.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

NMDC is a SA 8000 company and a Government of India's Public Sector Enterprise which is governed by the DPE Guidelines, the policies of the Govt. of India and the Act of the Parliament, the company follows equal opportunity in the letter and spirit.

In addition to this, NMDC has specified non-discrimination in all matters – recruitment, employment opportunity, promotion, etc. in the United Nations Global Compact (UNGC). The weblink for the same has been given below.

https://www.nmdc.co.in/cms-admin/Upload/Global_Compact_Documents/c016c9fe3dfa40c2a32f1fb9b03ec174_20211109142622460.pdf

5. Return to work and Retention rates of permanent employees (executives) and workers (non-executive) that took parental leave.

Sl.No.	Particulars	Permanent Employees (executives)			Permanent Workers (non-executives)		
		Male	Female	Total	Male	Female	Total
1	Returned to work rate	100%	100%	100%	100%	100%	100%
2	Retention rate	100%	100%	100%	100%	100%	100%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)	Details of mechanism
Permanent Workers (non-executives)	Yes	Paired with awareness creation, we have a robust grievance redressal mechanism supported by a whistle blower policy. When, in case, we receive complaints, it is ensured that they are addressed via the due procedure and closed as soon as possible. In this manner, we support NMDC in governing its operations and business conduct, facilitating just value creation.
Other than Permanent Workers (non-executives)	Yes	
Permanent Employees (executives)	Yes	
Other than Permanent Employees (executives)	Yes	

7. Membership of employees (executives) and worker (non-executives) in association(s) or Unions recognized by the listed entity:

Category	FY2022-23			FY2021-22		
	Total employees / workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees (executives)	1692	1692	100%	1602	1602	100%
Male	1604	1604	100%	1522	1522	100%
Female	88	88	100%	80	80	100%
Total Permanent Workers (non-executives)	4017	4017	100%	3933	3933	100%
Male	3741	3741	100%	3653	3653	100%
Female	276	276	100%	280	280	100%

8. Details of training given to employees (executives) and workers (non-executives)

Category	FY2022-23					FY2021-22				
	Total (A)	On Health and Safety Measures		On Skills upgradation		Total (A)	On Health and Safety Measures		On Skills upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (B)	% (B/A)	No. (C)	% (C/A)
Employees (executives)										
Male	3994	1814	45.41	2276	56.98	3813	590	15.47%	938	24.60%
Female	151	88	58.27	55	36.42	152	29	19.07%	8	5.26%
Total	4145	1902	45.88	2331	56.23	3965	619	15.61%	946	23.85%
Workers (non-executives)										
Male	3034	1319	43.47	54	1.77	2988	1351	45.21%	36	1.20%
Female	389	41	10.53	0	0.00	382	64	16.75%	0	0.00%
Total	3423	1360	39.73	54	1.57	3370	1415	41.98%	36	10.68%

9. Details of performance and career development reviews of employees (executives) and workers (non-executives)

	FY2022-23			FY2021-22		
	Total (A)	No. (B)	% (B/A)	Total (A)	No. (B)	% (B/A)
Employees (executives)						
Male	3847	278	7.22%	3662	204	5.57%
Female	145	6	4.13%	146	3	2.05%
Total	3992	284	7.1100	3808	207	5.43
Workers (non-executives)						
Male	2969	150	5.05%	2923	104	3.55%
Female	389	0	0.00%	382	0	0.00%
Total	3358	150	4.4600	3305	104	3.14

10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes, we have implemented ISO 45001:2018 Occupational Health and Safety Management System as part of our Integrated Management System. This is supported by our OHS policy, governed by the Mine Act, of 1952 the Metalliferous Mines Regulation, of 1961 and Mines Rules, of 1955 the Explosive Act, of 1883 the Explosive Rules, of 2019 and the Occupational Safety, Health and working conditions code 2020.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

For all of NMDC's mines, risk assessment-based Safety Management Plans have been created, implemented, and recommended controls Based on the local characteristics present there, multi-dimensional teams from each mine build these plans. For a variety of mining and related operations, Standard Operating Procedures are developed and put into place based on risk assessments Project audit teams conduct internal safety audits twice a year, and they follow up on their findings to ensure a safe working environment. Continuous inspection /monitoring of equipment's are carried out at all

projects on a quarterly basis to ensure stability of equipment. A separate team has been given the responsibility to monitor the same.

- c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes. We have a well-established health and safety governance structure guided by the CMD and the DGMs. They in turn receive inputs from workers' unions and associations regarding workers' and employees' health safety requirements. 100 of our workers and employees are covered by our safety management system. The workers report the identified hazards in the workplace to the shift in charge. All such reported hazards are recorded and maintained at the site and are also discussed during the monthly safety meetings.

- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes. All new hires undergo an initial medical examination, and all departmental and contractor personnel have periodic medical examinations on a regular basis in accordance with regulatory timelines. Under the supervision of a trained medical officer, the Occupational Health Centre offers services like audiometry, X rays, and eye testing. The records are kept digitally.

11. Details of safety related incidents, in the following format:

Safety incident / numbers	Categories	FY2022-23	FY2021-22
Injury Frequency Rate (IFR)*	Employees (executives)	Nil	Nil
	Workers (non-executives)	0.23	4.57
Total recordable work-related injuries	Employees (executives)	Nil	Nil
	Workers (non-executives)	8	9
No. of fatalities	Employees (executives)	Nil	Nil
	Workers (non-executives)	0	1
High consequence work-related injury or ill-health (excluding fatalities)	Employees (executives)	Nil	Nil
	Workers (non-executives)	3	3

*Injury Frequency Rate = ((50*Fatal) + Serious) *100000/Total Manshifts Worked

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

NMDC has established and implemented the hazard identification and risk assessment process which is essential for preventing incidents, injuries, and occupational disease. HIRA registers are being maintained at the site and reviewed on a periodic basis to identify and mitigate the risks. The HIRA process also considers roles and responsibilities, monitoring of control measures, and awareness of individuals associated with such activities. Formal training on risk assessment has been provided as appropriate to all the employees on a periodic basis.

For all activities including routine or non-routine hazards are identified through Hazard Identification and Risk Assessment (HIRA) and Job Safety Analysis. Identified hazards and associated risks are addressed through operational control measures using the hierarchy of control approach. Dust suppression through water sprinkling, providing masks, and other safety measures are used to control dust-related hazards in the mines.

Adequate medical facilities have been established at the sites as required under statutory provisions like Occupational health centers, qualified medical doctors, etc. All new hires undergo an initial medical examination. Periodic health checkups are also being conducted for all departmental and contractor personnel.

NMDC has established Occupational Health Centre to provide quality healthcare services to employees. Occupational Health Centre offers services of audiometry, X-rays, and eye testing. All the records are maintained digitally.

13. Number of Complaints on the following made by employees (executives) and workers (non-executives)

	FY2022-23			FY2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	NA	Nil	Nil	NA
Health & Safety	Nil	Nil	NA	Nil	Nil	NA

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

Engineering Staff College of India (ESCI) has conducted the risk assessment. No significant risks/concerns were reported after the study. Hence, NMDC does not foresee any new significant safety-related risks in its working conditions. NMDC has already taken all necessary actions to ensure a safer workplace.

Leadership indicators

- Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).
A. Employees - Yes
B. Workers - Yes
- Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.
The company has a robust mechanism for the deduction of various statutory dues such as TDS, GST and other levies as per applicable laws and the company is in total compliance of the same.
- Provide the number of employees / workers having suffered high consequence workrelated injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been/ are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Total no. of affected employees/ workers		
	FY2022-23	FY2021-22
Employees (executives)	Nil	Nil
Workers (non-executives)	Nil	Nil
No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment		
	FY2022-23	FY2021-22
Employees (executives)	Nil	Nil
Workers (non-executives)	Nil	Nil

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Yes

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Nil
Working Conditions	Nil

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not Applicable

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential indicators

1. Describe the processes for identifying key stakeholder groups of the entity

We have adopted a synergistic approach towards stakeholder engagement. Our stakeholder engagement process is guided by the NMDC Citizen's Charter. The charter lays out the mechanism through which we reach out and engage with our stakeholders and manage their feedback. Our decisions regarding production, management and general business functioning take place after thorough stakeholder consultation. We also ensure that we regularly meet legal, statutory and regulatory requirements.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisement, Community meetings, Notices Board, Website)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others)- Please specify	Purpose and scope of engagement including key topics and concerns raised during such engagements
Government and other regulators	No	- Meeting with Centre and State Government, Ministry of steel, Ministry of mines, DPE, Ministry of Environment, forests and climate change, Ministry of Corporate Affairs, Indian Bureau of Mines, Director General Mine Safety - Periodic communication and submission of various compliance reports to statutory authorities - Performance Report (Quarterly & Annually) - Inspections	Annually	- Infrastructure development - Community development - Forest and environment compliance - Other applicable acts like mines and mineral conservation act

Stakeholder group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisement, Community meetings, Notices Board, Website)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others)- Please specify	Purpose and scope of engagement including key topics and concerns raised during such engagements
Employees	No	• Industrial Relations • meetings with Union leaders, Bipartite and tripartite meetings, • Collective bargaining interactions with officer associations, • Official communications, • Internal magazines and e-newsletters, employee • Satisfaction surveys, • Grievance redressal forums • Employee training and seminars. • Organizational celebrations, • Monthly Co-ordination meetings	Quarterly	• Job Satisfaction, • Collective bargaining agreements • Promotion & career growth • Employee benefits and remunerations • Performance management and recognition • Health and safety measures at the operating sites.
Suppliers	No	• Interactive meeting and sessions during tenders • Vendors meet , periodic vendor and supplier meets • Regional, International trade fairs • Supplier relationship management	Half-yearly	• Onboarding local suppliers • Transparency & anti-corruption practices • Timely payment • Adoption of integrity pact programme, • Quality of items of supply
Customers	No	• Meeting with Industry representatives and Ministries. • Meetings with Customers. • Customers visit projects and manage interactions. • Customer feedback and grievance redressal forums	Quarterly	• Quantity and quality of products • Customer grievance and resolution mechanisms
Industry associations & professionals	No	• Membership with industry associations. • Regular meetings with consultants and professionals. • Meetings & seminars	Annually	• Business alignment with occurring changes in the market.

Stakeholder group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisement, Community meetings, Notices Board, Website)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others)- Please specify	Purpose and scope of engagement including key topics and concerns raised during such engagements
Local communities	No	- Sustainable Development initiatives and CSR activities (ongoing) - Gram Sabha and Public Hearing / Consultation (For New & Expansion projects) as and when required. - Regular meetings in the project, cultural, religious and social functions with community members and representatives - Need assessment interactions for CSR projects Local community events	Annually	- Livelihood opportunities - Basic amenities - Rehabilitation and Resettlement - Compensation, - Financial, the social and environmental impact of the operation on the community.
NGOs / Civil society organizations	No	- Partnerships with national and international NGOs. - Open channels of communication to address grievances.	Need-based	- Alignment with the global goals. - Commitments towards ESG goals like carbon neutrality and human rights assessments
Media	No	- Interviews - Press coverage of operations.	Need-based	- Impact on the community - Transparency regarding disclosure requirements.
Investors	No	- Annual General Meeting - Periodic financial reports to shareholders and investors - Interactions with financial institutions and shareholders.	Annually	- Company's performance - Sustainable growth and returns - Risk management - grievance resolution and other issues

Leadership indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.
 - a) Stakeholder Identification: We have identified 9 key stakeholder groups that impact our business and are in-turn impacted by our business.
 - b) Stakeholder engagement: We developed survey questionnaires for employees and workers to seek their inputs. We conducted FGDs with other stakeholder groups, including Senior Management and Board of Directors, and sought their inputs.
 - c) Issue Prioritization: Based on the response received from the stakeholder engagement, we identified key material topics for the company.
 - d) Issue Management: We sought inputs from the senior management and the Board of Directors on the management of key material topics across the value chain.
2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes. Stakeholder consultation is used to support the identification and management of environmental, and social topics. From the stakeholder consultation in FY 2022-23, we received inputs regarding our ESG communication. To address that, we have developed an internal ESG communication strategy that is under review by the Board of Directors.
3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

The concerns of the local communities identified as vulnerable/marginalized groups were as follows:

- Compensation
- Financial, the social and environmental impact of the operation on the community.
- Training/upskilling (animal husbandry, tailoring, etc.) to enable community members to be self employed
- Facilitate higher education Scholarships to enable more students to afford higher education, and transportation facilities to near by towns which has polytechnics
- Support in providing clean drinking water
- Job creation

We conduct need assessments and CSR impact assessments to assess the impact of our interventions and the needs of the communities.

Principle 5: Businesses should respect and promote human rights

Essential indicators

1. Employees (executives) and workers (non-executives) who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

There were no trainings specific to human rights conducted at NMDC during the reporting period.
2. Details of minimum wages paid to employees (executives) and workers (non-executives), in the following format:

Category	FY2022-23					FY2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees (executives)										
Permanent										
Male	1608	Nil	NA	1608	100%	1526	Nil	NA	1526	100%
Female	88	Nil	NA	88	100%	80	Nil	NA	80	100%
Workers (non-executives)										
Permanent										
Male	3741	Nil	NA	3741	100%	3653	Nil	NA	3653	100%
Female	276	Nil	NA	276	100%	280	Nil	NA	280	100%
Other than Permanent										
Male	7308*	Nil	NA	7308*	100%	7308*	Nil	NA	7308*	100%
Female	425*	Nil	NA	425*	100%	425*	Nil	NA	425*	100%

*Minimum wages+Special Relief for NMDC Production Project (SRNPP)+ Food Coupons

3.Details of remuneration/salary/wages, in the following format:

-	Male		Female	
	Number	Median remuneration/ salary/wages of respective category (INR Lakhs)	Number	Median remuneration/ salary/ wages of respective category (INR Lakhs)
Board of Directors (BoD)	8	61.21*	1	0**
Key Managerial Personnel	1	50.53	0	

*We have considered three functional directors for the purpose of calculating median remuneration as of 31st March 2023. Further, there were four independent directors as on 31st March 2023 and they were paid only sitting fees for attending meetings of the Board and Board level committees. No sitting fees is payable to Government Nominee Directors.

** Being Government Nominee Director, no remuneration was payable.

- Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)
Yes. The Grievance committee shall oversee and address any issue arising from any human rights impact or issues caused or contributed to by the business.
- Describe the internal mechanisms in place to redress grievances related to human rights issues.
The mechanism prescribed by the Government, namely the "Grievance Procedure" is in force for redressal of the grievances of the employees. There is a full-fledged Personnel Department at Corporate Level as well as at Project/Unit Level which are fully equipped to deal with grievances of employees. The SC /ST employees also approach the Liaison Officers for redressal of their grievances. The SC/ST welfare associations also take up the issues related to SC employees with the management for its redressal. Besides, as, and when CMD / Directors of the Company visit the Projects / Units, they invariably hold meetings with the Associations / Unions for redressal of their grievances, if any.
Besides the above, a link to the CPGRAMS is also provided in NMDC's website where a grievance can be lodged by an aggrieved employee. This portal is being monitored by the Head of Corporate

Personnel Department of the Company who is also the Grievance Redressal Officer of the Company.

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 has been constituted.

During the FY 2022-23, there have been Nil cases of human right violation

6. Number of Complaints on the following made by employees and workers:

	FY2022-23			FY2021-22		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	1	1	NA	Nil	Nil	NA
Discrimination at workplace	Nil	Nil	NA	Nil	Nil	NA
Child Labor	Nil	Nil	NA	Nil	Nil	NA
Forced Labor/Involuntary Labor	Nil	Nil	NA	Nil	Nil	NA
Wages	Nil	Nil	NA	Nil	Nil	NA
Other human rights related issues	Nil	Nil	NA	Nil	Nil	NA

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases

NMDC has a Board of Directors' approved Whistle Blower Policy in place. This mechanism provides adequate safeguards against victimization of Employees who complain about discrimination/harassment etc. The Guidelines of Department of Public Enterprise (DPE) provides that the role of the Audit Committee, as constituted by the Board of Directors, includes a review of the functioning of Whistle Blower Mechanism.

Complete Confidentiality of the Whistle Blower is being maintained. It is ensured that the Whistle Blower /Complainant is not subjected to victimization of any nature whatsoever. Genuine Whistle Blowers are accorded protection from any kind of harassment/unfair treatment/victimization. Any other Employee(s) assisting in the said investigation are also protected to the same extent as the Whistle Blower/Complainant.

In case of Employees filing a Vigilance Complaint with the Vigilance Department, the Identity of the Complainant is strictly kept confidential. In case, a complaint is received against any superior for any kind of harassment to the employee, the identity of the complainant is kept confidential, and if required, the superior/complainant may be transferred to other Units for safeguarding the Complainant.

NMDC has an Internal Complaints Committee (ICC) under POSH ACT,2013 at all Units/Projects to safeguard and protect the women Employees from any form of Sexual Harassment and Discrimination in the Workplace.

NMDC has a Grievance Redressal Mechanism headed by a Grievance Redressal Officer at all Units/Projects to address any Employee Grievance and any kind of Harassment and Discrimination at the Workplace

SC/ST Associations have been constituted by the NMDC Management at all Units/Projects for Welfare and to prevent any discrimination and harassment of SC/ST category Employees at the Workplace

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes

9. Assessment for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labor	80%*
Forced/involuntary labor	80%*
Sexual harassment	80%*
Discrimination at workplace	80%*
Wages	80%*
Others – please specify	80%*

*Except the Head Office, assessment has covered all the Project sites including Donimalai, Kirandul, Bacheli, Panna

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

Not Applicable

Leadership indicators

1. Details of a business process being modified / introduced because of addressing human rights grievances/complaints.

As there was no Human Right issue during the assessment period, there was no requirement to modify the business process.

2. Details of the scope and coverage of any Human rights due diligence conducted. (Descriptive answer)
NMDC being a PSU is bound to comply with all the legal requirements of the Government. Therefore, there will be hardly any chances of violation of Human Right issues to occur.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes. NMDC has provisioned its premise/office entirely accessible to differently abled visitors. NMDC also has provision to use dedicated washroom, parking, and ramp for the differently abled. Also, an audible lift facility is in place at NMDC's office.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	NA
Discrimination at workplace	
Child Labor	
Forced Labor/Involuntary Labor	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not Applicable

Principle 6: Businesses should respect and make efforts to protect and restore the environment

Essential indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter in GJ	FY2022-23	FY2021-22
Total electricity consumption (1) (Grid)	274366.36	280124.85
Total fuel consumption (2)	842633.54	780146.91
Energy consumption through other sources (3) (Solar)	4153.72	4174.04
Total energy consumption (1+2+3)	1121153.62	106445.80
Energy intensity per crore rupee of turnover (Total energy consumption/turnover in crore rupees)	60.88	41.43
Energy intensity (optional) – the relevant metric may be selected by the entity		

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

The Company does not have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme by the Government of India.

3. Provide details of the following disclosures related to water, in the following format:

Parameter Water withdrawal by source (in kiloliters)	FY2022-23	FY2021-22
(i) Surface water	6982722.81	6108516.01
(ii) Groundwater	257537.5	250857.10
(iii) Third party water	636	540
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	7240896.31	6359913.11
Total volume of water consumption (in kiloliters)	7240896.31	6359913.11
Water intensity per crore rupee of turnover (KL/Crore rupee)	393206.4247	245727.2664
Water intensity (optional) – the relevant metric may be selected by the entity		

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Presently, dry screening operations are being carried out at the iron ore mining complex of Donimalai and Kirandul and Deposit-10/11A of Bacheli complex. Hence, there is no discharge from the screening plants. The wet screening operations are being carried out at the Screening Plant of Deposit-5, Bacheli

complex during monsoons season for a period of 80 to 90 days. After beneficiation of ore, the tailings generated from thickener is discharged into Tailing dam-1 for settlement of tailings and clear water is discharged through decanting pipe. The Tailing dam was also constructed at Panna Diamond Mining Project for settlement of kimberlite tailings discharge at RPH (Re-circulation Pump House). Further, to control flow of suspended solids into natural stream from surface runoff from mining operations, etc during monsoon season, a number of check dams have been constructed at various nalla courses. The effluent treatment plants and Sewerage Treatment plants have also been constructed at all mining complexes.

It is essential to highlight that throughout the process, no water seepage has been observed within any part of the project area. This diligent approach of zero liquid discharge ensures the integrity of the environmental safeguards implemented in the mining operation.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

At each of the locations, we have maintained our emissions under the permissible limits. Ambient Air Quality is monitored twice every month by a third-party. The AAQM (Ambient Air Quality Monitoring) is carried out as per the statutory requirements. The reports are periodically shared to the respective State Pollution Control Board.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY2022-23	FY2021-22
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	62562.14	57896.19
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	54111.14	55246.85
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total emission/ Rs Crore)		6.34	4.37
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity			

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details. (Descriptive answer)

NMDC is the leading supporter of the Government of India's Green Energy Initiative. Under the initiative, we have set up Solar Power projects (Rooftop & Overland) at our office premises and at the Paloncha unit. This includes 30 kW rooftop solar power generation at the Head Office and 1 MW grid-connected, rooftop solar power generation at production units. A 425 kW Roof Top Solar Power Plant is under the construction at the Bacheli complex. 180 kW rooftop solar power is installed at Donimalai Complex. These solar panels will be used to provide electricity to the administrative building, guest house, executive trainee hostel, cooperative society and hospital. The street light system on the main road connecting to the mines is powered by energy generated from these solar panels.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY2022-23	FY2021-22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	0	0
E-waste (B)	2.26	2.71
Bio-medical waste (C)	11.812	13.882
Construction and demolition waste (D)	0	0
Battery waste (E)*	0	0
Radioactive waste (F)	0	0
Other Hazardous waste (Used Oil) (G)	251	288.10
Other Non-hazardous waste generated (Overburden)(H).	15643817.26	15031022.87
Total (A+B+C+D+E+F+G+H)	15644082.93	15031327.56
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) recycled	NA**	NA**
(ii) Re-used	NA**	NA**
(iii) Other recovery operations	NA**	NA**
Total		
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	4.917	NA**
(ii) Landfilling	NA**	NA**
Registered recycler	NA**	NA**
Bio-remediation & oil recovery	NA**	NA**
(iii) Other disposal operations	NA**	NA**
Total	4.917	-

*Only the quantity of batteries (Numbers) were available. As the weight could not be estimated, this was excluded for calculation of total waste.

**Not available

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

We at NMDC are committed to reducing waste in our iron ore mining process. Our process generates waste in the form of low-grade iron ore which is stored in tailing dams. As part of our sustainability journey, we aim to implement the 3 R strategy in earnest. To do that, we are exploring technological solutions to increase the utilization of low-grade iron. We are undertaking measures to reduce the waste generated and reuse the by-products. Blending low grade ore is one of the waste reduction and resource conservation strategies. Blending low grade ore with less than 55 Fe has achieved a 16% success rate.

The hazardous waste generated at our projects includes waste oil, used lubricants, and grease-soaked cotton cloths used for cleaning HEMMs. As prescribed by the Govt. of India in the Hazardous Waste

(Management, Handling & Transboundary Movement) Rules, 2008, we dispose of hazardous waste through due auctions to authorized vendors. We have installed a 10KLD biomedical waste incinerator at our Bacheli complex.

Most of the waste generated during mining is in the form of solid rocks and minerals known as overburden. This waste is dumped in designated waste dumps at each site. These dumps also receive slime waste from slurry pipelines. This is a traditional form of waste disposal in the mining sector. However, it is our responsibility to ensure the safety of these tailing dams. The stability of the waste dumps can be affected due to their design, surface run-off, etc. Therefore, we have undertaken measures to strengthen the stability of the tailing dams. We have also established organic waste convertors at all our projects. The tailing dams are initially proposed to and approved by the Indian Bureau of Mines. These tailing dams are in areas without vegetation and a considerable distance from freshwater bodies.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S.No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1	Panna, Madhya Pradesh	Diamond Mining	Yes

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Construction of Residential Towers at NMDC Township, Kirundul	EC23B038 CG171237	16.03.2023	Yes	Yes	https://www.nmdc.co.in/cms-admin/Upload/Environment_Clearances_Document/23ad7f7103704a45b5117a77843bcbafe_20230318120820730.pdf
Proposed Multi storied Residential Towers, shopping complex in survey no 72/1 and 75 in Donimalai Township of NMDC at Narasingapur village, Sandur Taluk, Ballari District, Karnataka.	EC22B038 KA142207	16.11.2022	Yes	Yes	nmdc.co.in/cms-admin/Upload/Environment_Clearances_Document/c9db9181dc8541b2b96c721dd20c3041_20221117173749401.pdf

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, NMDC is compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act, etc.

Leadership indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format

Parameter (in GJ)	FY2022-23	FY2021-22
From renewable sources		
Total electricity consumption (a)	4153.72	4174.04
Total fuel consumption (b)	0	0
Energy consumption through other sources (c)	0	0
Total energy consumed from renewable sources (a+b+c)	4153.72	4174.04
From non-renewable sources		
Total electricity consumption (d)	274366.36	280124.85
Total fuel consumption (e)	842633.54	780146.91
Energy consumption through other sources (f)		
Total energy consumed from non-renewable sources (d+e+f)	1116999.90	1060271.76

2. Provide the following details related to water discharged:

Parameter	FY2022-23	FY2021-22
Water discharge by destination and level of treatment (in kiloliters)		
(i) To Surface water	0	0
- No treatment		
With treatment – please specify level of treatment		
(ii) To Groundwater	0	0
With treatment – please specify level of treatment		
(iii) To Seawater	0	0
- No treatment		
With treatment – please specify level of treatment		
(iv) Sent to third-parties*	4218	4020
- No treatment	4218	4020
With treatment – please specify level of treatment		
(v) Others	0	0
- No treatment		
With treatment – please specify level of treatment		
Total water discharged (in kiloliters)	4218	4020

*Discharge value is mentioned for Head Office

3. Water withdrawal, consumption, and discharge in areas of water stress (in kiloliters)

For each facility / plant located in areas of water stress, provide the following information: (i) Name of the area (ii) Nature of operations (iii) Water withdrawal, consumption, and discharge in the following format:

Not Applicable as no plant is located in areas of water stress.

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Not Applicable

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Diamond Mining project, Panna is situated adjacent Panna Tiger Reserve and falls in Gangau wildlife Sanctuary. The mining operations are limited to a single pit which is going vertically downwards and present working benches are at a depth of about 120 meters. Due to blasting being conducted at a depth of 120 meters and use of bottom initiation technique, the vibration and noise are under control. The report of the task force submits that the noise levels at the pit collar at the of blasting was about 62 db(A). The report also mentions that a few langurs sitting on the edge of the pit were unfazed by the blasting. All the environmental quality parameters like water, air, noise etc. are regularly measured in and around the mine and are found well in control. DMP, Panna has been operating since last 55 years much long before notification of Eco Sensitive zones. No incidence has occurred till date. The impact of DMP on PTR has been summarized by the having members from NTCA and PTR as well. The committee in their 10th meeting expressed satisfaction with the safeguard measures being taken by the DMP management their view is quoted below

The mining operation have not hindered the growth of tiger population in any way. The mining operation of NMDC is confined to the closed area of 275.96 ha of land which is a very meagre area. Members also discussed about the positive impact of the NMDC on the local community through CSR activities and employment generation, as the NMDC on supporting the livelihood of about 5000 people directly and indirectly. Further the NMDC is the only mechanized diamond mine in India and is a national asset.

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Slurry pipeline project	NMDC is operating six iron ore deposits in the Bailadila Sector of Chhattisgarh. Thus, a 135 km long slurry pipeline has been constructed for iron ore evacuation with an estimated cost of 800 crores from Bailadila to Nagarnar. Presently, the major portion of the iron ore production from the Bailadila sector is evacuated through the KK Railway line. This limits iron ore production since more than 30 MPTA cannot be transported through railways. To reduce dependence on Railways, NMDC has taken up alternate mode of evacuation to transport iron ore fines in slurry form. The Slurry Pipeline Project taken up by NMDC also helps gainful utilisation of iron ore slimes after converting the same into iron ore concentrate (in slurry form) by beneficiation. In this mode of pipeline transport, the pipeline is laid below ground. Therefore, after completion of the laying of the pipeline, the existing activity, like agricultural activities, can be resumed. Only permanent structures cannot be constructed on the pipeline corridor. During the preparation of iron ore concentrate, low-grade slimes which are lying as waste are also beneficiated and converted into iron ore concentrate thereby reducing the wastage of ore. The project is downstream and will be economically beneficial and enhance the efficiency in producing iron ore. This project has also benefited the local population by creating employment opportunities. In the first phase, NMDC laid 135 km from Bailadila to Nagarnar, which will be further extended up to Vizag by laying an additional 300 km slurry pipeline system.	To reduce the dust and particulate emissions during the transportation stage of the value chain.
2.	Rooftop Solar PV cells	NMDC's projects as well as HO use rooftop solar PV cells as a part of their energy consumption	To reduce the overall scope 2 emissions.
3.	Green Belt Development	NMDC has been actively involved in developing green belt by planting trees in and around its operating area. This has been done by taking the consensus of the nearby community and with the guidance from respective DFOs.	To increase the overall green cover of the area.

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes. NMDC develops project-wise disaster management plans which forms a part of the overall risk management plan for the projects. These plans are publicly available on NMDC's website. The Disaster Management Plan has been prepared in line with the provision of National Disaster Management Plan-2019 (NDMP-2019) by incorporating Hon'ble Prime Minister 10 points agenda on Disaster Risk Reduction with defined responsibilities of concerned officers.

The weblink is provided here in: <https://www.nmdc.co.in/contingency-management-plan>

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Nil

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Not Applicable

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential indicators

1. a. Number of affiliations with trade and industry chambers/ associations.
13
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/associations (State/National)
1	Federation of Indian Mineral Industries, New Delhi (FIMI)	National
2	Federation of Indian Chamber of Commerce and Industry, New Delhi	National
3	Skill Council for Mining Sector (SCMS)	National
4	Standing Conference of Public Enterprises, New Delhi	National
5	Mining Engineers Association of India (MEAI)	National
6	Confederation of Indian Industry (CII)	National
7	The Mining, Geological & Metallurgical Institute of India (MGMI)	National
8	Indian Iron and Steel Sector Skill Development Council	National
9	Indian Institute of Mineral Engineers (IIME)	National
10	Federation of Indian Export Organization, Chennai	National
11	All India Management Association, New Delhi	National
12	The Associated Chambers of Commerce Industry of India	National
13	UN Global Compact	International

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Not Applicable

Leadership indicators

1. Details of public policy positions advocated by the entity:

Given NMDC's expertise, the company proactively engages with various stakeholders including regulators, industry chambers and associations. NMDC has participated in one of the spectacular exhibitions hosted by the Department of Public Enterprises (DPE) to celebrate the ongoing Azadi Ka Amit Mahotsav (AKOM). This was a moment of pride for NMDC to be a part of such a mega show as NMDC is devoted to building a self-reliant and steel solid future for India.

NMDC also conducted a two-day conference in association with the Federation of Indian Chambers of Commerce & Industry (FICCI) on the Indian minerals and metals industry on the theme 'Transition towards 2030 & Vision 2047' NMDC also organized a Swachhata event to celebrate United India at Sanchi, Madhya Pradesh. This was a part of campaigning for the Government of India's Swachh Bharat Mission.

NMDC took part in the celebration of the International Year of Millets at the Businesswomen expo 2023. NMDC distributed the super food and organized a trip for women employees to The Hidden Castle in Siddipet.

Principle 8: Businesses should promote inclusive growth and equitable development

Essential indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

NMDC have not conducted any Social Impact Assessments in the current financial year.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Not Applicable

3. Describe the mechanisms to receive and redress grievances of the community. (Descriptive answer)
NMDC being a CPSE has its established grievance submission & redressal mechanism. A Complaint box has been provided at all Project locations where in stakeholders can drop in their grievances. In addition to the above, grievances / complaints can be submitted to the Head of the Projects/Head of the Departments.
4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY2022-23	FY2021-22
Directly sourced from MSMEs/ small producers	77.49%	44.67%
Sourced directly from within the district and neighboring districts	NA	NA

Leadership indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):
Not Applicable
2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S.No.	State	Aspirational District	Amount spent (in INR Lakhs)
1	Chhattisgarh	Dantewada	3256.34
		Bastar	2235.91
		Bijapur	297.46
		Narayanpur	187.79
		Kondagaon	412.01
		Sukma	187.28
		Kanker	181.46
2	West Bengal	Murshidabad	83.32

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)
Yes
- (b) From which marginalized /vulnerable groups do you procure?
SC/ST Category
- (c) What percentage of total procurement (by value) does it constitute?
Total procurement made by value of Rs. 16.84 Crores. i.e., 5.25% during FY 2022-23. This has increased from procurement made by value of Rs. 13.57 Crores i.e., 4.9% during FY 2021-22.
4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:
Nil
5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.
Nil

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	Total no. of persons benefitted from CSR Projects	No. of persons belonging to vulnerable and marginalized groups who benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	NMDC Shiksha Sahayog Yojana	13741	All vulnerable	100%
2	NMDC Balika Shiksha Yojana	128	All vulnerable	100%
3	NMDC Polytechnic College, Dantewada	372	All vulnerable	100%
4	NMDC ITI, Dantewada	204	All vulnerable	100%
5	NMDC Residential School at Nagarnar	600	All vulnerable	100%
6	Mid-Day Meal Scheme	8000	All vulnerable	100%
7	Free Medical Treatment in Project Hospitals	100000 (Approx)	All vulnerable	100%
8	Hospital on Wheels	150000	All vulnerable	100%
9	Blindness Free Ballari	48843	All vulnerable	100%
10	Satya Sai Sanjeevani Hospital	43	All vulnerable	100%
11	ABVKA Prashikshan Kendra	140	All vulnerable	100%

Besides the beneficiaries mentioned above, NMDC also contributes to infrastructure development through its CSR Programmes which not only has directly benefited residents of villages/communities, conservatively to about 1 lakh people living in the proximity of the development works and personnel engaged in the construction but also has indirectly impacted the lives of innumerable many, in the surrounding areas in terms of better connectivity, improved access to medical facilities, markets for local produce and many more opportunities for Socio-economic development.

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

NMDC being a CPSE has its established grievance submission & redressal mechanism. A Complaint box has been provided at all Project locations where in stakeholders can drop in their grievances. In addition to the above, grievances /complaints can be submitted to the Chief Vigilance Officer (CVO)

Complaint can be lodged through:

- a) "Complaint Form" link available on vigilance tab of NMDC Website www.nmdc.co.in
- b) Addressing a letter directly to CVO on postal address below:

Chief Vigilance Officer NMDC Limited, Khanij Bhavan, 10-3-311/A, Castle Hills, Masab Tank, Hyderabad- 500028, INDIA.

After registration of the complaint and confirmation of the veracity of the complainant (if required), further correspondence in the matter regarding the outcome of the complaint will not be entertained. However, NMDC Vigilance will ensure that the complaint is examined/investigated, and action taken to its logical conclusion as per extant guidelines of CVC.

Further, the gist of allegations may be shared with the employee(s) whose name(s) appear(s) in the complaint or whose role emerge(s) during investigation of the complaint. As regard to complaint received against tenders which are under process, it is clarified that while NMDC Vigilance would get the matter investigated, however, it would not interfere in the tendering process as such. The intention is

not to stop the work in the organization. Complaint having administrative issues will be forwarded to respective designated authority as applicable, for necessary action.

Further, gist of allegations may be shared with the employee(s) whose name(s) appear(s) in the complaint. Complaint covered under Integrity Pact (IP) will be forwarded to Independent External Monitors (IEMs) for further necessary action. "Complaint under the Public Interest Disclosure" or "PIDPI" received from CVC is investigated /dealt as per the set procedure/instruction of CVC.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	0%
Safe and responsible usage	0%
Recycling and/or safe disposal	0%

3. Number of consumer complaints in respect of the following:

Nil

4. Details of instances of product recalls on account of safety issues

Nil

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

No. NMDC is currently drafting a cyber security policy.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / service

Not Applicable.

Leadership indicators

1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available). NMDC serves B2G, B2B and B2C customers meeting their resource requirements across the value chain. All the information regarding the products could be accessed through the official website of NMDC Limited.

<https://www.nmdc.co.in/important-links/product-specifications>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Not Applicable

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Not Applicable

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey regarding consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Not Applicable

5. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact

b. Percentage of data breaches involving personally identifiable information of customer

Not Applicable as NMDC does not host any customer's personal information or provide e-service.

Annexure – V

Office:
B-13, F-1, P.S. Nagar
Vijayaragar 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

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2023

*(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: L13100TG1959GOI001674 and having its Registered Office at Khanij Bhavan, 10-3-311/A, Castle Hills, Musab 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, confirmations, clarifications 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, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanisms 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, 2023 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. HANUMANTA RAJU & CO.,
COMPANY SECRETARIES**

**NMDC LIMITED
SECRETARIAL AUDIT REPORT 2022-23**

- (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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - (Not applicable to the Company during the period of audit);
- (g) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 - (Not applicable to the Company during the period of audit);
- (h) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (i) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and
- (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. Metalliferous 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



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D. HANUMANTA RAJU & CO.,
COMPANY SECRETARIES

NMDC LIMITED
SECRETARIAL AUDIT REPORT 2022-23

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by "The Institute of Company Secretaries of India"
- (ii) The Listing Agreements entered into by the Company with BSE Limited (BSE), 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 Independent Woman 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 9 (Nine) Directors on its Board as on 31.03.2023 including 3 (Three) Executive and 2 (Two) Non Executive Directors and 4 (Four) Independent Directors. Further, Company has appointed One more Executive Director on 19.05.2023 subsequent to which Company needs to appoint 2 (Two) Independent Directors including one Independent Woman Director.*
- *The Company is yet to file Form CSR-2 for the Financial Years ended 31.03.2021 and 31.03.2022.*

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, Scheme of Arrangement between NMDC Limited (Demerged Company) and NMDC Steel Limited (Resulting Company) under Section 230 to 232 of the Companies Act, 2013 has been approved by Central Government vide its Order dated 06.10.2022 which is binding on the shareholders and creditors of NMDC Limited with effect from the appointed date i.e. 01.04.2021.



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

**NMDC LIMITED
SECRETARIAL AUDIT REPORT 2022-23**

We further report that during the period under review, both NSE and BSE have individually imposed on the Company a fine of Rs. 21,53,500/- including GST for non compliance with the requirements pertaining to the composition of the Board of Directors as per Regulation 17(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, Company had replied to the Stock Exchanges on the said matter stating that 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 : 18.07.2023**



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

Dhanumanta Raju

**CS D.HANUMANTA RAJU
PARTNER**

**FCS: 4044, CP NO: 1709
UDIN: F004044E000633013
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.

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

**NMDC LIMITED
SECRETARIAL AUDIT REPORT 2022-23**

'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 with which the management has conducted the affairs of the Company.

**PLACE: HYDERABAD
DATE : 18.07.2023**



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

(Signature)

**CS D.HANUMANTA RAJU
PARTNER**

**FCS: 4044, CP NO: 1709
UDIN: F004044E000633013
PR No: 699/2020**

Annexure - VI

एनएमडीसी लिमिटेड
(एनएमडीसी लिमिटेड)
NMDC Limited
(A GOVT. OF INDIA ENTERPRISE)



राष्ट्रीय कार्यालय, जमिंदार भवन, 10-3-311/75,
विजय विनायक, मासुब टैंक, हैदराबाद - 500 028
Regd. Office : "Khandi Bhawan" 10-3-311/75,
Caste Hills, Masub Tank, Hyderabad-500 028
सीआईडीसी : L13100TG1859G04001674

ED/EP5/GC/03
10.07.2023

Dear Stakeholder,

The United Nations Global Compact (UNGC), with a spread of over 162 countries and 22356 participants, is the World's largest corporate sustainability initiative. Its ambition is to accelerate and scale the global collective impact of business by upholding the universal principles on human rights, labour, environment and anti-corruption (Ten Principles) and delivering the Sustainable Development Goals (SDGs) through accountable companies and ecosystems that enable change.

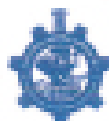
With the broad-based support of all 193 participant countries of the United Nations General Assembly, the UN Global Compact remains the single, global normative authority and reference point for action and leadership within the growing global corporate sustainability movement. The UN Global Compact leverages that position to elevate expectations of how businesses will embed all Ten Principles of the UN Global Compact into their operations. The Ten Principles are intrinsic for the sustainability of business, people and the planet. They offer companies of all sizes a blueprint for contributing towards achievement of the 2030 Agenda for Sustainable Development and the Paris Agreement.

The world today is facing a confluence of challenges unlike any other in our lifetime. The faltering recovery from COVID-19 and the climate crisis have been further layered with various conflicts having global impacts across food, finance and energy systems. Geopolitical divisions are undermining global solidarity - and globalization itself. As the world of business continues to evolve, with a renewed understanding of the importance of sustainability, resilience, as well as sectoral and multistakeholder partnerships, the principles that the UN Global Compact commits itself to have become the cornerstone to equitable and sustainable growth.

NMDC has enshrined the principles that UN Global Compact stands for in its business, since inception. At the micro level, we, at NMDC, have always strived to enhance good governance by integrating corporate sustainability principles into our operations and relationships, allowing for greater transparency, accountability and inclusiveness. At the macro level, we are contributing our might to the development and implementation of international norms and standards in all spheres of NMDC's activities.

Contd 2/-

एनएमडीसी लिमिटेड
(भारत सरकार का उद्यम)
NMDC Limited
(A GOVT. OF INDIA ENTERPRISE)



राष्ट्रीय कार्यालय : खनिज भवन, 10-3-311/1,
पैलास हिल्स, मेनका टैंक, हैदराबाद - 500 028
Regd. Office : 'Khani' Bhawan' 10-3-311/1,
Castle Hills, Menka Tank, Hyderabad-500 028
सीआईडी सीए : L13100TG1858GCG001674

: 2 :

The world today is facing unprecedented, interconnected environmental challenges in areas including climate change, clean water and biodiversity. We, at NMDC are putting our best efforts to increase conservation of natural resources, implement innovative solutions and contribute to sustainable development. We have been assessing environmental risks and opportunities, to deliver ambitious environmental targets and adopt responsible practices for a transition into the net-zero, resilient Company.

NMDC realises that social sustainability is key for its growth. The quality of a company's relationships and engagement with its stakeholders is critical as it directly or indirectly the employees, workers in the value chain, customers and local communities. It is important to manage the impacts proactively. NMDC's policies, be it CSR policy or sustainable and eco-friendly Mining policy, have been framed keeping this in mind and has evoked widespread stakeholder support.

In this Decade of Action, as NMDC scales up its efforts towards the Sustainable Development Goals and the ambitious targets set in the Paris Agreement, I assure you that our work on social sustainability will continue to cover the rights of all stakeholders- labour, women's empowerment, gender equality, children, indigenous peoples, people with disabilities etc.

We have always kept the societal interests ahead of NMDC's own, and 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 we do business, to adhere to them. I call upon all the stakeholders to partner us in achieving these noble goals.

With warm regards,

Yours sincerely

Amitava Mukherjee
Chairman and Managing Director

दूरध्वनि / PHONES : 23538713-21 (8 Lines), फैक्स / Fax : +91-40-23538711,
ई-मेल / E-mail : hrpersonnel@nmdc.co.in वेबसाइट / Website : www.nmdc.co.in

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 substratum 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 centres cater to the needs of basic

training, refresher training, and training for skilled trades and also for those injured on duty.

- Sufficient number of workmen inspectors are nominated/appointed for mining operations, mechanical installations and electrical installations in terms of the statutory requirement
- Occupational Health Centres have been provided in the projects.
- Doctors have been given specialized training in occupational health.
- Periodical medical examinations of employees are done in accordance with the prescribed schedule.
- Safety appliances such as safety shoes, helmets, rain suits, goggles, etc, are provided to employees periodically.
- Safety committee meetings are conducted every month, accident analysis is discussed and remedial measures implemented.

Housing

- NMDC provides accommodation for its employees and their families on nominal rent.
- 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 2022-2023

- NMDC is providing complete health care to its employees and the members of their families.
- The injury frequency rate was 0.23.
- Housing has been extended to all its employees. In addition, house building advances were given to 17 employees (cumulatively to 2327 employees)
- Training coverage is 152.30% of employees. Training mandays as % of working mandays is 12%.
- 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) 65 employees (cumulatively 8258) who have rendered 20 years' service; (b) 128 employees (cumulatively 7165) who have rendered 25 years' service; (c) 86 employees (cumulatively 6339) who have rendered 30 years' service (d) 41 employees (cumulatively 2316) who have rendered 35 years' service by organizing suitable function.
- 162 employees (cumulatively 5773) 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. 138 employees (cumulatively 2683) 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 2022-2023

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) All these Unions have been given assistance by the Management as considered necessary for their functioning.

The details of such affiliated Unions, unit-wise, are given below:

- a Bailadila Iron Ore Mine, Kirandul Complex
 - i Samyuktha Khadan Mazdoor Sangh (SKMS) affiliated to All India Trade Union Congress (AITUC).
 - ii Metal Mine Works Union (MMWU) affiliated to Indian National Trade Union Congress (INTUC)
- b Bailadila Iron Ore Mine, Bacheli Complex
 - i Samyuktha Khadan Mazdoor Sangh (SKMS) affiliated to AITUC
 - ii. Metal Mine Workers Union (MMWU) affiliated to INTUC
- c Donimalai Iron Ore Mine
 - i. Donimalai Iron Ore Project Employees Association (DIOPEA) affiliated to AITUC
 - ii Metal Mine Workers Union (MMWU) affiliated to INTUC
- d Diamond Mining Project.
 - i Panna Hira Khadan Mazdoor Sangh (PHKMS) affiliated to 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 2022-2023

- All the workmen are subject to collective bargaining agreements and the supervisors and executives are governed by understanding/consultations.
- No man days were lost during the year because of rift or strike by employees due to the effectiveness of Collective Bargaining.
- The unanimous decisions taken at the Joint Committees are implemented and monitored.

Principle 4: Business should support the elimination of all forms of forced and compulsory labour.

Commitment

NMDC stands committed not to resort to any form of forced and compulsory labour.

Systems

- No employee is required to deposit any sum of money for employment in NMDC.
- A service bond is insisted upon from only such of those employees who have been posted abroad. The bond period is for two years or a nominal amount of Rs.2,00,000/-
- Any employee joining the company should declare that he or she is not insolvent.

Actions

- Appointment orders issued by the company very specifically state the various important conditions of appointment.
- 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 2022-2023

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 2022-2023

- 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 2022-2023

No discrimination was resorted to in respect of employment and occupation.

The Government directives against discrimination were 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, 2023 the manpower position was:

- Total number of employees 5713
- Scheduled Caste employees 837 (14.7%)
- Scheduled Tribe employees 1485 (26.0%)
- Backward Class employees 1202(21.0%)
- Men : Women ratio 14.7:1

Principle 7: Business should support a precautionary approach to environmental challenges.

Commitment

As a responsible corporate citizen, NMDC Ltd believes in maintaining environmental protection and ecological balance. 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, 14 & 14 NMZ ML and 11 ML, Donimalai and Kumaraswamy 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, Forests & Climate Change and the State and the Central Pollution Control Boards are meticulously followed.
- Regular physical monitoring is conducted 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 MoEF&CC / CPCB. The results are submitted to MOEF&CC on half yearly basis.

- Detailed Bio-diversity conservation studies, carbon foot print, Energy audits, Water audit, SMI audit, etc are conducted and implemented.
- Environment up gradation works are being continued like afforestation at project sites, participating in C.G. Hariyar programme, reclamation of waste rock dumps.
- Disaster Management Plans for the tailing dams at the projects. Industrial Risk insurance for tailing dams constructed at NMDC projects.
- Protection measures for explosives' magazines at the projects. Public Liability Insurance towards handling explosives and other hazardous material.

Actions

- A separate department for environment management, headed by a Dy. General Manager has been positioned and in turn report to Head of the Project to extensively monitor and effectively implement environment management programmes. Qualified and experienced Environment Scientists/Engineers are working in all projects.
- 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 turbid free surface run off into 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 Donimalai and proposed to be constructed at Kirandul for treatment of township domestic wastewater.
- Regular water sprinkling and grading of haul roads, scientific and massive afforestation for abating air pollution.
- Create green belts, densify open scrublands, good arboriculture, and follow avenue plantation practices for improving the overall environment as well as aesthetic value.
- Importance of value index of the region is envisaged and also to eradicate effects of visual intrusion by proper landscaping.
- Regular maintenance of Heavy Earth Moving Machineries and OCSL Plant equipment and adopting good housekeeping practices there by reducing noise pollution.
- Monitor all environmental parameters such as PM10, PM2.5, SO2, NOx, CO, Fugitive dust emissions in ambient air, water quality as per IS standards, discharge water from auto shops and service centres, tailing dam discharge water etc., on regular basis following the statutory acts and their amendments of the GoI.
- Continuous Ambient Air Quality Monitoring Stations (CAAQMS) have been installed at mines. The real time results are recorded.
- 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.
- Undertaken 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 / local tribes 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 2022-23

Environmental clearance:

1. Kumaraswamy Iron Ore Mine - EAC, MOEFCC has appraised and recommended to grant EC for the capacity expansion of KIOM from 7 to 10 MTPA Iron Ore on 3/10/2022.
2. Diamond Mining Project, Panna - MoEFCC, New Delhi granted TOR with specific and standard conditions for Main Mining Lease and Supplementary Mining Lease for preparation of EIA/EMP report dated 6/2/2023.
3. Kirandul Complex – Environmental Clearance obtained from State Environmental Impact Assessment Authority, (SEIAA) Raipur for Construction of multi storied residential complex {Type-III (200 units, 5 towers, stilt+10). Type-IV (144 units, 3 towers, stilt+8) & Type-V (21 units, 1 tower, Stilt+7)} on 16/3/2023.
4. Donimalai Iron Ore Mine – Environmental Clearance obtained from State Environmental Impact Assessment Authority (SEIAA), Bangalore for construction of Multi storied Residential complex {Type-III (560 units, 14 towers, stilt+10), Type-IV (96 units, 2 towers, stilt+8) & Type-V (21 units, 1 tower, Stilt+7)} on 16/11/2022.
5. Bailadila Iron Ore Mine, Deposit-5 ML - Obtained Certified Compliance Reports for conditions stipulated in existing 10 MTPA EC dated 23/7/2007 from IRO, Raipur on 20/5/2022 and closure report on 30/1/2023.
6. Kumaraswamy Iron Ore Mine - Obtained CCR for conditions stipulated in existing 7 MTPA EC dated 25/1/2021 from IRO, Bangalore on 20/5/2022.

Forest clearance:

7. Kumaraswamy Iron Ore Mine - Validity of Forest clearance (324.70 Ha) co-terminus with Mining Lease period up to 17/10/2042 obtained from Government of Karnataka, Forest, Ecology and Environment (FEE) Deptt, Bangalore on 14/10/2022.
8. Kumaraswamy Iron Ore Mine - GoK, FEE, Bangalore has also accorded Temporary working permission on 14/10/2022 for a period of 6 months to use of 16.50 Ha already diverted forest land (ancillary activities related to mining road, conveyor, HT line) outside lease area upto 6 months.
9. Kumaraswamy Iron Ore Mine - Final Stage Forest Clearance obtained from MOEF&CC for diversion of 5.71 Ha of forestland for widening of existing approach road for ML No. 1111 S.M Block Forest, Donimalai, Sandur, Karnataka on 10/11/2022.
10. Donimalai Iron Ore Project - Stage-1 Forest Clearance obtained on 6/3/2023 from MOEFCC for diversion of 53.67 Ha of forest land (near M.L No. 2396 of NMDC) in Donimalai forest block, Sandur Taluk, Ballari

Distt for construction of new screening plant-II, Tailing Dam and laying of water pipeline in favour of NMDC Ltd, Donimalai Township. On 15/3/2023, ACS (FEE), Karnataka Govt. Secretariat, Bangalore accorded stage-1 FC. On 31/3/23, DCF, Ballari issued demand notice for payment of Rs.29.46 Cr. The payment has deposited in CAMPA accordingly.

Wildlife Clearance:

11. Diamond Mining Project, Panna (MP) - Wild life clearance obtained on 24/2/2023 from PCCF / Chief wild life warden, Madhya Pradesh for a period of 20 years (valid up to 30.6.2040).

Consent to operate approvals:

12. Central Workshop: Renewal of CTO obtained under Air (P&CP) Act 1981 and Water (P&CP) Act 1974 on 21/4/2022 valid up to 31/03/2025 – for repair and maintenance of 68 HEME and accessories per annum.
13. Bailadila Deposit-5: Renewal of CTO obtained under Air (P&CP) Act 1981 and Water (P&CP) Act 1974 on 21/4/2022 valid upto 31/03/2025 – for production of 10 MTPA Iron Ore.
14. Project Hospital, Kirandul: Renewal of permission and CTE to establish is obtained on 15/6/2022 for Hospital with total number of 89 beds. Valid up to 30/7/23.
15. Panna Supplementary Mining Lease: Renewal of CTO obtained on 31/08/2022 valid up to 31/10/2023 – for production of 1.0 lakh carats of diamonds per annum.
16. Panna Main Mining Lease: Renewal of CTO obtained on 26/9/2022 valid up to 31/10/2023 for mining of Kimberlite ore.
17. Kumaraswamy Iron Ore Mine: Renewal of CTO (7 MTPA) obtained on 11/10/2022 for a period of 5 years w.e.f 18/10/2022 to 30/6/2026.
18. Deposit-14/14 NMZ: Obtained CTE cum CTO on 16/3/2023 for production capacity of 10.50 MTPA in accordance with EC dated 1/12/21, valid up to 04/09/2023.

19. Deposit-11, Kirandul: Obtained CTE cum CTO on 16/3/2023 for production capacity of 11.30 MTPA in accordance with EC dated 1/12/21, valid up to 31/12/2023.
20. Donimalai Iron Ore Mine: Obtained Renewal of CTO for Donimalai iron ore mine (7 MTPA) and Pellet / slime beneficiation 1.2 MTPA plant on 29/3/2023 w.e.f. 01/04/2023 to 30/6/2023 with a condition to extend the period for 5 years up to 30/6/2028 after expiring validity on 30/6/2023.
21. Iron Ore Beneficiation Plant, Bacheli: Validity extension of CTE obtained on 16/2/2023 valid up to 16/10/2024 for the benifictaion capacity of 4 MTPA.
22. 250 TPH Mobile crusher at Kumaramarega: Obtained Consent to Establish on 3/1/2023. Application submitted on 17/1/2023 to obtain CTO which is under process at CECB, Raipur.
23. Pellet plant, Nagarnar (2 MTPA): Validity Extension of CTE obtained on 12/05/2022 which was valid upto 09/02/2023. Obtaining validity extension of CTE is under process with CECB, Raipur (CTE Site Inspection of RO was done on 11.03.2023).
24. SP-III, Kirandul (12 MTPA): Validity extension of CTE is under process with CECB, Raipur.
25. Kumaraswamy Iron Ore Mine: Authorization obtained under Hazardous Waste Management Rules on 18/11/2022 for handling and disposal of 89 KL used oil. Validity up to 30/6/2026.

Permission for Central Ground Water Authority

26. Kumaramarenga Railway siding: Ground water abstraction permission obtained on 16/3/2023 to drill 2 no.s of bore wells of 10 KLD each . Validity up to 15/3/2028.

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 2022-23

- 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 which is below the detectable limit.
- 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 states

- 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. Automatic mist spray systems at primary crushing plant.
- 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 during 2022-23

- Under S.D. programme, construction of Sewage Treatment Plant with SBR technology at Bacheli at a cost of Rs.6.61 Cr has been constructed. Similar treatment plant at Kirandul at a cost of Rs 8.0 Cr for treatment of domestic effluents is under construction stage.
- NMDC has planted more than 3 million trees in and around its mining leases in Bailadila region in Chhattisgarh State.
- 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 Bacheli Complex. The firm has prepared the EMP and Rehabilitation & Reclamation Plan for waste dumps, mined out areas, surface water pollution measures, etc for Kumaraswamy 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 Rs.16.15 Crore. The total cost of implementation of civil and biological works under R&R works at Donimalai and Kumaraswamy Mines is Rs.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. The protection measures suggested are being implemented at Kirandul and Donimalai Projects
- 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 field project and a cost-effective way of iron ore transportation.
- 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.
- 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 pipes and leaking pumps. Apart from this regular maintenance of water appurtenances is being done. This reduces 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.
- 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 2022 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.
- Various Training Programmes at Induction/Mid-career level 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 in website.
- Materials Management Manual in place. The Manual is under updation.
- NMDC Recruitment and Promotion Policy – 2018 is in place and put on NMDC website.
- Fraud Prevention Policy and NMDC Whistle Blower Policy is in place.

Performance during the year 2022-23

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 RINA India Pvt. Ltd was engaged for routine surveillance audits and Quality Certification.

During the year (April'2022 – March 2023),

100 surprise checks, 72 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 100 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 Rs. 10 lakhs, all works awarded on nomination basis, single tender basis above Rs. 1 lakh, information regarding bill payments to the contractors, etc. are provided on the company’s website. 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 Rs. 20 crores in case of Civil works and Contracts and Rs. 10 crores in case of Procurement on approval of NMDC Board. The Integrity Pact has been entered into in 191 contracts with a value of Rs. 1,698.233 Crores for the period April 2022-March 2023. 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 112 officers were rotated / transferred.

The Quarterly Review-cum-Coordination meeting of the Vigilance dept. with CVO was held in June 2022, in September 2022, in November 2022, December 2022 in Hyderabad & in February 2023 at Kerala. 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 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. Since 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 43 trainees / new inductees were covered for the Induction level training and 186 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 2022-23:

As per the Action Plan of the Vigilance dept., viz-a-viz the action plan of individual vigilance

officers for the year 2022-23, 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. System Improvements suggested in Procurement of Safety Items:

A System Improvement for Procurement based on samples was suggested by the Vigilance Department to the Materials Management Department. It has been suggested that wherever possible, clear instruction should be given pertaining to procurement process, inspection, receipt & issue of material to avoid discrepancies at a later stage in cases of procurement based on samples. It has also been suggested that samples in sealed & signed condition should be available with all the concerned Deptt./ Authority.

2. System Improvement suggested for dealing with the Accumulation of Non-moving Inventory:

System Improvement measures suggested for high value slow or non-moving inventory items. It has been suggested that mechanism for review of all non-moving items should be strengthened and be listed and circulated to other Departments/Units for its liquidation and optimum use. It has also been suggested to complete the work of estimation, tendering & procurement of these items on time bound manner by developing such vendor/suppliers base. In view of the implementation of ERP-SAP it has been suggested that periodic exception report should be generated through the system & reviewed for optimum utilization and inventory of slow and non-moving items including their condemnation and auction of scrap items to reduce the cost and capital involved in such inventory Items.

3. Implementation of Integrity Pact at Incorporation of latest CVC guidelines and IP format:

As a system implementation measure Vigilance Department suggested implementation & incorporation of Integrity Pact (IP) in NMDC as per the latest standard of rating procedure provided by CVC and also to incorporate the existing IP format of NMDC & CMM-2016. It was further suggested to periodically review the process of implementation of IP for incorporating necessary amendments in complaints of CVC guidelines in all tenders/ contracts.

4. System Improvement measure suggested for arranging Orientation sessions for stakeholders on bidding process through GeM Portal:

A system improvement measure was suggested by Vigilance for arranging Orientation session on GeM for the listed bidders/ prospective bidders and officials handling the contracts/ tendering works done through GeM Portal. Many representations/ complaints are received about the difficulties being faced by the bidders and dealing officials of contracts, Material Management Department & other indenting/ work executing department in handling the tendering process and while inviting/ uploading of bids.

5. System Improvements suggested for Internal Shifting of Iron Ore:

System Improvement measure were suggested after a study under taken by the Vigilance Department on the matter of internal shifting or iron ore for greater efficiency and cost-effectiveness. It has been suggested that Internal Shifting including re-handling and loading of Iron ore giving the mines premises is being done by avoiding of such work through floating ELT. It was observed during the study that the work was estimated/ awarded at a premium rate considering the urgency were at the same time the contractor is provided one month extension for completion of work in some cases. Further

the proposal/ vetting tendering process is also not completed within the time line. As such System Improvement has been suggested that the ELTs should be avoided at a higher premium, should be completed within a time frame and the estimation should be done in a proper manner for bringing down the cost. Circumstances should be identified for issuing ELT in a name of urgent work.

6. System Improvement suggested to Examine the Pattern of IP address of the bidders:

A System Improvement measure suggested by the Vigilance department to examine the pattern of IP address of the bidders to prevent collusive and complimentary bidding tactics and for bringing fair competition in the bidding process. For this it has also been suggested that the provision against restrictive practice may be brought to the notice of the firms/ bidders by incorporating it in the tender document for debarring/ banning them for a period of two years for collusive bidding or for rigging the bid process.

7. System Improvement suggested for minimizing the outstanding receivables from various stakeholders utilizing NMDC property on lease/ rental/ contract/ Job work:

As a system improvement measure, it has been suggested to follow standard procedure across all Projects for ensuring timely recovery of all receivables, outstanding receivable from various stakeholders utilizing NMDC property on lease/ rental/ contract/ job works. It has also been suggested that Admin department should be made the nodal agency for recovery of the outstanding rent/lease/ contract/ job work

VIGILANCE AWARENESS WEEK:

As per CVC Circular No. 20/09/2022 dt. 08/09/2021, Vigilance Awareness Week-2022 was observed at NMDC Limited from 31st Oct-6th Nov, 2022 on the theme of VAW-2022.

On the Inaugural day of VAW-2022, Integrity

Pledge was administered to the employees of NMDC at HO by CVO and by respective Project Heads/Regional Managers at Projects and ROs. Hyperlink for taking e-pledge was also provided at NMDC's website.

Various activities including awareness programmes and prescribed individual/inter-departmental competitions like Slogan writing, Essay writing, Elocution, Quiz competition, poster drawing competition on the VAW theme were arranged for the employees during the Vigilance Awareness Week-2022. Vendors Meet, Workshop, Lecture sessions etc. on various vigilance matters, including transparency in procurement & contracts was organized during the week on VAW theme. Eminent speakers like Shri. A.S.Rajan, (IPS), Director, SVPNPA, Hyderabad and Shri. Ashok Kumar (IRSS), CTE, CVC were the keynote speakers in such sessions. Awareness and sensitization programmes, Gram Sabhas & Grievance redressal camps were conducted at project level for other stakeholders also as a part of VAW-2022. For propagation of VAW-2022 theme, wide display of banners & posters, newspaper release/teasers and extensive use of social media was under taken. An article on 'Ethical dilemma in Public Procurement-A Pragmatic Approach at NMDC' by CVO, NMDC was published in CVC's News Letter 'VIGEYE VANI' during the campaign period in Oct, 2022 edition. An In-house journal of NMDC Vigilance dept., "SUBODH" was also released during the VAW-2022 week by CMD, NMDC Ltd. Various competitions for school/college children were conducted at Head Office & 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-2022 on 5th Nov, 2022 at HO and all Projects.

During the observance of VAW-2022, 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 Rs.

Sl.No	Details	Particulars				
1		1	2	3	4	5
2	Name of the subsidiary	J&K Mineral Development Corporation Limited Jammu	NMDC SARL * Madagascar	"Legacy Iron Ore Limited, Perth, Australia."	Karnataka Vijaynagar Steel Limited, Karnataka	NMDC CSR Foundation(**)
3	Date since when subsidiary was acquired	19.05.1989	27.07.1999	20.04.2007	29.12.2014	10.05.2018
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April- March	Jul- June	April- March	April- March	April- March
5	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Rupees	MGA	AUD@56.48	Rupees	Rupees
6	Share Capital	297,400,300	1,000,000	4,203,000,499	1,000,000	20,000,000
7	Reserves & Surplus	(231,460,290)		(2,772,738,557)	(26,982,781)	25,603,607
8	Total Assets	324,804,732	764,072,266	1,446,572,987	6,399,741,566	46,094,894
9	Total Liabilities	257,252,963	763,072,266	16,311,045	6,425,724,347	491,287
10	Investments					
11	Turnover					
12	Profit before taxation	(12,396,220)		- 110,204,344	(6,837,822)	(14,769,794)
13	Provision for taxation					
14	Profit after taxation	(12,396,220)		- 110,204,344	(6,837,822)	(14,769,794)
15	Proposed Dividend					
16	% of Shareholding	95.86%	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:

1. Names of subsidiaries which are yet to commence operations - All the subsidiary companies are yet to commence operations

2. Names of subsidiaries which have been liquidated or sold during the year : NIL

Part "B": Associates and Joint Ventures
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/ Joint Ventures	Associates				Joint Venture			
	International Coal Ventures (Pvt) Ltd.	Krishnapatnam Railway Company Limited	Chhatishgarh 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	31.03.2022	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	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	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	400,000,000	130,000	1,050,000	324	983,472,360	60,000	1,526,746,000
Extent of Holding %	25.94%	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. Networth attributable to share holding as per latest audited Balance sheet (Rs. In Crore)	659.65	29.41	0.00	-	-	91.35	-	152.25
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.

- * NMDC CMDC Limited, Raipur
- * Chhatishgarh Mega Steel Limited
- * Jharkhand National Mineral Development Corporation Limited, Ranchi
- * Bastar Railway Pvt. Limited

2. Names of associates or joint ventures which are under closure

- Romelt-SAIL (India) Ltd. - Under closure.
- Kopano-NMDC Minerals (Proprietary) Limited - Under closure.

3. 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 its Strategies to meet the ever-changing needs of the stakeholders and the aspirations of the country to become a fully developed society. The Board approved CSR Policy of the Company 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		Attended
2	Director (Prodn)	Member		-Do-
3	Director (Commercial)	Member		-Do-
4	Independent Director	Member		-Do-
5	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. (Attach the Report)

Impact assessment of eligible 21 CSR projects having an outlay of Rs. One Crore (each) and above for the year 2020-21 has been conducted. The 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 Rs.9334.85 Cr

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 Rs.186.70 Crores

(b) Surplus arising out of the CSR projects or programs 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)

Rs.186.70 Crore.

However, NMDC had allocated an amount of Rs. 200.00 Crore calculating to 2.14% of Average PBT of preceding 3 years.

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

Total amount spent for the financial year (In Rs.Cr.)	Amt. unspent (in Rs. Cr.)				
	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
87.58	99.12	29.04.2023	NA	NA	NA

(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

Rs.2.12 Cr.

(e) Amount spent on impact assessment, if applicable

Rs. 0.24 Cr.

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

Rs.87.58 Cr.

(g) Excess amount set off, if any

Sl.No.	Particulars	Amount in Rs. Crore
(i)	Two percent of average net profit of the Company as per Section 135 (5)	186.70
(ii)	Total amount spent for the financial year	87.58
(iii)	Excess amount spent for the financial year (ii-i)	Nil
(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	Nil

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 Rs)	Amt. spent in the reporting Financial Year (in Rs.)	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 Rs.)
				Name of the Fund	Amt. (in Rs.)	Date of Transfer	
1	NA	Nil	Nil	Nil	Nil	Nil	Nil
2							
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	Total							
2								
3								

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) – NA****(b) Amt. of CSR spent for creation or acquisition of capital asset – NA****(c) Details of the entity or Public Authority or Beneficiary under whose name such capital asset is registered, their address etc. – NA****(d) Provide details of the capital assets created or acquired (including complete address & location of the capital assets) - NA****11. Specify the reason(s) if the Company has failed to spent 2% of the average net profit as per section 135 (5)**

Slow/inadequate progress in implementation of agreed works through various implementing agencies.

(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)
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ANNEXURE VIII (b)

8 (b) Details of CSR amount spent against ongoing Projects for the financial year 2022-23

1	2	3	4	5		6	7	8	9	10	11	
Sl. No	Name of the Project	Item from the list of activities in Schedule VII	Local Area (Yes/No)	Location of the Project		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 (6)	Mode of Implementation-Direct (Yes/No)	Mode of implementation through implementing Agency	
				State	District						CSR Registration No.	Name
1	Provision of COVID-19 related equipment to the state authorities of C.G.- Bijapur, Dantewada & Narayanpur Districts	(i)	Yes	CG	Bijapur, Dantewada & Narayanpur	24	493.46	236.66	Nil	Yes		
2	Construction of Road from NH43 to Dhanpunji Chauk via Jharmunda	(x)	Yes	CG	Bastar	36	964.15	436.27		Yes		
3	Construction of 500 seater residential Complex cum training Centre	(i)	Yes	CG	Kondagaon	48	450.00	300.00		Yes		
4	Establishment of Millet processing units etc. for farmers of Dantewada and Geedam Blocks	(i)	Yes	CG	Dantewada	36	500.00	300.00		Yes		
5	Arrangement of revolving funds to Youths in villages of Dantewada and Geedam Blocks under Startup Village Entrepreneur Programme (SVEP) Vihan Scheme for self employment	(i)	Yes	CG	Dantewada	24	50.00	50.00		Yes		
6	Setting up of 100 bedded temporary Covid Care Facility in Panna		Yes	MP	Panna	36	99.15	87.36		Yes		
7	Other CSR Projects taken up during the year	Various Schedule vii Activities	Local & other areas both	Across India	Across India	0 to more than 3 years	29740.25	2520.95		Yes		
Grand Total							32297.01	3931.24				

*As per an established practise NMDC takes up commitments w.r.t.CSR works/activities 2.5 times the Annual CSR Budget
 #Breakup of Details of CSR amount spent against ongoing projects for the financial 2022-23 is available at the following link: <https://www.nmdc.co.in/csr/csr-regulations>

ANNEXURE VIII (c)

8 (b) Details of CSR amount spent against ongoing Projects for the financial year 2022-23

1	2	3	4	5		6	7	8	
Sl. No	Name of the Project	Item from the list of activities in Schedule VII	Local Area (Yes/No)	Location of the Project		Amount spent in the Financial year	Mode of Implementation-Direct (Yes/No)	Mode of implementation through implementing Agency	
				State	District			CSR Registration No.	Name
1	Scholarship Scheme	(ii)	Yes	CG	Bastar Division	540.82	Yes		
2	Balika Shiksha Yojana	(ii)	Yes	CG	Bastar Division	249.92	Yes	CSR000 133324	Apollo Health & Education Research Foundation, Hyderabad
3	Operation of Polytechnic at Dantewada	(i)	Yes	CG	Dantewada	600.35	Yes		
4	Free Medical Treatment at Project Hospitals across NMDC	(i)	Yes	CG	Dantewada, bastar & Panna	808.74	Yes		
5	Construction of Girls Hostel at Sukma	(ii)	Yes	CG	Sukma	120.00	Yes		
6	Financial assistance for procurement of Medical equipment	(i)	Yes	WB	Murshidabad	83.32	Yes		
7	Other CSR Projects taken up during the year	Various Schedule vii Activities	Local & other areas both	Across India	Across India	2424.04	Yes		
			Grand Total			4827.19			

#Breakup of Details of CSR amount spent against other than ongoing projects for the financial 2022-23 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)

I. Status of Pending CAG Paras and Management Replies

Sl. No	Name of the Audit Para	Brief of the Para	Reporting status
1	7.2 of CAG Report 14 of 2021 for the year 2019-20.	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 Rs 36.65 crore. 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 Rs 81.93 crore plus taxes. Integrated commissioning of both the Plants was done in June 2017. 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	Facts and figures are confirmed to be correct. However, since the Audit observations may not be addressed appropriately in isolation, in order to have a holistic understanding of the circumstances leading to the award of the contract on M/s KIOCL for a three year period and also the reasons for extending the same for a fifteen month period, it may be necessary to understand the circumstances and rationale for setting up the Pellet Plant by NMDC in the first instance. NMDC being a PSU operating in the Mining sector, had set up the 1.2 MTPA Capacity Pellet plant for utilizing the existing slimes and fines as a value addition and diversification strategy. Audit may appreciate the fact that the 1.2 MTPA Pellet Plant at Donimalai was sanctioned by NMDC Board in May 2009 primarily for the utilization of slimes and fines and the plant capacity was designed based on the availability of such slimes. Based on technical test results by NMDC R&D unit, a mix of 80% of slimes and 20% of fines was envisaged as feed for the beneficiation plant of which, about 35% would be discharged back as lean tailings into the existing tailing dam at Donimalai by creating an earthen partition dyke. Considering the impending commissioning of the Plant, there was a necessity for arranging for a judicious mix of experienced and trained personnel. As the

Sl. No	Name of the Audit Para	Brief of the Para	Reporting status
		December 2018 for one year i.e., from 1 August 2018 to 31 July 2019 (for Rs 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 Rs 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 Rs 5.75 crore and Rs 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 Rs 6.36 crore and Rs 8.31 crore plus GST respectively. Scrutiny of the records revealed the following: (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	Pellet plant was 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 option. Meanwhile, KIOCL expressed their interest to provide O&M services to NMDC Pellet Plant. Considering that they are experienced in successfully running their Pellet Plant with Straight Grate Technology for a long time, it was ascertained that it would not be difficult for them to operate the Donimalai Pellet Plant. Since NMDC was not having the wherewithal for the Operation and maintenance of the beneficiation and Pelletisation plants, Board approval was sought in May 2013 for engaging M/s KIOCL, which was having technically accomplished but idle manpower (due to closure of their iron ore mines and non operation of their Mangalore Pellet unit). It was a mutually beneficial arrangement to have M/s KIOCL operate the Plant for an initial period of three years till stabilization and the contract also had a provision for extension for a period of 2 years, in case of any requirement. The rationale was to gradually recruit the required personnel and train them through first hand experience in the processing unit and gradually phase out the manpower of M/s KIOCL. With persistent and concerted efforts, the commissioning of the Pellet plant could be achieved in June 2015. Subsequent to commissioning, numerous technical problems were encountered such as faulty make of filter cloth, technical snags in the filter press etc and since the original contractor was no longer available for honouring their obligations during the

Sl. No	Name of the Audit Para	Brief of the Para	Reporting status
		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 Rs 56.72 crore plus GST, which show award of contract without having regard to actual scale of operations. (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. (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 Rs 13.28 crore plus GST to M/s Sri Saipriya Enterprises, Hospet (Rs 5.75 crore – O&M contract for Beneficiation Plant) and M/s Vishal Enterprises, Hospet (Rs 7.53 crore – O&M contract for Pelletisation Plant) for a period of one year from 1 November 2019. 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 Rs	defect liability period due to insolvency, NMDC had to explore for in-house solutions. The issues were sorted out and technical modifications were carried out for seamless operation of the beneficiation plant. During this period, the production from the plant was negligible, as pointed out by Audit. However, by the time the technical snags were addressed, other externalities effected the supply chain of raw materials for the pellet plant. In this context, it is pertinent to state that some of the infrastructural facilities, inter alia, the Tailing dam of 43.69 ha was constructed by NMDC before the enactment of the Forest Conservation Act, 1980 and a part of the area of about 13.20 ha was part of the existing Mining Lease of DIOM. The regularization of forest clearance was under process with State Forest dept. Meanwhile, Forest officials raised objection for reclamation of slimes from the tailing dam. As a consequence, NMDC could neither reclaim the slimes nor impound any lean tailings post beneficiation. Since the plant was originally designed for a feed of 80% of slimes and 20% of fines mix, in the absence of availability of slimes, the major units of the beneficiation plant could not be put into effective use. Though the Hon'ble Supreme Court vide its order dt 24/10/2018, had granted permission to NMDC to use 13.20 ha of the tailing pond which is a part of the lease area, since the same is already filled with slimes, dumping tailings in the same area was not possible as they would have contaminated the slimes. Hence, it was practically not possible to operationalize the plant in the manner that it was originally designed for. The alternate option would be to produce pellets using only iron ore fines as raw material. This

Sl. No	Name of the Audit Para	Brief of the Para	Reporting status
		36.65 crore during 1 August 2018 to 31 October 2019. 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: (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. (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 Rs 40.16 crore (Rs 4.46 crore x 9) by not extending the KIOCL contract for another 9 months. Reply of the Management /Ministry needs to be seen in light of the following facts:	would render some of the units of the beneficiation plant to be idle. Further, this also required using high grade fines of 63+% as feed to the pellet plant. Obtaining such high grade material in Donimalai, which has moderate grade of iron ore, was a challenge, as it envisaged selective mining. Compounding the situation, the process of supplying the slimes as well as fines to the Pellet plant from the Iron Ore Mining unit itself entailed much complexity as the same had to be routed through the e- auction process within the framework set by the Monitoring Committee. Due to the above circumstances, the performance of the Pellet Plant has always been much below its capacity. The contract with M/s KIOCL was commenced in January 2015. With the occurring of the above circumstances in the background in a chronological sequence, resulting in various internal technical issues and externalities, the production was not commensurate enough to provide confidence to NMDC management to take up full fledged recruitment of dedicated personnel for the Pellet Plant as that would have entailed a set of financial commitments for the next 20-25 years. Continuing with the contractual option and working to resolve the technical and external constraints was the foremost priority for NMDC management. 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. The option exercised to continue the contract for one more year provided NMDC time to assess the ground level constraints and take a final call on non

Sl. No	Name of the Audit Para	Brief of the Para	Reporting status
		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 Rs 4.69 crore to KIOCL as training and capacity building fee and in return it could get a discount of Rs 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	continuation of the contract with KIOCL after the expiry of the extension period. During the four year tenure of operation of the contract with M/s KIOCL, NMDC team and the local contractors enhanced their degree of skills under KIOCL's guidance and developed required experience to operate/maintain the process equipment of Pellet Plant. Considering the uncertainties revolving around the sustained operation of the Pellet plant, recruitment of dedicated manpower was no longer an option. Further, though M/s KIOCL had handheld NMDC in the initial years of commissioning and operation of the plant, it was no longer a financially viable option considering the low production levels and NMDC therefore, after weighing various options, proceeded with the open tender route. At this juncture, it may not be neither appropriate nor possible to estimate if NMDC would have engaged the same or similar contractors a year or a few years before itself, had it resorted to the tendering route instead of engaging M/s KIOCL on nomination basis. The entire sequence of events emerged organically and the actions taken by NMDC were the considered responses by the Management to the dynamic and difficult issues and uncertainties being faced in operationalizing the Pellet Plant and in the best interests of the company as judged at that point of time. a) During the O&M contract period, in spite of NMDC manpower not being 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

Sl. No	Name of the Audit Para	Brief of the Para	Reporting status
		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 Rs 11.34 crore excluding GST. So far as savings of Rs 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 Rs 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 Rs 36.65 crore.	workable experience from KIOCL's manpower. 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, which was well in advance of the time frame for completion of the validity of the extended contract. 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, till the award of the fresh tender. The O&M Contract for Operating the Pellet 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 could 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. It is to re-iterate that recruitment of permanent manpower dedicated to the Pellet Plant would have been financial an imprudent decision as it would have entailed long term commitment of 25-30 years on the financial resources of the company. In the nascent years of commissioning, stabilization and operation, numerous technical, and external constraints have surfaced due to which recruitment of permanent manpower was neither prudent nor feasible.

Sl. No	Name of the Audit Para	Brief of the Para	Reporting status
		Previous Remarks of Audit: The facts brought out by the Ministry/Management have already been considered at the time of finalization of the Draft Paragraph . Hence, the Ministry is requested to furnish- Directives issued for non-recurrence of such systemic lapses of extension of contracts on nomination basis without valid justifications and due-diligence ;	The capacity utilization of the Pellet Plant was dynamic and constraints were emerging and getting resolved and a clear scenario could only emerge after 3-4 years post commissioning. The time taken for issue of the open tender and for finalizing the was sufficient to ensure that the tendering process was successful and there were no unforeseen eventualities leading to cancellation of the tender Previous Remarks Pointwise Reply are as under: (a) It is kindly submitted that all proposals of award by extension of contracts are examined by duly constituted Committee with representatives from Technical Dept, Finance Dept and Co-ordinating Dept. like Contract Depts, MM Dept. etc . The committee observes all the internal public procurement guidelines, vigilance guidelines and decides on the proposal. Further the recommendations of the Committee are scrutinized by the Finance Dept. while according financial concurrence and approved by the Competent Authority. In the present case also, lack of manpower and enabling clauses of the contract for extension up to two years beyond envisaged contract period of three years were considered by the committee while recommending the extension . Further, it is submitted that awarding of contracts on nomination basis will be done with valid justification and due-diligence as per the laid down standard procedures in the Company. (b) Issue of Pressure Filters have been resolved. Commissioning and PG Test of one Pressure Filter is already completed after retrofitting work. Commissioning of second Pressure

Sl. No	Name of the Audit Para	Brief of the Para	Reporting status																
			Filter was also completed in July 2022 and PG Test is planned in September, 2022. The beneficiation plant has been integrated with the pelletisation plant for continuous production. However, at present owing to the non-availability of slime feed and area for tailing disposal is hindering the continuous operation of the Pelletisation plant. (c) Details of Production achieved by Benefication plant during 2019-2020, 2020-21 and 2021-22 are as under : <table> <tr> <th>Sl. No.</th><th>Year</th><th>Benefication Plant (Concentrate Production in MT)</th><th>Pelletisation Plant (Pellet Production in MT)</th></tr> <tr> <td>1</td><td>2019-20</td><td>1,30,247</td><td>1,15,780</td></tr> <tr> <td>2</td><td>2020-21</td><td>93,842</td><td>80,500</td></tr> <tr> <td>3</td><td>2021-22</td><td>1,93,417</td><td>1,80,000</td></tr> </table> (d) O&M Contracts to M/s Sai Priya & M/s Vishal were awarded for a period of one year i.e., from Nov'2019 to Oct'2020. These contracts were extended for a period of 02 months i.e., from Nov'2020 to Dec'2020. Further, O&M contracts were awarded to M/s Sai Priya & M/s Vishal through Open Tender Enquiry for a period of one year i.e., from Jan'2021 to Dec'2021 (extendable by another one year) and subsequently these contracts were extended for a period of another one year i.e., from Jan'2022 to Dec'2022 with existing terms and conditions. The expenditure details against these O&M Contracts are given below :	Sl. No.	Year	Benefication Plant (Concentrate Production in MT)	Pelletisation Plant (Pellet Production in MT)	1	2019-20	1,30,247	1,15,780	2	2020-21	93,842	80,500	3	2021-22	1,93,417	1,80,000
Sl. No.	Year	Benefication Plant (Concentrate Production in MT)	Pelletisation Plant (Pellet Production in MT)																
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2	2020-21	93,842	80,500																
3	2021-22	1,93,417	1,80,000																

Sl. No	Name of the Audit Para	Brief of the Para	Reporting status		
			Description	Beneficiation Plant (M/s Saipriya Enterprises)	Pelletisation Plant (M/s Vishal Enterprises)
			Expenditure during Nov'2020 to Dec'2020	Rs. 1.10 Crs	Rs. 1.39 Crs
			Expenditure during Jan'2021 to July'2022	Rs. 11.74 Crs	Rs. 15.45 Crs
			Hence, Audit is requested not to pursue the para further. Present Reply : Circular has been issued regarding works being awarded on single tender nomination basis(copy of the same is attached as Annexure –A). Pointwise reply are as under : (i) The commissioning of second pressure filter is completed on 30/07/2022 and PG Test has been completed on 18.10.2022 . (ii) Efforts of the company to procure slimes and utilize the plant to optimum capacity is as under : (a) Process to get the permission from the Forest Department to obtain Forest clearance and to utilize the Donimalai Tailing Dam Slimes for Beneficiation Plant and disposal of Iron Tailings from the Plant to the Tailing Dam has been initiated . (b) The scope and feasibility studies regarding modification and development work for 100% fines feeding circuit is under progress . Hence, Audit is requested not to pursue the para further.		

Sl. No	Name of the Audit Para	Brief of the Para	Reporting status
2	7.3 of CAG Report 14 of 2021 for the year 2019-20.	on Payment of registration charges and stamp duty twice for Mining Lease. "Avoidable expenditure of Rs 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. 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	Point wise Reply. Point wise replies are indicated below: a) 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 MMDC Act 1957. b) 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. c) 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. d) 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

Sl. No	Name of the Audit Para	Brief of the Para	Reporting status
		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 Rs.44.26 crore towards registration charges (Rs.18.44 crore) and stamp duty (Rs.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 Rs.52.30 crore was made, towards registration charges (Rs.21.79 crore) and stamp duty (Rs.30.51 crore). In this regard, Audit noted the following: - 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	in favour of the Government. (Annexure-II). 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). 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). 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. 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 is still pursuing with the

Sl. No	Name of the Audit Para	Brief of the Para	Reporting status
		joint venture company. 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. 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. 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 48.36 crore (49 per cent of 44.26 crore plus 51 per cent of 52.30 crore), assuming that the joint venture company would have borne the registration charges and stamp duty in the first instance itself. 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. Reply of the Management is to be viewed in light of the fact that CMDC is a public sector undertaking of the Government of	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. Previous Reply : In continuation of the letter issued on 25.11.2021, NMDC -CMDC Limited has again requested Govt. of Chhattisgarh for the said refund vide letter dated 13.09.2022. Reply from Govt. of Chhattisgarh is awaited. Present Reply : 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 which 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. Further, in response to the NMDC -CMDC Limited letter dated 13.09.2022, Mineral Resource Department (MRD), Govt. of Chhattisgarh vide their letter dated 20.02.2023 has referred to the clarification given in the letter dtd. 16.06.2021. NMDC, being a Public Sector Undertaking and not Govt, has paid the stamp duty for the registered lease deed. Hence, in light of the above legal circumstances/ provisions the desired stamp duty is not refundable". The latest letter issued on 20.02.2023 is attached as Annexure – A. In view of the above findings, Audit may be requested not to pursue the above para further.

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		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. 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 Rs. 48.36 crore. The Audit paragraph was issued to the Ministry in August 2021; their response was awaited. Previous Query: It is requested to communicate the Status of refund, if accepted, by Govt. of Chhattisgarh to this Ministry. Present Query: It is also requested that revised Action Taken Note after taking the matter with the Govt. of Chhattisgarh may be submitted to this Ministry without any further delay.	

TEN YEARS PERFORMANCE

	Ind_AS 2022-2023	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
Restated												
Operating Statistics:												
Production												
1 Iron Ore (WMT) (in lakh tonnes)	408.17	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)	202,329.57	182,298.77	83,751.32	110,481.19	115,622.89	58,070						
Sales												
1 Iron Ore (WMT) (in lakh tonnes)	382.23	406.68	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)	188,988.03	196,971.93	92,773.00	85,793.07	112,010	42,948	-					
Financial Statistics:												
Income												
1 Sales Iron Ore	17,447.39	25,629.72	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	6.08	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	165.50	222.11	73.50	55.55	76.52	25.40						
vi) Income from services	47.91	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)	219.49	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	17,666.88	25,964.79	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	332.55	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	8,048.16	13,349.27	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	335.41	286.85	227.83	294.38	278.89	256.04	196.18	216.60	162.23	104.93	138.52	130.17
3 Interest	75.23	39.06	16.81	9.88	40.32	37.10	20.76	65.59	-	1.85	13.20	1.48
4 PBT	7,637.52	13,023.36	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	2,108.21	3,575.09	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	5,528.63	9,447.59	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 (**)	1,098.98	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	20%	46%	36%	45%	36%	44%	51%	161%	53%	52%	44%	25%
FINANCIAL POSITION												
1 Equity	293.07	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	22,039.24	17,582.19	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	5,176.90	4,680.91	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 (PPE, ROU & Intangible Assets)	3,013.87	2,833.77	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 (Un Amortised Expenditure)	-	-	-	-	-	-	-	-	5.37	5.37	6.24	10.07
6 Capital Work-in-Progress	1,961.72	1,298.48	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	15,760.86	15,682.52	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	4,198.81	5,629.26	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	297.50	568.94	408.28	397.06	582.73	385.71	453.36	263.17	(98.40)	(107.25)	(104.49)	(100.09)
10 Net Worth	22,332.31	17,875.26	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 (Rs.)	76.20	60.99	101.53	89.92	84.76	76.97	71.17	73.44	81.54	75.62	69.37	61.53
12 Earning per share (Rs.)	18.86	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 (Rs. In lakhs)	176.19	300.30	212.46	155.11	173.89	167.76	117.46	86.89	182.23	178.54	159.04	167.10

(*) Demerger of NISP Unit (Resulting Company NMDC Steel Limited) from NMDC Ltd. vide MCA latter dated 6th October 2022, Company has recognized the effect of the demerger from 1st April 2021

(**) Company has paid Rs. 1,098. 98 crore as 1st interim Dividend for Rs. 3.75 per Share and declared Final Dividend of Rs.835.22 crore @ Rs. 2.85 per share for the Financial year 2022-23 which is to be paid after AGM. The total dividend for financial year 2022-23 amounts to Rs. 1,934.20 crore, which is 35% of the PAT.

THESE RESULTS ARE INTERESTING IN VIEW OF THE FACT THAT THE
REACTIVITY OF THE POLYMERIZATION OF VINYL MONOMERS IN THE
PRESENCE OF A CATALYST IS INFLUENCED BY THE NATURE OF THE
CATALYST AND THE NATURE OF THE MONOMER.

As part of the 2007-2008 review of the EBC's Public Engagement Committee, the Commission received a number of suggestions from stakeholders that the Commission should consider the possibility of a Commission on the 2007-2008 Review of the Commission of the Inquiry into the Commission. The Commission is currently considering this suggestion and will be making a decision on whether to establish such a Commission in the near future.

It is also important to remember that, even if the above conditions are appropriate, the Board is not obliged to do so. It is not a requirement of the law that the Board should do so. If the conditions are not met, the Board may decide not to do so. If the conditions are met, the Board may decide to do so. The Board may also decide to do so if it is satisfied that it is in the interests of the company to do so.

It is important to note that the results of this study are based on a cross-sectional design, which limits the ability to establish causality. Future research should employ longitudinal designs to investigate the temporal relationships between these variables. Additionally, the study was conducted in a specific cultural context, and the findings may not be generalizable to other populations. Further research is needed to explore the role of these factors in different cultural settings.

1. *Journal of the American Medical Association*, 2000; 284: 2689-2695.

1. The first step is to identify the problem. This involves understanding the current situation and what needs to be changed.

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ANNUAL REPORT 2022-23

INDEPENDENT AUDITOR'S REPORT

To
The Members of
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, 2023**, 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, 2023, 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 judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the following matters to be the Key Audit matters to be communicated in our report.

Sl. No.	Key Audit Matter	How our audit addressed the key audit matter
1	Capital Work-in progress (BACHELI): The estimated project cost of Iron Ore Processing Plants at Kirandul and Bacheli, Kirandul-Bacheli-Nagarnar Iron Ore Concentrate Slurry Pipeline and Pellet Plant At Nagarnar, as per DPR of Mecon dtd. Feb-2014 is Rs. 4080.94 crores. However, the revised cost estimate is not available. The cumulative capital work in progress	Our audit procedures included the following: We obtained a view of the management and examined the process of capitalization. The management has given a reply that the account of IEDC amounting to Rs. 182.57 crores as on 31.03.2023 will be reviewed in accordance with the Ind AS-16 during capitalization of the asset.

Sl. No.	Key Audit Matter	How our audit addressed the key audit matter
	(CWIP) as on 31.03.2023 is Rs.1170.70 crores which includes incidental expenditure during construction (IEDC) amounting to Rs.182.57 crores. Further this IEDC includes certain item of revenue in nature as well as not directly attributable to the project. This is considered to be a key audit matter.	
2	Trade Receivables from Monitoring Committee: (Refer Note No.2.8.1 & 2.34.6 of the standalone financial statements) As at 31st March 2023, current financial assets in respect of trade receivables includes receivables from monitoring committee as specified in aforesaid notes. 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	Our audit procedures included the following: We analyzed the ageing of trade receivables. 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. 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.
3	Mine Closure Obligation (MCO): (Refer Note-1(x) and Note no. 2.14.4 to the standalone financial statement) 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. The matter is considered to be a key audit matter because there is an estimate involved as per management's policy.	Our audit procedures included the following: We have reviewed the recommendations of the committee for mine closure obligations. 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. We have verified the arithmetical accuracy of the mine closure obligation provision based on the recommendation of the committee. Based on the above procedures performed, we did not identify any significant exceptions in the management's assessment in Mine closure obligation provision.
4	Investment in Legacy Iron Ore Ltd., Australia (LIOL) (Refer Note No. 2.4.1 & 2.34.10 of the standalone financial statements) The Company accounts for equity investments in subsidiaries, associates and joint ventures at	

Sl. No.	Key Audit Matter	How our audit addressed the key audit matter
	cost (subject to impairment assessment) and other investments at fair value. The company has equity investments in LIOL as referred in above notes. 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.	

Emphasis of Matter

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

- 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 Rs.1623.44 Crores against which company has paid an adhoc amount of Rs.600 Crores under protest and filed writ petition in the Hon'ble High court of Bilaspur, Chhattisgarh and a Revision application with Mines Tribunal, Ministry of mines, Government of India and disclosure of contingent liability as mentioned in the said note.
- ii. Note No.2.8.1 & 2.15.3 of Notes forming part of accounts for the period ended 31st March 2023 which describes that the balances of Trade Receivables and Trade Payables respectively are subject to confirmation/ reconciliation and consequential adjustments, if any.
- iii. Note No: 2.34.3, regarding the demerger of NMDC Iron & Steel Plant (NISP) which has been given effect from the Appointed date i.e 1st April, 2021 as per the Sanctions of the Ministry of Corporate Affairs vide its Order dated 6th October, 2022. Accordingly, the financial information in the financial statements in respect of the prior periods is

restated effective from the Appointed date.

- iv. Note No:2.32.5 (iv), The Company has given an Advance of Rs 639.61 Crores to Karnataka Vijaynagar Steels Ltd (KVSL) towards cost of 2857.54 Acres of land handed over by KIADB to KVSL. In view of the timeline for commencement of production at the allotted site, KVSL and the Company are pursuing with KIADB / Govt of Karnataka for extension of the Lease period. Financial impact, if any, depend upon the final decision and mutual agreement between KIADB / Govt of Karnataka and KVSL.

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)(f) 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone financial statements.

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 5 Branches/Units (Kirandul, Bachel, Donimalai, Panna & RO Vizag) included in the accompanying standalone financial statements of the Company whose financial statements/financial information reflect total assets of Rs. 13589.01 Crores as at March 31, 2023 and total revenues of Rs. 17797.29 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 modified 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"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
- 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. Ajay Kumar Mishra
 Partner
 Membership No.205468
 UDIN: 23205468BGZHQZ4361

Place: Hyderabad
 Date: 23.05.2023

“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, 2023 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, 2023, 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. Ajay Kumar Mishra
 Partner
 Membership No.205468
 UDIN: 23205468BGZHQZ4361

Place: Hyderabad
 Date: 23.05.2023

“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)

- I (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 INR (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. (The status remains same for FY-2022-23)
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. (The status remains same for the FY-2022-23)

Description of property	Gross carrying value INR (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*
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).
Infrastructure Land Lease of Deposit-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 2037.46 Acres (i.e., 1015.31 Govt Land, 938.95 Acre Forest Land and 83.2 Acre Railway Land) has been taken from Govt, Forest and Railway authorities. These lands are not in the company's name.					
HEAD OFFICE					
R&D Centre (Leased Premises)				9.12 Acres	Lease period completed but lease agreement not extended. Further CSIR-IICT served legal notice seeking immediate vacation of the leased premises. The process of handing over the site to CSIR, IICT is under progress.
PALONCHA					
SIU NMDC Ltd, Paloncha				11.35 Acres	Provisional allotment order has been issued by APIIC and 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 against Bank Term Deposit (refer Note No.2.15.1) in excess of five crore rupees, as per terms of sanction provisions of paragraph 3 (ii) (b) of the order is not applicable.
- 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:
- A.** The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to subsidiaries, joint ventures and associates;

(INR in Crore)

S.No.	Particulars	Guarantees	Investments	Loans	Advances
1	Aggregate amount granted/provided during the Year:				
	Subsidiaries	---	---	---	1.51
	Joint ventures	---	---	---	9.52
	Associates	---	---	---	-----
2	Balance outstanding as at balance sheet date in respect of above cases:				
	Subsidiaries	---	216.80	---	642.44
	Joint ventures	504.22	251.03	---	55.70
	Associates	---	418.87	---	---

- B.** The Company has provided advances in the nature of loans or advance and guarantee or security to any other entity during the year.

(INR in Crore)

S.No.	Particulars	Guarantees	Investments	Loans	Advances
1	Aggregate amount granted/provided during the Year:				
	Common Control Entity	---	---	---	2057.59
2	Balance outstanding as at balance sheet date in respect of above cases:				
	Common Control Entity	---	---	---	2542.93

- (b) 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, no schedule of repayment of principal prescribed in respect of loans and advances in the nature of loans granted by the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, No loan or advance amount granted by the Company is overdue.
- (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 and advances given falling due during the year, which has been renewed or extended or 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 without 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:

(INR in Crore)

Particulars	All Other Parties	Related Parties	Promoters
Aggregate amount of loans/ advances in nature of loans	---	---	----
A). Repayable on demand	117.26	---	---
B). Agreement does not specify any terms or period of repayment	2,542.93	698.14	
Total (A+B)	2660.19	698.14	
%age of loans /advances in the nature of loans to the total loans	96%	100%	

- (iv) According to the information and explanation given to us and on the basis of our examination of the records, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- (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 business activities carried out by the Company. 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:

- a). Liquidated damage/penalty collected from the suppliers and
- b). Interest received from monitoring committee.
- c). Also the branch could on 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 2023 for a period of more than six months from the date they became payable, except those noted above.

- (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	Name of Statute	Nature of Dues	Period	Forum where Dispute is Pending	Amount (In Rs. Crore)
Kirandul	Nagar palika, Kirandul	Export Tax	1995 to 2023	Hon'ble High Court of Bilaspur	11.80
	Nagar palika, Kirandul	Interest on Export Tax	1997 to 2020	Hon'ble High Court of Bilaspur	15.30
	Nagar palika, Kirandul	Conservancy Tax	2013 to 2020	Hon'ble High Court of Bilaspur	1.73
	Nagar palika, Kirandul	Property Tax	2013 to 2020	Hon'ble High Court of Bilaspur	79.03
	DFO, Dantewada and State of Chattisgarh	Forest permit fees	14.06.2002 to 31.10.2012	Hon'ble High Court of Bilaspur	65.10
	GST Authority	Interest on GST for DMF and NMET	July'2012 - June'2014	GST Authority	8.86
	Service tax	Service tax leviable on forfeiture of Earnest money Deposits/Levy of penalty)	July 2012 to June 2014	CESTAT, New Delhi	0.65
	Service Tax	Service tax on Railway freight refund	July 2012	Service Tax Appellate Tribunal	8.81
	Service Tax	Interest on Service tax on Railway freight refund	July 2012 to March 2023	Service Tax Appellate Tribunal	12.60
	GST Authority	Differential GST under RCM on Royalty charges (Including DMF & NMET)	July 2017 to December 2018	Hon'be High Court of Bilaspur	90.02
	High Court	Common Cause Notice	2018-19	Hon'be High Court of Bilaspur	491.47

Unit	Name of Statute	Nature of Dues	Period	Forum where Dispute is Pending	Amount (In Rs. Crore)
Donimalai	Karnataka Forest Act 1963	Forest Development Tax	FY 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	FY 2012-13 to 2017-18	Commissioner of Central Excise (Appeals)	0.27
	Central Excise, Customs and Service Tax	Service Tax on LD and penalty recovered from Contractors	FY 2013-14 to 2017-18	Commissioner of Central Excise (Appeals)	0.96
Panna	Commercial Tax	Sales & Entry tax	2014-15	DCIT, Sagar	0.048
	Commercial Tax	Sales & Entry tax	2013-14	DCIT, Sagar	0.23
Bacheli	Nagarpalika, Bacheli	Export tax	March'2010 to March'2023	Hon'ble High Court of Bilaspur	1.95
	Nagar Palika, Bacheli	Property Tax	2015-16	Hon'ble High Court, Bilaspur	26.12
	Service tax authority	Service tax on security services	July 2012 to June 2017	CESTAT, New Delhi	2.22
	Service tax authority	Service tax on Forfeiture of Earnest money Deposits/ Levy of Penalty	July 2012 to June 2017	CESTAT, New Delhi	1.42
	Service tax authority	Service tax on Railway freight refund		Service tax appellate tribunal	33.57
	Service tax authority	Service tax on Railway freight refund (Interest)	July 2012 to March 2023	Service tax appellate tribunal	45.86
	DFO, Dantewada and State of Chhattisgarh	Forest permit fees	14.06.2002 to 31.10.2012	Bilaspur Bench of Hon'ble High court, Chhattisgarh	79.52
	GST Authority	Interest on GST for DMF and NMET	01.07.2017 to 28.02.2020	GST Authority	9.30
	GST Authority	Differential GST under RCM on Royalty charges (Including DMF & NMET)	July 2017 to December 2018	Hon'ble High Court of Bilaspur	130.96
	Nagar palika, Bacheli	Interest on Export Tax	March 2010 to March 2023	Hon'ble High Court of Bilaspur	1.84
	High court	Common cause notice	2018-19	Hon'ble high court of Bilaspur	1131.97

Unit	Name of Statute	Nature of Dues	Period	Forum where Dispute is Pending	Amount (In Rs. Crore)
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	3.55
	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	3.26
	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	1.86
	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 CESTAT, Hyderabad	2.45
	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.	4.42

(viii) According to the information and explanations give to us and on the basis of our examination of the records of the Company, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the Tax assessments under the Income-tax Act, 1961. .

(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.

(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 or financial institution or government or government authority.
- (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under Clause 3 (ix) (c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, Funds raised on short term basis have, prima facie, not been used during the year for long term purpose by the Company.
- (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) The Company is not a Nidhi Company and hence, Clause 3(xii) (a) to Clause 3(xii) (c) 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 compliance with

Section 177 and 188 of the Companies Act, 2013, and the details of the related party transactions have been disclosed in the standalone financial 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, in determining the nature, timing and extent of our audit procedures.
- (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) to Clause 3(xvi) (d) of the order is not applicable.
- (xvii) The company has not incurred cash losses in the current financial year covered by our audit 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 future 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. 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. Ajay Kumar Mishra
 Partner
 Membership No.205468
 UDIN: 23205468BGZHQZ4361

Place: Hyderabad
 Date: 23.05.2023

“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.	Direction	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 SAP-ERP package to process all the accounting transactions through IT System. 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.	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 such restructuring of existing loan or cases of waiver/ write off of debts noticed during the period under audit.
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.	As per information and explanations provided to us and on the basis of examination of financial transactions company has not received any specific fund from Central/State agencies during the period under audit

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

CA. Ajay Kumar Mishra
 Partner
 Membership No.205468
 UDIN: 23205468BGZHQZ4361

Place: Hyderabad
 Date: 23.05.2023

BALANCE SHEET

As at 31st March 2023

(INR in Crore)

Particulars	Note No.	Figures as at the end of current reporting year 31 st March 2023	Figures as at the end of previous reporting year 31 st March 2022
ASSETS			
Non-Current Assets			
a) Property plant & equipment	2.1.1	2,378.56	2,381.73
b) Right- of -Use Assets	2.1.2	6.98	8.15
c) Capital work-in- progress	2.2	1,961.72	1,298.48
d) Other intangible assets	2.3	628.33	443.89
e) Intangible assets under development	2.4	6.49	5.00
f) Financial assets			
i) Investments	2.4.1	886.72	987.32
ii) Loans	2.4.2	705.06	682.99
iii) Other Financial Assets	2.4.3	2,646.17	589.75
g) Deferred tax assets (Net)	2.5	297.50	568.94
h) Other non-current assets	2.6	2,663.31	2,103.88
Total non-current assets		12,180.84	9,070.13
Current Assets :			
a) Inventories	2.7	2,660.58	2,125.21
b) Financial assets			
i) Trade receivables	2.8.1	2,656.02	2,954.30
ii) Cash and cash equivalents	2.8.2	77.59	82.92
iii) Bank balances other than (ii) above	2.8.3	6,970.45	7,856.48
iv) Other financial assets	2.8.4	500.95	593.08
c) Current tax assets (Net)	2.9	1,121.82	899.86
d) Other current assets	2.10	1,772.79	1,169.86
e) Assets held for disposal	2.11	0.66	0.81
Total current assets		15,760.86	15,682.52
Total Assets		27,941.70	24,752.65
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	2.12	293.07	293.07
b) Other equity	2.13	22,039.24	17,582.19
Total equity		22,332.31	17,875.26
Liabilities			
Non- Current Liabilities			
a) Financial liabilities			
i) Borrowings	2.14.1	-	-
ia) Lease Liability	2.14.2	4.74	5.85
ii) Other Financial liabilities	2.14.3	150.28	150.28
b) Provisions	2.14.4	1,255.56	1,092.00
Total non-current liabilities		1,410.58	1,248.13
Current Liabilities			
a) Financial liabilities			
i) Borrowings	2.15.1	415.98	1,792.50
ia) Lease Liability	2.15.2	1.47	1.45
ii) Trade payables	2.15.3		
a) Total Outstanding dues of Micro Enterprises and Small Enterprises		25.23	26.59
b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		400.53	637.86
iii) Other financial liabilities	2.15.4	896.53	521.42
b) Other current liabilities	2.16	2,335.84	2,635.05
c) Provisions	2.17	123.23	14.39
Total current liabilities		4,198.81	5,629.26
Total liabilities		5,609.39	6,877.39
Total equity and liabilities		27,941.70	24,752.65

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 AJAY KUMAR MISHRA)

Partner

Membership No: 205468

Place : Hyderabad

Dated : 23rd May 2023

(DILIP KUMAR MOHANTY)

Director (Production)

DIN :09296720

For and on behalf of the Board

(AMITAVA MUKHERJEE)

Chairman-Cum-Managing Director (Additional Charge),

Director (Finance)

DIN :08265207

(AS PARDHA SARADHI)

ED & Company Secretary

STATEMENT OF PROFIT AND LOSS

For Year Ended 31st March 2023

(INR in Crore)

Particulars	Note No.	Figures for the current reporting year 31 st March 2023		Figures for the previous reporting year 31 st March 2022	
I. Revenue from operations	2.18		17,666.88		25,964.79
II. Other Income	2.19		747.85		718.33
III. Total Income (I+II)			18,414.73		26,683.12
IV. Expenses :					
Consumption of raw materials	2.20		70.59		106.95
Consumption of stores & spares			556.34		396.53
Changes in inventories of finished goods/ work in progress	2.21		(496.60)		(1,159.39)
Employee benefit expense	2.22		1,526.50		1,333.68
Power and electricity	2.23		144.07		122.51
Repairs & maintenance	2.24		209.93		192.16
Royalty & other levies			7,725.04		9,986.76
Selling expenses	2.25		263.00		227.74
Finance cost	2.26		75.23		39.06
Depreciation and amortization expense	2.1 & 2.3		335.41		286.85
Other expenses	2.27		1,604.97		2,126.91
Total expenses			12,014.48		13,659.76
V. Profit before exceptional items and tax (III-IV)			6,400.25		13,023.36
VI. Exceptional items Income/(Expenditure)	2.28		1,237.27		-
VII. Profit before tax (V+VI)			7,637.52		13,023.36
VIII. Extraordinary Items			-		-
IX. Profit before tax (VII-VIII)			7,637.52		13,023.36
X. Tax expense :					
(1) Current year	2.29	1,664.65			3,444.39
(2) Earlier years (net)		172.13			260.53
(3) Deferred tax	2.29	271.43			(129.83)
			2,108.21		3,575.09
XI. Profit for the year from continuing operations (X-XI)			5,529.31		9,448.27
XII. Profit/(Loss) from discontinued operations			(0.91)		(0.91)
XIII. Tax expense of discontinued operations	2.29		(0.23)		(0.23)
XIV Net Profit/(loss) from discontinued operations(XI-XII)			(0.68)		(0.68)
XV Profit for the year (X + XIV)			5,528.63		9,447.59
Other Comprehensive Income					
(i) item that will not be reclassified to profit or loss (Re-measurements of post-employment benefit obligations)			39.65		12.14
(ii) Income tax relating to these items	2.29		(9.98)		(3.07)
XVI Other Comprehensive income net of tax			29.67		9.07
Total Comprehensive income for the year (XV + XVI)			5,558.30		9,456.66
(Comprising Profit (Loss) and Other Comprehensive Income for the year)					
Earnings per equity share (for continuing operation)					
i) Basic	2.32.6		18.86		32.24
ii) Diluted	2.32.6		18.86		32.24
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		18.86		32.24
ii) Diluted	2.32.6		18.86		32.24
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 AJAY KUMAR MISHRA) Partner Membership No: 205468 Place : Hyderabad Dated : 23 rd May 2023			For and on behalf of the Board (DILIP KUMAR MOHANTY) Director (Production) DIN :09296720 (AMITAVA MUKHERJEE) Chairman-Cum-Managing Director (Additional Charge), Director (Finance) DIN :08265207 (AS PARDHA SARADHI) ED & Company Secretary		

STATEMENT OF CHANGES IN EQUITY

For the Year Ended 31st March 2023

a) Equity Share Capital

(INR in Crore)

	Note.no.	Amount
Balance as at 1 st April 2021	2.12	293.07
Changes in Equity share capital		-
Balance as at 31 st March 2022	2.12	293.07
Changes in Equity share capital		-
Balance as at 31 st March 2023		293.07

b) Other Equity

2.13

(INR in Crore)

Particulars	General Reserve	Retained earnings	CRR	OCI	Total
Balance as at 1st April 2021	10,617.90	1,897.69	103.40	(173.69)	12,445.30
Profit for the year		9,447.59			9,447.59
Extinguished of Investment in NSL	-	(0.05)	-		(0.05)
Other Comprehensive Income net of tax				9.07	9.07
Transfer to Capital Redemption Reserve (CRR)		-	-		-
Buyback of shares (including transaction charges)		-			-
Interim dividend (2021-22)		(4,319.72)			(4,319.72)
Transfer to General Reserve	5,000.00	(5,000.00)			-
Total	5,000.00	127.82	-	9.07	5,136.89
Balance as at 31st March 2022	15,617.90	2,025.51	103.40	(164.62)	17,582.19
Balance as at 1st April 2022	15,617.90	2,025.51	103.40	(164.62)	17,582.19
Profit for the year		5,528.63			5,528.63
Other Comprehensive Income net of tax				29.67	29.67
Demerger expenses pursuant to the scheme of arrangement		(2.27)			(2.27)
Interim dividend (2022-23)		(1,098.98)			(1,098.98)
Transfer to General Reserve	4,400.00	(4,400.00)			-
Total	4,400.00	27.38	-	29.67	4,457.05
Balance as at 31st March 2023	20,017.90	2,052.89	103.40	(134.95)	22,039.24

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 AJAY KUMAR MISHRA)
 Partner
 Membership No: 205468

(DILIP KUMAR MOHANTY)
 Director (Production)
 DIN :09296720

(AMITAVA MUKHERJEE)
 Chairman-Cum-Managing Director
 (Additional Charge), Director (Finance)
 DIN :08265207

Place : Hyderabad
 Dated : 23rd May 2023

(AS PARDHA SARADHI)
 ED & Company Secretary

CASH FLOW STATEMENT

For the Year Ended 31st March 2023

(INR in Crore)

Particulars	Figures as at the end of current reporting year 31 st March 2023	Figures as at the end of previous reporting year 31 st March 2023
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before income tax from Continued Operations	7,637.52	13,023.36
Discontinued Operations	(0.91)	(0.91)
Profit before income tax including discontinued operations	7,636.61	13,022.45
Adjustments for non cash/non operational expenses:		
Depreciation & amortisation expense	335.41	286.85
(Profit)/Loss on disposal of property, plant & equipment	(0.09)	1.87
Expenditure on enabling facilities	154.06	125.22
Provision for bad & doubtful advances	13.02	559.70
Interest Income classified as investing cash flow	(543.63)	(428.82)
Finance Costs	75.23	39.06
Operating Profits before working capital changes	7,670.61	13,606.33
Adjustments for working capital changes:		
(Increase)/Decrease in short term investment	-	-
(Increase)/Decrease in trade receivables	285.26	(1,374.11)
(Increase)/Decrease in inventories	(535.37)	(1,223.26)
(Increase)/Decrease in other financial assets	78.67	(327.51)
(Increase)/Decrease loans to employees and related parties	(2,079.66)	(414.64)
(Increase)/Decrease in other non current assets	(425.64)	(107.08)
(Increase)/Decrease in other current assets	(602.93)	(63.50)
(Increase)/Decrease in assets held for disposal	0.15	(0.18)
Increase/(Decrease) in trade payables	(238.69)	304.19
Increase/(Decrease) in provisions	273.31	146.13
Increase/(Decrease) employee benefit obligations	28.52	(74.02)
Increase/(Decrease) in other financial liabilities	283.37	7.95
Increase/(Decrease) in other current liabilities	(299.21)	780.86
Cash generated from operations	4438.39	11,261.16
Income Taxes paid	(2,058.51)	(4,347.54)
Net Cash Flow from operating activities	2379.88	6,913.62
CASH FLOW FROM INVESTING ACTIVITIES		
Expenditure on acquisition of tangible and intangible assets and towards capital work in progress (net of sale proceeds)	(1,404.92)	(1,183.68)
Purchase of investments	100.61	(2.55)
Interest received	558.26	422.68
Investment in term deposits with more than three months	897.43	(2,410.72)

CASH FLOW STATEMENT (cont...)For the Year Ended 31st March 2023

Particulars	Figures as at the end of current reporting year 31 st March 2023	Figures as at the end of previous reporting year 31 st March 2023
Net Cash Flow from investing activities	151.38	(3,174.27)
CASH FLOW FROM FINANCING ACTIVITIES		
Demerger expenditure present to the Scheme of Demerger	(2.27)	-
(Repayment)/Proceeds from borrowings	(1,376.52)	344.46
Lease Liability	(1.09)	1.62
(Repayment)/Proceeds from borrowings (Non-Current)	-	-
Deposits paid towards LCs and BGs (towards non fund based facilities)	17.55	(48.22)
Interest paid	(74.99)	(38.88)
Dividends paid (including tax thereon and net off balances for unpaid dividends)	(1,099.27)	(4,319.52)
Net Cash Flow from financing activities	(2,536.59)	(4,060.54)
Net increase (decrease) in cash and cash equivalent	(5.33)	(321.19)
Cash & Cash equivalents at the beginning of the year	82.92	404.11
Cash & Cash equivalents at the end of the year	77.59	82.92
<u>Details of the Cash and Cash Equivalents</u> <u>(Note No. 2.8.2)</u>		
Cash in hand	-	-
On Current Accounts	77.59	82.92
On Deposit Accounts (Original Maturity less than 3 months)	-	-
Total Cash & Cash equivalents at the end of the year	77.59	82.92
Restricted Cash Balance	-	-

Subject to our Report of even date

For M/s Sagar & Associates

Chartered Accountants

Firm Regn No: 003510S

For and on behalf of the Board

(CA AJAY KUMAR MISHRA)

Partner

Membership No: 205468

(DILIP KUMAR MOHANTY)

Director (Production)

DIN :09296720

(AMITAVA MUKHERJEE)

Chairman-Cum-Managing Director
(Additional Charge), Director (Finance)

DIN :08265207

Place : Hyderabad

Dated : 23rd May 2023

(AS PARDHA SARADHI)

ED & Company Secretary

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 Rs. 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 Rs. 5,000 or less are fully depreciated in the year of purchase.

b) Treatment of expenditure incurred on Assets not owned by the Company:

“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 occurs. Borrowing costs consist 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 recognised 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 recognised as government grant. The loan or assistance is initially recognised 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 Rs.20 lakhs p.a. per lease and Short term leases of 12 months or less are fully charged to expense.

xviii) Exploration and Evaluation:

Exploration and evaluation expenditure comprise costs that are directly attributable to:

- researching and analysing existing exploration data;
- conducting geological studies, exploratory drilling and sampling;
- examining and testing extraction and treatment methods; and/or
- compiling pre-feasibility and feasibility studies.

Exploration expenditure relates to the initial search for deposits with economic potential.

Evaluation expenditure relates to a detailed assessment of deposits or other projects that have been identified as having economic potential. . All evaluation and exploration expenses till high degree of confidence is achieved are expensed.

Evaluation expenditure are capitalised as Intangible assets when there is a high degree of confidence that the Company will determine that a project is commercially viable, that is the project will provide a satisfactory return relative to its perceived risks, and therefore it is considered probable that future economic benefits will flow to the Company.

The carrying values of capitalized evaluation expenditure are reviewed for impairment every year by management.

xix) Stripping cost:

Development stripping cost:

Overburden and other mine waste material removed during the initial development of a mine in order to access mineral deposit are capitalized as Intangible Asset. Amortization of the same is done based on the life estimated by the management.

Production stripping cost:

During the Production phase, the stripping activity cost is charged to revenue to the extent the benefit from the stripping activity is realized in the form of inventory produced.

To the extent the benefit is improved access to ore, the entity shall recognise these costs as a non-current asset ie Stripping Activity Asset, if and only if all the following conditions are met:

- a. It is probable that the future economic benefits associated with the stripping activity will be realized.
- b. The component of the ore body for which access has been improved can be identified; and

- c. The costs relating to the stripping activity associated with the improved access can be reliably measured.

To the extent the current period stripping ratio exceeds the planned stripping ratio as per mine plan, shall be considered as "Stripping Activity Asset"

The "Stripping Activity Asset" is subsequently depreciated on a unit of production basis over the life of the identified component of the ore body that become more accessible as a result of the stripping activity and is then stated at cost less accumulated depreciation and impairment loss, if any.

xx) Prepaid Expenses:

Expenses are accounted under prepaid expenses only when the amount relating to the unexpired period exceeds rupees Two crore in each case.

xxi) Restatement of earliest prior period financials on material error/omissions

The value of error and omissions is construed to be material for restating the opening balances of assets and liabilities and equity for the earliest prior period presented if the amount in each case of earlier period income/expenses exceeds 1.00% of the previous year turnover of the company.

Subject to our Report of even date
For M/s Sagar & Associates
 Chartered Accountants
 Firm Regn No: 003510S

(CA AJAY KUMAR MISHRA)

Partner
 Membership No: 205468

(DILIP KUMAR MOHANTY)
 Director (Production)
 DIN :09296720

For and on behalf of the Board

(AMITAVA MUKHERJEE)
 Chairman-Cum-Managing Director
 (Additional Charge), Director (Finance)
 DIN :08265207

Place : Hyderabad
 Dated : 23rd May 2023

(AS PARDHA SARADHI)
 ED & Company Secretary

Note - 2.1.1 : PROPERTY, PLANT & EQUIPMENT

(INR in Crore)

ASSETS	GROSS BLOCK					DEPRECIATION BLOCK					NET BLOCK				
	As at 1 st April 2022	Additions during the year	Ded/Adj during the year	Transfer to/from	Internal transfer	As at 31 st March, 2023	As at 1 st Apr. 2022	For the year	Asset Impairment	Deductions/ adjustments	Transfer to/from	Internal transfers	upto 31 st March, 2023	As at 31 st March, 2023	As at 31 st March, 2022
A. General															
Land :															
- Free hold	176.31	20.41	-	-	-	196.72	-	-	-	-	-	-	-	196.72	196.00
- Lease hold	1.04	0.60	13.92	-	-	15.56	0.36	0.06	-	13.92	-	-	14.34	1.22	0.68
Buildings	408.56	19.46	-	-	(0.19)	427.83	70.66	15.96	-	-	-	(0.18)	86.44	341.39	337.92
Plant & Machinery	1,363.84	60.43	(40.04)	-	(0.28)	1,383.95	406.86	109.93	(2.81)	(40.06)	-	(0.33)	473.59	910.36	956.99
Heavy Mobile Equip.	685.97	93.49	(28.14)	-	0.30	751.62	387.26	69.00	-	(28.14)	-	0.26	428.38	323.24	298.71
Furniture & fittings	17.93	1.52	(0.03)	-	(0.04)	19.38	11.03	1.62	-	(0.03)	-	(0.04)	12.58	6.80	6.88
Vehicles	46.37	7.13	(2.05)	-	(0.11)	51.34	25.31	4.45	-	(1.89)	-	(0.02)	27.85	23.49	21.07
Office Equipment	88.76	10.93	(1.26)	0.01	(0.07)	98.37	57.41	12.16	-	(1.06)	0.01	0.07	68.59	29.78	31.28
Others :															
Roads, bridges etc.	136.70	1.98	-	-	0.16	138.84	102.61	9.73	-	-	-	0.16	112.50	26.34	34.10
Dams, Wells & Pools	18.12	0.02	-	-	-	18.14	4.84	1.61	-	-	-	-	6.45	11.69	13.27
Adit & tunnel	2.06	-	-	-	-	2.06	0.09	0.03	-	-	-	-	0.12	1.94	1.98
Railway sidings	34.34	-	-	-	-	34.34	21.85	2.45	-	-	-	-	24.30	10.04	12.49
Locomotives	11.18	-	-	-	-	11.18	4.28	0.74	-	-	-	-	5.02	6.16	6.90
Electrical Installations	250.82	33.44	(1.16)	-	0.10	283.20	124.46	22.84	-	(1.12)	-	0.05	146.23	136.97	126.36
Sanitary & W. S. Installations	36.13	3.82	(0.01)	-	-	39.94	7.93	1.36	-	-	-	-	9.29	30.65	28.20
TOTAL 'A'	3,278.13	253.23	(58.77)	0.01	(0.13)	3,472.47	1,224.95	251.94	(2.81)	(58.38)	0.01	(0.03)	1,415.68	2,056.79	2,072.81
"Previous year 2021-22 "	3,015.18	315.51	(33.01)	-	-	3,297.68	1,035.18	212.14	7.62	(30.07)	-	-	1,224.87	2,072.81	2,176.53
B. Social Facilities															
Land :															
- Free hold	10.64	-	-	-	-	10.64	-	-	-	-	-	-	-	10.64	10.64
- Lease hold	2.05	-	-	-	-	2.05	2.05	-	-	-	-	-	2.05	-	-
Buildings	279.38	4.69	-	-	-	284.07	31.34	5.67	-	-	-	-	37.01	247.06	248.04
Plant & Machinery	6.65	-	-	-	-	6.65	0.98	0.30	-	-	-	-	1.28	5.37	5.67
Furniture & fittings	11.49	9.12	(2.06)	-	(0.19)	18.36	3.78	2.06	-	(0.75)	-	(0.04)	5.05	13.31	7.72
Vehicles	2.27	0.77	(0.12)	-	0.11	3.03	1.21	0.27	-	(0.11)	-	0.02	1.39	1.64	1.05
Office Equipment	25.69	13.63	(2.79)	(0.01)	0.22	36.74	12.56	4.78	-	(2.15)	(0.01)	0.06	15.24	21.50	13.14

ASSETS	GROSS BLOCK					DEPRECIATION BLOCK					NET BLOCK				
	As at 1 st April 2022	Additions during the year	Ded/Adj during the year	Transfer to/from	Internal transfer	As at 31 st March, 2023	As at 1 st Apr, 2022	For the year	Asset Impairment	Deductions/ adjustments	Transfer to/from	Internal transfers	upto 31 st March, 2023	As at 31 st March, 2023	As at 31 st March, 2022
Others :													-	-	
Roads, bridges etc.	8.67	0.33	-	-	(0.01)	8.99	4.51	0.52	-	-	-	(0.01)	5.02	3.97	4.16
Cess fund quarters	6.57	0.09	-	-	-	6.66	1.16	0.14	-	-	-	-	1.30	5.36	5.42
Dams, Wells & Pools	0.95	0.06	-	-	-	1.01	0.36	0.14	-	-	-	-	0.50	0.51	0.59
Electrical Instaln.	10.64	0.63	-	-	-	11.27	3.08	0.94	-	-	-	-	4.02	7.25	7.62
Sanitary & W.S.Instlns.	7.05	0.53	-	-	-	7.58	2.16	0.26	-	-	-	-	2.42	5.16	4.89
Cess fund other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL 'B'	372.05	29.85	(4.97)	(0.01)	0.13	397.05	63.19	15.08	-	(3.01)	(0.01)	0.03	75.28	321.77	308.92
"Previous year 2021-22 "	309.56	72.68	(11.96)	(0.17)		370.11	57.18	11.87	2.31	(10.08)	(0.09)	-	61.19	308.92	494.13
TOTAL 'A + B'	3,650.18	283.08	(63.74)	-	-	3,869.52	1,288.14	267.02	(2.81)	(61.39)	-	-	1,490.96	2,378.56	2,381.73
Previous year 2021-22	3,324.75	388.19	(44.97)	(0.17)	-	3,667.79	1,092.36	224.01	9.93	(40.15)	(0.09)	-	1,286.06	2,381.73	2,670.66

Note 2.1.2 : RIGHT-OF USE ASSETS

General:

(INR in Crore)

Assets	GROSS BLOCK			AMORTISATION BLOCK			NET BLOCK		
	As at 1 st April 2022	Additions/ Adjustments	Deductions/ Adjustments	As at 31 st March, 2023	As at 1 st Apr, 2022	For the year	Deductions/ adjustments	As at 31 st March, 2023	As at 31 st March, 2022
Land (SP-RO- Vizag)	0.59	-	-	0.59	0.59	-	-	-	
Buildings									
Delhi - PTL- Building	7.41	-	-	7.41	2.52	0.86	-	3.38	4.89
Delhi - KG Marg Surya Kiran Building	0.26	-	-	0.26	0.26	-	-	0.26	-
REGIONAL OFFICE- Vizag	1.19	-	-	1.19	0.36	0.04	-	0.40	0.83
Ranchi-Office Building_JSFC	2.63	-	-	2.63	0.21	0.26	-	0.47	2.43
TOTAL	12.08	-	-	12.08	3.94	1.16	-	5.10	8.15
Previous year	9.45	2.63	-	12.08	2.83	1.10	-	3.93	6.62
Social Amenities:									
Buildings	-	-	-	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-	-	-	-
Previous year	-	-	-	-	-	-	-	-	-
Grand Total	12.08	-	-	12.08	3.94	1.16	-	5.10	8.15
Previous year	9.45	2.63	-	12.08	2.83	1.10	-	3.93	6.62

NON-CURRENT ASSETS

Note: 2.2 Capital Work in Progress

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023		Figures as at the end of 31 st March 2022	
Construction work in progress		1,742.72		1,032.73
Less : Impairment provided/(reversed)		7.24		5.32
		1,735.48		1,027.41
Capital Assets in stores awaiting installation or in transit	43.67		39.05	
Less : Provision	-		-	
		43.67		39.05
Expenditure incidental to construction awaiting allocation (See note 2.2.2)		182.57		232.02
Total		1,961.72		1,298.48

Note - 2.2.1: Movement of Capital work in progress

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 2022 (Restated)					
Gross carrying amount	360.42	2.32	45.82	253.16	661.72
Additions	851.33	(2.32)	245.71	376.69	1,471.41
Disposals/Capitalisation to PPE	179.02		252.48	397.83	829.33
Closing gross carrying amount	1,032.73	-	39.05	232.02	1,303.80
Accumulated amortization					
Amortization charge during the year	5.32				5.32
Closing accumulated amortization	5.32	-	-	-	5.32
Closing net carrying amount	1,027.41	-	39.05	232.02	1,298.48
Year ended 31 st March 2023					
Gross carrying amount					
Opening gross carrying amount	1,027.41	-	39.05	232.02	1,298.48
Additions	836.89	-	193.90	28.84	1,059.63
Adjustment/Disposals/Capitalisation to PPE	126.90		189.28	78.29	394.47
Closing gross carrying amount	1,737.40	-	43.67	182.57	1,963.64
Accumulated amortization					
Amortization charge during the year	1.92				1.92
Closing accumulated amortization	1.92	-	-	-	1.92
Closing net carrying amount	1,735.48	-	43.67	182.57	1,961.72

Note : 2.2.2 Expenditure Incidental to Construction Awaiting Allocation

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023		Figures as at the end of 31 st March 2022	
a. Opening balance		232.02		253.16
b. Net Expenditure incurred during the year				
Employee Benefit expense :				
Salaries, Wages & Bonus	6.90	6.90	1.22	1.22
Repairs and Maintenance		1.58		1.81
Depreciation and amortisation		0.26		0.09
Other expenses :				
Consultancy expenditure		14.42		11.50
Other expenditure		5.68		361.06
		28.84		375.68
Less : Recoveries/Income				
Total (b)		28.84		375.68
Sub-total (a+b)		260.86		628.84
Less : Amount allocated to Fixed assets/ Capital W I P		78.29		396.82
Total		182.57		232.02

Note: 2.2.3 Capital Work in Progress aging Schedule

(INR 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		825.61	670.99	93.39	371.73	1,961.72
Project temporarily suspended		-	-	-	-	-
Total	-	825.61	670.99	93.39	371.73	1,961.72

Note: 2.2.4 Capital Work in Progress Completion Schedule

(INR in Crore)

Particulars	To be completed in					
		Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
Slury Pipe Line		835.56	144.81	-	-	980.37
SP - III at Kirandul Unit, Chhatishgarh		275.26	293.22			568.48
SP- II - Donimali Project - Karnataka					1.01	1.01
Additional Fine ore Stock Pile-Bracheli		31.57				31.57
Construction of 5 th Screening Line - Bacheli		44.42				44.42
Others		126.94	197.55		11.38	335.87
Total	-	1,313.75	635.58	-	12.39	1,961.72

Note: there are no project where activities has been suspended as on 31st March 2023

Note : 2.3 Intangible Assets

(INR in Crore)

ASSETS	GROSS BLOCK				AMORTISATION BLOCK				NET BLOCK		
	As at 1 st April 2022	Additions during the year	Ded/Adj during the year	As at 31 st March 2023	As at 1 st Apr 2022	For the ear	Asset Impairment	Deductions/ adjustments	As at 31 st March 2023	As at 31 st March 2023	As at 31 st March 2022
GENERAL											
Computer software	57.44	7.08	0.08	64.60	17.50	26.74	-	0.08	44.32	20.28	39.94
Mining rights	943.59	245.73	41.38	1,230.70	539.63	41.64	-	41.38	622.65	608.05	403.95
Total	1,001.03	252.81	41.46	1,295.30	557.13	68.38	-	41.46	666.97	628.33	443.89
"Previous Year 2021-22 "	951.68	49.36		1,001.04	510.54	45.31	1.30		557.15	443.89	441.17

Details of the Mining Rights (NMDC Ltd)

Sl. No.	Lease No.	Description of Deposit/mine	Lease period		Useful live of mine	Net Block as on 31.03.2023	Method of Amortisation
1	30CHG03001	Mining Lease Agreement-BIOM Deposit-14 ML	9/12/2015	9/11/2035	20	57.78	Amortised over respective useful lives of mines on straitline basis
2	30MPR02002	Mining Lease Agreement-BIOM Deposit-14 NMZ	12/7/2015	12/6/2035	20	59.51	
3	30CHG03002	Mining Lease Agreement-BIOM Deposit-11 ML	9/12/2017	9/11/2037	20	43.77	
4	30MPR02005	MINING LEASE OF DEP-05	9/11/2015	9/10/2035	20	96.52	
5	30MPR48001	MINING LEASE OF DEP-10	9/11/2015	9/10/2035	20	43.61	
6	30CHG03002	MINING LEASE RENEWAL OF DEPOSIT 11A	9/12/2017	9/11/2037	20	2.77	
7	2396	DONIMALAI IRON ORE MINE	11/4/2018	11/3/2038	20	63.91	
10	1111	KUMARASWAMY IRON ORE MINE	10/18/2022	10/17/2042	20	240.18	
Total						608.05	

Note : 2.4 Intangible assets under development

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Intangible assets under development (ERP)	6.49	5.00
Total	6.49	5.00

Note: 2.4.(a) Intangible Assets under development aging Schedule

(INR 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		6.49	-	-	-	6.49
Project temporarily suspended		-	-	-	-	-
Total	-	6.49	-	-	-	6.49

Note: 2.4.(b) Intangible Assets under development completion schedule

(INR in Crore)

Particulars	To be completed in					
		Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
ERP		6.49	-	-	-	6.49
Project 2		-	-	-	-	-
Total		6.49	-	-	-	6.49

Note: there are no project where activities has been suspended as on 31st March 2023

Additional notes to 2.1, 1, 2.3 and 2.4 : PPE (Property Plant and Equipment) , Intangible Assets and Intangible Assets under Development.

1. 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.
2. 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 Bacheli Complex, Kirandul Complex and Panna Project.
 - (c) Mining lease to the extent of 33.58 hectares (Mining area) and 19.42 hectares (Plant area) of Silica Sand Plant near Lalapur (Allahabad).
 - (d) Lease in respect of a portion of the total land at R&D Center measuring 9.12 acres (during Feb 2007 6.66 acres and the balance 2.46 acres in Feb 2010)

has expired. The process of renewal of the lease is under progress.

- (e) Provisional allotment letters were issued for the land allotted by M/s APIIC at Industrial park, Palonchato 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.
3. Reconciliation of Depreciation and Amortisation as per Statement of Profit and Loss:

₹ in Crore

Note no	Particulars	2022-23	2021-22
2.1	Depreciation on PPE	267.02	223.98
2.1	(Reversal)/Impairment of PPE	(-)2.81	9.93
2.3	Amortisation of Intangible Assets	68.38	46.61
2.1.2	Amortisation of ROU Assets	1.16	1.10
2.2	Impairment of CWIP	1.92	5.32
	Total	335.67	286.94
2.2.2	Transferred to IEDC	(-) 0.26	(-) 0.09
2.28	Shown under Exceptional item	-	-
2.33.8	Transferred to Discontinue Operation	-	-
	Depreciation, Amortisation and as per Statement of Profit and Loss	335.41	286.85

2.5 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)	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)	103,528.00	Forest Dept.	No	3/14/2002	This is Forest Land (MOEF Clearance Letter dated 14.03.2002)
	Infrastruture Land Lease of Dep-10 (FO) (352.87 Acre)	139,164,937.00	Forest Dept.	No	7/10/2019	This is Forest Land (MOEF Letter dated 10.07.2019)
	Land at Madadi Village	67,899.48		No	3/31/2006	Panchnama done by Railway, Revenue NMDC officials is available with the Project.
	Land Lease Hold (For Town Ship)	-		No	3/31/1986	Panchnama done by Railway, Revenue NMDC officials is available with the Project.
	Freehold Land	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					

Note: The Area of Land of 45.40 Acres Railway Land, 56.14 Revenue Land has been taken from Railway Authorities and Others. These land are not in Company's name.

5. During the year 2022-23 a review of residual and useful life of PPE was done and as per the review there is no change recommended. The Useful life of all the PPE is as per schedule II except for the following PPE whose life as given under is determined as per technical assessment.

Equipment	Capacity	Use life (in Years)
Dumper	85-100 T	10
	50-60 T	9
Water Sprinkler	28 KL	9
Rope Shovel	8-10 Cu m	20
Hydraulic Shovel	5-7.5 Cum	9
	>7.5 Cum	10
Blast Hole Drill	165mm Diesel	9
	165mm Electric	12
	250mm single pass	16
	250 mm multiple pass	10
Top Hammer Drill	<160mm	9
Front End Loader	< 300 HP to >600HP	10
Track Dozer	<500 HP to >500HP	10
Wheel Dozer	<500 HP	12
Grader	<200HP	12
Mobile Crane	<12 ton	9
	12 – 40 ton	12
	>40 ton	15
Boom Stacker	2000 – 3000 TPH	30
Reclaimer	2000-3000 TPH	30

Note : 2.4.1 Investments

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
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 Rs.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, Madagascar	7.20	7.20
Less: Investment deration	7.20	7.20
	-	-
iii) NIL (Previous Year 5,50,000) Equity shares of Rs.10/- each fully paid up in NMDC Power Ltd.	-	0.55
Less: Investment deration	-	0.55
	-	-
iv) 1,00,000 (Previous Year 1,00,000) equity shares of Rs.10/- each fully paid up in Karnataka Vijayanagar Steel Limited (KVSL)	0.10	0.10
v) NIL (previous year 1,60,000) equity shares of Rs.10/- each fully paid up in Jharkhand Kolhan Steel Limited (JKSL)	-	0.16
Less: Investment deration	-	0.16
	-	-
vi) 20,00,000 (previous year 20,00,000) equity shares of 10 each in NMDC CSR Foundation (NCF)	2.00	2.00
Investment in Joint Ventures :		
Unquoted at cost:		
i) 9,83,47,236 (Previous Year 9,83,47,236) Equity shares of Rs 10/- each fully paid up in NMDC CMDL Ltd.	98.35	98.35
ii) 6,000 (Previous year 6,000) equity shares of Rs.10/- each in Jharkhand National Mineral Development Corporation Ltd. (JNMDC)	0.01	0.01

Particulars	Figures as at the end of 31 st March 2023		Figures as at the end of 31 st March 2022	
iii) 15,26,74,600 (previous year 15,26,74,600) equity shares of Rs.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 (Rs. 324/- only)	-		-	
Less: Investment deration	-		-	
Investments in Associates :				
Unquoted at cost:				
i) 1,05,000 (previous year 1,05,000) Equity shares) of Rs 10/- each fully paid up in Romelt SAIL India Ltd., New Delhi	0.11		0.11	
Less: Investment deration	0.11		0.11	
		-		-
ii) 37,88,59,405 (Previous year 37,88,59,405) Equity shares of Rs.10/- each fully paid in International Coal Ventures (P) Ltd.		378.86		378.86
iii) 4,00,00,000 (P.Y 4,00,00,000) equity shares of Rs 10/- each in fully paid up in Krishnapatnam Railway Co. Ltd.		40.00		40.00
iv) Nil (previous year 7,47,99,878) equity shares of Rs.10/- each fully paid up in NINL, Bhubaneswar		-		100.60
v) 13,000 (previous year 13,000) equity shares of Rs.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 Rs. 1,000/- each fully paid up in Whole-sale Consumers Co-operative Stores, Kirandul Rs. 1,50,000/- (Previous year Rs.1,50,000/-)	0.02		0.02	
ii) 500 Shares (previous year 500 Shares) of Rs. 10/- each fully paid up in NMDC Employees Co-operative Society Ltd, Bacheli Rs.5,000/- (previous year Rs 5,000/-)	-		-	
iii) 25 Shares (previous year 25 Shares) of Rs.100/- each fully paid up in NMDC Employees Co-operative Society Ltd, Donimalai Rs.2,500/- (previous year Rs 2,500/-)	-	0.02	-	0.02
Total		886.72		987.32
1. Aggregate amount of Quoted Investments (Market value of quoted Investments)		214.70 476.01		214.70 622.09
2. Aggregate amount of Unquoted Investments		707.84		809.15
3. Aggregate amount of provision for diminution in value of investments:		35.82		36.53
4. Net amount of Un quoted Investments		672.02		772.62

Note: 2.4.2 : Loans

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Loans to employees and outsiders	62.62	40.77
Loan to Subsidiaries	642.44	642.22
TOTAL	705.06	682.99
I Considered Good, Secured	62.62	40.77
ii) Considered Good, Unsecured	642.44	642.22
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

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Deposit with Others	103.24	104.41
Inter-Corp Balance-NSL	2,542.93	485.34
TOTAL	2,646.17	589.75
i) Considered Good, Secured	-	-
ii) Considered Good, Unsecured	2,646.17	589.75
iii) Which have significant increase in Credit risk	-	-
iv) Credit Impaired	-	-

Note: 2.5 Deferred tax assets (Net)

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
A. Deferred tax assets :		
1. Provision for bad & doubtful debt and advances	486.28	744.82
2. Intangible Assets	(37.68)	(27.22)
3. Asset retirement obligation and spares	8.78	4.39
4. Investments	9.19	9.19
5. Others	31.50	31.50
Total Deferred Tax Assets	498.07	762.68
B. Deferred tax liabilities :		
1. Related to PPE	(198.81)	(191.69)
2. Right-of-use Assets	(1.76)	(2.05)
Total Deferred Tax Liabilities	(200.57)	(193.74)
Net Deferred Tax Assets	297.50	568.94

Note 2.6 : Other Non-Current Assets

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Capital Advances (*)	486.57	352.78
Mines Closure Fund with Life Insurance Corporation	1,122.03	965.10
Other Advances (**)	1,054.71	786.00
Total	2,663.31	2,103.88

"(*) Capital Advances includes an amount of Rs. 2.79 crore (P.Y Rs. 3.01 crore) towards doubling of railway lines between Jagdalpur and Ambagoan , also include payment of Rs 325.32 crore.(P.Y Rs.246.51 crore) towards Tokisud Coal Block and payment of Rs.74.18 crore (P.Y. Rs.73.16) crore towards Rohne Coal Block."

(**) Includes an amount of Rs. 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)

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Raw materials		
Iron Ore	0.90	1.42
Lime Stone	0.09	0.12
Bentolite	0.13	0.15
Total R M	1.12	1.69
Work-in-Process :		
Pellets	0.87	1.37
Sponge Iron	0.03	0.93
Total WIP	0.90	2.30
Finished Goods:		
Iron Ore	2,369.57	1,887.19
Sponge Iron	0.01	0.01
Pellets	28.60	12.98
Diamonds & Precious Stones	0.04	0.04
Total Finished Goods	2,398.22	1,900.22
Inventories are valued at cost or NRV whichever is lower.		
Total (A)	2,400.24	1,904.21

Note:2.7 Inventories

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Stores & Spares	257.84	218.11
Loose tools and Implements	2.50	2.89
Total (B)	260.34	221.00
G. Total (A+B)	2,660.58	2,125.21
1. Stores and Spares include:		
a) Stores-in-transit	7.30	4.61
b) Obsolete stores & spares valued at Re1 per unit of their original value of Rs.4.26 crore (previous year Rs.3.79 crore)	0.01	0.01

Notes: 2.8.1 Trade Receivables

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Considered Good, Secured	-	-
Considered Good, Unsecured,	2,656.02	2,954.30
Which have significant increase in Credit Risk	-	-
Credit impaired	1,905.13	2,932.14
Total(*)	4,561.15	5,886.44
Less: Provision for bad & doubtful trade receivables	15.05	84.45
Less: Provision for bad & doubtful (Monitoring Committee)	1,890.08	2,847.69
Total Provision	1,905.13	2,932.14
TOTAL	2,656.02	2,954.30

(*)

- i) Trade Receivables includes Rs 2,907.91 crore (Previous year Rs. 4,555.27 crore) dues from Monitoring Committee.
- ii) Based on the arrangements between Company and Customers, the bills of the Customers amounting to Rs.3,257.09 crore (Previous year – Rs. 1236.17 crore) have been discounted during the year. Accordingly, Trade receivables have been shown net of bills discounted.
- iii) Trade receivables includes:
 - a) For Rs.558.65 crore (P.Y Rs.681.43 crore) related to RINL which is not due as on 31st March 2023
 - b) For Rs. 2.24 crore (P.Y Rs. 987.23 crore) related to Monitoring Committee which is not due as on 31st March 2023
 - c) for Rs. 46.42 crore (P.Y 98.01 crore) related to sales to NMDC Steel Limited

Note: 2.8.1.1 Trade Receivables (Aging)

(INR 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	1,247.04	62.67	867.11	224.00	255.20	2,656.02
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					1,905.13	1,905.13
Total	1,247.04	62.67	867.11	224.00	2,160.33	4,561.15

Note: Due date is the Date on which the amount of sales proceeds is due for claiming from the customer/ Monitoring Committee

Notes: 2.8.2 Cash and Cash Equivalents

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Cash in hand	-	-
Balance with Banks		
on current Accounts	77.59	82.92
Total	77.59	82.92

Notes :2.8.3 Bank Balances Other than Note no. 2.8.2

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Balances with bank on 'Deposits accounts (Original maturity more than 3 months but less than 12 months) (*)	6,871.42	7,768.85
Balances with banks for Unpaid Dividend	3.55	3.84
Balance with banks TDS on Dividend	29.24	41.10
Bank deposits offered as security for Bank guarantees and letter of credit	66.24	42.69
Total	6,970.45	7,856.48

(*) Fixed Deposits of Rs. 502 crore (P.Y Rs. 1,114.80 crore) pledged for availing OD Facilities.

Note: 2.8.4 Other Financial Assets

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Related Parties		
Advances to Directors	-	0.06
Advances to Subsidiaries/ Jv's/ Associates	80.18	149.91
Less: Provision	24.49	23.21
	55.69	126.70
Employees and outsiders		
Advances to Employees and outsiders	54.64	64.34
Interest Accrued		
Accrued interest on deposits with banks	21.52	29.16
Accrued interest on Other	1.21	8.20
Other Receivables (*)	367.89	364.62
Total	500.95	593.08

"(*) Includes:

(i) Advance received by Monitoring Committee on behalf of NMDC Rs. Nil (P.Y Rs. 293.40 crore) against advance auction. ii) Additional 10% SPV paid to Monitoring Committee for Rs. 335.78 crore (P.Y Rs. Nil) as directed by DMG (Department of Mines and Geology) Karnataka."

Note: 2.9 Current Tax Asset (Net)

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Advance Income tax & TDS	9,379.67	8,803.32
Less : Provision	8,257.85	7,903.46
	1,121.82	899.86
Total	1,121.82	899.86

Note: 2.10 Other Current Assets

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Advances to Employee and outsiders	1,188.30	684.14
Less: Provision for bad and doubtful advances	2.34	4.03
	1,185.96	680.11
ITC Receivables	586.83	489.75
Total	1,772.79	1,169.86

Note: 2.11 Assets Held for Disposal

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Assets held for disposal	0.66	0.81
Total	0.66	0.81

Note: 2.12 Equity Share Capital

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
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 2,93,06,05,850 of Re.1/- each fully paid)	293.07	293.07
Add: issue of shares during the year		
2,93,06,05,850 Equity Shares of Rs.1/- each fully paid up (Previous year 2,93,06,05,850 of Rs.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 2023		31 st March 2022		% 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	60.79	1,781,633,571	-
ii) LIC of India (incl all schemes)	11.53	337,784,217	14.16	414,885,432	(18.58)

2.13 b) Other Equity

(INR in Crore)

Particulars	General Reserve	Retained earnings	CRR	OCI	Total
Balance as at 1st April 2021	10,617.90	1,897.69	103.40	(173.69)	12,445.30
Profit for the year		9,447.59			9,447.59
Extinguished of Investment in NSL	-	(0.05)	-		(0.05)
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	127.82	-	9.07	5,136.89
Balance as at 31st March 2022	15,617.90	2,025.51	103.40	(164.62)	17,582.19
Balance as at 1st April 2022	15,617.90	2,025.51	103.40	(164.62)	17,582.19
Profit for the year		5,528.63			5,528.63
Other Comprehensive Income net of tax				29.67	29.67
Demerger expenses pursuant to the scheme of arrangement		(2.27)			(2.27)
Interim dividend (2022-23)		(1,098.98)			(1,098.98)
Transfer to General Reserve	4,400.00	(4,400.00)			-
Total	4,400.00	27.38	-	29.67	4,457.05
Balance as at 31st March 2023	20,017.90	2,052.89	103.40	(134.95)	22,039.24

NON-CURRENT LIABILITIES

Note 2.14.1 Borrowings (Non Current)

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
	-	-
	-	-
Total	-	-

Note 2.14.2 Lease Liability

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Lease Liabilities	4.74	5.85
Total	4.74	5.85

Note 2.14.3 Other Financial Liabilities (Non- Current)

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Other Financial Liabilities	150.28	150.28
Total	150.28	150.28

Note 2.14.4 Provisions(Non- Current)

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Employee Benefits :		
Long Service Reward	34.50	45.37
Mine closure obligation	1,217.94	1,043.75
Provisions for de-commissioning liability (ARO Obligation)	3.12	2.88
Total	1,255.56	1,092.00

Note: 2.15.1 Borrowings

(INR Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Loan against FD/ Working Capital Loan (*)	415.98	1,788.05
Interest on Working Capital Loan	-	4.45
Total	415.98	1,792.50

(*) Over Drafts availed by pledging Fixed Deposits is Rs. 502 crore (PYRs. 1,114.80 crore)

Note: 2.15.2 Lease Liability

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Lease Liabilities	1.47	1.45
Total	1.47	1.45

Note: 2.15.3 Trade Payables

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Total outstanding dues of micro and small enterprises	25.23	26.59
Other than micro and small enterprises	400.53	637.86
Total	425.76	664.45

Disclosure Relating to Micro and Small Enterprises	31 st March 2023	31 st March 2022
(i) (a) The principal amount remaining unpaid to the supplier as at the end of the year	25.23	26.59
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)

(INR in Crore)

Particulars	Outstanding for following periods from due date of payments					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME	8.44	15.48	0.15	1.16	-	25.23
ii) Others	23.28	225.28	52.67	79.93	19.37	400.53
iii) Disputed Dues: MSME	-	-	-	-	-	-
iv) Disputed Dues: Others	-	-	-	-	-	-
Total	31.72	240.76	52.82	81.09	19.37	425.76

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

(INR in Crore)

Name of the Struck Off Company	Nature of transaction	Transaction During the Year 2022-23	Balance Outstanding As at 31-Mar-2023	Relationship with the Struck off companies
Hunting Hawks	Payable	-	-	Vendor
Noice Elevators and Engineering Works	Payable	-	0.00	Vendor
Pioneer Tech Engineering Services	Paid/Payable	0.00	0.01	Vendor
Pratah India	Paid/ Payable	0.01	0.00	Vendor
Leela Palace- New Delhi Pvt Ltd	Paid	0.21	-	Vendor
Aerilyn Helthcare Pvt.Ltd	Paid	0.09	-	Vendor
Beech Impex Private Limited	Paid	0.06	-	Vendor
Indus Hospitals Ltd	Paid	0.54	-	Vendor
Network Security Pvt Ltd	Paid	0.04	-	Vendor
Super Transport Pvt Ltd	Paid	0.04	-	Vendor
Total		1.01	0.01	

(*) Figurses "0" indiactes values are in thousands.

Note: 2.15.4 Other Financial Liabilities

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Unpaid Dividend	3.55	3.84
Deposits from Suppliers, Contractors and Others	376.89	173.82
Capital Creditors	71.78	8.70
Other financial Liabilities (*)	444.31	335.06
Total	896.53	521.42

(*) NMDC has purchased a total quantity of 3036.19 wmt of coal from NMDC Steel Limited during the current year 2022-23 for Rs. 8.34 crore for using in the Pellet Plants.

Note : 2.16 Other Current Liabilities

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Contract Liabilities (*)	860.09	1,068.65
Other Payables	57.98	46.49
(like withholding and other taxes payable, amounts payable to employees and others)		
Statutory Dues	1,417.77	1,519.91
Total	2,335.84	2,635.05

(*) Advance deposited by customers with Monitoring Committee (on behalf of NMDC) Rs. Nil crore (P. Y Rs. 293.40 crore) against advance auction.

Note: 2.17 Provisions

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Employee Benefits :		
i) Long Service Reward	2.35	2.35
ii) Provision for gratuity, leave salary, family benefit scheme and post employment medical benefits	21.76	12.04
Provision: for unspent CSR	99.12	-
Total	123.23	14.39

Note: 2.18 Revenue from Operations

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Sale of Products :		
a) Iron Ore		
i) Export through MMTC	-	9.19
ii) Domestic		
Basic price	13,827.94	20,982.87
Royalty	2,625.53	3,605.94
Development Cess	60.04	65.26
Forest Permit Fee	121.54	43.51
District Mineral Fund (DMF)	761.57	865.27
National Mineral Exploration Trust (NMET)	50.77	57.68
Total Domestic Sales	17,447.39	25,620.53
Total Iron Ore Sales	17,447.39	25,629.72
b) Sponge Iron	-	-
c) Diamonds	-	62.93
d) Sale of Power	6.08	4.99
e) Sale of Services	42.13	45.04
f) Sale of Pellets	165.50	222.11
g) Other operating revenue	5.78	-
Total	17,666.88	25,964.79

Note: 2.19 Other Income

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
a) Interest Income:		
i) Deposits with Banks	415.40	289.03
ii) Others	128.23	139.79
	543.63	428.82
b) Gain in Exchange	1.49	0.96
c) Profit on sale/adjustment of assets	1.30	0.12
d) Profit on sale of Current investments(MF)	4.90	16.74
e) Other non operating income	196.53	271.69
Total	747.85	718.33

Note: 2.20 Consumption of Raw Materials

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Iron ore	68.49	105.07
Lime Stone	1.08	0.86
Internal handling of raw materials	1.02	1.02
Total	70.59	106.95

Note: 2.21 Changes in Inventories of Finished Goods and Work in Progress

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Work-in-process:		
Balance as at the beginning of the Year	2.30	4.22
Less: Balance as at close of the Year	0.90	2.30
	1.40	1.92
Finished Goods:		
Balance as at the beginning of the Year	1,887.25	711.67
Less: Balance as at close of the Year	2,369.63	1,887.25
Less- Balance in Capital Inventory	-	
	(482.38)	(1,175.58)
Finished Goods: (Pellets)		
Balance as at the beginning of the Year	12.98	27.25
Less: Balance as at close of the Year	28.60	12.98
	(15.62)	14.27
Total	(496.60)	(1,159.39)

Note: 2.22 Employee Benefit Expense

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Salaries, Wages & Bonus	1,063.72	905.98
Contribution to Provident fund and other funds		
Provident Fund, FPS & DLI	55.70	49.04
Pension Fund	47.75	42.89
Group Gratuity Fund	9.18	5.45
Staff Welfare Expenses	350.15	330.32
Total	1,526.50	1,333.68

Note: 2.23 Power, Electricity and Water Charges

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Power charges	117.67	100.73
Electricity charges	22.66	18.09
Water charges	3.74	3.69
Total	144.07	122.51

Note: 2.24 Repairs & Maintenance

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Buildings	53.64	32.30
Plant and Machinery	63.82	61.89
Vehicles	0.93	3.86
Others	91.54	94.11
Total	209.93	192.16

Note: 2.25 Selling Expense

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Railway freight	4.65	-
Export duty	-	0.96
Infrastructure Development cess	30.14	32.75
Environmental Development cess	30.14	32.75
Other selling expenses	198.07	161.28
Total	263.00	227.74

Note: 2.26 Finance Cost

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
i) Interest on Short term Borrowings (*)	68.30	32.26
ii) Interest - Others	6.69	6.62
iii) Interest on deposit from contractors, suppliers & others	0.24	0.18
Total	75.23	39.06

“(*)The Short term Borrowings is for meeting working capital requirement.”

Note: 2.27 Other Expenses

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Rent	1.88	2.06
Insurance	11.70	7.84
Rates & Taxes	6.17	7.07
Directors' Travelling expenses	0.99	0.39
Directors' Sitting Fees	0.21	0.08
Payment to Auditors:		
As audit Fee	0.55	0.55
For taxation matters	-	0.04
For Other Services	0.36	0.42
For reimbursement of expenses	0.06	0.01
	0.97	1.02
Loss on sale/adjustment of Assets	1.21	1.99
Miscellaneous losses written off	3.69	1.04
Provision for doubtful debts/advances	13.02	559.70
Mine closure Obligation	174.15	146.11
Raising and Transportation	130.81	130.80
Local Area Development (Towards SPV in Karnataka)	395.44	481.13
Entertainment expenses	3.84	2.90
Travelling & Conveyance	67.40	37.61
Advertisement & Publicity	27.41	21.83
Postage, Telephone & Telex	3.35	3.87
Stationery & Printing	2.20	2.25
Consultancy charges	10.88	10.88
CISF/Security guards	220.69	216.95
Safety expenses	0.60	0.23
Corporate Social Responsibility (*)	186.70	287.33
Loss in Exchange variation (net)	0.15	0.04
Environmental Development	47.32	21.46
Other expenses	140.13	57.11
Expenditure on enabling facilities for the company	154.06	125.22
Total	1,604.97	2,126.91
(*) CSR Expenditure During the Year	186.70	287.33
CSR Expenditure as per Statutory obligation (including Unspent Prov. Of Rs. 99.12crore)	186.70	148.15
CSR Expenditure made Voluntarily	0.00	139.18

Note: 2.28 Exceptional Items

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Exceptional Income		
(i) Amount Received from Monitoring Company - towards 10% of the amount With held (*)	957.60	
ii) Amount Received against disinvestment of NINL (**)	279.67	
Total	1,237.27	-
"(*) Amount Received from Monitoring Company - towards 10% of the amount With held for the period 1 st Jan 2019 to 31 st March, 2022 for Amount of Rs. 957.60 crore, as per note no. 2.34.5. (**) Amount received against Strategic Disinvestment of NINL."		

Note: 2.29 Tax Expenses (Reconciliation of Effective Tax Rate & Statutory Tax Rule on 31st March, 2022)

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
CURRENT TAX		
Current Tax on profit for the year	1,674.40	3,447.23
Adj. of current tax for prior period	172.13	260.53
Total current tax expenses	1,846.53	3,707.76
DEFERRED TAX		
Decrease/(increase) in deferred tax assets	247.90	(146.12)
Decrease/(increase) in deferred tax liabilities	23.53	16.29
Total differed tax expenses/(benefit)	271.43	(129.83)
Total Expenditure	2,117.96	3,577.93

(INR in Crore)

Particulars	Amount Rs. In crore	Tax - Rs. In crore	Tax %
Accounting profit before tax from continuing operations	7,637.52		
Long Term Capital Gain (NINL Disinvestment)	129.34		
Profit/(loss) before tax from discontinued operations	(0.91)		
Accounting profit before income tax	7,765.95		
Tax at Income tax rate(INR in crore)/Income tax rate(%)		1954.53	25.168
Tax effect of amount not deductible in calculating taxable income			
CSR exp.	186.70	46.99	0.605
Prov. For bad & doubtful exp.	13.02	3.28	0.042
Change in Depreciation	(9.85)	(2.48)	(0.032)
OCI due to Actuarial Gain/Loss	39.65	9.98	0.129
Reduction in Doubtful Debt & Advances	(1,027.00)	(258.48)	(3.328)
Other items	(303.80)	(76.46)	(0.985)
Taxable income	6,664.67		
Current Tax on Profit for the year at 25.17%	1,677.36	1,677.36	21.598
Tax adjustment due to change in Tax Rate (from 25.17% to 22.88%) on LTCG of Rs 129.34 crore	(2.96)	(2.96)	
Current Tax on Profit for the year	1,674.40	1,674.40	

NOTE 2.30 Additional Information

(INR in Crore)

	Figures as at the end of 31 st March 2023		Figures as at the end of 31 st March 2022	
2.30.1. Value of imports calculated on CIF basis:				
i. Components & Spare parts		5.48		1.65
ii. Capital Goods		11.77		46.08
2.30.2. Expenditure in foreign currency:				
i. Consultancy charges		-		-
ii. Others		3.44		0.08
2.30.3. Particulars of consumption of raw material				
Raw material	Value	Percentage	Value	Percentage
a) Imported	-	-	-	-
b) Indigenous	70.59	100.00	106.95	100.00
	70.59	100.00	106.95	100.00
2.30.4. Particulars of consumption of Stores & spares:				
Components & spare parts (including consumable stores)	Value	Percentage	Value	Percentage
a) Imported	1.69	0.30	2.07	0.52
b) Indigenous	554.65	99.70	394.46	99.48
	556.34	100.00	396.53	100.00
2.30.5. Foreign Exchange earnings :	-	-	-	-

2.31. Contingent liabilities and Commitments (to the extent not provided for)**A. Contingent liabilities**

(INR in Crore)

Sl. No.	Particulars	As at 31-03-2022	Transfer to NSL	Additions	Deletions	As at 31-03-2023
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.,	2,391.37	-	229.16	257.31	2,363.22
b	Claims by contractors under arbitration	1,225.30	976.82	14.48	141.03	121.93
	i. On capital account	6.27	-		5.24	1.03
	ii. On revenue account					
c	Other claims on company not acknowledged as debts	247.47	1.92	126.36	205.63	166.28
d	Total	3,870.41	978.74	370.01	609.21	2,652.46
		31-Mar-2023			31-Mar-2022	
1.2	Contingent liability on bills discounted/ LCs/BG's	3,046.71			2,640.73	

2.31.1: 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 Rs.487.37 Crore(from August 2008 to Sep-2011), the Company has deposited an amount of Rs 121.84 Crore (25%) in cash which has been shown as amount recoverable and submitted a bank guarantee for similar amount. An amount of Rs. 365.53 Crore (balance 50% amount of Rs. 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 Rs. 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 Rs.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)

Sl. No.	Particulars	As at 31-03-2023	As at 31-03-2022
1.1	Estimated Amount of contracts remaining to be executed on Capital account	3,252.42	3,610.56
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 2023

ii) Other defined benefit plans :

(INR 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 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
31st March 2023						
Present value of obligation at the beginning of the year	359.37	253.32	18.91	559.43	51.41	47.71
Interest cost	26.30	18.55	-	38.93	-	3.32
Current service cost	9.65	31.71	-	31.08	-	2.10
Past service cost	-	-	-	-	-	-
Benefits paid/payable	(33.40)	(14.41)	(0.60)	(49.62)	(10.40)	(0.35)
Actuarial gain/loss on obligation	(6.69)	(14.74)	(1.18)	(30.66)	12.47	(15.95)
Present value of obligation at the end of the period	355.23	274.43	17.13	549.16	53.48	36.83
B.Changes in the fair value of the Plan Assets as on						
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)	(0.48)	(57.80)	(10.40)	-
Actuarial gain/loss on plan assets	-	-	-	-	(13.33)	-
Fair value of plan assets at the end of the period	353.02	257.98	47.00	591.22	39.37	-
31st March 2023						
Fair value of plan assets at the beginning of the year	353.02	257.98	47.00	591.22	39.37	-
Expected return on plan assets	25.35	19.80	3.48	40.23	1.81	-
Contributions	7.15	0.01	-	-	12.04	-
Benefits paid/payable	(33.40)	(14.41)	(0.60)	(49.62)	(10.40)	-
Actuarial gain/loss on plan assets	-	-	-	-	-	-
Fair value of plan assets at the end of the period	352.12	263.37	49.88	581.83	42.82	-

Particulars	Gratuity	Accrued Leave Salary	Settlement Allowance	Post retirement medical facilities	Family Benefit Scheme	Long Service Award
C. Amounts recognised in the Balance sheet as on						
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
31st March 2023						
Present value of the obligations at the end of the year	355.23	274.43	17.13	549.16	53.48	36.83
Fair value of plan assets at the end of the year	352.12	263.37	49.88	581.83	42.82	-
Liability(+)/Asset (-) recognised in the balance sheet	3.11	11.06	(32.75)	(32.67)	10.66	36.83
D. Amounts recognised in the Statement of P&L for the period ended						
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)	45.04	(0.45)
Total	4.52	(4.65)	(2.94)	(31.79)	25.37	1.50
31st March 2023						
Current service cost	9.65	31.71	-	31.08	-	2.10
Past service cost	-	-	-	-	-	-
Interest cost	26.30	18.55	-	38.93	-	3.32
Expected return on plan assets	(25.35)	(19.80)	(3.48)	(40.23)	(1.81)	-
Net actuarial gain/loss recognised in the year (OCI)	(6.69)	(14.74)	(1.18)	(30.66)	12.47	(15.95)
Total	3.91	15.72	(4.66)	(0.88)	10.66	(10.53)

E. PRINCIPAL ACTUARIAL ASSUMPTIONS :

DESCRIPTION	2022-2023	2021-2022	2020-2021
i. Discount Rate	7.50%	7.32%	6.80%
ii. Mortality Rate	IALM (2012-14) Ult. Mortality Table	IALM (2012-14) Till age 60 and IIAMT (2012-15) Thereafter	IALM (2012-14)
iii. Medical Cost Trend rates	5%	5%	5%
iv. Withdrawal rate	1%	1%	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 Rs.10 lakhs to Rs.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

(INR in Crore)

	1% Increase	1% Decrease	1% Increase	1% Decrease
	31/3/2023	31/3/2023	31/3/2022	31/3/2022
A Effect of 1% Change in the Assumed Discount Rate	316.81	372.60	331.88	391.31
1. Effect on DBO	(7.50)	8.00	(7.60)	8.90
A Effect of 1% Change in the Assumed Salary Rate	355.58	327.97	371.38	346.06
2. Effect on DBO	3.80	(4.30)	3.10	(3.70)
A Effect of 1% Change in the Assumed Attrition Rate	348.62	335.85	366.70	351.07
3. Effect on DBO	1.70	(2.00)	2.00	(2.30)

b) Accrued Leave Salary

(INR in Crore)

	1% Increase	1% Decrease	1% Increase	1% Decrease
	31/3/2023	31/3/2023	31/3/2022	31/3/2022
A Effect of 1% Change in the Assumed Discount Rate	247.96	270.48	228.39	248.98
1. Effect on DBO	(4.10)	4.60	(4.20)	4.50
A Effect of 1% Change in the Assumed Salary Rate	270.56	247.68	249.05	228.14
2. Effect on DBO	4.60	(4.30)	4.60	(4.20)
A Effect of 1% Change in the Assumed Attrition Rate	258.63	258.74	238.09	238.31
3. Effect on DBO	-	-	-	-

c) Post Retirement Medical Facilities

(INR in Crore)

	+100 Basic Points	-100 Basic Points	+100 Basic Points	-100 Basic Points
	31/3/2023	31/3/2023	31/3/2022	31/3/2022
A Effect of 1% Change in the Assumed Discount Rate	450.88	683.20	505.02	624.89
1. Effect on DBO	(17.90)	24.41	(9.72)	11.70
A Effect of 1% Change in the Assumed Salary Rate	686.49	447.06	612.27	511.89
2. Effect on DBO	25.01	(18.59)	9.45	(8.50)

(G) Defined benefit liability

The weighted average duration of the defined benefit obligation is 6.99 years for Leave encasement benefit, 9.47 years for gratuity scheme as on 31 March 2023 .The expected maturity analysis of gratuity and compensated absences is as under :

(INR in Crore)

	Less than a year	Between 2 - 5 years	between 5 -10 years	Over 10 years	Total
31 st March, 2023					
Gratuity scheme	37.75	135.56	144.43	37.49	355.23
Accrued leave salary	50.08	144.95	79.40	-	274.43
Post retirement medical benefits	15.67	71.59	116.85	345.05	549.16
Total	103.50	352.10	340.68	382.54	1,178.82

The weighted average duration of the defined benefit obligation is 6.90 years for Leave encasement benefit, 9.40 years for gratuity scheme as on 31st March, 2023. The expected maturity analysis of gratuity and compensated absences is as under :

(INR in Crore)

	Less than a year	Between 2 - 5 years	between 5 -10 years	Over 10 years	Total
31 st 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	180.97	559.43
Total	113.71	293.56	507.08	257.77	1,172.12

(H) Risk exposure:

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

I Investment risk:

Most of the plan asset investments are in government securities, other fixed income securities with high rating grades and mutual funds/ETFs (Exchange Traded Funds). The fair value of these assets is subject to volatility due to change in interest rates and other market & macro-economic factors. There is also a risk of asset liability matching i.e. the cash flow for plan assets does not match with cash flow for plan liabilities.

ii) Changes in discount rate:

The present value of defined benefit plan liabilities is calculated using a discount rate which is determined by reference to government bonds' yields at the end of the reporting period. A decrease (increase) in discount rate will increase (decrease) present values of plan liabilities, although this will be partially offset by an increase in the value of the plans' investments.

iii) Mortality rate risk:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

iv) Salary escalation risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

v) Turnover rate/Withdrawal rate of employee:

If the actual employee withdrawal rate in the future turns out to be more or less than expected then it may result in increase/decrease in the liability.

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 in 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	17,459.83	25,629.72	205.39	333.94	1.66	1.13	17,666.88	25,964.79
Inter-Segment Sales	-	-	-	-	-	-	-	-
Total Revenue	17,459.83	25,629.72	205.39	333.94	1.66	1.13	17,666.88	25,964.79
2. RESULT								
Segment Result	7,581.99	13,287.25	(152.84)	(70.20)	150.17	(273.14)	7,579.32	12,943.91
Unallocated Corporate Exps							(411.11)	(311.22)
Operating Profit							7,168.21	12,632.69
Finance Cost							(75.23)	(39.06)
Interest Income							543.63	428.82
Income Taxes							(2,107.98)	(3,574.86)
Net Profit							5,528.63	9,447.59
3. OTHER INFORMATION								
Segment Assets	12,884.50	10,846.69	476.64	493.54	14,283.06	12,843.48	27,644.20	24,183.71
Segment Liabilities	3,518.06	3,601.37	39.83	48.00	2,051.50	3,228.02	5,609.39	6,877.39
Additions to assets during the year :								
Tangible Assets	269.28	320.04	0.55	3.48	13.25	794.68	283.08	1,118.20
Intangible Assets	246.38	0.70	-	-	6.43	48.66	252.81	49.36
ROU Assets	-	0.00	-	-	0.00	2.63	-	2.63
Depreciation, Amortisation and Impairment expenses during the year	258.42	214.59	33.10	51.74	43.89	20.52	335.41	286.85
Impairment reversal/ provided	-	-	-	-	-	-	-	-
Non-Cash expenses other than	10.49	554.12	0.28	0.02	5.94	6.60	16.71	560.74
Depreciation & amortization								

Geographical Segments**Sales Revenue by location of Customers:**

(INR in Crore)

	Curr. Year	Prev. Year
Revenue from External customers		
- Domestic	17,666.88	25,955.60
- Export : Through MMTC	-	9.19
Total	17,666.88	25,964.79

Assets by Geographical Location:

(INR in Crore)

	Carrying amount of Segment Assets		Additions to Tangible and Intangible Assets	
	Curr. Year	Prev. Year	Curr. Year	Prev. Year
Chhattisgarh	9,809.10	7,980.55	259.62	972.56
Telangana & Andhra Pradesh	14,289.03	12,358.80	6.67	100.70
Others	3,546.07	3,844.36	269.60	94.30
Total	27,644.20	24,183.71	535.89	1,167.56

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 (INR in Crore)

Segment	Year ended 31 st March 2023	Year ended 31 st March 2022
Type of goods or service		
Sale of goods		
-Iron ore	17,447.39	25,629.72
-Sponge iron	-	-
-Diamonds	-	62.93
-Sale of pellets	165.50	222.11
-Sale of power	6.08	4.99
Sale of services		
-Sale of services	42.13	45.04
Others		
Other operating revenue	5.78	-
Total revenue from contracts with customers	17,666.88	25,964.79
India	17,666.88	25,955.60
Outside India	-	9.19
Total revenue from contracts with customers	17,666.88	25,964.79
Timing of revenue recognition		
Goods transferred at a point in time	17,618.67	25,914.76
Services transferred over time	48.21	50.03
Total revenue from contracts with customers	17,666.88	25,964.79

Set out below, is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment reporting

(INR in Crore)

	31 st March 2023		31 st March 2022	
	Sale of goods		Sale of services	
Revenue				
External customer	17,624.75	42.13	25,919.75	45.04
Inter-segment	-	-	-	-
Inter-segment adjustment and elimination	-	-	-	-
Total revenue from contracts with customers	17,624.75	42.13	25,919.75	45.04

b) Contract balances

(INR in Crore)

	31 st March 2023		31 st March 2022	
Trade receivables (Net)	2,656.02	2,954.30		
Contract assets	-	-		
Contract liabilities	860.09	1,068.65		

Trade receivables are non-interest bearing . As on March 2023, Rs 1,905.13 crore (March 2022: Rs 2,932.14 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.

2.32.4: 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.b) :**

In order to bring more clarity, the heading "Treatment of Enabling Assets" is modified as "Treatment of expenditure incurred on assets not owned by the Company". The change has no impact on the financials of the company.

2.32.5 :Related Party Disclosures (IndAS-24):-**i List of related parties**

			Holding as at	
A. Subsidiaries	Country of incorporation	No. of Shares Hold	31-03-2023	31-03-2022
Legacy Iron Ore Limited	Australia	576,72,53,980	90.02%	90.02%
J & K Mineral Development Corporation Limited	India	28,51,002	95.86%	95.86%
NMDC Power Limited (*) (PY 5,50,000)	India	NIL	NIL	100%
Karnataka Vijaynagar Steel Limited	India	1,00,000	100%	100%
NMDC Steel Limited (PY 1,10,000 shares)(**)	India	NIL	NIL	NIL
Jharkhand Kolhan Steel Limited (***) (PY 1,80,000)	India	NIL	NIL	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%

A. Subsidiaries	Country of incorporation	No. of Shares Hold	31-03-2023	31-03-2022
Jharkhand National Mineral Development Corporation Ltd.	India	6,000	60%	60%
NMDC-CMDC Ltd., Raipur	India	9,83,47,236	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	37,88,59,405	25.94%	25.94%
Krishnapatnam Railway Company Ltd.	India	4,00,00,000	6.40%	6.40%
Neelachallspat Nigam Ltd (PY 7,47,99,878 shares) (****)	India	NIL	NIL	10.10%
Chhattisgarh Mega Steel Ltd.	India	13,000	26%	26%

(*) Company has been Dissolved by the ROC.

(**) As per the approved scheme of demerger of NISP between NMDC & NSL, the total of investment of NMDC in NSL Rs.11.00 lakhs (1,10,000/- shares @Rs.10/-) has been extinguished

(***) Company has been Dissolved by the ROC.

(****) As a part of strategic disinvest of NINL, total shares held by NMDC are transferred to the Tata Steel Long Products and the investment proceeds are received back by NMDC.

D: Key Management Personnel: (Directors) as on 31/03/2023

Directors :

1. Shri. Amitava Mukherjee CMD (Additional Charge) (wef: 01.03.2023),
Director(Finance)
2. Shri.Dilip Kumar Mohanty Director (Production)
3. Shri.Vishwanath Suresh Director (Commercial) (wef :01.02.2023)
4. Shri Vinay Kumar Director (Technical) (wef 19.05.2023)
5. Shri. Sumit Deb CMD (up to 28.02.2023)
6. ShriSomnath Nandi Director (Technical) (up to 31.12.2022)

Company Secretary : Shri A. S PardhaSaradhi

ii. Related Party Transactions:**INVESTMENTS IN SUBSIDIARIES:**

(INR in Crore)

Particulars	OB 01.04.2022	Additions	Deletions	CB 31.03.2023
a) Investment:				
Legacy Iron Ore Limited	214.70	-	-	214.70
J&K Mineral Development Corporation	28.51	-	-	28.51
NMDC Power Limited (*)	0.55	-	0.55	0.00
Karnataka Vijaynagar Steel Limited	0.10	-	-	0.10
NMDC Steel Limited (**)	0.11	-	0.11	0.00
Jharkhand Kolhan Steel Limited (***)	0.16	-	0.16	0.00
NMDC-SARL Madagascar (under closure)	7.20	-	-	7.20
NMDC-CSR Foundation	2.00	-	-	2.00
Sub total	253.33	-	0.82	252.51
b) Investment De-ration				
- J&KMDC	28.51	-	-	28.51
- NMDC- SARL	7.20	-	-	7.20
- NPL	0.55		0.55	0.00
- JKSL	0.16	-	0.16	0.00
Sub Total	36.42	-	0.71	35.71
Total (Net)	216.91	-	0.11	216.80

LOANS AND ADVANCES TO SUBSIDIARIES:

(INR in Crore)

Particulars	OB 01.04.2022	Additions	Deletions	CB 31.03.2023
a) Loans & Advances:				
- Legacy Iron Ore Limited	-	-	-	-
- J&K Mineral Development Corporation	23.10	1.29	-	24.39
- NMDC Power Limited (*)	-	-	-	-
- Karnataka Vijaynagar Steel Limited	642.22	0.22	-	642.44
- NMDC CSR				-
- Jharkhand Kolhan Steel Limited (***)	-	-	-	-
- NMDC-SARL Madagascar (under closure)	-	-	-	-
Sub total	665.32	1.51		666.83
b) Loans & Advances Deration				
Advances Deration- J&KMDC	23.10	1.29	-	24.39
Sub total	23.10	1.29	-	24.39
Total (Net)	642.22	0.22	-	642.44

INVESTMENTS IN JOINT VENTURE COMPANIES (including advance against equity)

(INR in Crore)

Particulars	OB 01.04.2022	Additions	Deletions	CB 31.03.2023
a) Investment:				
Kopano-NMDC Minerals (Proprietary) Limited (Rs 324/-)				
Jharkhand National Mineral Development Corporation Ltd	0.01	-	-	0.01
NMDC-CMDC Ltd, Raipur	98.35	-	-	98.35
Bastar Railway Pvt Ltd	152.67	-	-	152.67
Sub total	251.03	-		251.03
b) Investment Deration				
Sub total	-	-	-	-
Total (Net)	251.03	-	-	251.03

LOANS AND ADVANCES TO JOINT VENTURES:

(INR in Crore)

Particulars	OB 01.04.2022	Additions	Deletions	CB 31.03.2023
a) Loans & Advances:				
Kopano-NMDC Minerals (Proprietary) Limited (Rs 324/-)	0.10	-	-	0.10
Jharkhand National Mineral Development Corporation Ltd	0.08	0.01	-	0.09
NMDC-CMDC Ltd, Raipur	46.10	9.51	-	55.61
Bastar Railway Pvt Ltd	-	-	-	-
Sub total	46.28	9.52	-	55.80
b) Loans & Advances Deration:				
Advances Deration- Kopano NMDC	0.10	-	-	0.10
Sub total	0.10	-	-	0.10
Total (Net)	46.18	9.52	-	55.70

INVESTMENT IN ASSOCIATE COMPANIES:(including advance against equity):

(INR in Crore)

Particulars	OB 01.04.2022	Additions	Deletions	CB 31.03.2023
a) Investment:				
Romelt-SAIL (India) Limited (under closure)	0.11	-	-	0.11
International Coal Ventures (Pvt) Ltd	378.86	-	-	378.86
Krishnapatnam Railway Company Ltd	40.00	-	-	40.00
Chhattisgarh Mega Steel Ltd	0.01	-	-	0.01
Neelachallspat Nigam Ltd (****)	100.60	-	100.60	0.00
Sub total	519.58	-	100.60	418.98
b) Investment Deration:				
Investment Deration- Romelt-SAIL Ltd	0.11	-	-	0.11
Sub total	0.11	-	-	0.11
Total (Net)	519.47	-	100.60	418.87

LOANS AND ADVANCES TO ASSOCIATE COMPANIES:

(INR in Crore)

Particulars	OB 01.04.2022	Additions	Deletions	CB 31.03.2023
a) Loans & Advances				
Neelachallspat Nigam Ltd	80.52	-	80.52	-
Sub total	80.52	-	80.52	-
b) Loans & Advances Deration				
Neelachallspat Nigam Ltd	-	-	-	-
Sub Total	-	-	-	-
Total (Net)	80.52	-	80.52	-

Aggregate amount of quoted investment is Rs.214.70 crore (PY Rs.214.70 crore). Aggregate amount of unquoted investments Gross Rs. 707.84crore (PY Rs.809.26crore) and net Rs 672.02 crores (PYRs.772.73 crore).

(*) Company has been Dissolved by ROC.

(**) As per the approved scheme of demerger of NISP between NMDC & NSL, the total of investment of NMDC in NSL Rs.11.00 lakhs (1,10,000/- shares @Rs.10/-) has been extinguished

(***) Company has been Dissolved by ROC

(****) As a part of strategic disinvest of NINL, total shares held by NMDC are transferred to the Tata Steel Long Products and the investment proceeds are received back by NMDC.

iii) Transaction with Entities under Common Control:

(INR in Crore)

Particulars	OB 01.04.2022	Additions	Deletions	CB 31.03.2023
a) Loans & Advances				
NSL (NMDC Steel Limited)	485.34	2,057.59	-	2,542.93
Sub total	485.34	2,057.59	-	2,542.93
b) Inter Company Sales				
NSL (NMDC Steel Limited)	98.01	46.42	.	144.43
Less:				
C) Inter Company Purchases				
NSL (NMDC Steel Limited)	0	8.34	-	8.34
Sub Total	98.01	38.08	-	136.09
Total (Net)	583.35	2,095.67	-	2,679.02

(INR in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Key Management Personnel:		
Key Managerial Personnel Remuneration	4.04	4.12

2.32.6 Earnings per share (IND AS-33)-: The details are as under:

(INR in Crore)

Particulars	Year ended	
	31-MAR-2023	31-MAR-2022
1. Profit after Tax (INR in Crore)	5,528.63	9,447.59
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)	18.86	32.24

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:

(INR in Crore)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Silica Sand Project, Lalapur		
Carrying value of Assets	0.29	0.29
Carrying value of liabilities	0.90	0.90
Screening Plant -Vizag		
Carrying value of Assets	0.72	0.86
Carrying value of liabilities	0.17	0.29

The following statement shows the revenue and expenses of discontinued operations:

(INR in Crore)

Particulars	For the year ended 31-Mar-2023	For the year ended 31-Mar-2022
A. Revenue		
Revenue from operations		
Other income	-	-
Total Revenue	-	-
B. Expenses		
Power, Electricity and Water	0.32	0.23
Repairs and Maintenance	-	-
Depreciation & Amortisation	-	-
Other expenses	0.59	0.68
Total Expenses	0.91	0.91
C.Profit(+)/Loss(-) from discontinued operations before tax (A-B)	(0.91)	(0.91)

2.32.9 Intangible Assets (IndAS-38) : R&D

The Research & Development expenditure, charged to Statement of Profit & Loss during the year is Rs.29.43crore (previous year Rs.27.16 crore). It includes R&D net expenditure of Rs.28.64 crores (PY Rs.25.74 crores) and expenditure of Rs.0.79 crores (PY Rs 1.42 crores) on feasibility studies.

The amount of revenue expenditure incurred at Research & Development unit, Hyderabad is as under:

(INR in Crore)

Head of account	2022-23	2021-22
Consumption of Stores and Spares	0.15	0.16
Power, Electricity & Water	0.76	0.82
Employee benefit expense	17.41	17.40
Repairs and Maintenance	2.22	2.01
Other expenditure	8.98	3.92
Depreciation & Amortisation	3.08	2.77
Total expenditure	32.60	27.08
Less : Other income	3.96	1.34
Total net R&D expenditure	28.64	25.74

During the year, at R&D unit, the additions to tangible assets (except land and buildings) are Rs.0.85 crore. (Previous year Rs.3.97 crore).

2.32.10 Joint Ventures (IndAS-28) Jointly Controlled entities:

SI No.	Name of the Joint Venture	Country of Incorporation	Proportion of ownership 2022-23	Proportion of ownership 2021-22
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 Rs. 1.92 crore (PY Rs.16.56 crore):

(INR in Crore)

Unit	Year of impairment	Impaired Amount as on 01-04-2022	Adjustments during 2022-23			Impaired Amount as on 31-03-2023
			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
DMP, Panna	2022-2023				1.92	1.92
Windmill- Donimali	2021-2022	2.81	2.81	-		-
Total		47.95	2.81	-	1.92	47.06

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. As per the MMDR Amendment Act, 2015, Supplementary Mining Lease of Panna was extended for a period of 50 years from the initial grant i.e. upto 30.06.2020. Consequently, Forest Clearance was extended upto lease validity as per MoEF&CC Circular dated 01.04.2015. After extension of supplementary mining lease by Government of Madhya Pradesh upto 30.06.2040, the Forest Clearance has also been extended upto 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.
During the year 2022-23, though the company has secured the permission on 30.11.2022 for continuation of operation from Hon'ble Supreme Court of India for 20 years, Company requires Environment Clearance from MOEF & CC for resumption of operations for which company filed applications in September 2018 and expected from MOEF & CC by September 2023.
Considering the above and also uncertainty in obtaining the Environment Clearance, company has impaired the CWIP Rs.1.92 crores during F.Y 2022-23.
5. Since the Windmill (BN-04) (Cash Generating Unit) was not in operation as on 31.03.2022 due to fire accident on 27.05.2021, net block of the unit was impaired after considering the realisable value of Rs.0.80 crores as per the assessment of O&M Contractor M/s.Suzlon which is reversed during the F.Y 2022-23 on resumption of operations.

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:

(INR in Crore)

Name of the Subsidiary	Maximum Balance outstanding	
	As at 31-Mar-2023	As at 31-Mar-2022
J&K Mineral Development Corporation Limited, Jammu	24.39	23.10
NMDC Power Ltd, Hyderabad	-	-
Jharkhand Kolhan steel Limited	-	-
Karnataka Vijayanagar Steel Limited	642.44	642.22
NMDC Steel Limited	-	-
NMDC CSR	-	-
Total	666.83	665.32
Advances derated / Provision made- JKMD	24.39	23.10

Name of the Joint Venture	Maximum Balance outstanding	
	As at 31-Mar-2023	As at 31-Mar-2022
Kopano-NMDC Minerals (Proprietary) Limited	0.10	0.10
Jharkhand National Mineral Development Corporation Ltd.	0.09	0.08
NMDC-CMDL Ltd., Raipur	55.61	43.10
Bastar Railway Pvt. Ltd.	-	-
Total	55.80	43.28
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

Name of the Associates	Maximum Balance outstanding	
	2023-22	2021-22
Neelachallspat Nigam Ltd	84.27	84.27
Total	84.27	84.27

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 :

- After completion of the assessment for the A.Y. 2020-21, NMDC has received a Notice of demand u/s 156 of IT Act 1961, by disallowing expenditure of Rs.791.39 crore with a tax implication of Rs.199.18 crores. This has resulted in reduction of claimed refund from Rs.261.40 crore to Rs.62.22 crore. NMDC has filed an appeal before the CIT(A) for tax implication of Rs.184.40 crore against the demand. The demand of Rs.199.18 Crores is shown under earlier years tax expenses in the accounts of F.Y. 2022-23. The net impact in earlier tax expenses including adjustment pertaining to other cases, is Rs. 172.13 Crore.

- b) Current Tax assets (net) (note no. 2.9) includes an amount of Rs.302.12 crore (PY Rs.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 Treatment expenditure incurred on Assets not owned by the Company:

During the year an amount of Rs. 2.33 crore (PY- Rs. 2.99 crore), Rs. 140.50 crore (PY- Rs.122.25 crore) and Rs. 11.23 crores (PY Nil) is utilised by Railways for the doubling of Railway line between Jagdalpur to Ambagaon and Kirandul to Jagdalpur and for upgradation of In motion Weigh Bridge & other railways assets respectively and the total amount of Rs. 154.06 crore (PY – Rs.125.24 crore) is included in “Other Expenses”.

2.34.3 Demerger / Disinvestment of NISP:

The demerger scheme of arrangement between NMDC Limited (“Demerged Company” or the “Company”) and NMDC Steel Limited (NSL) (“Resulting Company”) and their respective shareholders and creditors (the “Scheme”) pursuant to the provisions of Sections 230-232 of the Companies Act, 2013 (“Act”), other applicable provisions and rules thereof thereunder (hereinafter referred to as the “Scheme”), involving demerger of NMDC Iron & Steel Plant Business Undertaking (“Demerged Undertaking” or “ NISP”) from Demerged Company to the Resulting Company has been duly sanctioned by the Ministry of Corporate Affairs (“MCA”) vide its order dated 6th October 2022 (“Order”). The Company received the Order on 11th October 2022 and filed the same with the concerned Registrar of Companies on 13th October 2022. Hence, the Scheme is operative from 13th October 2022 (Effective Date). The Appointed Date of the Scheme is 1st April 2021. Accordingly, with effect from the Appointed Date, the entire Demerged Undertaking of NMDC Limited has been transferred and vested into NMDC Steel Limited.

As per the clarification issued by Ministry of Corporate Affairs vide Circular no.09/2019 dated 21st August 2019 (MCA Circular), the Company has recognized the effect of the demerger on 1st April 2021, and made the following adjustments, pursuant to the Scheme:

- i) Assets and liabilities of the NISP, a unit of NMDC Limited have been transferred to NMDC Steel Limited at bookvalue.
- ii) Difference between the value of transferred assets and liabilities pertaining to the NISP the unit of NMDC Limited amounting to Rs.17,048.54 crores has been adjusted from the general reserves of the Company.
- iii) Investment in NMDC Steel Limited (NSL) amounting to Rs.0.11 crores has extinguished and adjusted from the reserves.
- iv) As per the scheme, NCD (Non-Convertible Debentures) issued for NISP Project of Rs. 523 crores have been transferred to NMDC Steel Limited (NSL).
- v) The financial information in the financial statements in respect of prior periods is restated as if the demerger had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the demerger as the Appointed Date of the Scheme is effective from 1st April 2021.
- vi) All transactions from 1st April 2021 to 31st March 2023 of the Demerged Undertaking were carried on behalf of NMDC Steel Limited and the same is recorded as receivable on account of demerger from NMDC Steel Limited. Amount of Rs. 2,542.93 crore spent by NMDC Limited from 1st April 2021 to 31st March 2023 is shown under the head Non- Current Asset under note no 2.4.3 “Other Financial Assets” and receivable from NMDC Steel Limited.
- vii) Demerger expenditure pursuant to the scheme of demerger amounting to Rs.2.27 crores has adjusted from the reserves

Analysis of financial information:**a) The Impact of the Demerger on Statement of Profit and Loss**

(INR in Crore)

Particulars	1 st April 2022
Income	
I. Revenue From Operation	83.06
II. Other Income	-
III. Total Income (I+II)	83.06
IV. Expenses	
"a) Changes in inventories of finished goods/ work in progress"	41.11
Total Expenses	41.11
V. Profit Before Exceptional Items and Tax (III_IV)	41.95
VI. Exceptional Items	-
VII. Profit Before Tax (V+VI)	41.95
VIII. Tax Expenses	-
a) Current Tax	
b) Deferred Tax	(7.16)
IX. Profit for the Year (VII-VIII)	49.11
X. Other Comprehensive Income	
i) Item that will not be classified to profit or loss	-
ii) Tax on above	-
iii) Items that will be classified to profit or loss	-
iv) Tax on above	-
Other Comprehensive Income to be transferred to Other Equity for the year	-
Total Comprehensive Income for the year (IX+X)	49.11

b) Net Cash Flows impact on account of demerger

Net cash (outflow)/inflows from operating activities	(703.70)
Net cash (used in) investing activities	1,851.91
Net cash (outflow)/inflows from Financing activities	(1,144.42)
Net cash (outflow)/inflows	3.79

c) The Impact of the Demerger on these financial statements is as under:

(INR in Crore)

Particulars	1 st April 2021
Assets	
Non-Current Assets	
Property, plant and equipment	438.28
Capital work-in-progress	16,407.35
Other intangible assets	0.02
Financial assets	
Other financial assets	70.71
Other non-current assets	1,674.58
Total non-current assets	18,590.94
Current Assets	
Inventories	19.77
Financial assets	
Cash and cash equivalents	4.56
Other financial assets	13.00
Current tax assets (net)	0.03
Other current assets	16.39
Total current assets	53.75
Total assets (A)	18,644.69
Liabilities	
Non-financial liabilities	
Financial liabilities	
Borrowings	523.80
Other financial liabilities	(6.14)
Total non-current liabilities	517.66
Current liabilities	
Financial liabilities	
Borrowings	22.63
Other financial liabilities	1,053.01
Other current liabilities	2.85
Total current liabilities	1,078.49
Total liabilities (B)	1,596.15
Net Assets (A-B)	17,048.54

Net amount adjusted through corresponding debit to other equity as per the Order (A-B)

Reconciliation	Amount
Net Assets transferred in excess of reserves is debited to General Reserve	17,048.54
Cancelation of investment on demerger to Retained Earnings	0.06
Less	
Adjustment pursuant to demerger - in deferred Tax	30.83
Net Amount adjusted through corresponding debit to General Reserve & Retained Earnings	17,017.77

2.34.4 Property, Plant & Equipment (PPE)

As per Ind AS 16 items such as spare parts, stand by equipment and service equipment are to be capitalized when they meet the definition of PPE and are expected to be used for more than one accounting year. After review of the inventory values and its consumption patterns in the major production Units, Company based on materiality has fixed a threshold limit of Rs 20 Lakhs for such spare parts, stand by equipment and service equipment meeting the definition of PPE. On issue of said PPE, the WDV is allowed to be depreciated over the life of the main asset or the life of the equipment whichever is less.

Gross value of Spare parts, stand by equipment and service equipment meeting the definition of PPE capitalised during the Year 2022-23 is Rs. 79.07 crore (PY Rs. 42.77 crore).

2.34.5 Dues from Monitoring Committee-Donimalai complex in Karnataka:

The total trade receivables from Monitoring Committee as on 31st March 2023 is Rs. 2907.91 crores (PY- Rs.4,555.27 crores). This includes regular dues of Rs.2.24 crore, Rs.22.18 crores towards long pending dues for supply of LG Fines to Pellet plant and Rs. 2,883.49 crore towards 10% of sales proceeds retained by Monitoring Committee for the period from 4th October 2011 to 31st March 2023 pending directions from Hon'ble Supreme Court..

Based on the order date 22.02.2023 of Hon'ble Supreme Court, Company has received an amount of Rs.1015.58 crore (for the period from 1st Jan 2019 to 31st March 2022 Rs.957.60 crore shown as exceptional income at note no. 2.28 "Exceptional Item" and Current FY Rs. 57.98 crore) on 20.04.2023 against 10% retained by MC up to MC period. Accordingly, the provision for ECL Rs.957.60 crore is withdrawn during the F.Y 2022-23 and no further provision is made for the year 2022-23. The balance of total provision as on 31.03.2023 is Rs.1,890.09 crore relates to the period prior to 1st January, 2017.

During the year, Hon'ble Supreme Court of India, vide its order dated 20.05.2022, discontinued sale operations through Monitoring Committee and allowed lessees to sell the ore directly to the customers. Accordingly, NMDC is selling the ore directly to the customers through e-auctions.

2.34.6 Amount Recovered by Monitoring Committee:

During the year, Monitoring Committee has recovered an amount of Rs.124.77 crore against the sale of DIOM LG fines during the year 2011-12 to 2017-18 which has been protested by NMDC and file Revision Application with Mines Tribunal on 08.07.2022. This has been shown as Amount paid under protest.

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 Rs.7,241.35 crore as compensation as calculated by Collector based on the Hon'ble Supreme Court Common Cause Judgement related to Orissa Iron ore mines (Writ Petition Civil No 114 of 2014 dated 2nd August 2017). The Company had been contesting the Show Cause Notices with Dist. Collector, South Bastar Dantewada on the ground that the said judgement is not applicable to NMDC .

Meanwhile, revised showcause notices dated 26.09.2019 were received for a revised amount of Rs 1,623.44 Crore from Dist. Collector, South Bastar, Dantewada, to be replied within 21 days of notice. NMDC while reiterating the fact of non-applicability of the Hon'ble Supreme Court Judgement in the state of Chhattisgarh, has sought time for replying to the show cause notices. Further to above, Dist. Collector, South Bastar, Dantewada had issued Demand notices dated 15/11 /2019 for the amount of Rs 1,623.44 Crore (Bacheli - Rs 1,131.97 Crore & Kirandul Rs 491.47 Crore) asking to deposit the amount within 15 days. As the Mining Leases of the company in the State of Chhattisgarh were expiring on 31 .3.2020 and due for renewal , the Company has paid an adhoc amount of Rs 600 Crore under protest and filed writ petitions in the Hon'ble High Court of Bilaspur, Chhattisgarh and a Revision application with Mines Tribunal, Ministry of mines, Government of India , New Delhi praying to set aside the demand notices.

Hon'ble High Court of Bilaspur has heard the WPs on 19.02.2020 and sought certain clarifications from the respondent and directed 'no coercive action till 12.3.2020 and listed the case for 12.3.2020. However due to COVID-19 situation, no further hearings could take place. 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.

Further hearing took place on 15.09.2022 where-in GoCG was directed to file comments / para wise reply within 15 days.

The demand amount of Rs 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 Rs. 303.72 crores (PY- Rs.224.77 crore)& upfront amount of Rs.21.60 crore (PYRs.21.60crore) up to 31.03.2023. All the amounts paid up to 31.3.2023 are included under Capital Advances (Note 2.6).NMDC submitted a Bank guarantee of Rs.71.09 crore (PY Rs.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, as on 31.03.2023, the fixed Cost of Rs.40.02 crores (PY Rs.39.46 crore), upfront amount of Rs.33.15 crore (PY Rs.33.15 crore) and Rs.1.01 crore (PY Nil) towards NPV & CA charges for exploration . All the amounts paid up to 31.3.2023 are included under Capital Advances (Note 2.6). Company has submitted a Bank guarantee of Rs.405.17 crore(PY Rs.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 was purchasing Iron Ore Fines from NMDC, DIOM/KIOM through e-auctions conducted by MC. As per the terms and conditions of Acceptance letter issued by MC and as per the guidelines given by Hon'ble Supreme Court of India, Pellet Plant was 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 PPT, DIOM/KIOM was 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, MC was issuing Bulk Permit to PPT for lifting of material. DIOM/KIOM was raising Tax Invoice on PPT for the dispatched quantity, showing it as sales and also paying GST to Government.

Simultaneously, PPT was recognizing the same as purchases and availing input credit. The above procedure was followed due to Compulsion made by MC as they had denied permission for PPT 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 was accounted.

W.e.f Oct-22 NMDC-DIOM/KIOM is selling the Iron Ore to Pellet Plant directly based on the order of Hon'ble Supreme Court dt. 20.05.2022 and accounting the same as Inter Unit Sales. The Inter Unit sales, consumption and inventory is eliminated during consolidation and un-realized profit on stock of ore at pellet plant is accounted.

The details are mentioned hereunder:

S.No.	Particulars	Qty (wmt)	Amount (Rs.)
1	Iron Ore-Inter Unit Revenue	88,110.87	32,00,24,061.44
2	Consumption of RM @ PPT	(85,995.90)	(31,12,09,937.28)
3	RM inventory @ PPT	(2,114.97)	(88,14,124.16)
	Total	-	-

2.34.10 Review for Impairment of Investment in Legacy Iron Ore Ltd, Australia (LIOL):

The total investment of the Company in LIOL is Rs.214.70 cr as on 31.3.2023. This is 90.02% 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 is 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 31.03.2023, after transfer of exploration expenses of Rs.9.99 crore (representing 18% interest) to Hancock pertaining to Mount Bevan tenements, is Rs. 87.60 crores (Previous year Rs.91.83 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 3,12,600 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 31.03.2023 is AUD \$ 0.015 (Previous year AUD \$0.019) with a market capitalisation of AUD 96.07 million (Previous year \$121.69 million). The market capitalisation of the company is more than its net assets of AUD 24.85 million (Previous \$23.32million) as on 31.03.2023. NMDC's share of Market cap @ 90.05% amounts to approx. Rs.476.06 crores (Previous year Rs.622.09 crores) which is more than the investment of Rs. 214.70 crores in LIOL.

Further, during the previous year, 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. It is informed by JV partner that they have completed exploratory drilling activities and progressing towards completion PFS. It is also found that Mt.Bevan project has potential of Lithium, Nickel and other minerals.

In view of above no impairment is considered for Goodwill as well as Investment in LIOL for the current FY 2022-23.

2.34.11 Neelachallspat 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 Neelachallspat 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 Rs.12,100 cores and Government has already signed SPA with TSLP. The total liabilities of NINL is around Rs.6,600 crores. NMDC along with all other Associates has entered Share Sale and Purchase Agreement with TSLP on 10.03.2022.

NMDC had the total exposure of Rs. 188.65crore in the form of Equity investment of Rs.100.60 Crore, Loan of Rs.80.52 Crore and interest thereon of Rs.7.53 crore as on 31.03.2022. Out of this an amount of Rs.0.52 crores is received against Loan from NINL during the year 2022-23.

As a part of strategic disinvestment, NMDC has received an amount of Rs.379.79 crores (Gross Rs.380.27-TDS Rs.0.48 crore) against investment of Rs.100.60 crores, Rs.80.00 crores against Loan of Rs.80.00 crs and Rs.6.79 crore (Gross Rs.7.53 – TDS Rs.074 crore) towards interest during July 2022. The gain of Rs.279.67 crore (Rs. 380.27 crore – Rs.100.60 crore) received over cost of investment is shown as Exceptional Income during F.Y 2022-23 and shown under Note no. 2.18 "Exceptional Items".

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 was applicable to all the Iron Ore Mines of NMDC except Kumaraswamy Iron Ore Mines at Karnataka (since the lease was extended before the commencement of MMDR Amendment Act 2015) up to F.Y 2021-22. However, this is applicable even for Kumaraswamy Iron ore mine w.e.f 18.10.2022 from the date of renewal of mining lease.

The impact of this amendment on the Financials of F.Y 2022-23 is Rs.3,971.39 crores (PY- Rs. 5084.32crores)which is included under Royalty and other levies.

2.34.13 CSR Expenditure :

- Gross amount required to be spent by the company during the year is Rs. 186.70 crore (2% of the last three years average PBT Rs. 9334.85crore),(Previous Year Rs. 148.15 crore (2% of the last three years average PBT Rs. 7407.49 crore).
- Disclosure in respect of the expenditure on Corporate Social Responsibility activities

(INR in Crore)

S.No.	Particulars	2022-23	2021-22
A	Unspent CSR Expenditure carried forward from previous year (Opening Provision)	-	-
B	Amount required to be spent by the corporation during the year	186.70	148.15
C	Amount spent during the year	87.58	287.33
D	Shortfall at the end of the year (closing provision)	99.12	0

(INR in Crore)

Particulars	In Cash	Yest to be paid in cash	Total
1. Construction/ Acquisition of any assets	-	-	-
2. On purpose other than (1) above	87.58	-	87.58

- c) Provision of Rs 99.12 crore is created for the short fall and shown under Schedule No. 2.17 provision for unspent CSR
- d) Total of previous year shortfall : Nil
- e) Reason for shortfall : The shortfall of Rs 99.12 crore from the stipulated and prescribed spend is on account of delay in certain projects due to certain limitations faced by implementing agencies. However, the shortfall has been allocated against the specific projects and would be spent as per the provisions of companies Act 2023.
- f) Nature of CSR activities: The corporation undertakes impactful social projects which are in lignment with the areas specified under Schedule VII of the companies Act 2023 of which the company takes up CSR projects largely in the projects related to Education, Health & Hygiene, Nutrition, Drinking Water, Rural Development, Skill Development and Income Generation, Promotion of Sports, Protection of Cultural and Heritage, Food Relief & Natural Calamities, Environment & Others.
- g) Details of related party transaction: Nil
- 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 had accorded approval for borrowing up to a limit of Rs.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 Rs. 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, had 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 Rs. 4,476.20 crore and a drawdown of Rs.2,644.52 crores has been made till 30.09.2022 and same is transferred to NMDC Steel Ltd as per the approved scheme of Demerger, between NMDC and NSL, by MCA.

2.34.15 Bill Discounting:

During the year, Company discounted the Trade Receivables with the banks amounting to Rs 3,257.09 crore (PY Rs.1236.15 crore) with recourse to the Company. The balance in the Bill discounting account as on 31.03.2023 is Rs.1705.21 crore (Previous year –Rs.1236.15 crore). In case of any claim on the company from the Banks, the amount outstanding as on 31.03.2023 shall be recovered from the Customers. This is shown under contingent liabilities.

2.34.16 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, 2023

S. No.	Particulars	Neumenators	Denominators	31 st March 2023	31 st March 2022	Variance (in %)
1	Current Ratio (*1)	Current Assets	Current Liabilities	3.75	2.79	34.41
2	Debt - Equity Ratio (*2)	Total Debt	Shareholder's Equity	0.02	0.10	(80.00)
3	Debt Service Coverage Ratio (*3)	Earnings Available for Debt services	Debt Services	11.94	5.32	124.44
4	Return on Equity (ROE) (*4)	(Net Profit After Tax - Preference Dividend (if any))	Average hareholder's Fund	0.28	0.62	(54.84)
5	Inventory Turnover Ratio	Cost of Goods sold or Sales	Average Inventory	8.21	19.58	(58.07)
6	Trade receivables turnover ratio	Net Credit Sales	Avg. Accounts Receivables	6.30	10.19	(38.17)
7	Trade Payable Turnover Ratio (*5)	Net Credit Purchases	Average Trade Payables	0.78	1.30	(40.00)
8	Net Capital Turnover Ratio (*6)	Net Sales	Working Capital	1.53	2.58	(40.70)
9	Net Profit ratio	Net Profit	Net Sales	0.31	0.36	(13.89)
10	Return on capital employed (ROCE) (*7)	Earning before interest and taxes	Capital employed	0.33	0.70	(52.86)
11	Return on investment (ROI) (*8)					
	Unquoted	Income Generated from Investments	Time weighted average investments	-	-	
	Quoted	Income Generated from Investments	Time weighted average investments	-	-	

(*1) Decrease in Short term borrowings: Loan against FD for Rs. 1372 crore

(*2) Decrease in Short term borrowings: Loan against FD for Rs. 1372 crore

(*3) Decrease in Short term borrowings: Loan against FD for Rs. 1372 crore

(*4) Increase in Net profit of the company by 41% over the previous year

(*5) Reduction in the Trade payable by 36%

(*6) Decrease in Turnover by 32%

(*7) Decrease in PBT by 41%

(*8) Only long term investment are considered

Note. No. 2.34.17 : Fair Value Measurement
Financial instruments by category

(INR in Crore)

	As at 31 st March 2023			As at 31 st March 2022		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
Investments						
Trade receivables			2,656.02			2,954.30
Cash and cash equivalents			77.59			82.92
Other bank balances			6,970.45			7,856.48
Loans			705.06			682.99
Other financial assets			500.95			593.08
Total	-	-	10,910.07	-	-	12,169.77
Financial liabilities						
Borrowings			415.98			1,792.50
Trade payables			425.76			664.45
Lease Liability			1.47			1.45
Other financial liabilities			896.53			521.42
Total	-	-	1,739.74	-	-	2,979.82

"(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 2023, and 31st March 2022, 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 2023, and 31st March 2022, 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: 2.34.28 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 Karnataka which is through Mentoring 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 2023

(INR in Crore)

Ageing	< 6 months	6-12 months	> 12 months	Total
Gross carrying amount	1,247.04	62.67	3,251.44	4,561.15
Expected loss rate	0.00%	0.00%	58.59%	41.77%
Expected credit losses (loss allowance provision)			1,905.13	1,905.13
Carrying amount of trade receivables (net of impairment)	1,247.04	62.67	1,346.31	2,656.02

Year ended 31st March 2022

(INR 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

iii. Reconciliation of loss allowance provision - trade receivables

Loss allowance on 1 st April 2021	2,384.43
Changes in loss allowance	547.71
Loss allowance on 31 st March 2022	2,932.14
Changes in loss/(Profit) allowance and other Adjustment	(1,027.01)
Loss allowance on 31 st March 2023	1,905.13

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 net worth of Rs 500 Crore within limits assigned to each bank and Debt based mutual funds of public sector AMCs. The limits are reviewed by the Company's Board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

B. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. In addition, the Company has taken fund based limits with banks to meet its short term financial obligations.

i. Financing arrangements

The Company has access to the following undrawn borrowing facilities at the end of reporting period

(INR in Crore)

	31 st March 2023	31 st March 2022
Flexible rate		
Expiring within one year (bank overdraft and other facilities)	433.00	467.00
Working capital Limits with Banks	5,052.78	1,249.00

ii. Maturities of financial liabilities

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

(INR in Crore)

Year ended 31 st March 2023	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	415.98	-	-	-	-	-	415.98
Trade payables	359.94	65.83	-	-	-	-	425.76
Lease Liability		0.36	0.72	0.39			1.47
Other financial liabilities	717.09	51.41	16.61	55.14	44.70	11.58	896.53
	1,493.01	117.60	17.33	55.53	44.70	11.58	1,739.75

Year ended 31 st 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	630.61	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

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**Year ended 31st March 2022**

(INR in Crore)

	31 st March 2023	31 st March 2022
(Equity shares		
Final dividend for the year ended 31st March 2023 of Rs. 2.85 (31 st March 2022: NIL) per equity share.	835.22	-
Interim dividend for the year ended 31st March 2023 of Rs. 3.75 (31 st March 2022: Rs 14.74) per fully paid share	1,098.98	4,319.72

Year ended 31st March 2022

(INR in Crore)

Particulars	31 st March 2023	31 st March 2022
		(Restated)
Net Debt (excluding short term)	-	-
Total equity	22,332.31	17,875.26
Net debt to equity ratio	-	-

Annexure I

Subsidiaries

1. NMDC CSR Foundation (Certification si in progress)
2. Karnataka Vijaynagar Steel Limitd, Bangalore, (Certification is in progress)

Joint Ventures

1. Bastar Railways Private Limited (Certification is in progress)
2. International Coal Ventures (Pvt) Limited, New Delhi (Certification is in progress)

Associate Companies

1. Krishnapatnam Railway Company Limited, Secunderabad (Certification is progress)

Annexure II

Subsidiaries

1. J&K Mineral Development Corporation Limited, Jammu

Joint Ventures

1. Bastar Railways Private Limited (Certification is in progress)
2. International Coal Ventures (Pvt) Limited, New Delhi (Certification is in progress)

Joint Venture

1. NMDC CMDCLimited, Raipur
2. Jharkhand National Mineral Development Corporation Limited, Ranchi

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, 2023, 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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended (hereinafter referred as "Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the

Group as at March 31, 2023, 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 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 Consolidated Financial Statements under the provisions of the Act and the Rules made thereunder, 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.

Sl. No.	Key Audit Matter	How our audit addressed the key audit matter
	Capital Work-in progress (BACHELI): The estimated project cost of Iron Ore Processing Plants at Kirandul and Bachel, Kirandul-Bachel-Nagarnar Iron Ore Concentrate Slurry Pipeline and Pellet Plant At Nagarnar, as per DPR of Mecon dtd. Feb-2014 is Rs. 4080.94 crores. However, the revised cost estimate is not available. The cumulative capital work in progress (CWIP) as on 31.03.2023 is Rs.1170.70 crores which includes incidental expenditure during construction (IEDC) amounting to Rs.182.57 crores. Further this IEDC includes certain item of revenue in nature as well as not directly attributable to the project. This is considered to be a key audit matter.	Our audit procedures included the following: We obtained a view of the management and examined the process of capitalization. The management has given a reply that the account of IEDC amounting to Rs. 182.57 crores as on 31.03.2023 will be reviewed in accordance with the Ind AS-16 during capitalization of the asset.
2	Trade Receivables from Monitoring Committee: (Refer Note No.2.8.1 & 2.34.6 of the Consolidated financial statements) As at 31st March 2023, current financial assets in respect of trade receivables includes receivables from monitoring committee as specified in aforesaid notes. 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	Our audit procedures included the following: We analyzed the ageing of trade receivables. 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. 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.
3	Mine Closure Obligation (MCO): (Refer Note-1(x) and Note no. 2.14.4 to the Consolidated financial statement) 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. The matter is considered to be a key audit	Our audit procedures included the following: We have reviewed the recommendations of the committee for mine closure obligations. 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. We have verified the arithmetical accuracy of the mine closure obligation provision based on the recommendation of the committee.

Sl. No.	Key Audit Matter	How our audit addressed the key audit matter
	matter because there is an estimate involved as per management's policy.	Based on the above procedures performed, we did not identify any significant exceptions in the management's assessment in Mine closure obligation provision.

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 Rs.1623.44 Crores against which company has paid an adhoc amount of Rs.600 Crores under protest and filed writ petition in the Hon'ble High court of Bilaspur, Chhattisgarh and a Revision application with Mines Tribunal, Ministry of mines, Government of India and disclosure of contingent liability as mentioned in the said note.
- ii. Note No.2.8.1 & 2.15.3 of Notes forming part of accounts for the period ended 31st March 2023 which describes that the balances of Trade Receivables and Trade Payables respectively are subject to confirmation/ reconciliation and consequential adjustments, if any.
- iii. Note No: 2.35.3, regarding the demerger of NMDC Iron & Steel Plant (NISIP) which has been given effect from the Appointed date i.e 1st April, 2021 as per the Sanctions of the Ministry of Corporate Affairs vide its Order dated 6th October, 2022. Accordingly, the financial information in the financial statements in respect of the prior periods is restated effective from the Appointed date.
- iv. Note No:2.35.10, The Company has given an Advance of Rs 639.61 Crores to Karnataka Vijaynagar Steels Ltd (KVSL) towards cost of 2857.54 Acres of land

handed over by KIADB to KVSL. In view of the timeline for commencement of production at the allotted site, KVSL and the Company are pursuing with KIADB / Govt of Karnataka for extension of the Lease period. Financial impact, if any, depend upon the final decision and mutual agreement between KIADB / Govt of Karnataka and KVSL.

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.

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 matters specified in Section 134 (5) of the Act for the preparation and presentation of these consolidated financial statements, 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 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 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 are responsible for assessing the ability of the respective entities in the Group 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 their respective entities 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 are also responsible for overseeing the financial reporting process of the Group.

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) 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 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 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 within the Group 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 and other financial information of four subsidiaries included in the consolidated financial results, whose financial statements and other financial information reflect total assets of Rs 817.11 crores as at 31st March 2023 and total profit/(loss) of Rs 9.10 crores as considered in the consolidated financial

statements. These financial statements and other financial information of subsidiaries were unaudited (except Legacy Iron Ore Limited) for the year ended 31st March 2023. The consolidated financial statements also include the Groups Share of net profit/(Loss) of Rs 64.84 crores for the year ended 31st March 2023, as considered in consolidated financial statements, in respect of three Associates and three Jointly controlled entities which were unaudited. Our opinion on the year-to-date consolidated financial statements, to the extent they have been derived from such unaudited financial statements.

- 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, 2023 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, – Refer Note 2.32 to the consolidated financial statements.
- b. The Group 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
 Firm’s Registration No: 003510S

CA. Ajay Kumar Mishra
 Partner
 Membership No.205468
 UDIN: 23205468BGZHRA4511

Place: Hyderabad
 Date: 23.05.2023

ANNEXURE “I” 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 31,2023.)

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 2023, 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 respective Board of Directors of the entities in the Group are 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 entities in the Group which are companies incorporated in India..

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 entities in the Group 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, 2023, 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. Ajay Kumar Mishra
 Partner
 Membership No.205468
 UDIN: 23205468BGZHRA4511

Place: Hyderabad
 Date: 23.05.2023

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, 2023.)

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
1	J & K Mineral Development Corporation Limited	U14107JK1989SGC001110	Subsidiary
2	Karnataka VijayaJ & K Mineral Development Corporation Limited	U27100KA2014GOI077968	Subsidiary
3	Jharkhand Kolhan Steel Limited	U27100JH2015GOI003192	Subsidiary
4	Kopano-NMDC Minerals (Proprietary) Limited	Foreign Company	Joint Venture
5	Jharkhand National Mineral Development Corporation Limited	U10300JH2012GOI000585	Joint Venture
6	NMDC-CMDC Limited	U13100CT2008GOI020711	Joint Venture
7	Baster Railway Private Limited	U74900CT2016PTC007251	Joint Venture
8	International Coal Ventures (Pvt.) Limited	U10100DL2009PTC190448	Associates
9	Krishnapatnam Railway Company Limited	U45200TG2006PLC051378	Associates
10	Romelt-Sail (India) Limited	U74899DL1997PLC090025	Associates
11	Chhattisgarh Mega Steel Limited	U27100CT2015GOI001627	Associates

Legacy Iron Ore Limited, Australia, Subsidiary Company is audited under the law as applicable to that country and no CARO report issued by the auditor.

Accordingly no comments for the said subsidiary, associates and Jointly controlled entities has been included for the reporting under the clause.

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

CA. Ajay Kumar Mishra
 Partner
 Membership No.205468
 UDIN: 23205468BGZHRA4511

Place: Hyderabad
 Date: 23.05.2023

CONSOLIDATED BALANCE SHEET

As at 31st March 2023

(INR in Crore)

Particulars	Note No.	Figures as at the end of current reporting year 31 st March 2023	Figures as at the end of previous reporting year 31 st March 2022
ASSETS			
Non-current Assets			
a) Property, plant & equipment	2.1.1	2,381.31	3,024.61
b) Right- of -Use Assets	2.1.2	7.44	8.27
c) Capital work-in- progress	2.2	1,991.55	1,328.31
d) Goodwill		93.89	93.89
e) Other intangible assets	2.3	715.93	535.72
f) Intangible assets under development	2.4	6.49	5.00
g) Financial assets			
i) Investments	2.4.1	934.68	894.95
ii) Loans	2.4.2	62.62	40.77
iii) Other Financial Assets	2.4.3	2,646.17	589.75
h) Deferred tax assets (Net)	2.5	297.50	568.94
i) Other non-current assets	2.6	3,302.92	2,103.89
Total non-current assets		12,440.50	9,194.10
Current Assets :			
a) Inventories	2.7	2,660.58	2,125.21
b) Financial assets			
i) Investment	2.8.1	-	-
i) Trade receivables	2.8.1	2,656.02	2,954.30
ii) Cash and cash equivalents	2.8.2	93.00	120.60
ii) Bank balances other than (ii) above	2.8.3	7,004.75	7,856.87
iv) Other financial assets	2.8.4	490.79	583.86
c) Current tax assets (Net)	2.9	1,121.82	899.86
d) Other current assets	2.10	1,779.59	1,176.73
e) Assets held for disposal	2.11	0.66	0.81
Total current assets		15,807.21	15,718.24
Total Assets		28,247.71	24,912.34
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	2.12	293.07	293.07
b) Other Equity	2.13	22,327.76	17,725.18
Equity attributable to owners of NMDC Ltd		22,620.83	18,018.25
Non-controlling interest		14.23	13.45
Total equity		22,635.06	18,031.70
Liabilities			
Non - current liabilities			
a) Financial liabilities			
i) Borrowings	2.14.1	-	-
ia) Lease Liability	2.14.2	5.02	5.85
ii) Other Financial liabilities	2.14.3	150.28	150.28
b) Provisions	2.14.4	1,255.99	1,092.46
Total non-current liabilities		1,411.29	1,248.59
Current liabilities			
a) Financial liabilities			
i) Borrowings	2.15.1	415.98	1,792.50
ia) Lease Liability	2.15.2	1.66	1.59
ii) Trade payables	2.15.3		
a) Total Outstanding dues of Micro Enterprises and Small Enterprises"		25.23	26.59
b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises"		400.68	638.17
iii) Other financial liabilities	2.15.4	896.93	521.78
b) Other current liabilities	2.16	2,337.02	2,636.30
c) Provisions	2.17	123.86	15.12
Total current liabilities		4,201.36	5,632.05
Total liabilities		5,612.65	6,880.64
Total equity and liabilities		28,247.71	24,912.34

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

(CA AJAY KUMAR MISHRA)

Partner

Membership No: 205468

Place : Hyderabad

Dated : 23rd May 2023**(DILIP KUMAR MOHANTY)**

Director (Production)

DIN : 09296720

For and on behalf of the Board

(AMITAVA MUKHERJEE)

Chairman-Cum-Managing Director (Additional Charge),

Director (Finance)

DIN : 08265207

(AS PARDHA SARADHI)

ED & Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

For Year Ended 31st March 2023

(INR in Crore)

Particulars	Note No.	Figures for the current reporting year 31 st March 2023	Figures for the previous reporting year 31 st March 2022
I. Revenue from operations	2.18	17,666.88	25,964.79
II. Other Income	2.19	768.22	718.52
III. Total Income (I+II)		18,435.10	26,683.31
IV. Expenses :			
Consumption of raw materials	2.20	70.59	106.95
Excise Duty		-	-
Consumption of Stores & Spares		556.34	396.53
Changes in inventories of finished goods/ Work in progress	2.21	(496.60)	(1,159.39)
Employee benefit expense	2.22	1,530.57	1,337.07
Power and electricity	2.23	144.10	122.54
Repairs & maintenance	2.24	210.01	192.23
Royalty & other Levies		7,725.04	9,986.76
Selling Expenses	2.25	263.00	227.74
Finance cost	2.26	75.23	39.06
Depreciation and amortisation expense	2.1 & 2.3	336.18	287.74
Other expenses	2.27	1,611.30	2,129.89
Total expenses		12,025.76	13,667.12
V. Profit before exceptional items and tax (III-IV)		6,409.34	13,016.19
VI. Exceptional items Income/(Expenditure)	2.28	1,237.27	-
VII. Profit before tax (V+VI)		7,646.61	13,016.19
VIII. Tax expense :			
(1) Current year	2.29	1,664.65	3,444.39
(2) Earlier years (net)		172.13	260.53
(3) Deferred tax	2.29	271.43	(129.83)
		2,108.21	3,575.09
IX. Profit for the year from continuing operations (VII-VIII)		5,538.40	9,441.10
X. Profit/(Loss) from discontinued operations		(0.91)	(0.91)
XI. Tax expense of discontinued operations	2.29	(0.23)	(0.23)
XII Profit/(Loss) from discontinued operations(X-XI)		(0.68)	(0.68)
XIII Profit for the year (IX +XII)		5,537.72	9,440.42
XIV. Share of non controlling interest (Loss)		1.10	(0.55)
XV. Share of Profit /(Losses) of Associates		64.84	(12.26)
XVI. Profit after adjusting minority interest and share of loss of Associates (XIII-XIV+XV)		5,601.46	- 9,428.71
Other Comprehensive Income			
Item that will not be reclassified to profit or loss Re-measurements of post-employment benefit obligations		115.14	41.95
Income tax relating to these items	2.29	(9.98)	(3.07)
"B) (i) Item that will be reclassified to profit or loss"		(0.19)	2.10
" (ii) Income tax relating to items that will be reclassified to profit or loss"			
XVII. Other Comprehensive income (Net of tax)		104.97	40.98
XVIII. Total Comprehensive income for the year (XVI+XVII)		5,706.43	9,469.70
Profit is attributable to :			
Owners of the parent		5,602.56	9,428.16
Non Controlling Interest		1.10	(0.55)
		5,601.46	9,428.71
Other Comprehensive Income/(Expenses) attributable to:			
Owners of the parent		104.97	40.98
Non Controlling Interest		-	-
		104.97	40.98
Total Comprehensive attributable to:			
Owners of the parent		5,707.53	9,469.15
Non Controlling Interest		1.10	(0.55)
		5,706.43	9,469.70
Earnings per equity share (for continuing operation)			
i) Basic	2.33.5	19.11	32.17
ii) Diluted	2.33.5	19.11	32.17
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	19.11	32.17
ii) Diluted	2.33.5	19.11	32.17
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 AJAY KUMAR MISHRA) Partner Membership No: 205468 Place : Hyderabad Dated : 23 rd May 2023			
For and on behalf of the Board (DILIP KUMAR MOHANTY) Director (Production) DIN :09296720 (AMITAVA MUKHERJEE) Chairman-Cum-Managing Director (Additional Charge), Director (Finance) DIN :08265207 (AS PARDHA SARADHI) ED & Company Secretary			

STATEMENT OF CHANGES IN EQUITY

For the Year Ended 31st March 2023

a) Equity Share Capital

(INR in Crore)

	Note.no.	Amount
Balance as at 1st April 2021	2.12	293.07
Changes in Equity share capital		-
Balance as at 31st March 2022	2.12	293.07
Changes in Equity share capital		-
Balance as at 31st March 2023		293.07

b) Other Equity - 2.13

(INR in Crore)

Particulars	Reserve & Surplus						
	General Reserve	Retained earnings	CRR	OCI	Capital Reserve	Total Owners Equity	Non-controlling interest
Balance as at 1st April 2021	10,617.90	1,654.71	103.40	(40.98)	238.24	12,573.27	13.54
Profit for the year		9,428.71				9,428.71	(0.55)
Extinguished of Investment in NSL		(0.05)				(0.05)	
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)				-	
Total	5,000.00	106.81	-	45.10	-	5,151.91	(0.09)
Balance as at 31st March 2022	15,617.90	1,761.52	103.40	4.12	238.24	17,725.18	13.45
Balance as at 1st April 2022	15,617.90	1,761.52	103.40	4.12	238.24	17,725.18	13.45
Profit for the year		5,601.46				5,601.46	1.10
Capital Reserve						-	-
Other Comprehensive Income net of tax				104.99		104.99	
Demerger expenses pursuant to the scheme of arrangement		(2.27)				(2.27)	
Interim Dividends (2022-23)		(1,098.98)				(1,098.98)	
Foreign Exchange Translation Reserve (OCI)				(2.83)		(2.83)	(0.32)
Adjustment on consolidation		0.21				0.21	
Transfer to General Reserve	4,400.00	(4,400.00)				-	
Total	4,400.00	100.42	-	102.16	-	4,602.58	0.78
Balance as at 31st March 2023	20,017.90	1,861.94	103.40	106.28	238.24	22,327.76	14.23

Subject to our Report of even date
For M/s Sagar & Associates
 Chartered Accountants
 Firm Regn No: 003510S

(CA AJAY KUMAR MISHRA)
 Partner
 Membership No: 205468

(DILIP KUMAR MOHANTY)
 Director (Production)
 DIN :09296720

For and on behalf of the Board

(AMITAVA MUKHERJEE)
 Chairman-Cum-Managing Director
 (Additional Charge), Director (Finance)
 DIN :08265207

Place : Hyderabad
 Dated : 23rd May 2023

(AS PARDHA SARADHI)
 ED & Company Secretary

CONSOLIDATED CASH FLOW STATEMENT

For the Year Ended 31st March 2023

(INR in Crore)

Particulars	Figures as at the end of current reporting year 31 st March 2023	Figures as at the end of previous reporting year 31 st March 2023
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before income tax from		
Continued Operations	7,646.61	13,016.19
Discontinued Operations	(0.91)	(0.91)
Profit before income tax including discontinued operations	7,645.70	13,015.28
Adjustments for non cash/non operational expenses:		
Depreciation & amortisation expense	336.18	287.74
(Profit)/Loss on disposal of property, plant & equipment	(0.09)	1.87
Expenditure on enabling facilities	154.06	125.22
Provision for bad & doubtful advances	13.02	559.70
Interest Income classified as investing cash flow	(544.49)	(428.95)
Finance Costs	75.23	39.06
Operating Profits before working capital changes	7,679.61	13,599.92
Adjustments for working capital changes:		
(Increase)/ Decrease in Investments	-	-
(Increase)/ Decrease in trade receivables	285.26	(1,374.11)
(Increase)/Decrease in inventories	(535.37)	(1,223.26)
(Increase)/Decrease in other financial assets	79.94	(325.77)
(Increase)/Decrease loans to employees and related parties	(2,079.44)	(414.41)
(Increase)/Decrease in other non current assets	(425.63)	(107.09)
(Increase)/Decrease in other current assets	(602.86)	(66.63)
(Increase)/Decrease in assets held for disposal	0.15	(0.18)
Increase/(Decrease) in trade payables	(238.85)	303.98
Increase/(Decrease) in provisions	273.31	146.13
Increase/(Decrease) employee benefit obligations	113.85	(40.76)
Increase/(Decrease) in other financial liabilities	283.41	7.66
Increase/(Decrease) in other non-current liabilities	-	-
Increase/(Decrease) in other current liabilities	(299.28)	786.92
Cash generated from operations	4,534.10	11,292.40
Income Taxes paid	(2,068.49)	(4,350.60)
Net Cash Flow from operating activities	2,465.61	6,941.80
CASH FLOW FROM INVESTING ACTIVITIES		
Expenditure on acquisition of tangible and intangible assets and towards capital work in progress (net of sale proceeds)	(1,401.28)	(1,198.34)
Purchase of investments	22.26	(27.63)
Interest received	558.79	422.81
Investment in term deposits with more than three months	863.52	(2,410.73)

CASH FLOW STATEMENT (cont...)For the Year Ended 31st March 2023

(INR in Crore)

Particulars	Figures as at the end of current reporting year 31 st March 2023	Figures as at the end of previous reporting year 31 st March 2023
Net Cash Flow from investing activities	43.29	(3,213.89)
CASH FLOW FROM FINANCING ACTIVITIES		
Amount paid on Demerger expenses pursuant to the scheme of arrangement	(2.27)	-
(Repayment)/Proceeds from borrowings*	(1,376.52)	344.46
Lease Liability	(0.76)	(4.51)
(Repayment)/Proceeds from borrowings (Non-Current)	-	-
Deposits paid towards LCs and BGs (towards non fund based facilities)	17.55	(48.22)
Interest paid	(75.23)	(39.06)
Dividends paid (including tax thereon and net off balances for unpaid dividends)	(1,099.27)	(4,319.52)
Net Cash Flow from financing activities	(2,536.50)	(4,066.85)
Net increase (decrease) in cash and cash equivalent	(27.60)	(338.94)
Cash & Cash equivalents at the beginning of the year	120.60	459.54
Cash & Cash equivalents at the end of the year	93.00	120.60
Details of the Cash and Cash Equivalents (Note no. 2.82.2)		
Cash in hand	-	-
On Current Accounts	93.00	85.78
On Deposit Accounts (Original Maturity less than 3 months)	-	34.82
Ear Marked Balance	-	-
Total Cash & Cash equivalents at the end of the year	93.00	120.60
Restricted Cash Balance	-	-

Subject to our Report of even date

For M/s Sagar & Associates

Chartered Accountants

Firm Regn No: 003510S

For and on behalf of the Board

(CA AJAY KUMAR MISHRA)

Partner

Membership No: 205468

(DILIP KUMAR MOHANTY)

Director (Production)

DIN :09296720

(AMITAVA MUKHERJEE)Chairman-Cum-Managing Director
(Additional Charge), Director (Finance)

DIN :08265207

Place : Hyderabad

Dated : 23rd May 2023**(AS 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 Rs. 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 Rs. 5,000 or less are fully depreciated in the year of purchase

b) Treatment expenditure incurred on Assets not owned by the Company:

"Expenditure incurred on any facility, the ownership of which is not vested with the company, but the incurrance 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 good	: 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 Rs.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 and on behalf of the Board

For M/s. Sagar & Associates

Chartered Accountants
FRN No.003510S

(CA AJAY KUMAR MISHRA)

Partner
Membership No: 205468

(DILIP KUMAR MOHANTY)
Director (Production)
DIN :09296720

(AMITAVA MUKHERJEE)
Chairman-Cum-Managing Director
(Additional Charge), Director (Finance)
DIN :08547819

Place : Hyderabad
Dated : 23rd May 2023

(AS PARDHA SARADHI)
ED & Company Secretary

Note - 2.1.1 : PROPERTY, PLANT & EQUIPMENT (INR in Crore)

ASSETS		GROSS BLOCK					DEPRECIATION BLOCK					NET BLOCK				
		As at 1 st April 2022	Additions during the year	Ded/Adj during the year	Transfer to/from	Internal transfer	As at 31 st March, 2023	Upto 1 st Apr 2022	For the year	Asset Impairment	Deductions/ adjustments	Transfer to/from	Internal transfers	Upto 31 st March, 2023	As at 31 st March, 2023	As at 31 st March, 2022
A. General																
Land :																
	- Free hold	818.27	20.41	(639.61)	-	-	199.07	0.06	-	-	-	-	0.06	199.01	837.90	
	- Lease hold	1.04	0.60	13.92	-	-	15.56	0.36	0.06	-	13.92	-	14.34	1.22	0.68	
	Buildings	408.56	19.46	-	-	(0.19)	427.83	70.66	15.96	-	-	(0.18)	86.44	341.39	337.92	
	Plant & Machinery	1,363.84	60.43	(40.04)	-	(0.28)	1,383.95	406.85	109.93	(2.81)	(40.06)	-	473.58	910.37	957.00	
	Heavy Mobile Equipmt.	685.97	93.49	(28.14)	-	0.30	751.62	387.25	69.00	-	(28.14)	-	428.37	323.25	298.72	
	Furniture & fittings	18.71	1.52	(0.57)	-	(0.04)	19.62	11.73	1.63	-	(0.51)	-	12.81	6.81	6.95	
	Vehicles	46.39	7.13	(2.05)	-	(0.11)	51.36	25.34	4.45	-	(1.89)	-	27.88	23.48	21.06	
	Office Equipment	90.18	10.97	(0.76)	0.01	(0.07)	100.32	58.35	12.28	-	(0.39)	0.01	70.31	30.01	31.54	
	Others :															
	Roads, bridges etc.	138.87	1.98	-	-	0.16	141.01	104.02	10.16	-	-	0.16	114.34	26.67	34.86	
	Dams, Wells & Pools	18.12	0.02	-	-	-	18.14	4.84	1.61	-	-	-	6.45	11.69	13.27	
	Adit & tunnel	2.06	-	-	-	-	2.06	0.09	0.03	-	-	-	0.12	1.94	1.98	
	Railway sidings	34.34	-	-	-	-	34.34	21.85	2.45	-	-	-	24.30	10.04	12.49	
	Locomotives	11.18	-	-	-	-	11.18	4.28	0.74	-	-	-	5.02	6.16	6.90	
	Electrical Installations	250.82	33.44	(1.16)	-	0.10	283.20	124.45	22.84	-	(1.12)	0.05	146.22	136.98	126.37	
	Sanitary & W. S. Installations	36.13	3.82	(0.01)	-	-	39.94	7.93	1.36	-	-	-	9.29	30.65	28.20	
	TOTAL 'A'	3,924.48	253.27	(698.42)	0.01	(0.13)	3,479.20	1,228.06	252.50	(2.81)	(58.19)	0.01	1,419.53	2,059.68	2,715.83	
	Previous year 2021-22	3,661.26	315.76	(32.99)			3,944.04	1,037.85	212.80	7.62	(30.06)		1,228.21	2,715.83	2,819.93	
B. Social Facilities																
Land :																
	- Free hold	10.64	-	-	-	-	10.64	-	-	-	-	-	-	10.64	10.64	
	- Lease hold	2.05	-	-	-	-	2.05	2.05	-	-	-	-	2.05	-	-	
	Buildings	279.38	4.69	-	-	-	284.07	31.34	5.67	-	-	-	37.01	247.06	248.04	
	Plant & Machinery	6.65	-	-	-	-	6.65	0.98	0.30	-	-	-	1.28	5.37	5.67	
	Furniture & fittings	11.37	9.12	(2.06)	-	(0.19)	18.24	3.77	2.06	-	(0.73)	-	5.06	13.18	7.61	
	Vehicles	2.27	0.77	(0.12)	-	0.11	3.03	1.20	0.27	-	(0.11)	-	1.38	1.65	1.06	

(INR in Crore)

ASSETS	GROSS BLOCK					DEPRECIATION BLOCK							NET BLOCK		
	As at 1 st April 2022	Additions during the year	Ded/Adj during the year	Transfer to/from	Internal transfer	As at 31 st March, 2023	Upto 1 st Apr, 2022	For the year	Asset Impairment	Deductions/ adjustments	Transfer to/from	Internal transfers	Upto 31 st March, 2023	As at 31 st March, 2023	As at 31 st March, 2022
Office Equipment	25.34	13.63	(2.79)	(0.01)	0.22	36.40	12.24	4.78	-	(2.14)	(0.01)	0.06	14.94	21.46	13.10
Others :															
Roads, bridges etc.	8.67	0.33	-	-	(0.01)	8.99	4.51	0.52	-	-	-	(0.01)	5.02	3.97	4.16
Cess fund quarters	6.57	0.09	-	-	-	6.66	1.16	0.14	-	-	-	-	1.30	5.36	5.42
Dams, Wells & Pools	0.95	0.06	-	-	-	1.01	0.36	0.14	-	-	-	-	0.50	0.51	0.59
Electrical Instaln.	10.64	0.63	-	-	-	11.27	3.08	0.93	-	-	-	-	4.01	7.26	7.62
Sanitary & W.S.Instlns.	7.05	0.53	-	-	-	7.58	2.16	0.25	-	-	-	-	2.41	5.17	4.89
TOTAL 'B'	371.58	29.85	(4.97)	(0.01)	0.13	396.59	62.85	15.06	-	(2.98)	(0.01)	0.03	74.96	321.63	308.78
"Previous year 2021-22 "	309.09	72.68	(11.96)	(0.17)		369.64	56.84	11.87	2.31	(10.07)	(0.09)		60.86	308.78	494.00
TOTAL 'A + B'	4,296.06	283.12	(703.39)	-	-	3,875.79	1,290.91	267.56	(2.81)	(61.17)	-	-	1,494.49	2,381.31	3,024.61
"Previous year 2021-22 "	3,970.35	388.44	(44.95)	(0.17)	-	4,313.68	1,094.69	224.67	9.93	(40.13)	(0.09)		1,289.07	3,024.61	3,313.93

Note 2.1.2 : RIGHT-OF USE ASSETS**General:**

(INR in Crore)

Assets	GROSS BLOCK			AMORTISATION BLOCK			NET BLOCK		
	As at 1 st April, 2022	Additions/ Adjustments	Deductions/ Adjustments	As at 31 st March, 2023	As at 1 st Apr, 2022	For the year	Deductions/ adjustments	As at 31 st March, 2023	As at 31 st March, 2022
Land	1.32	0.56	0.02	1.86	1.20	0.24	0.04	1.40	0.12
Buildings									
Delhi - PTL- Building	7.41	-	-	7.41	2.52	0.86	-	3.38	4.89
Delhi - KG Marg Surya Kiran Building	0.26	-	-	0.26	0.26	-	-	0.26	-
REGIONAL OFFICE- Vizag	1.19	-	-	1.19	0.36	0.04	-	0.40	0.83
Ranchi-Office Building_JSFC	2.63	-	-	2.63	0.21	0.26	-	0.47	2.43
TOTAL	12.81	0.56	0.02	13.35	4.55	1.40	0.04	5.91	8.27
Previous year	10.17	2.63	(0.01)	12.81	3.15	1.34	(0.05)	4.54	7.02
Social Amenities:									
Buildings	-	-	-	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-	-	-	-
Previous year	-	-	-	-	-	-	-	-	-
Grand Total	12.81	0.56	0.02	13.35	4.55	1.40	0.04	5.91	8.27
Previous year	10.17	2.63	(0.01)	12.81	3.15	1.34	(0.05)	4.54	7.02

NON-CURRENT ASSETS

Note: 2.2 Capital Work in Progress

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023		Figures as at the end of 31 st March 2022	
Construction work in progress		1,772.55		1,020.60
Add: NSL Adjustment on Sales from KDL				41.96
Add : Impairment reversed/(provided)		7.24		5.32
		1,765.31		1,057.24
Construction Stores		-		-
Capital Assets in stores awaiting installation or in transit	43.67		39.05	
Less : Provision	-		-	
		43.67		39.05
Expenditure incidental to construction awaiting allocation (See note 2.2.2)		182.57		232.02
Total		1,991.55		1,328.31

Note - 2.2.1: Movement of Capital work in progress

(INR in Crore)

Particulars	Construction Work in Progress	Construction Stores	Capital asset in stores awaiting installation or in transit	Expenditure Incidental to construction awaiting allocation	Total
Year ended 31st March 2022					
Opening gross carrying amount	390.25	2.32	45.82	253.16	691.55
Additions	851.33	(2.32)	245.71	376.69	1471.41
Disposals/Capitalisation to PPE	179.02	0.00	252.48	397.83	829.33
Closing gross carrying amount	1062.56	(0.00)	39.05	232.02	1333.63
Accumulated amortisation					
Amortisation charge during the year	5.32				5.32
Closing accumulated amortisation	5.32	0.00	0.00	0.00	5.32
Closing net carrying amount	1057.24	(0.00)	39.05	232.02	1328.31
Year ended 31st March 2023					
Opening gross carrying amount	1057.24	(0.00)	39.05	232.02	1328.31
Additions	836.89	0.00	193.90	28.84	1059.63
Disposals/Capitalisation to PPE	126.90	0.00	189.28	78.29	394.47
Closing gross carrying amount	1767.23	(0.00)	43.67	182.57	1993.47
Accumulated amortisation					
Amortisation charge during the year	1.92		0.00		1.92
Closing accumulated amortisation	1.92	0.00	0.00	0.00	1.92
Closing net carrying amount	1765.31	(0.00)	43.67	182.57	1991.55

Note : 2.2.2 Expenditure Incidental to Construction Awaiting Allocation

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
a. Opening balance	232.02	253.16
b. Net Expenditure incurred during the year		
Consumption of stores and spares	-	-
Employee Benefit expense :		
Salaries, Wages & Bonus	6.90	1.22
	6.90	1.22
Repairs and Maintenance	1.58	1.81
Depreciation and amortisation	0.26	0.09
Other expenses :		
Consultancy expenditure	14.42	11.50
Other expenditure	5.68	361.06
	28.84	375.68
Less : Recoveries/Income		
Total (b)	28.84	375.68
Sub-total (a+b)	260.86	628.84
Less : Amount allocated to Fixed assets/ Capital W I P	78.29	396.82
Total	182.57	232.02

Note: 2.2.3 Capital Work in Progress aging Schedule

(INR 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		825.61	670.99	93.39	401.56	1,991.55
Project temporarily suspended		-	-	-	-	-
		-	-	-	-	-
Total	-	825.61	670.99	93.39	401.56	1,991.55

Note: 2.2.4 Capital Work in Progress Completion Schedule

(INR in Crore)

Particulars	To be completed in					
		Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
Slury Pipe Line		835.56	144.81			980.37
SP - III at Kirandul Unit, Chhatishgarh		275.26	293.22			568.48
SP- II - Donimali Project - Karnataka					1.01	1.01
Additional Fine ore Stock Pile- Bachel		31.57				31.57
Construction of 5 th Screening Line - Bachel		44.42				44.42
Others		126.94	197.55		41.21	365.70
Total -		1,313.75	635.58	-	42.22	1,991.55

Note: there are no project where activities has been suspended as on 31st March 2023

Note : 2.3 Intangible Assets

(INR in crore)

ASSETS	GROSS BLOCK				AMORTISATION BLOCK				NET BLOCK		
	As at 1 st April 2022	Additions during the year	Ded/Adj during the year	As at 31 st March 2023	As at 1 st Apr 2022	For the ear	Asset Impairment	Deductions/ adjustments	As at 31 st March 2023	As at 31 st March 2023	As at 31 st March 2022
Goodwill	93.89	-	-	93.89	-	-	-	-	-	93.89	93.89
Total	93.89	-	-	93.89	-	-	-	-	-	93.89	93.89
Previous Year 2021-2022	93.89			93.89	-				-	93.89	93.89
GENERAL											
Computer software	57.44	7.08	0.08	64.60	17.51	26.74	-	0.08	44.34	20.27	39.94
Mining rights	1,035.43	253.58	29.29	1,318.30	539.63	41.63	-	41.38	622.64	695.66	495.79
Total	1,092.87	260.66	29.37	1,382.90	557.14	68.37	-	41.46	666.97	715.93	535.73
Previous Year 2021-2022	1,029.28	62.46	1.32	1,093.06	510.71	45.32	1.30	-	557.33	535.73	518.57
Total	1,186.76	260.66	29.37	1,476.79	557.14	68.37	-	41.46	666.97	809.82	629.62
Previous Year 2021-2022	1,123.17	62.46	1.32	1,186.95	510.71	45.32	1.30	-	557.33	629.62	612.46

Details of the Mining Rights (NMDC Ltd)

Sl. NO.	Lease No.	Description of Deposit/mine	Lease period		Useful live of mine	Net Block as on 31.03.2023	Method of Amortisation
			From	To			
1	30CHG03001	Mining Lease Agreement-BIOM Deposit- 14 ML	9/12/2015	9/11/2035	20	57.78	Amortised over respective useful lives of mines on straitline basis
2	30MPR02002	Mining Lease Agreement-BIOM Deposit- 14 NMZ	12/7/2015	12/6/2035	20	59.51	
3	30CHG03002	Mining Lease Agreement-BIOM Deposit- 11 ML	9/12/2017	9/11/2037	20	43.77	
4	30MPR02005	MINING LEASE OF DEP-05	9/11/2015	9/10/2035	20	96.52	
5	30MPR48001	MINING LEASE OF DEP-10	9/11/2015	9/10/2035	20	43.61	
6	30CHG03002	MINING LEASE RENEWAL OF DEPOSIT 11A	9/12/2017	9/11/2037	20	2.77	
7	2396	DONIMALAI IRON ORE MINE	11/4/2018	11/3/2038	20	63.91	
8	1111	KUMARASWAMY IRON ORE MINE	10/18/2022	10/17/2042	20	240.18	
9	E80/4221	East Kimberley - Koongie Park (Base Metals)	12/14/2009	12/13/2023	14	9.51	
10	E80/5066	East Kimberley - Tayloor Lookout (Tungsten)	7/18/2018	7/17/2023	5	0.77	
11	E80/5067	East Kimberley - Sophie Downs (Tungsten)	7/18/2018	7/17/2023	5	1.87	
12	E80/5068	East Kimberley - Ruby Plains (Tungsten)	7/18/2018	7/17/2023	5	0.50	
13	E31/1034	Patricia North (Gold)	9/19/2013	9/18/2023	10	1.48	
14	M31/0426	Yilgangi (Gold)	1/12/2009	1/11/2030	21	2.04	
15	M31/0427	Yilgangi (Gold)	1/12/2009	1/11/2030	21	2.05	
16	E31/1020	Yilgangi (Gold)	4/10/2013	4/9/2025	12	1.61	
17	E31/1019	Yilgangi (Gold)	4/10/2013	4/9/2025	12	1.39	
18	M31/0107	Yerilla (Gold)	8/22/1991	8/21/2033	42	1.02	
19	M31/0229	Yerilla (Gold)	7/17/2009	7/16/2030	21	0.38	
20	M31/0230	Yerilla (Gold)	7/17/2009	7/16/2030	21	0.37	
21	E39/1443 or M39/1145	South Laverton - Mt Celia (Gold)	11/10/2009	11/9/2023	21	21.61	
22	M39/1123 (P39/5001)	South Laverton - Mt Celia (Gold)	11/7/2018	11/6/2039	21	1.81	
23	M39/1128 (P39/5002,03)	South Laverton - Mt Celia (Gold)	11/7/2018	11/6/2039	21	5.41	
24	M39/1124 (P39/5004)	South Laverton - Mt Celia (Gold)	11/7/2018	11/6/2039	21	1.61	
25	M39/1125 (P39/5005)	South Laverton - Mt Celia (Gold)	6/7/2018	6/6/2039	21	1.63	
26	M39/1126 (P39/5006)	South Laverton - Mt Celia (Gold)	6/7/2018	6/6/2039	21	1.52	
27	M39/1127 (P39/5007)	South Laverton - Mt Celia (Gold)	6/7/2018	6/6/2039	21	1.69	
28	E39/2040	South Laverton - Mt Celia (Gold)	9/18/2018	9/17/2023	5	0.90	
29	E39/2262	South Laverton - Mt Celia (Gold)	11/15/2022	11/14/2027	5	0.03	
30	E39/2348	South Laverton - Mt Celia (Gold)	2/6/2023	2/5/2028	5	0.02	
31	E39/1748	Sunrise Bore (Gold)	7/1/2014	6/30/2024	10	5.39	
32	EL29/510	Mount Bevan (Iron Ore)	7/7/2005	7/6/2023	18	23.00	
	Total					695.66	

Note : 2.4 Intangible assets under development

(INR Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Intangible assets under development (ERP)	6.49	5.00
Total	6.49	5.00

Note: 2.4.(a) Intangible Assets under development aging Schedule

(INR 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		6.49				6.49
Project temporarily suspended		-	-	-	-	-
Total	-	6.49	-	-	-	6.49

Note: 2.4.(b) Intangible Assets under development completion schedule

(INR in Crore)

Particulars	To be completed in					
		Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
ERP		6.49	-	-	-	6.49
Project 2		-	-	-	-	-
Total	-	6.49	-	-	-	6.49

Note: there are no project where activities has been suspended as on 31st March 2023

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.
- 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 Bacheli Complex, Kirandul Complex and Panna Project.
 - Mining lease to the extent of 33.58 hectares (Mining area) and 19.42 hectares (Plant area) of Silica Sand Plant near Lalapur (Allahabad).
 - Lease in respect of a portion of the total land at R&D Center measuring 9.12 acres (during Feb 2007 6.66 acres and the balance 2.46 acres in Feb 2010) has

expired. The process of renewal of the lease is under progress.

- Provisional allotment letters were issued for the land allotted by M/s APIIC at Industrial park, Palonchato 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.
- Reconciliation of Depreciation and Amortisation as per Statement of Profit and Loss:

(INR in Crore)

Note no	Particulars	2022-23	2021-22
2.1	Depreciation on PPE	267.56	224.64
2.1	(Reversal)/Impairment of PPE	(-)2.81	9.93
2.3	Amortisation of Intangible Assets	68.37	46.60
2.1.2	Amortisation of ROU Assets	1.40	1.34
2.2	Impairment of CWIP	1.92	5.32
	Total	336.44	287.83
2.2.2	Transferred to IEDC	(-)0.26	(-)0.09
2.28	Shown under Exceptional Item	-	-
2.33.7	Transfer to Discontinue Operation	-	-
	Depreciation, amortisation and Impairment as per Statement of Profit and Loss	336.18	287.74

2.5 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)	1,240,000.00	Forest Dept.	No	7th June, 2022	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)	103,528.00	Forest Dept.	No	14 th March, 2022	This is Forest Land (MOEF Clearance Letter dated 14.03.2002)
	Infrastruture Land Lease of Dep-10 (FO) (352.87 Acre)	139,164,937.00	Forest Dept.	No	10 th July, 2019	This is Forest Land (MOEF Letter dated 10.07.2019)
	Land at Madadi Village	67,899.48		No	31 st March, 2006	Panchnama done by Railway, Revenue NMDC officials is available with the Project.
	Land Lease Hold (For Town Ship)	-		No	31 st March, 1986	Panchnama done by Railway, Revenue NMDC officials is available with the Project.
	Freehold Land	22,569.00		No	31 st March, 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					

Note: The Area of Land of 45.40 Acres Railway Land, 56.14 Revenue Land has been taken from Railway Authorities and Others. These land are not in Company's name.

5. During the year 2022-23 a review of residual and useful life of PPE was done and as per the review there is no change recommended. The Useful life of all the PPE is as per schedule II except for the following PPE whose life as given under is determined as per technical assessment adopted.

Equipment	Capacity	Use life (in Years)
Dumper	85-100 T	10
	50-60 T	9
Water Sprinkler	28 KL	9
Rope Shovel	8-10 Cu m	20
Hydraulic Shovel	5-7.5 Cum	9
	>7.5 Cum	10
Blast Hole Drill	165mm Diesel	9
	165mm Electric	12
	250mm single pass	16
	250 mm multiple pass	10
Top Hammer Drill	<160mm	9
Front End Loader	< 300 HP to >600HP	10
Track Dozer	<500 HP to >500HP	10
Wheel Dozer	<500 HP	12
Grader	<200HP	12
Mobile Crane	<12 ton	9
	12 – 40 ton	12
	>40 ton	15
Boom Stacker	2000 – 3000 TPH	30
Reclaimer	2000-3000 TPH	30

Note : 2.4.1 Investments

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
In Equity Shares:		
Investments in Subsidiary Companies :		
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	-	-
Trade & Unquoted at cost:		
	-	-
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) NIL (Previous Year 5,50,000) Equity shares of Rs.10/- each fully paid up in NMDC Power Ltd.	-	0.55
Less: Investment deration	-	0.55
	-	-
iii) NIL (previous year 10,000) equity shares of 10 each in Jharkhand Kolhan Steel Limited (JKSL)	-	0.16
Less: Investment deration	-	0.16
	-	-
iv) 20,00,000 (previous year 20,00,000) equity shares of 10 each in NMDC CSR Foundation (NMDC CSR)	2.00	2.00
Investment in Joint Ventures :		
Unquoted at cost:		
i) 50 (Previous year 50) equity shares of South African Rand 1/- each in Kopano-NMDC Minerals (Proprietary) Limited (Rs.324/- only)	-	-
Less: Investment deration	-	-
	-	-
ii) 9,83,47,236 (Previous Year 9,83,47,236) Equity shares of Rs 10/- each fully paid up in NMDC CMDC Ltd.	91.35	92.65
iii) 15,26,74,600 (previous year 15,26,74,600) equity shares of Rs. 10/- each fully paid up in Bastar Railway Pvt. Ltd. (BRPL)	152.25	152.73
	-	-
iv) 6,000 (Previous year 6,000) equity shares of Rs.10/-	-	-

Particulars	Figures as at the end of 31 st March 2023		Figures as at the end of 31 st March 2022	
each fully paid up in Jharkhand National Mineral Development Corporation Ltd.				
Investments in Associates :				
Unquoted at cost:				
i) 105,000 (previous year 105,000) Equity shares) of Rs 10/- each fully paid up in Romelt SAIL India Ltd., New Delhi	0.11		0.11	
Less: Investment deration	0.11		0.11	
		-		-
ii) 37,88,59,405 (Previous year 37,88,59,405) Equity shares of Rs.10/- each fully paid in International Coal Ventures (P) Ltd.		659.65		616.81
iii) 4,00,00,000 (PY 4,00,00,000) equity shares of Rs 10/- each in Krishnapatnam Railway Co. Ltd fully paid		29.41		30.74
iv) NIL (previous year 7,47,99,878) equity shares of Rs. 10/- each fully paid up in NINL, Bhubaneswar (*)		-		-
v) 13,000 (previous year 13,000) equity shares of Rs.10/- each in Chhattisgarh Mega steel Ltd		-		-
Non-trade and unquoted shares in co-operative societies				
i) 150 Shares (previous year 150 Shares) of Rs. 1,000/- each fully paid up in Whole-sale Consumers Co-operative Stores, Kirandul Rs 1,50,000 (Previous year Rs.1,50,000)	0.02		0.02	
ii) 500 Shares (previous year 500 Shares) of Rs. 10/- each fully paid up in NMDC Employees Co-operative Society Ltd, Bachelu Rs.5,000 (previous year Rs 5,000)	-		-	
iii) 25 Shares (previous year 25 Shares) of Rs.100 each fully paid up in NMDC Employees Co-operative Society Ltd, Donimalai Rs.2,500 (previous year Rs 2,500)				
		-		-
		0.02		0.02
Total		934.68		894.95
1. Aggregate amount of Quoted investments (Market value of quoted Investments)		-		-
2. Aggregate amount of Unquoted Investments		939.99		900.26
3. aggregate amount of provision for diminution in value investments		7.31		7.31

“(*) Due to strategic disinvestment of NINL, NMDC has received an amount of Rs.379.79 crores (Gross Rs.380.27-TDS Rs.0.48 crore) against investment of Rs.100.60 crores. ”

Note: 2.4.2 : Loans

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Loans to employees and outsiders	62.62	40.77
TOTAL	62.62	40.77
i) Considered Good, Secured	62.62	40.77
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

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Deposit with Others	103.24	104.41
Inter-Corp Balance-NSL	2,542.93	485.34
Total	2,646.17	589.75

Note: 2.5 Deferred tax assets (Net)

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
A. Deferred tax assets :		
1. Provision for bad & doubtful debts	486.28	744.82
2. Intangible Assets	(37.68)	(27.22)
3. Asset retirement obligation and spares	8.78	4.39
4. Investments	9.19	9.19
5. Others	31.50	31.50
Total Deferred Tax Assets	498.07	762.68
B. Deferred tax liability :		
1. Related to PPE	(198.81)	(191.69)
2. Accrued expenses	(1.76)	(2.05)
Total Deferred Tax Liability	(200.57)	(193.74)
Net Deferred Tax Assets	297.50	568.94

Note 2.6 : Other Non-Current Assets

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Capital Advances (*)	1,126.18	352.78
ITC Receivables	-	-
Mines Closure Fund with Life insurance Corporation	1,122.03	965.10
Other Advances (**)	1,054.71	786.01
Total	3,302.92	2,103.89

(*) Capital Advances includes an amount of Rs. 2.79 crore (P.Y Rs. 3.01 crore) towards doubling of railway lines between Jagdalpur and Ambagoan , also include payment of Rs 325.32 crore.(P.Y Rs.246.51 crore) towards Tokisud Coal Block and payment of Rs.74.18 crore (P.Y. Rs.73.16) crore towards Rohne Coal Block.

(**) Includes an amount of Rs. 600 crore(P.Y.Rs. 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)

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023		Figures as at the end of 31 st March 2022	
Raw materials				
Iron Ore	0.90		1.42	
Lime Stone	0.09		0.12	
Bentolite	0.13		0.15	
		1.12		1.69
Work-in-Process :				
Pellets	0.87		1.37	
Diamonds	-		-	
Sponge Iron	0.03		0.93	
		0.90		2.30
Finished Goods:				
Iron Ore	2,369.57		1,887.19	
Sponge Iron	0.01		0.01	
Pellets	28.60		12.98	
Ultra Pure Ferric Oxide NIL (Previous year Rs.10/-)	-		-	
Diamonds & Precious Stones	0.04		0.04	
Total Finished Goods		2,398.22		1,900.22
Generated Iron ore fines at Sponge Iron unit	-	-	-	-
Total		2,400.24		1,904.21
Stores & Spares		257.84		218.11
Loose tools and Implements		2.50		2.89
Total		260.34		221.00
G. Total		2,660.58		2,125.21
Inventories are valued at cost or NRV whichever is lower.				
1. Stores and Spares include:				
a) Stores-in-transit		7.30		4.16
b) Obsolete stores & spares valued at Re1 per unit of their original value of Rs.4.26 crore (previous year Rs.3.79 crore)		0.01		0.01

Notes: 2.8.1 Trade Receivables

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Considered Good, Secured	-	-
Considered Good, Unsecured,	2,656.02	2,954.30
Which have significant increase in Credit Risk	-	-
Credit impaired	1,905.13	2,932.14
Total(*)	4,561.15	5,886.44
Less: Provision for bad & doubtful trade receivables	15.05	84.45
Less: Provision for bad & doubtful (Monitoring Committee)	1,890.08	2,847.69
Total Provision	1,905.13	2,932.14
TOTAL	2,656.02	2,954.30

(*)

i) Trade Receivables includes Rs 2907.91 crore (Previous year Rs. 4,555.27 crore) dues from Monitoring Committee.

ii) Based on the arrangements between Company and Customers, the bills of the Customers amounting to Rs.3,257.09 crore (Previous year – Rs. 1236.17 crore) have been discounted during the year. Accordingly, Trade receivables have been shown net of bills discounted.

iii) Trade receivables includes:

a) For Rs.558.65 crore (P.Y Rs.681.43 crore) related to RINL which is not due as on 31st March 2023

b) For Rs. 2.24 crore (P.Y Rs. 987.23 crore) related to Monitoring Committee which is not due as on 31st March 2023

c) for Rs. 46.42 crore (P.Y 98.01 crore) related to sales to NMDC Steel Limited

Note: 2.8.1.1 Trade Receivables (Aging)

(INR 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	1,247.04	62.67	867.11	224.00	255.20	2,656.02
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					1,905.13	1,905.13
Total	1,247.04	62.67	867.11	224.00	2,160.33	4,561.15

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

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Cash in hand	-	-
Balance with Banks		
on current Accounts	93.00	85.78
On Deposit accounts (Original maturity less than 3 months)	-	34.82
Total	93.00	120.60

Notes :2.8.3 Bank Balances other than (ii) above

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Balance with bank on 'Deposits Accounts (original maturity more than 3 months but less than 12 months. (*)	6,905.72	7,769.24
Balance with bank for Unpaid Dividend	3.55	3.84
Balance with banks TDS on DIVIDEND	29.24	41.10
Bank deposits offered as security for Bank guarantees and letter of credit	66.24	42.69
Total	7,004.75	7,856.87

(*) Fixed Deposits of Rs. 502 crore (P.Y Rs. 1,114.80 crore) pledged for availing OD Facilities..

Note: 2.8.4 Other Financial Assets

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Related Parties		
Advances to Directors	-	0.06
Advances to Subsidiaries/ Jv's/ Associates	55.79	126.80
Less: Prov. Made	10.63	9.35
	45.16	117.45
Deposits with Others	-	-
Employees and outsiders		
Advances to Employees and outsiders	54.64	415.15
Interest Accrued		
Accrued interest on deposits with banks	21.87	29.18
Accrued interest on Other	1.21	8.20
Other Receivables	367.91	13.82
Total	490.79	583.86

"(*) Includes:i)Advance received by Monitoring Committee on behalf of NMDC Rs. Nil (P.Y Rs. 293.40 crore) against advance auction.ii)Additional 10% SPV paid to Monitoring Committee for Rs. 335.78 crore (P.Y Rs. Nil) as directed by DMG (Department of Mines and Geology) Karnataka."

Note: 2.9 Current Tax Asset (Net)

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Advance Income tax & TDS	9,379.67	8,803.32
Less : Provision	8,257.85	7,903.46
	1,121.82	899.86
Total	1,121.82	899.86

Note: 2.10 Other Current Assets

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Advances to Employee and outsiders	1,189.05	684.90
Less: Provision for bad and doubtful advances	2.34	4.03
Net	1,186.71	680.87
Current Investments	5.75	5.90
ITC Receivables	587.13	489.96
Total	1,779.59	1,176.73

Note: 2.11 Assets Held for Disposal

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Assets held for disposal	0.66	0.81
Total	0.66	0.81

Note: 2.12 Equity Share Capital

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
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	293.07	293.07
(Previous year 2,93,06,05,850 Re.1/- each fully paid)		
2,93,06,05,850 Equity Shares of Rs.1/- each fully paid up (Previous year 2,93,06,05,850 of Rs.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 2023		31 st March 2022		% of Change
	% of share holding	Number of shares	% of share holding	Number of shares	% of change in No. of Shares
I President of India	60.79	1,781,633,571	60.79	1,781,633,571	-
ii) LIC of India (incl all schemes)	11.53	337,784,217	14.16	414,885,432	(18.58)

b) Other Equity - 2.13

(INR in Crore)

Particulars	Reserve & Surplus						
	General Reserve	Retained earnings	CRR	OCI	Capital Reserve	Total Owners Equity	Non-controlling interest
Balance as at 1st April 2021	10,617.90	1,654.71	103.40	(40.98)	238.24	12,573.27	13.54
Profit for the year		9,428.71				9,428.71	(0.55)
Extinguished of Investment in NSL		(0.05)				(0.05)	
Other Comprehensive Income net of tax				40.98		40.98	
Transfer to Capital Redemption Reserve (CRR)						-	
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)				-	
Total	5,000.00	106.81	-	45.10	-	5,151.91	(0.09)
Balance as at 31st March 2022	15,617.90	1,761.52	103.40	4.12	238.24	17,725.18	13.45
Balance as at 1st April 2022	15,617.90	1,761.52	103.40	4.12	238.24	17,725.18	13.45
Profit for the year		5,601.46				5,601.46	1.10
Capital Reserve					-	-	
Other Comprehensive Income net of tax				104.99		104.99	
Transfer to Capital Redemption Reserve (CRR)	-		-			-	
Demerger expenses pursuant to the scheme of arrangement		(2.27)				(2.27)	
Interim Dividends (2022-23)		(1,098.98)				(1,098.98)	
Foreign Exchange Translation Reserve (OCI)				(2.83)		(2.83)	(0.32)
Adjustment on consolidation		0.21				0.21	
Transfer to General Reserve	4,400.00	(4,400.00)				-	
Total	4,400.00	100.42	-	102.16	-	4,602.58	0.78
Balance as at 31st March 2023	20,017.90	1,861.94	103.40	106.28	238.24	22,327.76	14.23

NON-CURRENT LIABILITIES

Note 2.14.1 Borrowings (Non-Current)

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
	-	-
	-	-
Total	-	-

Note 2.14.2 Lease Liability

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Lease Liabilities	5.02	5.85
Total	5.02	5.85

Note 2.14.3 Other Financial Liabilities (Non- Current)

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Other Financial Liabilities	150.28	150.28
Total	150.28	150.28

Note 2.14.4 Provisions (Non-Current)

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Employee Benefits :		
Gratuity	0.12	0.11
Accrued leave	0.04	0.03
Long Service Reward	34.77	45.69
Mine closure Liability	1,217.94	1,043.75
Provisions for de-commissioning liability (ARO Obligation)	3.12	2.88
Total	1,255.99	1,092.46

Note: 2.15.1 Borrowings

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Loan against FD/ Working Capital Loan (*)	415.98	1,788.05
Interest on Working Capital Loan	-	4.45
Total	415.98	1,792.50

(*) Over Drafts availed by pledging Fixed Deposits is Rs. 502 crore (PYRs. 3,928 crore)

Note: 2.15.2 Lease Liability

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Lease Liabilities	1.66	1.59
Total	1.66	1.59

Note: 2.15.3 Trade & Other Payables

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Total outstanding dues of micro and small enterprises	25.23	26.59
Other than micro and small enterprises	400.68	638.17
Total	425.91	664.76

Disclosure Relating to Micro and Small Enterprises	31 st March 2023	31 st March 2022
I (a). The principal amount remaining unpaid to the supplier as at the end of the year	25.23	26.59
I (b). The interest due on the above amount, remaining unpaid to the supplier as at the end of the year	Nil	Nil
ii) the amount of interest paid in terms of section 16, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006;	Nil	Nil
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

Note: 2.15.3.(I) Trade Payable (Aging)

(INR in Crore)

Particulars	Outstanding for following periods from due date of payments					
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i) MSME	8.44	15.48	0.15	1.16	-	25.23
ii) Others	23.28	225.28	52.67	79.93	19.37	400.53
iii) Disputed Dues: MSME	-	-	-	-	-	-
iv) Disputed Dues: Others	-	-	-	-	-	-
Total	31.72	240.76	52.82	81.09	19.37	425.76

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

(INR in Crore)

Name of the Struck Off Company	Nature of transaction	Transaction During the Year 2022-23	Balance Outstanding As at 31-Mar-2023	Relationship with the Struck off companies
Hunting Hawks	Payable	-	-	Vendor
Noice Elevators and Engineering Works	Payable	-	0.00	Vendor
Pioneer Tech Engineering Services	Paid/Payable	0.00	0.01	Vendor
Pratah India	Paid/ Payable	0.01	0.00	Vendor
Leela Palace - New Delhi Pvt Ltd	Paid	0.21	-	Vendor
Aerilyn Helthcare Pvt.Ltd	Paid	0.09	-	Vendor
Beech Impex Private Limited	Paid	0.06	-	Vendor
Indus Hospitals Ltd	Paid	0.54	-	Vendor
Network Security Pvt Ltd	Paid	0.04	-	Vendor
Super Transport Pvt Ltd	Paid	0.04	-	Vendor
Total		1.01	0.01	

(*) Figurses "0" indiactes values are in thousands.

Note: 2.15.4 Other Financial Liabilities

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Unpaid Dividend	3.55	3.84
Deposits from Suppliers, Contractors	376.90	173.83
Capital Creditors	72.01	8.93
Other financial Liabilities (*)	444.47	335.18
Total	896.93	521.78

(*) NMDC has purchased a total quantity of 3036.19 wmt of coal from NMDC Steel Limited during the current year 2022-23 for Rs. 8.34 crore for using in the Pellet Plants.

Note : 2.16 Other Current Liabilities

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Contract Liabilities (*)	860.09	1,068.65
Other Payables	58.10	46.68
(like withholding and other taxes payable, amounts payable to employees and others)		
Statutory Dues	1,418.83	1,520.97
Total	2,337.02	2,636.30

(*)Advance deposited by customers with Monitoring Committee (on behalf of NMDC) Rs. Nil crore (P. Y Rs.293.40 crore) against advance auction.

Note: 2.17 Provisions

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Employee Benefits :		
Accrued leave	0.63	0.74
Long service reward	2.35	2.35
Others		
Provision for gratuity, leave salary, family benefit scheme and post employment medical benefits	21.76	12.03
Prov: for unspent CSR	99.12	-
Total	123.86	15.12

Note: 2.18 Revenue form Operations

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Sale of Products :		
a) Iron ore :		
Export through MMTC	-	9.19
Domestic		
Basic price	13,827.94	20,982.87
Royalty	2,625.53	3,605.94
Development Cess	60.04	65.26
Forest Permit Fee	121.54	43.51
Forest development Fee	-	-
District Mineral Fund (DMF)	761.57	865.27
National Mineral Exploration Trust (NMET)	50.77	57.68
Total Domestic	17,447.39	25,620.53
Total Iron Ore Sales	17,447.39	25,629.72
b) Sponge Iron	-	-
c) Diamonds	-	62.93
d) Sale of Power	6.08	4.99
e) Sale of Services	42.13	45.04
f) Sales of Pellets	165.50	222.11
g) Other operating revenue	5.78	-
Total	17,666.88	25,964.79

Note: 2.19 Other Income

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
a) Interest Income:		
On Deposits with Banks	416.26	289.16
Others	128.23	139.79
	544.49	428.95
b) Gain in Exchange	1.49	0.96
c) Profit on sale/adjustment of assets	1.30	0.12
d) Profit on sale of Current investments(MUF)	4.90	16.74
e) Other non operating income	216.04	271.75
Total	768.22	718.52

Note: 2.20 Consumption of Raw Materials

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Iron ore	68.49	105.07
Lime Stone	1.08	0.86
Internal handling of raw materials	1.02	1.02
Total	70.59	106.95

Note: 2.21 Changes in Inventories of Finished Goods and Work in Progress

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Work-in-process:		
Balance as at the beginning of the Year	2.30	4.22
Less: Balance as at close of the Year	0.90	2.30
	1.40	1.92
Finished Goods:		
Balance as at the beginning of the Year	1,887.25	711.67
Less: Balance as at close of the Year	2,369.63	1,887.25
Less: Capital Inventory	-	
	(482.38)	(1,175.58)
Finished Goods: (Pellets)		
Balance as at the beginning of the Year	12.98	27.25
Less: Balance as at close of the Year	28.60	12.98
	(15.62)	14.27
Total	(496.60)	(1,159.39)

Note: 2.22 Employee Benefit Expense

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Salaries, Wages & Bonus	1,067.34	908.29
Contribution to Provident fund and other funds		
Provident Fund, FPS & DLI	56.06	49.29
Pension Fund	47.75	42.89
Group Gratuity Fund	9.18	5.45
Staff Welfare Expenses	350.24	331.15
Total	1,530.57	1,337.07

Note: 2.23 Power, Electricity and Water Charges

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Power charges	117.67	100.73
Electricity charges	22.66	18.12
Water charges	3.74	3.69
Total	144.07	122.54

Note: 2.24 Repairs & Maintenance

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Buildings	53.64	32.30
Plant and Machinery	63.82	61.89
Vehicles	0.93	3.86
Others	91.62	94.18
Total	210.01	192.23

Note: 2.25 Selling Expense

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Railway freight	4.65	-
Export duty	-	0.96
Infrastructure Development cess	30.14	32.75
Environmental Development cess	30.14	32.75
Other selling expenses	198.07	161.28
Total	263.00	227.74

Note: 2.26 Finance Cost

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
I Interest on Short term Borrowings	68.30	32.26
ii) Interest - Others	6.69	6.62
iii) Interest on deposit from contractors, suppliers & others	0.24	0.18
Total	75.23	39.06

"(*)The Short term Borrowings is for meeting working capital requirement."

Note: 2.27 Other Expenses

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Rent	2.31	2.46
Insurance	12.00	8.14
Rates & Taxes	6.17	7.07
Directors' Travelling expenses	1.01	0.41
Directors, Sitting Fees	0.46	0.33
Payment to Auditors:		
As audit Fee	0.71	0.71
For taxation matters	-	0.04
For Company Law matters	-	-
For Management Services	-	-
For Other Services	0.36	0.42
For reimbursement of expenses	0.07	0.01
	1.14	1.19
Loss on sale/adjustment of Assets	1.21	1.99
Miscellaneous losses written off	3.69	1.04
Provision for doubtful debts/advances	13.02	559.70
Mine closure Obligation	174.15	146.11
Raising and Transportation	130.81	130.80
Local Area Development (Towards SPV in Karnataka)	395.44	481.13
Entertainment	3.84	2.90
Travelling & Conveyance	68.43	37.66
Advertisement & Publicity	27.41	21.83
Postage, Telephone & Telex	3.43	3.93
Stationery & Printing	2.21	2.26
Consultancy charges	12.91	11.35
CISF/Security guards	221.38	217.49
Safety expenses	0.60	0.23
Corporate Social Responsibility	186.70	287.33
Loss in Exchange variation (net)	0.15	0.04
Environmental Development	47.32	21.46
Other expenses	141.45	57.82
Exp. On Enabling Assets for the company	154.06	125.22
Total	1,611.30	2,129.89
(*) CSR Expenditure During the Year	186.70	287.33
CSR Expenditure as per Statutory obligation (including Unspent Prov. Of Rs. 99.12crore)	186.70	148.15
CSR Expenditure made Voluntarily	0.00	139.18

Note: 2.28 Exceptional Items

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
Income		
i) Amount Received from Monitoring Company - towards 10% of the amount With held (*)	957.60	-
ii) Amount Received against disinvestment of NINL (**)	279.67	-
Total	1,237.27	-
"(*) Amount Received from Monitoring Company - towards 10% of the amount With held for the period 1 st Jan 2019 to 31.03.2022 for Amount of Rs.957.60 crore, as per note no. 2.34.5. (**) Amount received against Strategic Disinvestment of NINL."		

Note: 2.29 Tax Expenses

(INR in Crore)

Particulars	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
CURRENT TAX		
Current Tax on profit for the year	1,674.40	3,447.23
Adj. of current tax for prior period	172.13	260.53
Total current tax expenses	1,846.53	3,707.76
DEFERRED TAX		
Decrease/(increase) in deferred tax assets	247.90	(146.12)
Decrease/(increase) in deferred tax liabilities	23.53	16.29
Total differed tax expenses/(benefit)	271.43	(129.83)
Total Expenditure	2,117.96	3,577.93

Disclosure Relating to Micro and Small Enterprises	Amount Rs. In crore	Tax - Rs. In crore	Tax %
Accounting profit before tax from continuing operations	7,637.52		
Long Term Capital Gain (NINL Disinvestment)	129.34		
Profit/(loss) before tax from discontinued operations	(0.91)		
Accounting profit before income tax	7,765.95		
Tax at Income tax rate/Income tax rate		1,954.53	25.168
Tax effect of amount not deductible in calculating taxable income			
CSR exp.	186.70	46.99	0.605
Prov. For bad & doubtful exp.	13.02	3.28	0.042
Change in Depreciation	(9.85)	(2.48)	(0.032)
Provision for deration of inv. and advance	39.65	9.97	0.128
Investment allowance	(1,027.00)	(258.48)	(3.328)
Other items	(303.80)	(76.47)	(0.985)
Taxable income	6,664.67		
Current Tax on Profit for the year at 25.17%	1,677.36	1,677.34	21.599
Tax adjustment due to change in Tax Rate (from 25.17% to 22.88%) on LTCG of Rs 129.34 crore	(2.96)	(2.96)	
Current Tax on Profit for the year	1,674.40	1,674.38	

NOTE 2.30 Additional Information

(INR in Crore)

	Figures as at the end of 31 st March 2023		Figures as at the end of 31 st March 2022	
2.30.1. Value of imports calculated on CIF basis:				
i. Components & Spare parts		5.48		1.65
ii. Capital Goods		11.77		46.08
2.30.2. Expenditure in foreign currency:				
i. Consultancy charges		-		-
ii. Others		3.44		0.08
2.30.3. Particulars of consumption of raw material				
Raw material	Value	Percentage	Value	Percentage
a) Imported	-	-	-	-
b) Indigenous	70.59	100.00	106.95	100.00
	70.59	100.00	106.95	100.00
2.30.4. Particulars of consumption of Stores & spares:				
Components & spare parts (including consumable stores)	Value	Percentage	Value	Percentage
a) Imported	1.69	0.30	2.07	0.52
b) Indigenous	554.65	99.70	394.46	99.48
	556.34	100.00	396.53	100.00
2.30.5. Foreign Exchange earnings :	-	-	-	-

2.31 Related Party Disclosures (IndAS-24)-:**i) List of related parties**

(INR in Crore)

A. Subsidiaries	Country of incorporation	No. of Shares Hold	Holding as at	
			March 31, 2023	March 31, 2022
Legacy Iron Ore Limited	Australia	576,72,53,980	90.02%	90.02%
J & K Mineral Development Corporation Limited	India	28,51,002	95.86%	95.86%
NMDC Power Limited (*) (PY 5,50,000)	India	NIL	NIL	100%
Karnataka Vijaynagar Steel Limited	India	1,00,000	100%	100%
NMDC Steel Limited (**)	India	NIL	NIL	NIL
Jharkhand Kolhan Steel Limited (***) (PY 1,60,000)	India	NIL	NIL	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%
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	37,88,59,405	25.94%	25.94%
Krishnapatnam Railway Company Ltd.	India	4,00,00,000	6.40%	6.40%
Neelachallspat Nigam Ltd (PY 7,47,99,878 shares) (****)	India	Nil	Nil	10.10%
Chhattisgarh Mega Steel Ltd.	India	13,000	26%	26%

(*) Company has been Dissolved by the ROC.

(**) As per the approved scheme of demerger of NISP between NMDC & NSL, the total of investment of NMDC in NSL Rs.11.00 lakhs (1,10,000/- shares @Rs.10/-) has been extinguished

(***) Company has been Dissolved by the ROC.

(****) As a part of strategic disinvest of NINL, total shares held by NMDC are transferred to the Tata Steel Long Products and the investment proceeds are received back by NMDC.

D: Key Management Personnel: (Directors) as on 31/03/2023**Directors :**

1. Shri. Amitava Mukherjee CMD (Additional Charge) (wef: 01.03.2023), Director(Finance)
2. Shri.Dilip Kumar Mohanty Director (Production)
3. Shri.Vishwanath Suresh Director (Commercial) (wef :01.02.2023)
4. Shri Vinay Kumar Director (Technical)(wef 19.05.2023)
5. Shri. Sumit Deb CMD (up to 28.02.2023)
6. ShriSomnath Nandi Director (Technical) (up to 31.12.2022)

Company Secretary :

Shri A.S PardhaSaradhi

- i) The consolidated financial statements are drawn by considering unaudited financial statements of the above-mentioned subsidiaries for the year ended 31/03/2023 except Legacy Iron Ore Limited.
- ii) In respect of Associate companies, the consolidated financial statements are drawn by considering the unaudited financial statements for the period ending 31/03/2023.
- iii) In respect of Joint Venture, the consolidated financial statements are drawn by considering the unaudited financial statements for the period ending 31/03/2023.
- iv) NMDC has infused Nil (Previous year Rs. 1.61 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 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.

ii. Related Party Transactions:**INVESTMENTS IN JOINT VENTURE COMPANIES (including advance against equity) (INR in Crore)**

Particulars	OB 01.04.2022	Additions	Deletions	CB 31.03.2023
a) Investment:				
Kopano-NMDC Minerals (Proprietary) Limited (Rs 324/-)				
Jharkhand National Mineral Development Corporation Ltd	0.01	-	-	0.01
NMDC-CMDC Ltd, Raipur	98.35	-	-	98.35
Bastar Railway Pvt Ltd	152.67	-	-	152.67
Sub total	251.03	-	-	251.03
b) Investment Deration				
Investment Deration- NMDC-SAIL Ltd	-	-	-	-
Sub total	-	-	-	-
Total (Net)	251.03	-	-	251.03

LOANS AND ADVANCES TO JOINT VENTURES:

(INR in Crore)

Particulars	OB 01.04.2022	Additions	Deletions	CB 31.03.2023
a) Loans & Advances:				
Kopano-NMDC Minerals (Proprietary) Limited (Rs 324/-)	0.10	-	-	0.10
Jharkhand National Mineral Development Corporation Ltd	0.08	0.01	-	0.09
NMDC-CMDC Ltd, Raipur	43.10	9.51	-	55.61
NMDC-SAIL Ltd	-	-	-	-
Bastar Railway Pvt Ltd	-	-	-	-
Sub total	43.28	9.52	-	55.80
b) Loans & Advances Deration:				
Advances Deration- Kopano NMDC	0.10	-	-	0.10
Sub total	0.10	-	-	0.10
Total (Net)	46.18	9.52	-	55.70

INVESTMENT IN ASSOCIATE COMPANIES: (including advance against equity):

(INR in Crore)

Particulars	OB 01.04.2022	Additions	Deletions	CB 31.03.2023
a) Investment:				
Romelt-SAIL (India) Limited (under closure)	0.11	-	-	0.11
International Coal Ventures (Pvt) Ltd	378.86	-	-	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	0.00
Sub total	519.58	-	100.60	418.98
b) Investment Deration:				
Investment Deration- Romelt-SAIL Ltd	0.11	-	-	0.11
Sub total	0.11	-	-	0.11
Total (Net)	519.47	-	100.60	518.87

LOANS AND ADVANCES TO ASSOCIATE COMPANIES:

(INR in Crore)

Particulars	OB 01.04.2022	Additions	Deletions	CB 31.03.2023
a) Loans & Advances				
Neelanchal Ispat Nigam Ltd	80.52	-	80.52	-
Sub total	80.52	-	80.52	-
b) Loans & Advances Deration				
Neelachallspat Nigam Ltd	-	-	-	-
Sub Total	-	-	-	-
Total (Net)	80.52	-	80.52	-

Transaction with Entities under Common Control:

(INR in Crore)

Particulars	OB 01.04.2022	Additions	Deletions	CB 31.03.2023
a) Loans & Advances				
NSL (NMDC Steel Limited)	485.34	2,057.59	-	2,542.93
Sub total	485.34	2,057.59	-	2,542.93
b) Inter Company Sales				
NSL (NMDC Steel Limited)	98.01	46.42	.	144.43
Less:				
C) Inter Company Purchases				
NSL (NMDC Steel Limited)	0	8.34	-	8.34
Sub Total	98.01	38.08	-	136.09
Total (Net)	583.35	2,095.67	-	2,679.02

(INR in Crore)

Particulars	As at 31.02.2023	As at 31.02.2022
Key Management Personnel:		
Key Managerial Personnel Remuneration	4.04	4.12

2.31.1 (V) Additional Information as Required by Schedule III of Companies Act 2013

(INR in Crore)

Sl. No.	Name of the entity (% of Share)	Proportion of ownership interest as on 31 st March 2023	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 (Rs. crore)	As % of consolidated Profit & Loss	Amount (Rs. crore)	As % of consolidated	Amount (Rs. crore)	As % of total comprehensive income	Amount (Rs. Crore)
1	NMDC Limited (Equity Holder as Parent)	98.66%	22,332.31	98.70%	5,528.63	28.27%	29.67	97.40%	5558.3	
2	Subsidiaries									
A)	Indian									
(i)	JK Mineral Development Corporation Limited, Jammu	95.86	0.029%	6.594	-0.02%	(1.24)	-	-	-0.02%	(1.240)
ii)	Karnataka Vijaynagar Steel Limited	100	-0.011%	(2.598)	-0.01%	(0.68)	-	-	-0.01%	(0.684)
B)	Foreign									
(i)	NMDC SARM, Madagascar	100								
ii)	Legacy Iron Ore Ltd, Perth, Australia	78.56	0.632%	143.026	0.20	11.02	(0.17)	(0.18)	0.19%	10.838
iii)	Non-controlling Interests in all subsidiaries	0.063%	14.230	(0.02)	(1.100)	-	-	-0.02%	(1.100)	
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.	25.94	Equity Method	Equity Method	(0.58)	(32.650)	71.92%	75.490	0.75%	42.840
iii)	Nilachal Ispat Nigam Ltd, Bhubaneswar.	0	Equity Method	Equity Method	1.80	100.600	-	-	1.76%	100.600
iv)	Krishnapatnam Railway Co.Ltd, Secunderabad.	6.4	Equity Method	Equity Method	(0.02)	(1.330)	-	-	-0.02%	(1.330)
v)	Chattisgarh Mega Steel Ltd.	26	Equity Method	Equity Method	-		-	-	0.00%	-
4	Join Ventures (Investment as per the equity method)									
A)	Indian									
(i)	Jharkhand National Mineral Development Corporation Ltd, Ranchi	60	Equity Method	Equity Method	-		-	-	0.00%	-
ii)	NMDC-CMDC Ltd., Raipur	51	Equity Method	Equity Method	(0.02)	(1.30)	-	-	-0.02%	(1.30)
iii)	Bastar Railway Pvt Ltd(BRPL)	52	Equity Method	Equity Method	(0.01)	(0.49)	-	-	-0.01%	(0.49)
B)	Foreign									
(i)	Kopano-NMDC Minerals (Proprietary) Limited, Johannesburg, South Africa	50	Equity Method	Equity Method						
	Consolidated Adjustment	0.688%	155.73							
	Total	22,635.06		5,601.46		104.98		5,706.43		

2.32. Contingent liabilities and Commitments (to the extent not provided for)**A. Contingent liabilities**

(INR in Crore)

Sl. No.	Particulars	As at 31-Mar-2022	T/F to NSL	Additions	Deletions	As at 31-Mar-2023
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.,	2,392.97	-	229.19	257.31	2,364.85
B	Claims by contractors under arbitration	1,225.30	967.82	14.48	141.03	130.93
	i. On capital account	6.27		-	5.24	1.03
	ii. On revenue account					
C	Other claims on company not acknowledged as debts	247.66	1.92	126.36	205.63	166.47
	Total	3,872.20	969.74	370.03	609.21	2663.28

		31-Mar-2023	31-Mar-2022
1.2	Contingent liability on bills discounted/ LCs/BG's	3,046.71	2,640.73
1.3	a. Corporate Guarantee of USD 30 million submitted to EXIM bank on behalf of ICVL Maruritius in respect of short term working capital loan. (3.00*76.47*25.94/100	-	59.51

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 Rs.487.37 Crore (from August 2008 to Sep-2011), the Company has deposited an amount of Rs 121.84 Crore (25%) in cash which has been shown as amount recoverable and submitted a bank guarantee for similar amount. An amount of Rs. 365.53 Crore (balance 50% amount of Rs. 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 Rs. 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 Rs.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)

(INR in Crore)

Sl. No.	Particulars	As at 31-Mar-2022	As at 31-Mar-2022
1.1	Estimated Amount of contracts remaining to be executed on Capital account	3,252.42	3610.56
1.2	Other commitments- commitments to subsidiaries and JV	Nil	Nil

2.33 DISCLOSURES UNDER ACCOUNTING STANDARDS

2.33.1 EMPLOYEE BENEFITS AS PER Ind - AS-19

GENERAL DESCRIPTION OF DEFINED/CONTRIBUTORY BENEFIT PLANS :

PLAN	DESCRIPTION
1. Provident fund	The company's contribution to the provident fund is remitted to a separate trust based on a fixed percentage of the eligible employees' salary. Further, the company makes good the shortfall, if any, between the return from investments of trust and the notified rate of interest on actuarial valuation basis.
2. Gratuity	Eligible amount is paid to the employees on separation by NMDC Group Gratuity Trust.
3. Accrued Leave Salary	Encashment of accumulated leave payable as per the rules of the Company to the employees on separation is made by NMDC Employees Superannuation Benefit Fund Trust.
4. Settlement Allowance	Employees are paid eligible amount at the time of retirement for their settlement by the NMDC Employees Superannuation Benefit Fund Trust.
5. Post Retirement	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	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 the 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 2023

ii) Other defined benefit plans :

(INR 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 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
31st March 2023						
Present value of obligation at the beginning of the year	359.37	253.32	18.91	559.43	51.41	47.71
Interest cost	26.30	18.55	-	38.93	-	3.32
Current service cost	9.65	31.71	-	31.08	-	2.10
Past service cost	-	-	-	-	-	-
Benefits paid/payable	(33.40)	(14.41)	(0.60)	(49.62)	(10.40)	(0.35)
Actuarial gain/loss on obligation	(6.69)	(14.74)	(1.18)	(30.66)	12.47	(15.95)
Present value of obligation at the end of the period	355.23	274.43	17.13	549.16	53.48	36.83
B. Changes in the fair value of the Plan Assets as on						
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)	(0.48)	(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	-
31st March 2023						
Fair value of plan assets at the beginning of the year	353.02	257.98	47.00	591.22	39.37	-
Expected return on plan assets	25.35	19.80	3.48	40.23	1.81	-
Contributions	7.15	0.01	-	-	12.04	-
Benefits paid/payable	(33.40)	(14.41)	(0.60)	(49.62)	(10.40)	-
Actuarial gain/loss on plan assets	-	-	-	-	-	-
Fair value of plan assets at the end of the period	352.12	263.37	49.88	581.83	42.82	-

Particulars	Gratuity	Accrued Leave Salary	Settlement Allowance	Post retirement medical facilities	Family Benefit Scheme	Long Service Award
C. Amounts recognised in the Balance sheet as on						
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
31st March 2023						
Present value of the obligations at the end of the year	355.23	274.43	17.13	549.16	53.48	36.83
Fair value of plan assets at the end of the year	352.12	263.37	49.88	581.83	42.82	-
Liability(+)/Asset (-) recognised in the balance sheet	3.11	11.06	(32.75)	(32.67)	10.66	36.83
D. Amounts recognised in the Statement of P&L for the period ended						
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
31st March 2023						
Current service cost	9.65	31.71	-	31.08	-	2.10
Past service cost	-	-	-	-	-	-
Interest cost	26.30	18.55	-	38.93	-	3.32
Expected return on plan assets	(25.35)	(19.80)	(3.48)	(40.23)	(1.81)	-
Net actuarial gain/loss recognised in the year (OCI)	(6.69)	(14.74)	(1.18)	(30.66)	12.47	(15.95)
Total	3.91	15.72	(4.66)	(0.88)	10.66	(10.53)

E. PRINCIPAL ACTUARIAL ASSUMPTIONS :

DESCRIPTION	2022-2023	2021-2022	2020-2021
i. Discount Rate	7.50%	7.32%	6.80%
ii. Mortality Rate	IALM (2012-14) Ult. Mortality Table	IALM (2012-14) Till age 60 and IIAMT (2012-15) Thereafter	IALM (2012-14)
iii. Medical Cost Trend rates	5%	5%	5%
iv. Withdrawal rate	1%	1%	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 Rs.10 lakhs to Rs.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

(INR in Crore)

	1% Increase	1% Decrease	1% Increase	1% Decrease
	31/3/2023	31/3/2023	31/3/2022	31/3/2022
A Effect of 1% Change in the Assumed Discount Rate	316.81	372.60	331.88	391.31
1. Effect on DBO	(7.50)	8.00	(7.60)	8.90
A Effect of 1% Change in the Assumed Salary Rate	355.58	327.97	371.38	346.06
2. Effect on DBO	3.80	(4.30)	3.10	(3.70)
A Effect of 1% Change in the Assumed Attrition Rate	348.62	335.85	366.70	351.07
3. Effect on DBO	1.70	(2.00)	2.00	(2.30)

b) Accrued Leave Salary

(INR in Crore)

	1% Increase	1% Decrease	1% Increase	1% Decrease
	31/3/2023	31/3/2023	31/3/2022	31/3/2022
A Effect of 1% Change in the Assumed Discount Rate	247.96	270.48	228.39	248.98
1. Effect on DBO	(4.10)	4.60	(4.20)	4.50
A Effect of 1% Change in the Assumed Salary Rate	270.56	247.68	249.05	228.14
2. Effect on DBO	4.60	(4.30)	4.60	(4.20)
A Effect of 1% Change in the Assumed Attrition Rate	258.63	258.74	238.09	238.31
3. Effect on DBO	-	-	-	-

c) Post Retirement Medical Facilities

(INR in Crore)

	+ 100 Basic Point	- 100 Basic Point	+ 100 Basic Point	- 100 Basic Point
	31/3/2023	31/3/2023	31/3/2022	31/3/2022
A Effect of 1% Change in the Assumed Discount Rate	450.88	683.20	505.02	624.89
1. Effect on DBO	(17.90)	24.41	(9.72)	11.70
A Effect of 1% Change in the Assumed Salary Rate	686.49	447.06	612.27	511.89
2. Effect on DBO	25.01	(18.59)	9.45	(8.50)

(G) Defined benefit liability

The weighted average duration of the defined benefit obligation is 6.99 years for Leave encasement benefit, 9.47 years for gratuity scheme as on 31st March, 2023 .The expected maturity analysis of gratuity and compensated absences is as under :

(INR in Crore)

	Less than a year	Between 2 - 5 years	between 5 -10 years	Over 10 years	Total
31 st March, 2023					
Gratuity scheme	37.75	135.56	144.43	37.49	355.23
Accrued leave salary	50.08	144.95	79.40	-	274.43
Post retirement medical benefits	15.67	71.59	116.85	345.05	549.16
Total	103.50	352.10	340.68	382.54	1,178.82

The weighted average duration of the defined benefit obligation is 6.90 years for Leave encasement benefit, 9.40 years for gratuity scheme as on 31st March, 2021 .The expected maturity analysis of gratuity and compensated absences is as under :

(INR in Crore)

	Less than a year	Between 2 - 5 years	between 5 -10 years	Over 10 years	Total
31 st March, 2023					
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	180.97	559.43
Total	113.71	293.56	507.08	257.77	1,172.12

(H) Risk exposure:

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

i Investment risk:

Most of the plan asset investments are in government securities, other fixed income securities with high rating grades and mutual funds/ETFs (Exchange Traded Funds). The fair value of these assets is subject to volatility due to change in interest rates and other market & macro-economic factors. There is also a risk of asset liability matching i.e. the cash flow for plan assets does not match with cash flow for plan liabilities.

ii) Changes in discount rate:

The present value of defined benefit plan liabilities is calculated using a discount rate which is determined by reference to government bonds' yields at the end of the reporting period. A decrease (increase) in discount rate will increase (decrease) present values of plan liabilities, although this will be partially offset by an increase in the value of the plans' investments.

iii) Mortality rate risk:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

iv) Salary escalation risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

v) Turnover rate/Withdrawal rate of employee:

If the actual employee withdrawal rate in the future turns out to be more or less than expected then it may result in increase/decrease in the liability.

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.

Reportable Segments
Business Segments

(INR in Crore)

	Iron Ore		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	17,459.83	25,629.72	205.39	333.94	1.66	1.13	17,666.88	25,964.79
Inter-Segment Sales	-	-	-	-	-	-	-	-
Total Revenue	17,459.83	25,629.72	205.39	333.94	1.66	1.13	17,666.88	25,964.79
2. RESULT								
Segment Result	7,593.00	13,281.69	(154.08)	(71.10)	149.49	(273.85)	7,588.41	12,936.74
Unallocated Corporate Exps							(411.11)	(311.22)
Operating Profit							7,177.30	12,625.52
Finance Cost							(75.23)	(39.06)
Interest Income							543.63	428.82
Income Taxes							(2,107.98)	(3,574.86)
Non-controlling Interest							(1.10)	0.55
Share of associates							64.84	(12.26)
Net Profit							5,601.46	9,428.71
3. OTHER INFORMATION							-	
Segment Assets	12,908.34	10,862.71	456.22	474.32	14,585.65	13,006.42	27,950.21	24,343.45
Segment Liabilities	3,519.68	3,603.05	41.33	49.46	2,051.64	3,228.13	5,612.65	6,880.64
Additions to assets during the year :								
Tangible Assets	269.32	320.29	0.55	3.48	13.25	794.68	283.12	1,118.45
Intangible Assets	254.24	13.81	-	-	6.42	48.65	260.66	62.46
ROU Assets	0.56	-	-	-	0.00	2.63	0.56	2.63
Depreciation and Amortisation expenses during the year	258.76	215.04	33.10	51.74	44.32	20.95	336.18	287.73
Impairment reversal/provided	-	-	-	-	-	-	-	-
Non-Cash expenses other than Depreciation & amortization	10.49	554.12	0.28	0.02	5.94	6.60	16.71	560.74

Geographical Segments**Sales Revenue by location of Customers:**

(INR in Crore)

Revenue from External customers	Curr. Year	Prev. Year
- Domestic	17,666.88	25,955.60
- Export : Through MMTC	-	9.19
Total	17,666.88	25,964.79

Assets by Geographical Location:

(INR in Crore)

Location	Carrying amount of Segment Assets		Additions to Tangible and Intangible Assets	
	Curr. Year	Prev. Year	Curr. Year	Prev. Year
Chattisgarh	9,809.11	7,931.80	259.62	972.56
Telangana & Andhra Pradesh	14,573.75	12,553.16	6.67	100.70
Others	3,567.34	3,858.49	277.49	107.65
Total	27,950.21	24,343.45	543.78	1,180.91

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 (INR in Crore)

Segment	Year ended	
	31 st March 2023	31 st March 2022
Type of goods or service		
Sale of goods		
-Iron ore	17,447.39	25,629.72
-Sponge iron	-	-
-Diamonds	-	62.93
-Sale of pellets	165.50	222.11
-Sale of power	6.08	4.99
Sale of services		
-Sale of services	42.13	45.04
Others		
Other operating revenue	5.78	-
Total revenue from contracts with customers	17,666.88	25,964.79
India	17,666.88	25,955.60
Outside India	-	9.19
Total revenue from contracts with customers	17,666.88	25,964.79
Timing of revenue recognition		
Goods transferred at a point in time	17,624.75	25,919.75
Services transferred over time	48.21	50.03
Total revenue from contracts with customers	17,672.96	25,969.78

Set out below, is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment reporting

(INR in Crore)

	31-Mar-2023		31-Mar-2022	
	Sale of goods	Sale of services	Sale of goods	Sale of services
Revenue				
External customer	17,624.75	42.13	25,919.75	45.04
Inter-segment	83.06	-	-	-
Inter-segment adjustment and elimination	83.06	-	-	-
Total revenue from contracts with customers	17,624.75	42.13	25,919.75	45.04

b) Contract balances

(INR in Crore)

	31-Mar-23	31-Mar-22
Trade receivables	2,656.02	2,954.30
Contract assets	-	-
Contract liabilities	860.09	1,068.65

Trade receivables are non-interest bearing . In March 2023, Rs 1905.13 crore (March 2022: Rs 2932.14 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.b) :**

In order to bring more clarity, the heading **"Treatment of Enabling Assets"** is modified as **"Treatment of expenditure incurred on assets not owned by the Company"**. The change has no impact on the financials of the company.

2.33.5 Earnings per share (IND AS-33)-: The details are as under:

Particulars	Year ended	
	31-MAR-2023	31-MAR-2022
1. Profit after Tax (INR in Crore)	5,601.46	9,428.71
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)	19.11	32.17

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.

Details are as below:

(INR in Crore)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Silica Sand Project, Lalapur		
Carrying value of Assets	0.29	0.29
Carrying value of liabilities	0.90	0.90
Screening Plant -Vizag		
Carrying value of Assets	0.72	0.86
Carrying value of liabilities	0.17	0.29

The following statement shows the revenue and expenses of discontinued operations:

(INR in Crore)

Particulars	For the year ended 31-Mar-2023	For the year ended 31-Mar-2022
A. Revenue		
Revenue from operations		
Other income	-	-
Total Revenue	-	-
B. Expenses		
Power, Electricity and Water	0.32	0.23
Repairs and Maintenance	-	-
Depreciation & Amortisation	-	-
Other expenses	0.59	0.68
Total Expenses	0.91	0.91
C.Profit(+)/Loss(-) from discontinued operations before tax (A-B)	(0.91)	(0.91)

2.33.8 Intangible Assets (IndAS-38) : R&D

The Research & Development expenditure, charged to Statement of Profit & Loss during the year is Rs.29.43 crore (previous year Rs.27.16 crore). It includes R&D net expenditure of Rs.28.64 crores (PY Rs.25.74 crores) and expenditure of Rs.0.79 crores (PY Rs 1.42 crores) on feasibility studies.

The amount of revenue expenditure incurred at Research & Development unit, Hyderabad is as under:

(INR in Crore)

Head of account	2022-23	2021-22
Consumption of Stores and Spares	0.15	0.16
Power, Electricity & Water	0.76	0.82
Employee benefit expense	17.41	17.40
Repairs and Maintenance	2.22	2.01
Other expenditure	8.98	3.92
Depreciation & Amortisation	3.08	2.77
Total expenditure	32.60	27.08
Less : Other income	3.96	1.34
Total net R&D expenditure	28.64	25.74

During the year, at R&D unit, the additions to tangible assets (except land and buildings) are Rs.0.85 crore. (Previous year Rs.3.97 crore).

2.33.9 Joint Ventures (IndAS-28) Jointly Controlled entities:

SI No.	Name of the Joint Venture	Country of Incorporation	Proportion of ownership 2022-23	Proportion of ownership 2021-22
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 Rs. 1.92 crore (PY Rs.16.56 crore):

(INR in Crore)

Unit	Year of impairment	Impaired Amount as on 01-04-2022	Adjustments during 2022-23			Impaired Amount as on 31-03-2023
			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
DMP, Panna	2022-2023				1.92	1.92
Windmill- Donimali	2021-2022	2.81	2.81	-		-
Total		47.95	2.81	-	1.92	47.06

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. 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.

During the year 2022-23, though the company has secured the permission on 30.11.2022 for continuation of operation from Hon'ble Supreme Court of India for 20 years, Company requires Environment Clearance from MOEF & CC for resumption of operations for which company filed applications in September 2018 and expected from MOEF & CC by September 2023.

Considering the above and also uncertainty in obtaining the Environment Clearance, company has impaired the CWIP Rs.1.92 crores during FY 2022-23

5. Since the Windmill (BN-04) (Cash Generating Unit) was not in operation as on 31.03.2022 due to fire accident on 27.05.2021, net block of the unit was impaired after considering the realisable value of Rs.0.80 crores as per the assessment of O&M Contractor M/s.Suzlon which is reversed during the F.Y 2022-23 on resumption of operations.

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-2023	As at 31-Mar-2022
J&K Mineral Development Corporation Limited, Jammu	24.39	23.10
NMDC Power Ltd, Hyderabad	-	-
Jharkhand Kolhan steel Limited	-	-
Karnataka Vijayanagar Steel Limited	642.44	642.22
NMDC Steel Limited	-	-
NMDC CSR	-	-
Total	666.83	665.32
Advances derated / Provision made- JKMDCL	24.39	23.10

Name of the Joint Venture	Maximum Balance outstanding	
	As at 31-Mar-2023	As at 31-Mar-2022
Kopano-NMDC Minerals (Proprietary) Limited	0.10	0.10
Jharkhand National Mineral Development Corporation Ltd.	0.09	0.08
NMDC-CMDC Ltd., Raipur	55.61	43.10
Bastar Railway Pvt. Ltd.	-	-
Total	55.80	43.28
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

Name of the Associates	Maximum Balance outstanding	
	2021-23	2020-22
Neelachallspat Nigam Ltd	84.27	84.27
Total	84.27	84.27

No Loans and Advances were given to the Associate Companies except the above company.

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. 2020-21, NMDC has received a Notice of demand u/s 156 of IT Act 1961, by disallowing expenditure of Rs.791.39 crore with a tax implication of Rs.199.18 crores. This has resulted in reduction of claimed refund from Rs.261.40 crore to Rs.62.22 crore. NMDC has filed an appeal before the CIT(A) for tax implication of Rs.184.40 crore against the demand. The demand of 199.18 Crores is shown under earlier years tax expenses in the accounts of F.Y. 2022-23. The net impact in earlier tax expenses including adjustment pertaining to other cases, is 172.13 Crore.

- b) Current Tax assets (net) (note no. 2.9) includes an amount of Rs.302.12 crore (PY Rs.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 Treatment expenditure incurred on Assets not owned by the Company:

During the year an amount of Rs. 2.33 crore (PY- Rs. 2.99 crore), Rs. 140.50 crore (PY- Rs.122.25 crore) and Rs. 11.23 crores (PY Nil) is utilised by Railways for the doubling of Railway line between Jagdalpur to Ambagaon and Kirandul to Jagdalpur and for upgradation of In motion Weigh Bridge & other railways assets respectively and the total amount of Rs. 154.06 crore (PY – Rs.125.24 crore) is included in "Other Expenses".

2.35.3 Demerger / Disinvestment of NISP:

The demerger scheme of arrangement between NMDC Limited ("Demerged Company" or the "Company") and NMDC Steel Limited (NSL) ("Resulting Company") and their respective shareholders and creditors (the "Scheme") pursuant to the provisions of Sections 230-232 of the Companies Act, 2013 ("Act"), other applicable provisions and rules thereof thereunder (hereinafter referred to as the "Scheme"), involving demerger of NMDC Iron & Steel Plant Business Undertaking ("Demerged Undertaking" or "NISP") from Demerged Company to the Resulting Company has been duly sanctioned by the Ministry of Corporate Affairs ("MCA") vide its order dated 6th October 2022 ("Order"). The Company received the Order on 11th October 2022 and filed the same with the concerned Registrar of Companies on 13th October 2022. Hence, the Scheme is operative from 13th October 2022 (Effective Date). The Appointed Date of the Scheme is 1st April 2021. Accordingly, with effect from the Appointed Date, the entire Demerged Undertaking of NMDC Limited has been transferred and vested into NMDC Steel Limited.

As per the clarification issued by Ministry of Corporate Affairs vide Circular no.09/2019 dated 21st August 2019 (MCA Circular), the Company has recognized the effect of the demerger on 1st April 2021, and made the following adjustments, pursuant to the Scheme:

- i) Assets and liabilities of the NISP, a unit of NMDC Limited have been transferred to NMDC Steel Limited at book value.
- ii) Difference between the value of transferred assets and liabilities pertaining to the NISP the unit of NMDC Limited amounting to Rs.17,048.54 crores has been adjusted from the general reserves of the Company.
- iii) Investment in NMDC Steel Limited (NSL) amounting to Rs.0.11 crores has extinguished and adjusted from the reserves.
- iv) As per the scheme, NCD (Non-Convertible Debentures) issued for NISP Project of Rs. 523 crores have been transferred to NMDC Steel Limited (NSL).
- v) The financial information in the financial statements in respect of prior periods is restated as if the demerger had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the demerger as the Appointed Date of the Scheme is effective from 1st April 2021.
- vi) All transactions from 1st April 2021 to 31st March 2023 of the Demerged Undertaking were carried on behalf of NMDC Steel Limited and the same is recorded as receivable on account of demerger from NMDC Steel Limited. Amount of Rs.2,542.93 crore spent by NMDC Limited from 1st April 2021 to 31st March 2023 is shown under the head Non- Current Asset under note no 2.4.3 "Other Financial Assets" and receivable from NMDC Steel Limited.
- vii) Demerger expenditure pursuant to the scheme of demerger amounting to Rs.2.27 crores has adjusted from the reserves.

Analysis of financial information:**a) The Impact of the Demerger on Statement of Profit and Loss**

(INR in Crore)

Particulars	1 st April 2022
Income	
I. Revenue From Operation	83.06
II. Other Income	-
III. Total Income (I+II)	83.06
IV. Expenses	
"a) Changes in inventories of finished goods/ work in progress"	41.11
Total Expenses	41.11
V. Profit Before Exceptional Items and Tax (III_IV)	41.95
VI. Exceptional Items	-
VII. Profit Before Tax (V+VI)	41.95
VIII. Tax Expenses	-
a) Current Tax	
b) Deferred Tax	(7.16)
IX. Profit for the Year (VII-VIII)	49.11
X. Other Comprehensive Income	
i) Item that will not be classified to profit or loss	-
ii) Tax on above	-
iii) Items that will be classified to profit or loss	-
iv) Tax on above	-
Other Comprehensive Income to be transferred to Other Equity for the year	-
Total Comprehensive Income for the year (IX+X)	49.11

b) Net Cash Flows impact on account of demerger

Net cash (outflow)/inflows from operating activities	(697.58)
Net cash (used in) investing activities	1,851.86
Net cash (outflow)/inflows from Financing activities	(1,150.50)
Net cash (outflow)/inflows	3.74

c) The Impact of the Demerger on these financial statements is as under:

(INR in Crore)

Particulars	1 st April 2021
Assets	
Non-Current Assets	
Property, plant and equipment	438.28
Capital work-in-progress	16,407.35
Other intangible assets	0.02
Financial assets	
Other financial assets	70.71
Other non-current assets	1,674.58
Total non-current assets	18,590.94
Current Assets	
Inventories	19.77
Financial assets	
Cash and cash equivalents	4.56
Other financial assets	13.00
Current tax assets (net)	0.03
Other current assets	16.39
Total current assets	53.75
Total assets (A)	18,644.69
Liabilities	
Non-financial liabilities	
Financial liabilities	
Borrowings	523.80
Other financial liabilities	(6.14)
Total non-current liabilities	517.66
Current liabilities	
Financial liabilities	
Borrowings	22.63
Other financial liabilities	1,053.01
Other current liabilities	2.85
Total current liabilities	1,078.49
Total liabilities (B)	1,596.15
Net Assets (A-B)	17,048.54

Net amount adjusted through corresponding debit to other equity as per the Order (A-B)

Reconciliation	Amount
Net Assets transferred in excess of reserves is debited to General Reserve	17,048.54
Cancelation of investment on demerger to Retained Earnings	0.06
Less	
Adjustment pursuant to demerger - in deferred Tax	30.83
Net Amount adjusted through corresponding debit to General Reserve & Retained Earnings	17,017.77

2.35.4 Property, Plant & Equipment (PPE)

As per Ind AS 16 items such as spare parts, stand by equipment and service equipment are to be capitalized when they meet the definition of PPE and are expected to be used for more than one accounting year. After review of the inventory values and its consumption patterns in the major production Units, Company based on materiality has fixed a threshold limit of Rs 20 Lakhs for such spare parts, stand by equipment and service equipment meeting the definition of PPE. On issue of said PPE, the WDV is allowed to be depreciated over the life of the main asset or the life of the equipment whichever is less.

Gross value of Spare parts, stand by equipment and service equipment meeting the definition of PPE capitalised during the Year 2022-23 is Rs. 79.07 crore (PY Rs. 42.77 crore).

2.35.5 Dues from Monitoring Committee- Donimalai complex in Karnataka:

The total trade receivables from Monitoring Committee as on 31st March 2023 is Rs. 2907.91 crores (PY- Rs.4,555.27 crores) . This includes regular dues of Rs.2.24 crore, Rs.22.18 crores towards long pending dues for supply of LG Fines to Pellet plant and Rs. 2,883.49 crore towards 10% of sales proceeds retained by Monitoring Committee for the period from 4th October 2011 to 31st March 2023 pending directions from Hon'ble Supreme Court..

Based on the order date 22.02.2023 of Hon'ble Supreme Court, Company has received an amount of Rs.1015.58 crore (for the period from 1st Jan 2019 to 31st March 2022 Rs.957.60 crore shown as exceptional income at note no. 2.28 "Exceptional Item"and Current FY Rs. 57.98 crore) on 20.04.2023 against 10% retained by MC up to 20th May 2022. Accordingly, the provision for ECL Rs.957.60 crore is withdrawn during the FY 2022-23 and no further provision is made for the year 2022-23. The balance of total provision as on 31.03.2023 is Rs.1,890.09 crore relates to the period prior to 1st January, 2019.

During the year, Hon'ble Supreme Court of India, vide its order dated 20.05.2022, discontinued sale operations through Monitoring Committee and allowed lessees to sell the ore directly to the customers. Accordingly, NMDC is selling the ore directly to the customers through e-auctions.

2.35.6 Amount Recovered by Monitoring Committee:

During the year, Monitoring Committee has recovered an amount of Rs.124.77 crore against the sale of DIOM LG fines during the year 2011-12 to 2017-18 which has been protested by NMDC and file Revision Application with Mines Tribunal on 08.07.2022. This has been shown as Amount paid under protest.

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 Rs.7,241.35 crore as compensation as calculated by Collector based on the Hon'ble Supreme Court Common Cause Judgement related to Orissa Iron ore mines (Writ Petition Civil No 114 of 2014 dated 2nd August 2017). The Company had been contesting the Show Cause Notices with Dist. Collector, South Bastar Dantewada on the ground that the said judgement is not applicable to NMDC .

Meanwhile, revised show cause notices dated 26.09.2019 were received for a revised amount of Rs 1,623.44 Crore from Dist. Collector, South Bastar, Dantewada, to be replied within 21 days of notice. NMDC while reiterating the fact of non-applicability of the Hon'ble Supreme Court Judgement in the state of Chhattisgarh, has sought time for replying to the show cause notices. Further to above, Dist. Collector, South Bastar, Dantewada had issued Demand notices dated 15/11 /2019 for the amount of Rs 1,623.44 Crore (Bacheli - Rs 1,131.97 Crore & Kirandul Rs 491.47 Crore) asking to deposit the amount within 15 days. As the Mining Leases of the company in the State of Chhattisgarh were expiring on 31 .3.2020 and due for renewal , the Company has paid an

ad hoc amount of Rs 600 Crore under protest and filed writ petitions in the Hon'ble High Court of Bilaspur, Chhattisgarh and a Revision application with Mines Tribunal, Ministry of mines, Government of India, New Delhi praying to set aside the demand notices.

Hon'ble High Court of Bilaspur has heard the WPs on 19.02.2020 and sought certain clarifications from the respondent and directed 'no coercive action till 12.3.2020 and listed the case for 12.3.2020. However due to COVID-19 situation, no further hearings could take place. 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.

Further hearing took place on 15.09.2022 where-in GoCG was directed to file comments / para wise reply within 15 days.

The demand amount of Rs 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 Rs. 303.72 crores (PY- Rs.224.77 crore) & upfront amount of Rs.21.60 crore (PYRs.21.60 crore) up to 31.03.2023. All the amounts paid up to 31.3.2023 are included under Capital Advances (Note 2.6). NMDC submitted a Bank guarantee of Rs.71.09 crore (PY Rs.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, as on 31.03.2023, the fixed Cost of Rs.40.02 crores (PY Rs.39.46 crore), upfront amount of Rs.33.15 crore (PY Rs.33.15 crore) and Rs.1.01 crore (PY Nil) towards NPV & CA charges for exploration. All the amounts paid up to 31.3.2023 are included under Capital Advances (Note 2.6). Company has submitted a Bank guarantee of Rs.405.17 crore (PY Rs.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 was purchasing Iron Ore Fines from NMDC, DIOM/KIOM through e-auctions conducted by MC. As per the terms and conditions of Acceptance letter issued by MC and as per the guidelines given by Hon'ble Supreme Court of India, Pellet Plant was 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 PPT, DIOM/KIOM was 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, MC was issuing Bulk Permit to PPT for lifting of material. DIOM/KIOM was raising Tax Invoice on PPT for the dispatched quantity, showing it as sales and also paying GST to Government.

Simultaneously, PPT was recognizing the same as purchases and availing input credit. The above procedure was followed due to Compulsion made by MC as they had denied permission for PPT 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 was accounted.

W.e.f Oct-22 NMDC-DIOM/KIOM is selling the Iron Ore to Pellet Plant directly based on the order of Hon'ble Supreme Court dt. 20.05.2022 and accounting the same as Inter Unit Sales. The Inter Unit sales, consumption and inventory is eliminated during consolidation and un-realized profit on stock of ore at pellet plant is accounted.

The details are mentioned hereunder:

S.No.	Particulars	Qty (wmt)	Amount (Rs.)
1	Iron Ore-Inter Unit Revenue	88,110.87	32,00,24,061.44
2	Consumption of RM @ PPT	(85,995.90)	(31,12,09,937.28)
3	RM inventory @ PPT	(2,114.97)	(88,14,124.16)
	Total	-	-

2.35.10: Advance paid to Karnataka VijaynagaramSteel Limited (KVSL)

Company has paid an Advance of Rs. 639.61 crores to KVSL for purchasing 2843.985 acres of land from KIADB for setting up of 5 MTPA Integrated Steel Plant.

KVSL entered into Agreement with KIADB vide agreement dated **11.01.2011** for **acquiring** the land for establishing steel plant. KVSL has received **Allotment Letter** vide letter dated 13.07.2017. As per the conditions of allotment letter dated 13.07.2017, it is stated that the land is allotted on Lease cum Sale basis for a minimum period of 2 years and sale deed shall be executed on implementation of the project.

KVSL has received original possession certificate for 2857.54 acres of land vide letter dated 11.01.2018. Revised, Possession Certificate for 2843.985 acres vide letter dated 01.08.2018, from KIADB. On receipt of possession certificate, Company has been pursuing with KIADB for execution of Lease cum Sale deed. KIADB had submitted draft Lease cum Sale Deed vide their letter dated 28.08.2019 mentioning the lease period as Two Years from the date of the agreement. Based on the correspondence made by NMDC, KIADB has sent revised Lease cum Sale Deed, vide letter dated 30.06.2021, mentioning the Lease period as Ten years from the date of handing over of possession i.e 01.08.2018. Hence, KIADB has agreed, in-principally, for a period of 10 years in the place of 2 years.

NMDC Board has deliberated in its 542nd Board meeting held on 27.09.2021 and opined not to go ahead for development of steel plant in Karnataka considering the decision of the government for disinvestment of NISP.

NMDC Board in its 545th meeting held on 08.02.2022 desired for exploring various alternatives available in respect of the aforesaid land and put up a revised proposal for review of the board and consideration on various alternatives available and way forward on the project.

As on 31st March 2023, an amount of Rs. 642.44 crore (P. Year 642. 22 crore) is due from the KVSL.

2.35.11 Neelachallspat 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 Neelachallspat 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 Rs.12,100 cores and Government has already signed SPA with TSLP. The total liabilities of NINL is around Rs.6,600 crores. NMDC along with all other Associates has entered Share Sale and Purchase Agreement with TSLP on 10.03.2022.

NMDC had the total exposure of Rs. 188.65 crore in the form of Equity investment of Rs.100.60 Crore, Loan of Rs.80.52 Crore and interest thereon of Rs.7.53 crore as on 31.03.2022. Out of this an amount of Rs.0.52 crores is received against Loan from NINL during the year 2022-23.

As a part of strategic disinvestment, NMDC has received an amount of Rs.379.79 crores (Gross Rs.380.27-TDS Rs.0.48 crore) against investment of Rs.100.60 crores, Rs.80.00 crores against Loan of Rs.80.00 crs and Rs.6.79 crore (Gross Rs.7.53 – TDS Rs.074 crore) towards interest during July 2022. The gain of Rs.279.67 crore (Rs. 380.27 crore – Rs.100.60 crore) received over cost of investment is shown as Exceptional Income during F.Y 2022-23 and shown under Note no. 2.18 "Exceptional Items".

2.35.12 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 was applicable to all the Iron Ore Mines of NMDC except Kumaraswamy Iron Ore Mines at Karnataka (since the lease was extended before the commencement of MMDR Amendment Act 2015) up to F.Y 2021-22. However, this is applicable even for Kumaraswamy Iron ore mine w.e.f 18.10.2022 from the date of renewal of mining lease.

The impact of this amendment on the Financials of F.Y 2022-23 is Rs.3,971.39 crores (PY- Rs. 5084.32 crores) which is included under Royalty and other levies.

2.35.13 CSR Expenditure :

- Gross amount required to be spent by the company during the year is Rs. 186.70 crore (2% of the last three years average PBT Rs. 9334.85 crore), (Previous Year Rs. 148.15 crore (2% of the last three years average PBT Rs. 7407.49 crore).
- Disclosure in respect of the expenditure on Corporate Social Responsibility activities

(INR in Crore)

S.No.	Particulars	2022-23	2021-22
A	Unspent CSR Expenditure carried forward from previous year (Opening Provision)	-	-
B	Amount required to be spent by the corporation during the year	186.70	148.15
C	Amount spent during the year	87.58	287.33
D	Shortfall at the end of the year (closing provision)	99.12	0

(INR in Crore)

Particulars	In Cash	Yest to be paid in cash	Total
1. Construction/ Acquisition of any assets	-	-	-
2. On purpose other than (1) above	87.58	-	87.58

- c) Shortfall at the end of the year : 99.12 crore, provision for the same in created and shown under Schedule No. 2.17 provision for CSR unspent CSR
- d) Total of previous year shortfall : Nil
- e) Reason for shortfall : The shortfall of Rs 99.12 crore from the stipulated and prescribed spend is on account of delay in certain projects due to certain limitations faced by implementing agencies. However, the shortfall has been allocated against the specific projects and would be spent as per the provisions of companies Act 2023.
- f) Nature of CSR activities: The corporation undertakes impactful social projects which are in alignment with the areas specified under Schedule VII of the companies Act 2023 of which the company takes up CSR projects largely in the projects related to Education, Health & Hygiene, Nutrition, Drinking Water, Rural Development, Skill Development and Income Generation, Promotion of Sports, Protection of Cultural and Heritage, Food Relief & Natural Calamities, Environment & Others.
- g) Details of related party transaction: Nil
- 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

2.35.14 TERM Loan:

NMDC Board in its 525th meeting held on 10.12.2019 had accorded approval for borrowing up to a limit of Rs.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 Rs. 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, had 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 Rs. 4,476.20 crore and a drawdown of Rs.2,644.52 crores has been made till 30.09.2022 and same is transferred to NMDC Steel Ltd as per the approved scheme of Demerger, between NMDC and NSL, by MCA..

2.35.15 Bill Discounting:

During the year, Company discounted the Trade Receivables with the banks amounting to Rs 3,257.09 crore (PY Rs.1236.15 crore) with recourse to the Company. The balance in the Bill discounting account as on 31.03.2023 is Rs.1705.21 crore (Previous year – Rs.1236.15 crore). In case of any claim on the company from the Banks, the amount outstanding as on 31.03.2023 shall be recovered from the Customers. This is shown under contingent liabilities.

2.35.16 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 Rs. 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.

- iii. Some of the balances appearing under Trade receivables, Trade payables, advances, Security deposits and other payables are subject to confirmations.
- iv. Figures for the previous year have been regrouped/ rearranged wherever considered necessary so as to confirm to the classification of the current year.

Note. 2.35.17 Analytical Ratios

The following are analytical ratios for the year ended 31st March 2023

(INR in Crore)

Sl No.	Particulars	Neumenators	Denominators	31 st March 2023	31 st March 2022	Variance (in %)
1	Current Ratio (*1)	Current Assets	Current Liabilities	3.76	2.79	34.77
2	Debt - Equity Ratio (*2)	Total Debt	Shareholder's Equity	0.02	0.10	(80.00)
3	Debt Service Coverage Ratio (*3)	Earnings Available for Debt services	Debt Services	11.95	5.31	125.05
4	Return on Equity (ROE) (*4)	(Net Profit After Tax-Preference Dividend (if any))	Average Shareholder's Fund	0.28	0.61	(54.10)
5	Inventory Turnover Ratio	Cost of Goods sold or Sales Inventory	Average	8.21	19.58	(58.07)
6	Trade receivables turnover ratio	Net Credit Sales	Avg. Accounts Receivables	6.30	10.19	(38.17)
7	Trade Payable Turnover Ratio (*5)	Net Credit Purchases Payables	Average Trade	0.78	1.30	(40.00)
8	Net Capital Turnover Ratio (*6)	Net Sales	Working Capital	1.52	2.57	(40.86)
9	Net Profit ratio	Net Profit	Net Sales	0.31	0.36	(13.89)
10	Return on capital employed (ROCE) (*7)	Earning before interest and taxes	Capital employed	0.19	0.43	(55.81)
11	Return on investment (ROI) (*8)					
	Unquoted	Income Generated from Investments	Time weighted average investments	-	-	
	Quoted	Income Generated from Investments	Time weighted average investments	-	-	

(*1) Decrease in Short term borrowings: Loan against FD for Rs. 1372 crore

(*2) Decrease in Short term borrowings: Loan against FD for Rs. 1372 crore

(*3) Decrease in Short term borrowings: Loan against FD for Rs. 1372 crore

(*4) Increase in Net profit of the company by 41% over the previous year

(*5) Reduction in the Trade payable by 36%

(*6) Decrease in Turnover by 32%

(*7) Decrease in PBT by 41%

(*8) Only long term investment are considered

Note. No. 2.35.18 : Fair Value Measurement

Financial instruments by category

(INR in Crore)

	As at 31 st March 2023			As at 31 st March 2022		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
Investments						
Trade receivables			2,656.02			2,954.30
Cash and cash equivalents			93.00			120.60
Other bank balances			7,004.75			7,856.87
Loans			62.62			40.77
Other financial assets			490.79			583.86
Total	-	-	10,307.18	-	-	11,556.40
Financial liabilities						
Borrowings			415.98			1,792.50
Trade payables			425.91			664.76
Lease Liability			1.66			1.59
Other financial liabilities			896.93			521.78
Total	-	-	1,740.48	-	-	2,980.63

"(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 2023, and 31 March 2022, 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 2023, and 31 March 2022, 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: 2.35.19 Financial Risk Management**a) Risk management framework**

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors monitors the compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The Company has exposure to the following risks arising from financial instruments:

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, loans	Ageing analysis and Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of deposits with differing maturities & committed borrowing facilities to facilitate the day today working capital requirements.
Market risk- currency risk	Imports giving rise to foreign currency payables*	-	-

A. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and deposits with banks.

(a) Trade receivables

"The Company sales are generally based on advance payments and through LC's. The trade receivables in the books are mainly on account of credit sales to M/s RINL Limited, CPSE under the Ministry of Steel and the Sales of Iron Ore in the State of Karnataka which is through Mentoring Committee (MC) appointed by Hon'ble Supreme Court of India."

ended 31st March 2023

(INR in Crore)

Ageing	< 6 months	6-12 months	> 12 months	Total
Gross carrying amount	1,247.04	62.67	3,251.44	4,561.15
Expected loss rate	0.00%	0.00%	58.59%	41.77%
Expected credit losses (loss allowance provision)			1,905.13	1,905.13
Carrying amount of trade receivables (net of impairment)	1,247.04	62.67	1,346.31	2,656.02

Year ended 31st March 2022

(INR 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

iii. Reconciliation of loss allowance provision - trade receivables

Loss allowance on 1st April 2021	1,958.15
Changes in loss allowance	973.99
Loss allowance on 31st March 2022	2,932.14
Changes in loss allowance	(1,027.01)
Loss allowance on 31st March 2023	1,905.13

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 net worth of Rs 500 Crore within limits assigned to each bank and Debt based mutual funds of public sector AMCs. The limits are reviewed by the Company's Board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

B. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. In addition, the Company has taken fund based limits with banks to meet its short term financial obligations.

I Financing arrangements

The Company has access to the following undrawn borrowing facilities at the end of reporting period

(INR in Crore)

	31 st March 2023	31 st March 2022
Flexible rate		
Expiring within one year (bank overdraft and other facilities)	433.00	467.00
Working capital Limits with Banks	5,052.78	1,249.00

ii. Maturities of financial liabilities

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

(INR in Crore)

Year ended 31 st March 2023	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	415.98		-	-	-	-	415.98
Trade payables	359.94	65.98	-	-	-	-	425.91
Lease Liability		0.55	0.72	0.39			1.66
Other financial liabilities	717.09	51.81	16.61	55.14	44.70	11.58	896.93
	1,493.01	118.34	17.33	55.53	44.70	11.58	1,740.49

Year ended 31 st 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

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. : 2.35.19 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

(INR in Crore)

	31 st March 2023	31 st March 2022
(i) equity shares		
Final dividend for the year ended 31 st March 2023 of Rs. 2.85 (31 st March 2022: NIL) per equity share.	835.22	-
Interim dividend for the year ended 31 st March 2023 of Rs. 3.75 (31 st March 2022: Rs 14.74) per fully paid share	1,098.98	4,319.72

Year ended 31st March 2022

(INR in Crore)

Particulars	31 st March 2023	31 st March 2022
		(Restated)
Net Debt (excluding short term)	0	0
Total equity	22,635.06	18,031.70
Net debt to equity ratio	-	-

NOTICE

Notice is hereby given to the Members of NMDC Limited that the 65th Annual General Meeting (AGM) of the Company will be held on Thursday, the 7th September, 2023 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 2023 together with the reports of the Board of Directors, Statutory Auditors 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 2023 together with the reports of Statutory Auditors 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 **Ordinary Resolutions**:

- (a) **"RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the financial year ended 31st March 2023 together with the reports of the Board of Directors, Statutory Auditors 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 2023 together with the reports of Statutory Auditors and Comptroller and Auditor General of India thereon as circulated to the Members, be and are

hereby considered and adopted."

2. To take note of the payment of interim Dividend of Rs. 3.75 ps. per equity share of Re. 1.00 each already paid and approve the payment of final dividend of Rs. 2.85 ps. per equity share 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 resolutions as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the approval of the Board of Directors, Interim dividend of Rs. 3.75 ps. per equity share of Re. 1.00 each, already paid for the financial year 2022-23 be and is hereby noted."

"RESOLVED FURTHER THAT pursuant to the recommendation of the Board of Directors, the payment of Final dividend of Rs. 2.85 ps. per equity share of Re. 1.00 each for the financial year 2022-23 to the shareholders as on Record date as may be fixed by the Board, be and is hereby approved."

"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."

3. To appoint a Director in place of Smt. Sukriti Likhi (DIN: 01825997), who retires by rotation and being eligible, offers herself 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, Smt. Sukriti Likhi (DIN: 01825997), who retires by rotation at this

meeting and being eligible offers herself 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 2023-24.

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 2023-24, and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as

Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, the Board of Directors of the Company be and is 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 2023-24."

B. SPECIAL BUSINESS:

5. To appoint Shri Abhijit Narendra (DIN: 07851224) as Government Nominee Director on the Board 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 Abhijit Narendra (DIN: 07851224) who was appointed as

Government Nominee Director on the Board of the Company, in terms of Ministry of Steel, Government of India Order No. S-14011/1/2022-BLA dated 9th February 2023, from the date of his assumption of charge of the post i.e., 9th February 2023 until further orders and subsequently who was appointed by the Board of Directors as an Additional Director to hold the post of Government Nominee Director 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 the candidature of Shri Abhijit Narendra for the office of Director, be and is hereby appointed as Government Nominee Director on the Board 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 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."

6. To appoint Shri Vishwanath Suresh (DIN: 10059734) as Director (Commercial) on the Board 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 Vishwanath Suresh (DIN: 10059734) who was

appointed as Director (Commercial) on the Board of the Company, in terms of Ministry of Steel, Government of India Order No. 3/2/2020-BLA dated 28th February 2023, for a period of five years from the date of his assumption of charge of the post (i.e., 1st March 2023), or till the date of his superannuation or until further orders, whichever is earliest, and subsequently who was appointed by the Board of Directors as an Additional Director to hold the post of Director (Commercial) 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 the candidature of Shri Vishwanath Suresh for the office of Director, be and is hereby appointed as Director (Commercial) on the Board 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 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."

7. To appoint Shri Vinay Kumar (DIN: 10172521) as Director (Technical) on the Board 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 Vinay Kumar

(DIN: 10172521) who was appointed as Director (Technical) on the Board of the Company, in terms of Ministry of Steel, Government of India Order No. 3/1/2021-BLA dated 19th May, 2023, for a period of five years from the date of his assumption of charge of the post (i.e., 19th May, 2023), or till the date of his superannuation or until further orders, whichever is earliest, and subsequently who was appointed by the Board of Directors as an Additional Director to hold the post of Director (Technical) 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 the candidature of Shri Vinay Kumar for the office of Director, be and is hereby appointed as Director (Technical) on the Board 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."

8. To ratify the remuneration of the Cost Auditors of the Company for the financial year 2023-24 and in this regard to consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Company hereby ratifies the remuneration of Rs. 6.00 lakhs (excluding travelling, out-of-pocket expenses plus GST) payable to M/s B. Mukhopadhyay & Co., Cost Accountants, having office at 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 2023-24, 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: Hyderabad

Date: 18th July, 2023

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 65th Annual Report of the Company for the year 2022-23.

NOTES TO NOTICE:

1. In view of the Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has, vide its General Circular No. 10/2022 dated 28th December 2022 read with other previous MCA General Circulars No. 02/2022 Dated 5th May 2022, No. 20/2020 dated 5th May 2020, No. 17/2021 dated 13th April 2021 and No. 14/2021 dated 8th April 2021 (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 65th AGM of the Company is being held through VC / OAVM. The proceedings of the 65th 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 5th January 2023, Notice of the AGM along with the Annual Report 2022-23 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. The Company shall send the physical copy of Annual Report 2022-23 to those Members who request the same at cs@nmdc.co.in mentioning their Folio No./DP ID and Client ID. Members may note that the 65th AGM Notice and Annual Report 2022-23 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 dh300@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 65th 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 1st September, 2023 to 7th September, 2023 (both days inclusive).
8. For the financial year 2022-23, the Company declared and paid interim dividend @ Rs. 3.75 ps. per equity share of Re. 1.00 each (amounting to Rs. 1098.98 crores). Further, the Board of Directors, in its 555th Meeting held on 23rd May, 2023 has recommended the payment of Final dividend of Rs.2.85 ps. per equity share of Re. 1.00 each for the financial year 2022-23 and the said dividend, if approved, by the members at this Annual General Meeting, will be paid within the prescribed time, to the members whose names appear in the Register of Members of the Company as on record date i.e., 31st August, 2023.
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 General meeting"** menu against Company name. You are requested to click on VC/OAVM link placed under Join General 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 Aarthi 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.
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, Selenium Tower- B, Plot No. 31 & 32, Financial district, Nanakramguda, Serilingampally, Hyderabad - 500032, Telangana, Tel: 040- 67161500, Fax: 040- 23001153, Email: nmdc.ipo@karvy.com/einward.ris@kfintech.com Website: www.kfintech.com.

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 Aarthi Consultants Pvt Ltd., D.No. 1-2-285, Domalguda, Hyderabad - 500 029. Phone Nos. 040-27638111/27634445, Fax No. 040-27632184, Email: ims@nmdc.co.in, info@aarthiconsultants.com, Website: www.aarthiconsultants.com.
16. Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
17. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
18. Voting rights of members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e., 31st August, 2023.
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, 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., 31st August, 2023 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 65th AGM being held through VC/OAVM.

22. To support the 'Green initiative', Members are requested to register their e-mail address and changes therein from time to time with their respective Depository Participant or the Company's Registrar and Share Transfer Agent for service of documents, notices, annual reports etc. through registered e-mail.
23. Pursuant to Sections 124 and 125 of the Companies Act, 2013, dividends which had remained unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account of a company will have to be transferred to the 'Investor Education and Protection Fund' established by the Central Government. Shareholders who have not claimed their dividend/s so far for various years are requested to make their claim to M/s Aarthi Consultants Pvt. Limited, Hyderabad, Registrar and Share Transfer Agent of the Company. The unclaimed/unpaid dividends declared up to financial years 2015-16 (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 31st March 2023 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 2022-23 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 encashed their dividend warrants within its validity period

are requested to either correspond with the Company at its Registered Office or M/s Aarthi Consultants Private Ltd., Registrar and Share Transfer Agent of the Company, for revalidation and encashment before due dates.

29. In terms of provisions of the Companies Act, 2013, nomination facility is available to individual shareholders. Members holding shares in physical form may nominate a person in respect of all the shares held by them whether singly or jointly. Members who hold shares on individual name are advised to avail of the nomination facility 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-FAQ's for Investors. Members holding shares in dematerialized form may contact their respective DPs for registration of nomination.
30. 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.
31. 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. 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.
32. 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.

33. 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.
34. 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.

35. 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 Rs.5,000 and also in cases where members provide Form 15G / Form 15H (applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / Nil withholding tax. 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).

36. 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 2023-24 after taking into consideration including change, if any, in statutory requirements, increase in volume of work and change in inflation index.
37. Since the AGM will be held through VC / OAVM, the Route Map is not required and hence not annexed to this Notice.

38. The following documents will be available for

inspection by the Members electronically during the 65th 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.

39. NMDC, being a Government Company, all the appointments to the Board and terms and conditions thereto are fixed by the Government of India.

40. The details of remuneration / sitting fees paid to Board Members have been given in Corporate Governance Report.

41. None of the Directors have any relationship with other Directors, Manager(s) and other Key Managerial Personnel of the Company.

42. 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 28th December, 2022, 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 4th September, 2023 (09.00 a.m. IST) and ends on 6th September, 2023 (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., 31st August, 2023. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 31st August, 2023 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. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.
	2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.
	3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.
	4. Alternatively, the user can directly access e-Voting page

	by providing Demat Account Number and PAN No. from a e-Voting link available on 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 able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
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 at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
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 or contact at toll free no. 1800 22 55 33
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.nsdl.com/ either on a Personal Computer or on a mobile. 2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under '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.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.	

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***
5. 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 entering your password, tick on Agree to "Terms and Cona1. 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.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to dlr300@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. 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.
3. 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.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Sarita More, Assistant Manager at evoting@nsdl.co.in.

43. Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. 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 ims@nmdc.co.in and to Company's Registrar and Share Transfer Agent email id: info@aarthiconsultants.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 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) to 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.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 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.

44. THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/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 in the EGM/AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

45 INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

- i. Member will be provided with a facility to attend the EGM/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. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name

demat account number/folio number, email id, mobile number at cs@nmdc.co.in. The same will be replied by the company suitably.

- vi. Members who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request from 1st September, 2023 (9.00 a.m. IST) to 3rd September, 2023 (5.00 p.m. IST) mentioning their name, DP ID and Client ID /folio number, email id, mobile number at: cs@nmdc.co.in.
 - vii. 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.
 - viii. 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.
46. 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.
 47. 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.
 48. 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 65th AGM.

Details of Director seeking reappointment at the 65th 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	Smt. Sukriti Likhi (DIN: 01825997)
Date of Birth & Age	04.08.1968 & 54 years
Date of Appointment	23 rd April 2021
Qualifications	IAS – 1993 batch Bachelor's in Economics (Honours) Master's in Sociology Master's in Public Administration
(b) Nature of expertise in specific functional areas	Smt. Sukriti Likhi, Additional Secretary and Financial Advisor, Ministry of Steel, Government of India, belongs to the Indian Administrative Service (Haryana Cadre-1993). An Economics Honours graduate from Lady Shri Ram College, she holds a Masters degree in Sociology from the Delhi School of Economics and a Masters in Public Administration from Harvard University (USA). Her varied experience in administration includes working in the Ministry of Finance, Government of India, as Director in the Department of Financial Services and later, as Counsellor (Economic) with the Embassy of India at Washington DC. Most recently she was Joint Secretary, Department of Heavy Industry, Ministry of Heavy Industries and Public Enterprises, Government of India. In the Haryana State Government, among her varied assignments, she served as Managing Director, Haryana Power Generation Corporation Ltd; as Managing Director HAFED (the Haryana State Cooperative Supply & Marketing Federation Limited) and as Finance Secretary. She is also Director on the Board of Steel Authority of India Limited, NMDC Steel Limited, KIOCL Limited, Rashtriya Ispat Nigam Ltd and MECON Limited.
(c) Disclosure of relationships between Directors inter-se	There exists no relationship between Directors inter-se.

(b) 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	• Steel Authority of India Limited • NMDC Steel Limited • KIOCL Limited • Rashtriya Ispat Nigam Ltd • MECON Limited
(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 Abhijit Narendra (DIN: 07851224) as Government Nominee Director on the Board of the Company.

In terms of Ministry of Steel, Government of India Order No. S-14011/1/2022-BLA dated 9th February 2023, Shri Abhijit Narendra (DIN: 07851224) was appointed as Government Nominee Director on the Board of the Company from the date of his assumption of charge of the post i.e., 9th February 2023, until further orders and was subsequently appointed by the Board of Directors as an Additional Director to hold the post of Government Nominee Director on the Board of the Company with effect from 9th February 2023, 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 Abhijit Narendra 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 Abhijit Narendra (DIN: 07851224)
Date of Birth & Age	14.09.1966 & 56 years
Date of Appointment	9 th February 2023
Qualifications	Indian Railway Traffic Service – 1993 batch B.Sc LL.B
(b) Nature of expertise in specific functional areas	Shri Abhijit Narendra is an Indian Railway Traffic Service (IRTS) Officer (1993 batch) and is presently posted as Joint Secretary, Ministry of Steel. He has served in different areas of railways including operation, commercial and safety management which gave him rich experience of production and sales management of Indian Railways. His tenure in Railway Board gave him a broader perspective of transportation business and railways modal share. He has also worked in Centre for Railways Information System (CRIS), the IT arm of Indian Railways which gave him the insight of development, execution and running of IT applications. He has also worked in Ministry of Railways in the area of infrastructure development through PPP, project structures and financing, logistics etc. He has also been associated with planning & execution of big ticket railway infrastructure projects like High Speed Rail and Dedicated Freight Corridor. He has also represented the organization and nation in various international meetings and conferences. He is also Director on the Board of Steel Authority of India Limited and NMDC Steel 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	• NMDC Steel Limited • Steel Authority of India Limited
(e) No. of Equity Shares held in NMDC Limited	NIL

Shri Abhijit Narendra 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 Abhijit Narendra 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 Government Nominee Director and recommend this Resolution for approval of the shareholders.

Item No 6: Appointment of Shri Vishwanath Suresh (DIN: 10059734) as Director (Commercial) on the Board of the Company.

Shri Vishwanath Suresh (DIN: 10059734) was appointed as Director (Commercial) on the Board of the Company in terms of Ministry of Steel, Government of India Order No. 3/2/2020-BLA dated 1st March 2023, for a period of five years from the date of his assumption of charge of the post (i.e., 1st March 2023), or till the date of his superannuation or until further orders, whichever is earliest, and was accordingly appointed as an Additional Director on the Board of the Company by the Board of Directors with effect from 1st March 2023 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 Vishwanath Suresh as a candidate for the office of Director (Commercial) 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 Vishwanath Suresh (DIN: 10059734)
Date of Birth & Age	28.08.1970 & 52 years
Date of Appointment	1 st March 2023
Qualifications	Bachelor's degree in Metallurgical Engineering from NIT, Rourkela Master's in Business Administration (MBA) in Marketing Certificate in Advanced Strategic Management course from IIM Kozhikode
(b) Nature of expertise in specific functional areas	Shri Vishwanath Suresh has been appointed as Director (Commercial) at NMDC w.e.f. 01.03.2023. An alumnus of the National Institute of Technology, Rourkela, he is a Metallurgical Engineer. He also holds a Master's in Business Administration (MBA) in Marketing and a certificate in Advanced Strategic Management course from IIM Kozhikode. Prior to this appointment, he held the post of Executive Director (Coal Import) and additional charge of ED (Corporate Materials Management) at SAIL. With a long service spanning over three decades in the mining and manufacturing sector, his career is marked by versatile

	experience in fields like sales and marketing of Steel in domestic and international markets, procurements, strategic management and policy. With a visionary commercial acumen, he has led numerous initiatives for systems improvement, boosting sales and revenue.
(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	NMDC Steel Limited
(e) No. of Equity Shares held in NMDC Limited	NIL

Shri Vishwanath Suresh 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 Vishwanath Suresh and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors/Key Managerial personnel of the Company/their relatives are, in any way, concerned or interested financially or otherwise, in the Resolution set out at Item No.6 of the Notice.

Board considers it desirable that the Company should continue to avail itself of his services as Director (Commercial) and recommend this Resolution for approval of the shareholders.

Item No 7: Appointment of Shri Vinay Kumar (DIN: 10172521) as Director (Technical) on the Board of the Company.

Shri Vinay Kumar (DIN: 10172521) was appointed as Director (Technical) on the Board of the Company in terms of Ministry of Steel, Government of India Order No. 3/2/2021-BLA dated 19th May 2023, for a period of five years from the date of his assumption of charge of the post (i.e., 19th May 2023), or till the date of his superannuation or until further orders, whichever is earliest, and was accordingly appointed as an Additional Director on the Board of the Company by the Board of Directors with effect from 19th May 2023 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 Vinay Kumar as a candidate for the office of Director (Technical) of the Company.

Information pursuant to Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given below:-

(b) Brief Resume of the Director	
Name	Shri Vinay Kumar (DIN: 10172521)
Date of Birth & Age	02.01.1969 & 54 years
Date of Appointment	19 th May 2023
Qualifications	B.Tech (Mining) from IIT BHU
(f) Nature of expertise in specific functional areas	Shri Vinay Kumar has been appointed as Director (Technical) at NMDC w.e.f. 19.05.2023. He has more than three decades of experience in Mining, Training, Safety & Environment and Project Management. Prior to his new assignment as Director (Technical), he was Chief General Manager (CGM) and immensely contributed as the Project Head of BIOM Kirandul Complex, Chhattisgarh. Under his leadership, NMDC's Kirandul Complex has witnessed remarkable growth in production and dispatch, surpassing all records in the company's history. Shri Vinay Kumar was spearheading expansion and execution of ambitious Projects such as Rapid Wagon Loading System (RWLS), Screening Plant- III and Doubling of KK Line. He also played a key role in the construction and commissioning of NMDC's fully mechanized 7 MTPA Kumaraswamy Mines in Karnataka. A B.Tech (Mining) from IIT BHU, he started his career as NMDC's Executive Trainee and rose to the position of CGM. In these years, he has gained a reputation for solving critical issues in Mine Development and Project Execution. In the stewardship of Shri Vinay Kumar, Kirandul Complex received 5-star rating by IBM and various awards from prestigious organizations in the field of Safety, Environment, CSR and Occupational Health. His stint as Director (Technical) will help NMDC in timely execution of all expansion and diversification projects, building new inroads in automation & digitalization towards NMDC 2.0.
(g) Disclosure of relationships between Directors inter-se	There exists no relationship between Directors inter-se.
(h) 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	NMDC Steel Limited
(i) No. of Equity Shares held in NMDC Limited	60

Shri Vinay Kumar 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 Vinay Kumar and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors/Key Managerial personnel of the Company/their relatives are, in any way, concerned or interested financially or otherwise, in the Resolution set out at Item No.7 of the Notice.

Board considers it desirable that the Company should continue to avail itself of his services as Director (Technical) and recommend this Resolution for approval of the shareholders.

Item No. 8: Ratification of the Remuneration of Cost Auditors of the Company for the financial year 2023-24.

The Board at its meeting held on 23rd May, 2023 has, inter-alia, approved the appointment and remuneration of M/s B. Mukhopadhyay & Co., Cost Accountants as the Cost Auditors to conduct the audit of the cost records of the Company across various segments, for the financial year 2023-24 at a remuneration of Rs. 6.00 lakhs (excluding travelling, out-of-pocket expenses plus GST).

M/s B. Mukhopadhyay & Co., have furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 8 to the Notice for ratification of the remuneration payable to Cost Auditors of the Company for the financial year 2023-24.

The Board recommends the Ordinary Resolution set out at item no. 8 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. 8 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**

Place: Hyderabad
Date: 18th July, 2023

(A.S. Pardha Saradhi)
ED (Company Secretary)
Membership No. FCS 10808



Shri Fagga Singh Kulaste,
Hon'ble Union Minister of
State for Steel and Rural
Development Government of
India reviewing the performance of NMDC



Shri Amitava Mukherjee,
Chairman and Managing Director
(Additional Charge) visiting Bailadila Mines



NMDC honours Brand
Ambassador Ms. Nikhat Zareen
for second Gold in World
Boxing Championship



NMDC honours Brand Ambassador
Ms. Nikhat Zareen for second Gold in
World Boxing Championship
Shri TuhinKanta Pandey, IAS, Secretary,
DIPAM, Ministry of Finance, Government of India
reviewing the performance of NMDC

Excellence Personified

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NMDC

NMDC Limited

(A Government of India Enterprise)

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