

# 59<sup>th</sup> ANNUAL REPORT

2020-2021

## MOIL LIMITED

(A Govt. of India Enterprise)

Adding Strength to Steel



हर एक काम  
देश के नाम

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To know more about the company, log on to  
**[www.moil.nic.in](http://www.moil.nic.in)**

**Forward - looking statements**

Some information in this report may contain forward - looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward - looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward - looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward - looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.



*India is blessed with rich reserves of natural resources.*

*At MOIL we are committed to shape the country's growth narrative with our expertise in exploration and development of India's manganese reserves. With strategic alliances and technological upgrades, we continue to redefine our mining operations and strive to retain our leadership in the Manganese industry.*

As infrastructure development continues at a rapid pace, the demand for steel continues to rise. To keep up with growing demand, we are pacing our mining activities to meet evolving industry requirements.

Over the years, we have prioritised the need to diversify into newer business areas and expanded our geographical reach. Alongside, we realise the importance of enhancing stakeholder value through safer, eco-friendly and cost-effective methods of mining. Our relentless efforts to implement innovative ideas to improve the productivity of our mines and sustain greener operations have enabled us to minimise the impact on the natural environment.

Envisioning a brighter future, we are dedicated to serve the nation

— हर एक काम, देश के नाम





# OUR BUSINESS AT A GLANCE

**Incorporated in 1962, Manganese Ore India Limited (MOIL) is largest producer and seller of different grades of Manganese Ore in India.**

At MOIL, we have 11 mines which are currently operational located in the Nagpur and Bhandara districts of Maharashtra and four in the Balaghat district of Madhya Pradesh. We produce and sell different grades of Manganese Ore. They are:

- High Grade Ores for production of Ferro manganese
- Medium grade ore for production of Silico manganese
- Blast furnace grade ore required for production of hot metal
- Dioxide for dry battery cells and chemical industries





### Our Mission

Our mission is to create long-term value for our stakeholders, through exploration and development of natural resources, in an efficient, safe, cost-effective and eco-friendly manner.



### Our Vision

To sustain market leadership in Indian Manganese industry and be a globally diversified enterprise, through strategic alliances and technological up-gradation



### Our Strategic Objectives/ Priorities

- To strive towards objective of catering to the Mn demand in the country by enhancing our production to '3 mn MT by 2030'
- To explore various diversification options into related businesses & geographies and add value to shareholders
- To enrich the lives of employees and providing the best opportunities for growth
- To make our mining areas clean, green and eco-friendly

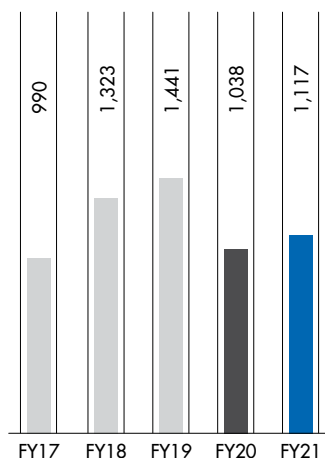




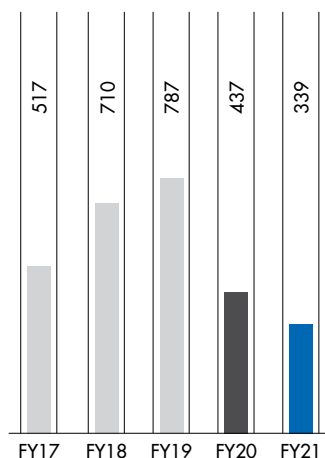
# PERFORMANCE HIGHLIGHTS

## Financial Highlights

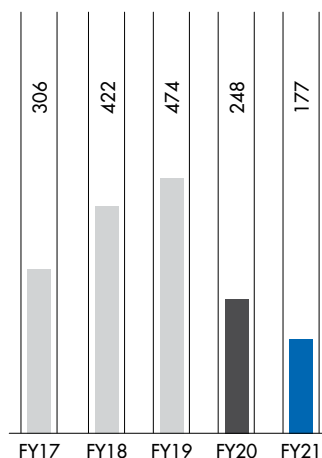
Revenue from Operations  
(in crores)



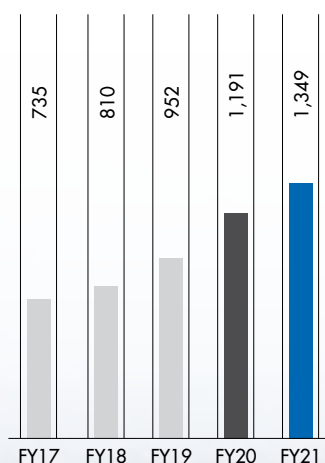
EBITDA  
(in crores)



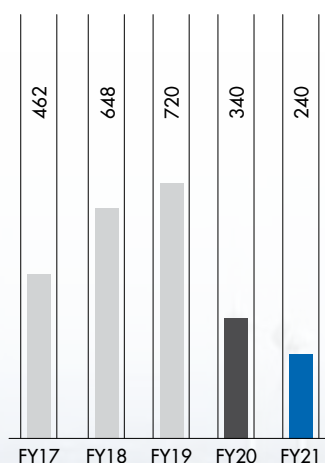
PAT  
(in crores)



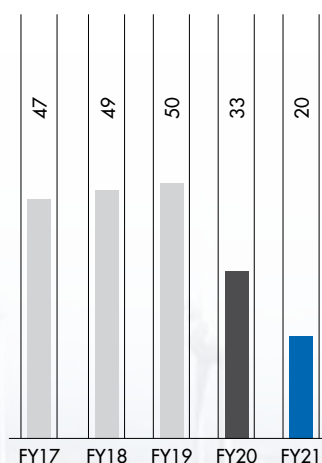
Gross Block  
(in crores)



PBT  
(in crores)

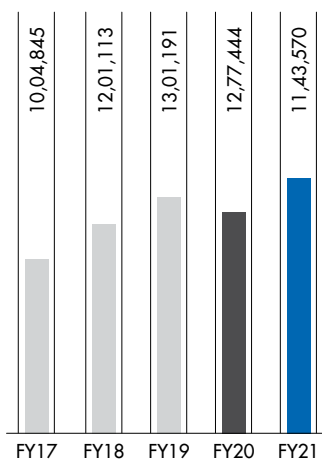


PBT to Sales  
(%)

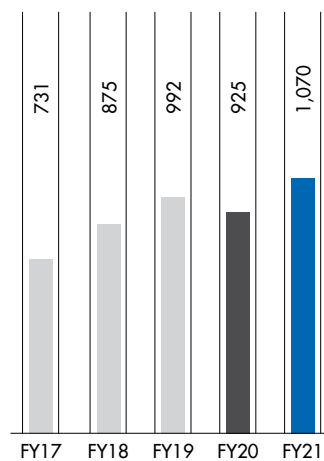


### Operational Highlights (Production)

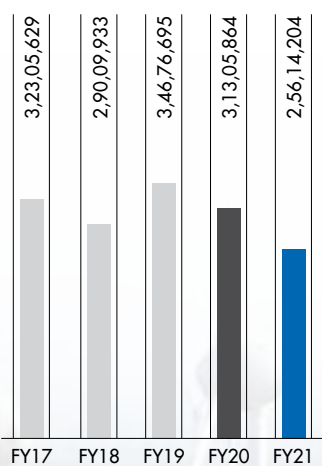
Manganese Ore  
(MT)



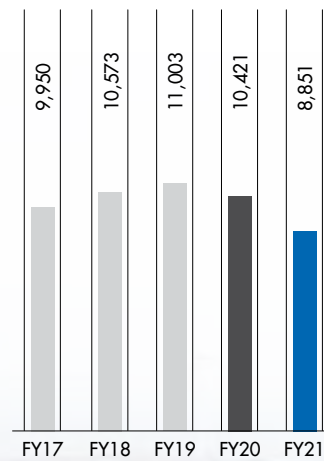
E.M.D  
(MT)



Electricity from Wind Mills  
(KwH)



Ferro Manganese  
(MT)







**MOIL LIMITED**

Adding Strength to Steel

# IMPACT OF COVID-19

In 2020, COVID-19 emerged as a global pandemic. We quickly assessed the challenges for our company, communities and employees and instituted controls to keep people safe and healthy from the virus and allow our operations to run safely and smoothly.

The protocols we put in place include those in line with government guidance, directives and best practice advice from leading medical experts and international health organisations. Our measures included: travel restrictions, social distancing, increased personal hygiene, and greater support for employees in areas such as mental health, managing fatigue and adjusting to working from home as well.







### Key highlights in FY 2020-21 (CSR)

- Contributed INR 45 crores to PM Cares Fund and INR 5 crores to Maharashtra Chief Minister's Relied Fund.
- Established Covid Care facility of 100 oxygenated beds in Mandla District of Madhya Pradesh.
- The company is in process of establishing another 250 oxygenated beds in four district of M.P. State
- Provided financial assistance of INR 25 lakhs to Nagpur Municipal Corporation and INR 50 lakhs to Collector, Balaghat (Madhya Pradesh) for oxygen and various equipment's needed to fight the pandemic.



# INNOVATION

Across every aspect of our business, we are thinking innovatively to ensure the safety of our people, to enhance the sustainability of our business, and to deliver enduring value in its many forms for all our stakeholders.

We are engaged in exploration, mine development, mining, beneficiation and marketing of various grades of manganese ore as well as manufacture of value added products such as Electrolytic Manganese Dioxide (EMD) and High Carbon Ferro Manganese. We operate four opencast and seven underground mines having narrow manganese ore bodies with varying dip directions and difficult geo-mining conditions associated with poor rock-mass quality of wall rocks. We have also carried out various R&D activities to improve the safety and productivity in the mines by introducing modern technology with CSIR-R&D laboratories, reputed academic and R&D institutions of the country.

₹ 6.21 crores

Total R&D expenditure





### Institutions engaged and associated with for various R&D projects:

- CSIR-Central Institute of Mining & Fuel Research (CIMFR), Nagpur and Dhanbad
- CSIR-National Metallurgical Laboratory (NML), Jamshedpur
- CSIR-National Geophysical Research Institution (NGRI), Hyderabad
- CSIR-National Environmental and Engineering Research Institute (NEERI), Nagpur
- Indian Institute of Technology (IIT), Kharagpur
- Indian Institute of Technology (IIT), Dhanbad (Formerly Indian School of Mines)



- National Institute of Technology (NIT), Rourkela
- Visvesaraya National Institute of Technology (VNIT), Nagpur
- National Institute of Technology (NIT), Raipur
- National Institute of Rock Mechanics (NIRM), Kolar Gold Fields
- Indian Institute of Engineering & Science (IIST), Shibpur
- IMT Bhubaneswar
- NML, Jamshedpur





# PEOPLE

Our employees are fundamental to our success. At MOIL, our people are at the heart of everything we do. We foster an environment where our different backgrounds, cultures and beliefs are supported and encouraged.

## Diversity and Inclusion

Our goal is to create an inclusive workplace where every colleague can bring their whole self to work. We still have much to do, and it will take time. But our actions to date demonstrate our commitment to these ideals. We have a robust policy framework and activities ranging from Mahila Mandals working effectively at all our mines, to various cultural, social, educative and community activities such as adult education, blood donation camps, eye camps, family planning, etc., being organized regularly, mostly for the benefit of women residing in the remote mine areas.

# 5866

Total workforce as on 31st March, 2021

# 811

Women employees

## Occupational Health and Safety

At MOIL, we lay special emphasis to ensure safety in the mines/plants and also take continuous effort to reduce accidents by constantly improving the standards of safety equipment through introduction of latest mining techniques and mechanisation of mining/other operations. Few steps taken to improve the safety standards are as follow:

- Regular meetings of Safety Committees which meticulously review safety management plan of the mine with a view to ensure zero harm to the persons and work at mines.
- Vocational and refresher training is imparted to all employees regularly, apart from specialized training.
- Training programs on role of safety in sustainable development and mining and environmental law are also conducted.
- In the area of occupational health and management, we have received ISO

45001:2018 for Occupational Health and Safety Management Systems, ISO 14001:2015 for Environmental Management System, ISO 9001:2015 for Quality Management System, SA 8000 for Social Accountability International Standard Certificate and Certification in accordance with GRI Standards for Sustainability Report for the mines in Balaghat, Bhandara and Nagpur Districts.

- Conducting risk assessment study for all our underground as well as opencast mines and review of safety management plan by internal safety management committee of the mine and outside experts.
- A disaster management plan for mines, plants, schools, hospitals and administrative offices is already in place.



### Training and Skill Development

We believe that commodity and technical specialisation are key drivers of value and performance and therefore training and development is aligned to this need for specialisation. In FY 2020-21, despite Covid-related challenges, a growth of 7% has been achieved with training man-days of 2785 hours. We also conducted a total of 68 training programs for employees at Corporate Training Centre, Nagpur and various online centres of excellence. Further, we have imparted training under Recognized Prior Learning program (RPL) for under skill development to 407 employees, 60 local youths and 53 contractual employees.





# SUSTAINABILITY

In a world dealing with the COVID-19 pandemic, societal expectations on climate action remain high. Addressing them will, today more than ever, require businesses, governments and society to work together.

## Energy conservation

Global society is facing the challenge of meeting the increasing energy needs of a growing population, while radically reducing its carbon footprint. We believe that we have an important role to play in this endeavour and thereby, we have various energy saving projects in progress by implementing new technology equipment and reducing electricity consumption. A few measures taken or proposed include:

- A solar power plant of 5.00 MW capacities has been installed in Nagpur district of Maharashtra State.
- Solar power plants of 4.50 MW and 0.96 MW capacities have been installed in Balaghat District of Madhya Pradesh.
- Procurement of APFC panels and active harmonic filters is in process to improve power factor and reduce harmonics in power system.



- A solar power plant of 5.00 MW capacities has been installed in Nagpur district of Maharashtra State.
- Solar power plants of 4.50 MW and 0.96 MW capacities have been installed in Balaghat District of Madhya Pradesh.
- Installation and commissioning of 476 KW Capacity ground mounted Solar Plant for residential connections is proposed.

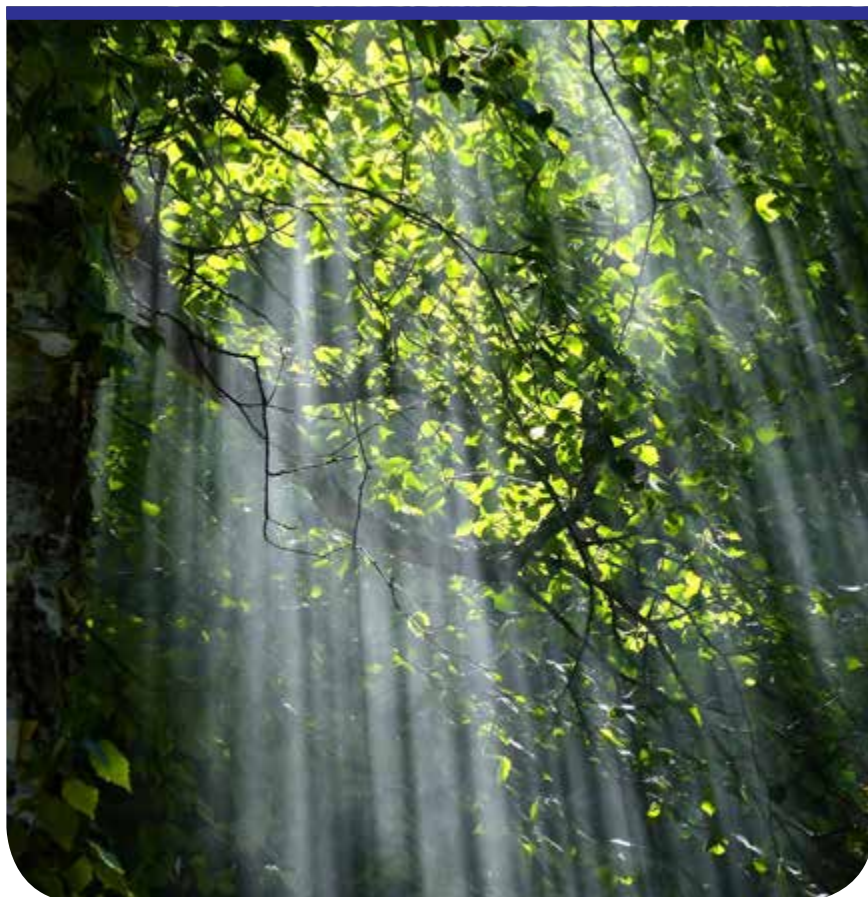


### Electricity consumption per MT of production for mines/plants

Particulars	Electricity consumption (KwH/MT)	
	2020-21	2019-20
Manganese ore (Mn ore)	24.97	22.80
Ferro manganese (FeMn)	3049.25	2998.98
Electrolytic manganese di-oxide (EMD)	3280.93	3830.30

### Wind Power Generation

To generate and promote clean and green energy, we have commissioned wind farms of 4.8 MW and 15.2 MW situated at Nagda Hills and Ratedi Hills respectively in District Dewas near Indore. Our wind power generation for FY20-21 was 276.09 lakh KwH.



### Environmental Protection and Renewable Energy

Mining activities directly impact the surrounding land, flora and fauna throughout their lifecycle; our goal is to minimise and manage those impacts. All our mines including sand ghats have got environment clearance from the MoEF or designated offices. We have various planted around 21.83 lakhs saplings around our mines. We also follow integrated biotechnological approach for sustainable development and better environment at mines.



# CORPORATE SOCIAL RESPONSIBILITY

CSR goes far beyond the confines of statutory compliance in some of the most challenging & socio-economically backward areas of the country. As a responsible corporate citizen sensitive to its stakeholder needs, MOIL considers inclusive growth and addressing stakeholder concerns as a means to achieving corporate growth & sustainability.

## Our Approach

Our approach to sustainability reflects our purpose to responsibly source the commodities that advance everyday life. We establish and implement ethical and consistent business practices and standards through our health, safety, environment, and community and human rights (HSEC-HR) strategy, policies and standards. We are a responsible operator and aspire to have a reputation for doing things the right way.

## Key areas of social intervention:



Education



Health & Hygiene



Skill Development



Livelihood  
Enhancement



₹ 13.18 crores

Total amount spent on  
CSR initiatives





### Education

Education is a basic right and important for the growth of our country. We support various schools near our mines in Balaghat district of Madhya Pradesh and Bhandara district of Maharashtra. In a major step towards providing quality education to rural children, we have come up with a large school in association with DAV Group of Schools at village Sitasaongi in Bhandara district. With the overwhelming response for DAV-MOIL School at Sitasaongi, we are in process to open one more branch of this school at Munsar in Nagpur district, which will cater to the need of quality education of the rural children.

# 1,016

Students reached



### Health & Hygiene

Protecting the health & hygiene of our local communities is a fundamental responsibility for our company. We have tied up with Lata Mangeshkar Hospital, etc., for carrying out free cataract surgeries for needy people. Further, we also vigorously supported the community during the pandemic by distributing dry rations, distribution of cooked food to migrant labourers, needy poor persons in the vicinity of its mines and at head office. More than 3,000 families are benefited with the initiative of MOIL during 2020-21

# >3,000

Beneficiaries impacted







# CORPORATE SOCIAL RESPONSIBILITY



## Skill Development

We conduct various skill development trainings on logistic skills, mine mate and blasters which have been imparted to 100 youths including contractors' workers. As per guidelines of the National Skill Development Council, we have engaged 438 trainees for apprentice training. Further, we have also initiated the Saksham Balika Programme in which 15 girls belonging to Below Poverty Line families (BPL) have been selected for a nursing course imparted at Apollo College of Nursing, Hyderabad.

# 100

Training imparted to youths



## Livelihood Enhancement

Our business touches the lives and livelihoods of many people around the country. We recognise our responsibility to listen to – and hear – their views and take account of their interests. Thereby, we have associated with a professional agency BAIF and Maharashtra Institute of Technology Transfer for Rural Areas (MITTRA), an associate organization of BAIF, Pune having vast experience in rural development programmes. We have also prepared detailed projects with 21 villages which have been identified in Nagpur, (5 villages) Bhandara (11 villages) districts in Maharashtra and Balaghat (5 villages) district in Madhya Pradesh. 3457 families are benefited with these project during 2020-21.



# 3,457

Families impacted

# BOARD OF DIRECTORS



**Shri M.P. Chaudhari**  
Chairman-cum-Managing Director



**Shri Rakesh Tumane**  
Director (Finance)



**Smt. Usha Singh**  
Director (Human Resource)



**Shri P.V.V. Patnaik**  
Director (Commercial)



**Ms. Sukriti Likhi**  
AS&FA, Ministry of Steel,  
Govt. of India- Nominee



**Shri Sukhveer Singh**  
Principal Secretary, MRD,  
Govt. of M.P. - Nominee



**CA Shri Mangesh Kinare**  
Independent Director



**Dr. Deepak Singh**  
Independent Director



**MOIL LIMITED**

Adding Strength to Steel

### Retired Directors



**Shri D. Shome**  
Director (Production &  
Planning)



**Shri T. Srinivas**  
Jt. Secretary, Ministry of Steel,  
Govt. of India



**Shri V.M. Chariar**  
Independent Director

### Chief Vigilance Officer



**Shri S.C. Tiwari (Ex-CVO)**



**Shri Upkar Kumar Kedia**

### Executive Directors



**Shri D.V. Raju**  
E.D. (Personnel)



**Shri C.B. Atulkar**  
E.D. (Technical)



### General Managers



**Shri P. Karaiya**  
G.M. (Production)



**Shri T.K. Mandal**  
G.M. (Finance)



**Shri N.M. Shesh**  
G.M. (Mechanical)



**Shri S. Rai**  
G.M. (Technical)



**Shri R.K. Verma**  
G.M. (Mechanical)



**Shri M.M. Abdullah**  
G.M. (Mines & Co-ordination)



**Shri Akhilesh Rai**  
G.M. (Electrical)



**Dr. G.G. Manekar**  
G.M. (Mines – Planning)



**Shri T. Das**  
G.M. (Personnel)



**Shri R.P. Patil**  
G.M. (Marketing)



**Shri T.P. Gupta**  
G.M. (Project & Diversification)

### Company Secretary



**Shri Neeraj Dutt Pandey**  
Company Secretary

As on Board Meeting date

# Performance at a Glance

Particulars	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16
<b>Financials (₹ in crores)</b>						
Revenue from operations	1177.38	1038.07	1440.67	1323.46	989.84	634.60
Other income	102.48	181.11	190.81	177.72	221.13	252.15
Total income	1279.85	1219.18	1631.48	1501.18	1210.97	886.75
Gross margin (EBITDA)	339.29	436.65	786.57	710.37	516.61	322.72
Profit before tax	240.11	340.49	719.75	647.92	461.90	270.26
Profit after tax	176.63	248.22	473.89	421.99	305.83	172.98
Total Comprehensive Income	187.05	253.56	454.32	398.55	299.27	172.98
Dividend paid during the year	130.53	148.48	141.68	159.82	66.59	84.00
Equity Share capital	237.33	237.33	257.61	257.61	133.19	168.00
Other Equity	2582.57	2526.06	2825.10	2541.59	2672.16	3285.37
Networth	2819.90	2763.39	3082.71	2799.20	2805.35	3453.37
Borrowings	0.00	0.00	0.00	0.00	0.00	0.00
Gross block	1349.23	1190.89	952.07	810.47	734.56	671.88
Working capital	1954.41	1933.78	2355.27	2212.72	2362.78	3061.87
Capital employed	2617.32	2521.12	2785.62	2560.49	2688.98	3372.76
<b>Important ratios</b>						
Profit before tax to capital employed %	9.17	13.51	25.84	25.30	17.18	8.01
Profit before tax to sales %	20.39	32.80	49.96	48.96	46.66	42.59
Debt- equity ratio	0.00	0.00	0.00	0.00	0.00	0.00
Earnings per share (₹) (on face value of ₹10)	7.44	9.80	18.40	21.08	20.21	10.30
<b>Contribution to exchequer (₹ in crores)</b>						
Income tax	78.53	144.19	245.00	225.00	135.00	97.81
Dividend distribution tax	0.00	30.52	29.12	32.54	13.56	17.31
Sales tax and VAT, Entry tax, Service tax and GST	18.15	15.33	35.12	43.97	27.58	13.61
Royalty and cess, DMF, NMET	68.15	82.35	73.40	78.95	58.61	30.57
Excise duty	0.00	0.00	0.00	4.53	8.26	5.86
M.P. road cess	18.34	24.56	27.88	25.58	16.40	10.91
<b>Total</b>	<b>183.17</b>	<b>296.95</b>	<b>410.52</b>	<b>410.57</b>	<b>259.41</b>	<b>176.07</b>
<b>Production</b>						
Manganese ore (MT)	1143570	1277444	1301191	1201113	1004845	1032275
E.M.D. (MT)	1070	925	992	875	731	612
Ferro manganese (MT)	8851	10421	11003	10573	9950	6519
Electricity from wind mills (KwH)	25614204	31305864	34676695	29009933	32305629	36370789

# Board's Report to Shareholders

Dear Shareholders,

On behalf of Board of Directors, I take great pleasure in presenting the 59<sup>th</sup> annual report of your Company, together with the auditors' report and financial statements for the year ended on 31<sup>st</sup> March, 2021.

## (1) FINANCIAL AND PHYSICAL PERFORMANCE

### (A) Key Financials

Financial results of 2020-21 and of the previous year are highlighted below.

Particulars	(₹ in crore)	
	2020-21	2019-20
Revenue from operations	1177.38	1038.07
Other income	102.47	181.11
Total income	1279.85	1219.18
Profit before interest, depreciation and tax (EBITDA)	339.28	436.65
Profit before tax before exceptional item	290.11	340.49
Operational profit	187.64	159.38
Profit before tax after exceptional item	240.11	340.49
Profit after tax (PAT)	176.63	248.22
Total comprehensive income	187.05	253.56
Transfer to general reserve	0.00	80.00

### Key financial ratios

Ratios	2020-21	2019-20
EBITDA to sales turnover (%)	28.82	42.06
Asset turnover	35.19	30.04
PAT to net worth (%)	6.33	8.49
PBT to average capital employed (%)	9.35	12.83
Earning per share (Face value Rs. 10 each)	7.44	9.80
Book value per share	118.82	116.44

Your Company has recorded total income of Rs. 1279.85 crore during F.Y. 2020-21 as compared to Rs. 1219.18 crore in previous year. Profit before tax (before exceptional item) for the year is Rs. 290.11 crore in comparison to previous year's PBT of Rs. 340.49 crore. The Company has earned a profit after tax (PAT) of Rs. 176.63 crore as against Rs. 248.22 crore in the previous year. Covid-19 pandemic and lockdown protocols have led to severe disruptions, affecting production, sales and profit during current reporting period. In this adverse scenario also the operating profit has increased by 17.73 % from Rs. 159.38 crore in the year 2019-20 to Rs. 187.64 crores in the year 2020-21.

As per the Investment Policy approved by the Board, your Company has deployed surplus funds in fixed deposits and mutual funds and earned interest income (included in total interest received) of Rs. 65.99 crore (previous year Rs. 154.64 crore) and clubbed under other income. During F.Y. 2020-21, the interest income was lower in comparison to last year mainly due to reduction in average rate of interest.

### (B) Dividend

MOIL is a dividend paying company since many years. Continuing the same during the year 2020-21, an interim dividend @ 25%, i.e., Rs. 2.50 per equity share has been paid in March, 2021. The Board of Directors of your company has further recommended a final dividend @ 49%, i.e., Rs. 4.90 per equity share for the year. The total dividend for the year 2020-21, thus, works out to Rs. 7.40 per equity share (previous year Rs. 6.00), which is also as per Government guidelines/ directions. The total dividend outlay for the year is Rs. 175.62 crore (previous year Rs. 142.40 crore). The Company is having a dividend distribution policy which is available on company's website [www.moil.nic.in](http://www.moil.nic.in).

### (C) Sales:

In F.Y. 2020-21, MOIL has achieved turnover of Rs. 1177.38 crore, registering an increase of 13.42% in comparison to previous year's turnover of Rs. 1038.07 crore, inspite of challenges posed by the Covid-19 pandemic during the year adversely affecting not only Indian economy but also global economy.



The year 2020-21 was very challenging due to Covid-19 pandemic, which impacted the prices and the availability of ore in the domestic as well international market. MOIL readjusted its ore prices in line with imported ore, which accounts for about 50% of domestic consumption. During the year under reporting, MOIL adopted dynamic pricing which is not only linked to imported price but also domestic ferro alloys prices resulting in higher sales realisation.

During the year, average sales realisation was higher by 6.69% at Rs. 8,767 per MT as against Rs. 8,217 per MT in previous year. Sales quantity of manganese ore increased by 3.22% from 11.80 lakh MT in the 2019-20 to 12.18 lakh MT in 2020-21. During the year, the company continued to take positive steps such as continuance of partial railway freight reimbursement to the buyers located in far-flung areas, credit policy, etc., in order to derive the best out of market conditions to increase the sales.

In respect of manufactured products of the company, viz., electrolytic manganese di-oxide (EMD) and ferro manganese, total net sales during the year 2020-21 was higher by 69% increasing at Rs. 102.92 crores as against Rs. 60.95 crore during previous year. Sales quantity of EMD has slightly decreased from 930 MT in the year 2019-20 to 918 MT in the year 2020-21 but sale of ferro manganese has substantially increased from 6,187 MT in 2019-20 to 13,367 MT in 2020-21 which is the highest ever sales (an increase of ~ 116%). Sales realisation as well as demand of ferro manganese in the domestic market was comparatively better in F.Y. 2020-21.

#### (D) Production and Productivity

During 2020-21, your Company has produced 11.44 lakh MT of various grades of manganese ore as against 12.77 lakh MT in previous year. Spread of corona virus and various restrictions imposed due to Covid-19 pandemic are main reasons for the lower production, which has suffered production activity for more than two months. Output per man shift (OMS) at 1.02 MT (previous year 1.044 MT) is slightly less due to adherence to Covid protocols. EMD production has increased to 1,070 tonnes as against the 925 tonnes during the previous year and that of ferro manganese to 8,851 MT as against 10,421 MT in the previous year.

#### (E) Closing Stock

The Company has a closing stock of 0.91 lakh MT of manganese ore valued at Rs. 69.15 crore as on 31.03.2021 as compared to 1.91 lakh MT valued at Rs. 115.13 crore as on 31.03.2020. The closing stock of ferro manganese was 1,008 MT valued at Rs. 5.01 crore as on 31.03.2021, as against 5,524 MT valued at Rs. 27.26 crore as on 31.03.2020. The closing stock of EMD as on 31.03.2021 was 186 MT (previous year 34 MT) valued at Rs. 2.36 crore (previous year Rs. 0.44 crore).

## (2) COVID-19 AND ITS EFFECT ON THE COMPANY

The pandemic of Covid-19 has engulfed the entire world and has posed serious challenges for the health and economic security of millions of people worldwide. In India too, the spread of coronavirus has been alarming, has posed and is posing severe health and economic ramifications for the country.

Though the Covid-19 pandemic started affecting the performance of the company since December, 2019, effect was felt on production from second/third week of March, 2020 and continued thereafter due to imposition of lock-down restrictions. Lockdown declared for Covid-19 mitigation has impacted the production in the first and the second quarter of 2020-21. After partial lifting of restrictions, operating levels have increased. The production and sales was picked up gradually after easing of the lockdown conditions especially in the fourth quarter of the year.

Again, due to surge in Covid cases from March 2021 onwards in general, and in Maharashtra and Madhya Pradesh in particular (where the Company has its operations), the production and dispatches in April-May, 2021 have suffered. Your Directors have been closely reviewing the impact of Covid pandemic on the Company. The Management is in constant touch with its customers on the evolving situation and making all efforts to service their requirements with minimal delays. The situation created by Covid continues to hold some uncertainties for the future. However, the Board and the Management have done and will do its best to address the same, as the situation has evolved/evolves, in the interests of all stakeholders of the Company.

As a responsible corporate citizen, MOIL has taken measures to address Covid-19 issues with respect to the employees and has risen to meet the needs of the nation. MOIL has contributed Rs. 45.00 crore to PM Cares Fund and Rs. 5.00 crore to Maharashtra Chief Minister's Relief Fund during FY 2020-21 to help in the fight against Covid. Continuing its commitment and fulfilling the need of the nation, MOIL has further established Covid Care facility of 100 oxygenated beds in Mandla district, a remote place in Madhya Pradesh, and is also in the process of establishing another 250 oxygenated beds facility in four districts of the State. Total cost of these oxygenated beds is estimated to be around Rs. 3.12 crore. In April'2021, MOIL has also provided financial assistance of Rs. 25 lakh to Nagpur Municipal Corporation to meet the urgent need of oxygen for patients suffering from Covid and of Rs. 50.00 lakh to the Collector, Balaghat (Madhya Pradesh) to meet the emergency of various equipment and items for setting up Covid ward to fight the pandemic.

### (3) CAPEX, CAPITAL / VALUE ADDITION / DIVERSIFICATION PROJECTS

MOIL is the largest manganese ore producer in India. In order to meet the future requirement and maintain leadership in the industry, MOIL has planned to enhance its production to 3.00 million MT by 2030, for which a strategic management plan is already in place. In this direction, your company has planned investments for development of existing mines, acquisition of new mines within and outside the country, acquisition of areas adjoining the mines, setting up value addition/ diversification projects, etc. Some of the projects have already started and some are in progress. These projects will require investments of about Rs. 2400 crore by 2030.

MOIL is giving utmost thrust on expansion and modernization of its mines to sustain production levels and attain capacity enhancement. Projects for deepening of vertical shaft at Balaghat, Kandri and Chikla mines have been completed. Sinking of second vertical shafts at Chikla and Munsar Mine have been completed. These shafts will help the Company to sustain as well as enhance the production from these mines. Projects for shaft sinking at Ukwa mine as well as high speed shafts at Balaghat and Gumgaon mines are also in progress.

In the past, an area of 814.71 Ha. was reserved by Maharashtra Government in favour of MOIL for prospecting in Nagpur and Bhandara districts. Recently, after exploration and requisite clearances, environment clearance (EC) has been given in respect of 126.84 Ha area in Kodegaon, which is adjacent to MOIL's Gumgaon mine. As the resources identified are available at a depth of more than 200 meters from the surface, underground mining will have to be resorted to. In view of this, MOIL is going ahead with purchase of land for the mine and getting other statutory clearances. In the meantime, steps for sinking of a new shaft shall also be taken. This will be a new mine – the 12<sup>th</sup> mine of the Company and the first new underground mine since inception.

The above projects/new leases will help MOIL move ahead towards its ambitious vision of more than doubling its production to 3.00 million MT by 2030.

#### (A) Capex

In order to achieve the production target, MOIL has taken up various mine development and expansion projects, which include setting up of high speed shaft at Balaghat and Gumgaon mines with total investment of about Rs. 460 crore. With a view to diversify its activities, decision has been taken for setting up of ferro alloy plant of total 75,000 MT capacity at Balaghat and Gumgaon mines with total investment of about Rs. 419 crore. These projects are expected to be completed by 2023.

Capex plans of the company envisage investments in vertical shaft sinking/deepening projects, development of new leases/area for mining, regular additions/modifications/ replacements in fixed assets, townships, research, development, etc. Total Capex utilization of your company during the year 2020-21 was Rs. 136.66 crore as against Rs. 243.85 crore in previous year. Capex target for 2021-22 is set at Rs. 293.71 crore, which is being reviewed in the light of restrictions imposed on account of continuing Covid pandemic.

#### (B) Mine Expansion Projects

##### (i) Projects completed during 2020-21

Sinking of new vertical shaft 160 Mtrs. depth with winder, headgear and surface/ underground infrastructure at Munsar mine at capital cost of Rs. 51.32 crore. This project is completed in Feb.-2021.

##### (ii) Projects under implementation

- (a) Sinking of vertical shaft of 324 Mtrs. depth at Ukwa mine at a capital cost of Rs. 77.15 crore – The project is delayed due to initial issues in land acquisition and later due to Covid lockdowns. Completion is now re-scheduled to Feb.-2022. Shaft sinking and lining upto 260 Mtrs. has been completed and other works are in progress.
- (b) Sinking of large dia. high speed vertical shaft of 330 Mtrs. depth at Gumgaon mine at a capital cost of Rs. 194 crore – The project is delayed due to Covid lockdowns with complete stoppage of work from June, 2020 onwards after Chinese workers put on the project left for China for vaccination and are expected to arrive by August, 2021. Shaft sinking and lining upto 185 Mtrs. depth has been completed so far and other works are in progress.
- (c) Sinking of large dia. high speed vertical of 750 mtrs. depth at Balaghat Mine at capital cost of Rs. 259 crore - The project is delayed due to Covid lockdowns with complete stoppage of work from June, 2020 onwards after Chinese workers put on the project left for China for vaccination and have arrived and commenced work in April, 2021. Shaft sinking and lining upto 515 Mtrs. depth has been completed and other works are in progress.

In respect of above high speed shaft projects, supply chain disruptions are also likely to affect timelines, besides stoppage of works as above. However, these issues are beyond the control of the company but Board of Directors and the Management will take all possible measures to minimize the delays.

High speed shaft sinking projects were conceptualised to enhance the production of Gumgaon and Balaghat mine from 70000 MT to 140000 MT and from 300000 lakh MT to 600000 MT respectively. However, due to delay in projects completion on account of Covid-19 pandemic, the enhancement in the production has also been delayed for the affected period.

**(C) Acquisition of mines in and outside the Country**

In line with Strategic Management Plan of the Company, there are plans to have strategic alliances coupled with off-take agreements with manganese ore producers abroad. An open-ended Expression of Interest (EoI) has been hosted on the website of the company with a view to seek offers in this regard. Offers received are evaluated for further course of action. The company has issued tender for empanelment of consultants/advisors to identify assets in and outside the country.

**(D) Joint venture companies (SAIL & MOIL Ferro Alloys Pvt. Ltd. and RINMOIL Ferro Alloys Pvt. Ltd.)**

As reported earlier, ferro alloys projects to be taken up through joint venture companies formed with Steel Authority of India Limited (SAIL) and Rashtriya Ispat Nigam Limited (RINL) have not taken off due to viability issues after increase in power tariff in Chhattisgarh and Andhra Pradesh States. Hence, during F.Y. 2020-21, Board of Directors of joint venture partners as well as both the JVs have decided to wind up the companies. Accordingly, applications have been submitted with Registrar of Companies for striking off the names of the Company's joint ventures after settlement of accounts by the joint venture partners. In view of this, only standalone financial statements are prepared; Accounts of the joint venture companies are not consolidated as the companies are under closure and are in the process of winding up. There being no activities in the joint venture companies, information under the provisions of proviso to section 129 (3) read with rule 5 of Companies (Accounts) Rules, 2014 is not required to be submitted in the prescribed form AOC-1.

**(4) RESEARCH AND DEVELOPMENT (R&D)**

MOIL is having expertise in manganese ore mining from *mine to mill operations* and is engaged in exploration, mine development, mining, beneficiation and marketing of various grades of manganese ore as well as manufacture of value added products such as Electrolytic Manganese Dioxide (EMD) and High Carbon Ferro Manganese. MOIL operates four opencast and seven underground mines having narrow manganese ore bodies with varying dip directions and difficult geo-mining conditions associated with poor rock-mass quality of wall rocks. The company has carried out various R&D activities to improve the safety and productivity in the mines by introducing modern technology with CSIR-R&D laboratories, reputed academic and R&D institutions of the country. MOIL has engaged and associated itself with following institutions for various R&D projects.

- (1) CSIR-Central Institute of Mining & Fuel Research (CIMFR), Nagpur and Dhanbad
- (2) CSIR-National Metallurgical Laboratory (NML), Jamshedpur
- (3) CSIR-National Geophysical Research Institution (NGRI), Hyderabad
- (4) CSIR-National Environmental and Engineering Research Institute (NEERI), Nagpur
- (5) Indian Institute of Technology (IIT), Kharagpur
- (6) Indian Institute of Technology (IIT), Dhanbad (Formerly Indian School of Mines)
- (7) National Institute of Technology (NIT), Rourkela
- (8) Visvesvaraya National Institute of Technology (VNIT), Nagpur
- (9) National Institute of Technology (NIT), Raipur
- (10) National Institute of Rock Mechanics (NIRM), Kolar Gold Fields
- (11) Indian Institute of Engineering & Science (IIEST), Shibpur
- (12) IMT Bhubneshwar
- (13) NML, Jamshedpur

**Significance of the R&D projects in MOIL**

- **Mine ventilation**

Ventilation reorganisation studies for deeper levels have been conducted at Gumgaon by Indian Institute of Technology (IIT), Kharagpur. Accordingly, large diameter ventilation fan has been installed at Gumgaon Mine with energy saving devices. The studies are going on at Chikla and Ukwa Mine. Moreover, Ventilation reorganization studies for deeper levels have been conducted by Indian Institute of Technology (IIT), (formerly ISM), Dhanbad for Balaghat Mine and accordingly the ventilation drifts have been re-located at Balaghat Mine and sinking has been completed for 5m diameter ventilation drifts. The above operations have helped in improving the face ventilation and productivity of underground sections of mine.



- **Mines Safety - Mining subsidence and patents**

In-house 3-D analysis of subsidence parameters have been carried out by MOIL and found that there are no noticeable movements in any orthogonal direction above the ground at Munsar mine. Accordingly, MOIL has filed a which patent for a method used to determine the subsidence at mining site, which is published in October, 2019. In-house prepared subsidence parameter scientific report has been vetted by IIT, Kharagpur. The subsidence monitoring by in-house developed seven pillars for micro-analysis has been designed for better safety.

- **Mineral conservation**

R&D studies conducted by National Institute of Rock Mechanics (NIRM), KGF for stope design have been implemented at Chikla and Munsar mine. The modified stope design has increased the quantity of manganese ore in underground for exploitation by around 20%. Further, long hole drill and blast method for semi-mechanized operation is in experimental stage at the mine for safety and productivity improvement at Munsar underground mine.

- **In-house mining technology – Rock mechanics**

(a) Alternative to river sand - R&D wing of MOIL has used old refuse overburden material with crushing, screening and heat treatment of material at Munsar mine for hydraulic transportation in underground for stowing. Bench scale studies and field trials confirm that the treated old refuse overburden material can be used for hydraulic transportation for stowing in underground with or without river sand. MOIL has filed and got a patent for a composition useful as an alternative material for hydraulic stowing in an underground mine and method thereof. The same was published in April, 2018 with final examination report submitted in March, 2021. This is first patent of MOIL since its inception. This technology is highly useful for any type of the waste material which is lying at mine/lease area. Any waste material which is excavated from the earth can be utilised for this process and processed material is able to give its geo-engineering strength up to 80% from the in situ to the product as confirmed from the field trials. The invention, a Made in India Technology, has very good potential to use any waste material lying in the mine and, as such, will save the river sand which is scarce natural resource.

(b) MOIL has designed in-house rock mechanics software MOIL-RMR for rock mass characterization and support design. Patent has been filed for a system and a method for rock mass characterization and rock support system in mining for publication in January, 2020. It indicates RMR&Q and putting the values directly in graph without any human machine interference (HMI) and indicates roof span, stand-up time and designated support for method of workings for better safety. Final examination report is in progress.

- **Sustainable Development Framework - Environment and Patent**

Collaborative scientific research for evaluation of environmental parameters in and around Kandri and Munsar mine has been completed for on-line continuous monitoring of air, water and noise parameters on experimental basis by Indian Institute of Engineering Science and Technology (IIEST), Shibpur. A patent application has been filed jointly by MOIL and IIEST, Shibpur for the Real – time zero waste water quality observing system in February, 2020 for publication and the project is completed in March, 2021.

- **Space technology – Remote sensing**

MOIL has identified manganese bearing areas in terms of an MoU with National Remote Sensing Centre (NRSC), Hyderabad for remote sensing studies of four districts of Madhya Pradesh, namely Balaghat, Chhindwada, Jabalpur and Jhabua. On the basis of the report, MOIL has carried out field survey and applied for permission for core drilling from Govt. of Madhya Pradesh in potential zones of these four districts. Recently, Govt. of Madhya Pradesh has reserved 850 Km<sup>2</sup> and 487 Km<sup>2</sup> areas in Balaghat and Chhindwara districts respectively, to carry out exploration work. This will enable MOIL to take up exploration project in the reserved areas of Balaghat and Chhindwara districts. Applications for other two districts, i.e., Jabalpur and Jhabua, are in process. After completion of the exploration work and its analysis, a Techno Economic Feasibility Report (TEFR) will be prepared. Based on the TEFR and ascertaining viability, a Joint Venture Company, will be formed between MOIL and MPSMCL with shareholding of 51% for MOIL and 49% for MPSMCL.

- **Pani Project (Mining out side the state of Maharashtra and Madhya Pradesh)**

As mentioned earlier, MOIL has expertise from mine to mill in manganese ore mining in Central India. In a move to spread its operations in other States, MOIL has entered into an MoU with Gujarat Mineral Development Corporation (GMDC) to explore possibilities of manganese mining. To start with, Pani area of Chota Udepur district has been identified and, in terms of a tripartite MoU among MOIL, GMDC and Mineral Exploration Corporation Limited (MECL), is entered into for carrying out exploration. MECL has carried out exploration and proved reserves and resources of ~ 7.00 Million MT so far. Preparation of feasibility report for

mining of manganese ore in the area is in progress at MOIL. As per MoU with GMDC, a joint venture company with shareholding of 51% and 49% will be formed between MOIL and GMDC respectively after feasibility of mining in the area is established. It is aimed to commence mining operations by the year 2022.

- **Remote sensing and petrological lab**

Mine planning department of the Company has established a Remote Sensing and Petrological Laboratory to study petrological and mineralogical characteristics of samples collected in field from different areas. This would help knowing the genesis of ore and to make use in geological reports for onward submission to various statutory authorities in DGMS, IBM, DGM, etc. The planning department is also procuring hand held XRF, XRD and DGPS instruments for analysis of field samples and also to do DGPS survey in new areas.

- **R&D labs**

MOIL has also established a Geographic Information System (GIS) and Remote Sensing laboratory with ERDAS, ARC GIS and Surpac software along with petrological microscope for capacity building of R&D works and for study of all operating and future mine leases for mine planning and design. Work on Rock Mechanics Laboratory with modern rock testing machines as per ISRM standards is in progress and it will have rock mechanics numerical modelling softwares for core testing.

- **R&D expenditure**

MOIL has spent Rs. 6.21 crores on R&D in 2020-21, details of which are given in **Annexure – I**

## **(5) CONSERVATION OF ENERGY (INCLUDING NON-CONVENTIONAL ENERGY), ENVIRONMENTAL PROTECTION AND SAFETY & HEALTH**

### **(A) Energy conservation**

Various energy saving projects are in progress at different locations of the company. Energy saving will be achieved by implementation of new technology, equipment, reducing electricity consumption by proper monitoring and avoiding wastages. Measures taken or proposed for reduction in energy consumption and the future plans to this effect are as under.

- (1) A solar power plant of 5.00 MW capacities has been installed in Nagpur district of Maharashtra State.
- (2) Solar power plants of 4.50 MW and 0.96 MW capacities have been installed in Balaghat District of Madhya Pradesh.
- (3) Installation and commissioning of 476 KW Capacity ground mounted Solar Plant for residential connections is proposed.
- (4) 4 X 10 KW capacity Solar Plant is being set up at residential locations of Company at Nagpur.
- (5) Procurement of energy efficient motors and transformers is in process for phase-wise replacement of old units.
- (6) Procurement of APFC panels and active harmonic filters is in process to improve power factor and reduce harmonics in power system.
- (7) Energy audit at all mines and plants has been executed through Petroleum Conservation Research Organization (PCRA). Implementation of recommendations are under process.

Electricity consumption per MT of production for mines/plants of the Company is as under.

Sr. No.	Particulars	Electricity consumption (Kwh/MT)	
		2020-21	2019-20
1.	Manganese ore (Mn ore)	24.74	22.80
2.	Ferro manganese (FeMn)	3049.25	2998.98
3.	Electrolytic manganese di-oxide (EMD)	3280.93	3830.30

Details regarding conservation of energy have been given in **Annexure –I**.

**(B) Wind power generation**

To generate and promote clean and green energy, MOIL has commissioned wind farms of 4.8 MW and 15.2 MW situated at Nagda Hills and Ratedi Hills respectively in District Dewas near Indore (Madhya Pradesh) during 2006-2008. MOIL has a long term power purchase and wheeling agreement with distribution Company and Power Management Company of the Government of Madhya Pradesh. Accordingly generation from 4.8 MW plant being adjusted in electricity bills of Balaghat mine and ferro manganese plant and generation from 15.2 MW unit is for sold to utility. Wind power generated was 276.09 lakh Kwh during 2020-21 as against 313.05 lakh Kwh in 2019-20. Out of total generation, 76.49 lakhs Kwh adjusted as captive consumption in electricity bills of Balaghat Mine and Ferro manganese plant of the company. Rest of the power generated is sold to utility, i.e., Madhya Pradesh Power Management Company Limited.

**(C) Environmental protection and renewable energy**

Ecology conservation is crucial in today's era. It is imperative that the development process in a community is compatible with its environment as well as with the particular culture of that community. All the mines of MOIL including sand ghats have got environment clearance from the MoEF or designated offices. Your company, with a goal of achieving sustainable development, has taken proactive measures to reduce global warming. The Company is conscious of its responsibility towards environmental protection in and around its leasehold areas. The cumulative plantation at various mines as on 31.03.2021 is 21.83 lakhs saplings.

MOIL is attentive towards ecological restoration on barren manganese spoil dumps and rejuvenation of waste dumps by following integrated biotechnological approach for sustainable development and better environment at mines.

As already stated above, the Company has ventured into generation of electricity through wind mills and solar power plants.

**(D) Safety and occupational health**

Your Company lays special emphasis to ensure safety in the mines/plants and also takes continuous efforts to reduce accidents by constantly improving the standards of safety equipment through introduction of latest mining techniques and mechanization of mining/ other operations. Following steps have been taken to improve the safety standards at the mines.

- Training and re-training of workers to inculcate safety consciousness.
- Regular meetings of Safety Committees which meticulously review safety management plan of the mine with a view to ensure zero harm to the persons and work at mines.
- A close inter-action with employees at all levels to prevent accidents to the maximum extent possible. SoPs are prepared for each operation at mines, plants, etc., and provided to all employees for their jobs for their safe working.
- Vocational and refresher training is imparted to all employees regularly, apart from specialized training.
- Training programs on role of safety in sustainable development and mining and environmental law are also conducted.
- In the area of occupational health and management, MOIL has received ISO 45001:2018 for Occupational Health and Safety Management Systems, ISO 14001:2015 for Environmental Management System, ISO 9001:2015 for Quality Management System, SA 8000 for Social Accountability International Standard Certificate and Certification in accordance with GRI Standards for Sustainability Report for the mines and plants in Balaghat, Bhandara and Nagpur Districts.
- Conducting risk assessment study for all its underground as well as opencast mines and review of safety management plan by internal safety management committee of the mine and outside experts.
- A disaster management plan for mines, plants, schools, hospitals and administrative offices is already in place.
- Prestigious National Safety Awards (Mines) are conferred to various mines of MOIL.

**(6) MINING LEASES AND EXPLORATION**

MOIL is having total 1743.77 Ha lease area as on 31.03.2021 in Maharashtra and Madhya Pradesh (excluding forest area of Ukwa, Balaghat, Tirodi and Dongri Buzurg mines). Government of Maharashtra has granted four prospecting licences comprising of 212.931 Ha, where exploration in two areas by core drilling is under operation.

In addition, Government of Madhya Pradesh has also reserved an area of 372.701 Ha in favour of the Company in Balaghat for exploitation of manganese ore, for which necessary steps have been taken to convert these areas into mining leases so as to open new mines/expand existing mines.



MOIL has entered into an MoU with Gujarat Mineral Development Corporation Limited (GMDC), a Gujarat State enterprise, in October, 2019 to explore the possibility of mining of manganese ore in the State of Gujarat. For detailed exploration and analysis, MoU has also been entered into with Mineral Exploration Corporation Limited (MECL), a CPSE under administrative control of Ministry of Mines. After completion of the exploration work and its analysis, a Techno Economic Feasibility Report (TEFR) will be prepared based on which, if the project is viable, a joint venture company will be formed between MOIL and GMDC with shareholding of 51% and 49% respectively. Exploration by core drilling has already been completed and results indicate availability of good grade of manganese ore and quantum of about 7.00 Million MT. Draft joint venture agreement has been prepared and shared with GMDC and preparation of TEFR is in progress.

During 2020-21, MOIL has carried out exploratory core drilling of 7517 Mtrs. and has been able to increase its resource base to 91.29 Million MT (as against 90.00 Million MT as on 01.04.2020). Including dumps, the resources are estimated to be 94.36 Million MT as against 93.06 Million MT on 01.04.2020. With this, MOIL is very well positioned to contribute to the India's Steel demand growth given its dominant position, medium to high grade ore reserves, centrally located mines and strong customer ties.

## (7) VIGILANCE ACTIVITIES / EVENTS FOR THE YEAR 2020-21

Functioning of vigilance department includes preventive as well as proactive vigilance having main thrust on systems improvement in the organization, with the objective to ensure that the management gets the maximum out of its various efforts and transaction. Some of the important activities of the vigilance department during the year 2020-21 are as under.

- **ISO 9001-2015 Certification**

Vigilance department has been awarded by ISO-9001:2015 certificate by the International Certification Services Pvt. Ltd., Mumbai accredited by Joint Accreditation System of Australia and New Zealand for Quality Management System to provide vigilance services to the management of MOIL Ltd.

- **Inspections**

General and surprise inspections are being carried out regularly to ensure adherence to norms during execution and to suggest improvements in the system. During the year 2020-21, 8 periodic and surprise inspections have been carried out.

- **Complaint handling**

During 2020-21, the vigilance department has handled 39 complaints and on the basis of outcome of the investigation, management was given 16 advisories for corrective actions as well as systems improvement.

- **Scrutiny of procedures and systems**

During the year, the vigilance department has studied the procedures related to purchases, contracts, recruitments, etc., and on the basis of examination, management was given 3 advisories for corrective actions and systems improvement.

- **Mobile App 'Vigilance MOIL'**

MOIL has provided a mobile app namely "Vigilance MOIL", which is available at Google App for free downloading and making complaint from any place at any time.

- **Toll free number**

A toll free number 18002333606 has been started for receiving of vigilance related information.

- **E-procurement**

E-procurement is being done for purchases and work contracts above threshold value. The threshold value for purchase and works contract is Rs. 2 lakhs.

- **Structure meetings of vigilance**

As per the instructions of Central Vigilance Commission (CVC) and Ministry of Steel, structured meetings of vigilance with CMD were done in which issues related to e-governance, leveraging technologies, tendering management, awards of work, recruitment policies and contract management were discussed.

- **Leveraging technology**

With reference to CVC's circular, emphasized on the effective use of website and leveraging technology in discharge of regulatory, enforcement activities and dealing with complaints. The main thrust areas for leveraging technologies are procurement of goods

and contracts. Also, the status of bill payments to contractors/suppliers is posted on website. All tender documents, promotion lists, transfer lists, CSR works, seniority list applications for recruitment, notices and other pro-forma are posted on the website.

- **Updation of manuals**

Various manuals such as Purchase Manual, Work and Contract Manual, Personnel Manual, etc., have been prepared and put in practice. Purchase Manual, Work and Contract Manual, Personnel Manual are posted on the Company's website/intranet. Marketing Manual and Accounts Manual are under preparation. Updation of manuals is carried out on continuous basis as a part of proactive vigilance and is being pursued with the management.

- **Training programs**

- During 2020-21, vigilance department conducted four training programs at various mines and head office covering 312 man-hours on vigilance awareness. On 31st October, 2020, a one-day e-seminar at MOIL head office at Nagpur on "Government e-Market place" was organized.
- National conference on vigilance and anti-corruption on the theme 'Vigilant India - Prosperous India' organised by CBI was attended vigilance officers from 27th to 29th October, 2020

- **Job rotation**

Sensitive posts have been identified for rotation of officials working on sensitive posts for more than three years and such officials are being rotated by the management.

- **System improvement**

As an outcome of investigations relating to complaints, study, inspections, etc., advisories and suggestions were given to the management for system improvement in the following areas.

- Verification of caste certificates for claim of reservation benefit.
- Making boundary walls and providing CCTV at select locations and regular rotation of security personnel in theft-prone zones like open cast mines.
- Biometric system for attendance.
- Updation of manuals on regular basis.
- Procurement of secondary items through GeM, wherever possible.
- E-procurement for tender value Rs. 2.00 Lacs and above.
- Regular updation of personal files and service books of employees.
- Protection of information system, i.e. ERP/SAP and data resources management controls, third party audit of ERP.
- Uploading all the information regarding bill payment status on MOIL's website.
- Timely payment to contractors/vendors.
- In-house preparation of reduced ore for EMD plant.
- Recruitment through on line process.
- Old records to be weeded out as per policy to avoid procedural complication.
- Duly approved TOC (Tender Operating Committee) and TEC (Technical Evaluation Committee) by competent authority to be informed of their scope and schedule well in time.
- Filing of annual property returns (APRs) in on-line mode.

- **Scrutiny of annual property returns**

As per CVC guidelines, all executives in the organization have to submit their APRs and 20% of them are to be scrutinized every year. Accordingly, scrutiny of APRs of 70 executives has been carried out during the period April, 2020 to March, 2021.

- **Vigilance awareness week**

Vigilance awareness week was observed from 27<sup>th</sup> October to 2<sup>nd</sup> November, 2020 at all mines/ offices of MOIL in which following activities were held in accordance with CVC guidelines with the theme “Vigilant India- Prosperous India’

1. Releases of 9<sup>th</sup> issue “SHUCHITA” a Vigilance journal.
2. One-day workshop on “Government –E-Marketplace”.
3. Vigilance awareness program at Mines of MOIL Ltd.
4. Prize Distribution.

As required vide OM No. F. No. 28(1)/2016-Leg.I dated 24.01.2018 details related to disposed off and pending vigilance cases during the year 2020 are as follows:

Cases during calendar year 2020	Nature of cases		Total
	Having vigilance angle	Administrative	
Cases disposed off	31	07**	38
Pending*	11	NIL	11

\* At present, all pending cases are disposed off

\*\* All administrative cases are forwarded to management to deal at their end

## (8) HUMAN RESOURCE AND PERSONNEL

### (A) Training programmes and skill development

Renewed thrust has been given on training in the Company in FY 2019-20 and a growth of 86% in training man days has been achieved over 2018-19. In FY 2020-21, despite Covid-related challenges, a further growth of 7% has been achieved with training man-days of 2785 hours.

During FY 2020-21, total 68 training programmes (internal and external) were conducted for employees at Corporate Training Centre, Nagpur and various online centres of excellence. Total of 2785 man-days of training was imparted with the break-up being 1513 man-days for executives and 1272 man-days for non-executives. In addition, MOIL is imparting training to apprentices under various designated trades. As on 31<sup>st</sup> March, 2021, MOIL engaged around 438 apprentices, which works out to ~6.25% of the total workforce.

MOIL has imparted training under Recognized Prior Learning program (RPL), one of the programs under skill development, to 407 MOIL employees, 60 local youths and 53 contractual employees. Under this scheme, a total of 9100 man-days training have been imparted by MOIL during 2020-21.

### (B) Welfare schemes and facilities

MOIL is carrying out various welfare schemes like housing, drinking water, electricity, hospital, health camps, schools, home loans and interest subsidies on home loans, etc., for the benefit of the employees as well as people residing in the adjacent areas of mines which are situated in the remote areas. Salient features of such schemes are as follows.

- For improvement of living standard and taking into consideration of aspiration of the employees, residential quarters have been constructed and allotted to majority of the employees.
- Adequate supply of drinking water is being provided to the employees residing in the mine colonies.
- Colonies and streets of the camps are well illuminated. The employees have been provided with electricity for their residence on concessional rate.
- Hospitals have been setup at all the mines maintained by qualified doctors and supported by trained paramedical staff. The arrangement of OPD as well as indoor ward separately for male and female are provided. Ambulance is also provided to all the hospitals for attending to emergencies. Patients are also referred for medical treatment to specialized hospitals as and when required.
- Scheme of post-retirement medical insurance for retired employees is existing in the company for extending the medical facility to the separated employees.
- MOIL's pension scheme, which is a defined contribution scheme, is in operation in the company w.e.f. 1<sup>st</sup> January, 2007.



- Assistance is extended for running primary schools at some of the mines, where free education is imparted. School buses are provided at all the mines.
- Reimbursement of tuition fees and scholarship are being provided to meritorious students.
- Reimbursement of tuition fees for children of staff and the workers are provided for taking education in professional courses.

#### (C) Welfare measures taken for SC/ST

MOIL is a labour intensive organization with 5866 employees on its rolls as on 31<sup>st</sup> March, 2021. More than 80% of the total strength belongs to SC/ST/OBC (SC 19.95%, ST 25.16%, OBC 35.39%). Your Company is also taking keen interest in development of the tribal population living in the vicinity of the mines situated in remote areas by adopting following measures.

- Adopting villages near the mines and providing drinking water facilities, road maintenance, periodical medical check-ups and treatment to the people living in these villages.
- Providing financial aid, stationery, books, etc., to schools adjacent to the mining areas.
- Organizing training classes for self-employment.
- Other welfare measures for development and upliftment of tribal women such as conducting sewing classes, adult literacy classes, AIDS awareness programmes, propagating such other programs by display of posters, notices and banners, leprosy awareness programmes, etc.
- Providing training to physically challenged persons under Persons with Disabilities Act, 1995.

#### (D) Empowerment of women

MOIL employs 811 women employees which constitute 13.83% of its total workforce of 5866 as on 31<sup>st</sup> March, 2021.

In compliance of the directives of the Hon'ble Supreme Court, guidelines relating to prevention of sexual harassment of women at work place were issued by Govt. of India, Ministry of Human Resources Development. Accordingly, a Complaints Committee comprising of officials of MOIL and an independent member is in existence.

Mahila Mandals are working effectively at all the mines of the Company. Various cultural, social, educative and community activities such as adult education, blood donation camps, eye camps, family planning, etc., are being organized regularly, mostly for the benefit of women residing in the remote mine areas.

Every year 8<sup>th</sup> March is celebrated as International Women Day and various programmes are organized to mark the day. Company also grants maternity leave and special casual leave for family planning.

As part of its CSR activities, self help groups have been created at the mines which comprise of women hailing from the remote villages. They are trained to make candles, washing powder, washing soaps, bamboo baskets, tailoring and various other vocational activities in order to make them self-reliant. This programme in MOIL has got very good response and a huge success.

#### (E) Disclosure requirements under The Prevention Of Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013

As per the provisions of the Sexual Harassment of Woman at the Workplace (Prevention, Prohibition and Redressal) Act, 2013, internal complaints committees have been set up in the Company to deal with the cases received under the Act. The committee members are as under:-

Place	Name	Designation
Head Office	Mrs. Preeti A. Joshi	Chairperson
	Shri Neeraj Dutt Pandey	Member
	Shri Deepak Shrivastav	Member
	Mrs. Heena Noor	Member
	Mrs. Asha Singh (Retired Vice-Principal of DAV School Bokaro)	Independent Member
Group I Mines	Dr. Balya Naktode	Chairperson
	Shri Asim Sheikh	Member
	Ms. Akanksha Singh	Member
	Shri Randheer Javeri (Jt. Secretary, RST Cancer Hospital, Nagpur)	Independent Member

Place	Name	Designation
Group II Mines	Dr. Bharti Rangari	Chairperson
	Shri Ritesh Mane	Member
	Mrs. Gurpreet Patel	Member
	Shri Randheer Javeri (Jt. Secretary, RST Cancer Hospital, Nagpur)	Independent Member
Group III Mines	Dr. Leela Kusre	Chairperson
	Shri Rajeev Sharma	Member
	Shri Sachin Ramteke	Member
	Mrs. Asha Singh (Retired Vice-Principal of DAV School Bokaro)	Independent Member

The names of the committee members have been uploaded on Company's web site [www.moil.nic.in](http://www.moil.nic.in) Summary of complaints received under the Act during the year 2020-21 are as under.

No. of complaints received	No. of complaints disposed off	No. of complaints pending
One*	One	Nil.

\*One case of harassment was reported and the same has been enquired into by the committee. After the enquiry, the committee found it a fit case to close with no recommendations to be further given.

The directives have been widely circulated to bring awareness amongst the women workers.

#### (F) Manpower

Manpower as on 31<sup>st</sup> March, 2021 of the Company is given below:

Particulars	Executives	Non-Executives	Workers	Total
Male	300	1897	2858	5055
Female	26	97	688	811
<b>Total</b>	<b>326</b>	<b>1994</b>	<b>3546</b>	<b>5866</b>

The category-wise details of employees' strength as on 31.03.2021 are as under:

Group	Scheduled caste	Scheduled tribe	O.B.C.	Others	Total
A	56	10	79	152	297
B	28	7	61	65	161
C	298	197	417	340	1252
D	731	1262	1519	587	4099
Safai Karamcharis	57	0	0	0	57
<b>Total</b>	<b>1170</b>	<b>1476</b>	<b>2076</b>	<b>1144</b>	<b>5866</b>
<b>Total %</b>	<b>19.95%</b>	<b>25.16%</b>	<b>35.39%</b>	<b>19.50%</b>	<b>100%</b>

#### (G) Citizen's charter and grievance redressal mechanism

- Employees grievances – MOIL has its own grievance redressal procedure for executives as well as non-executive employees. The grievances of employees are accordingly dealt with as per Rules.
- Public grievances – Any citizen can submit his grievance through online Centralized Public Grievance Redressal and Monitoring System (CPGRAMS). All grievance officers have been apprised of the manner in which the public grievances received are to be disposed off. The system adopted for dealing the grievance of public was constituted on the basis of instructions received from various authorities in the past.
- The redressal of grievance machinery in MOIL consists of one grievance officer nominated for at each unit/mine. The grievance officer nominated at head office coordinates with the grievance officers at the units mines for their effective performance.
- Monthly/quarterly grievances are reviewed and dealt with by designated public grievance officers at units mines and head office and disposed off within stipulated period of one month.
- The data related to grievances at the units/mines are submitted by unit grievance officers in monthly / quarterly returns to head office. The same are examined and submitted to Ministry of Steel.

**Status of public/staff grievances during FY 2020-21**

Sr. No.	Particulars	Grievances outstanding as on 1st April, 2020	Number of grievances received during the year	Number of cases disposed off	Grievances outstanding as on 31st March, 2021
1	Public grievances	Nil	6	6	Nil
2	Staff grievances	Nil	2	2	Nil
3	Covid-related	Nil	1	1	Nil
	<b>Total</b>	<b>Nil</b>	<b>9</b>	<b>9</b>	<b>Nil</b>

**(H) Progressive use of Hindi**

- In MOIL, maximum correspondence is done in Hindi.
- Unicode system has been implemented in all the processors. The company has installed software related to Hindi in all the computer systems.
- Purchase of books in Hindi constitutes more than 55% of total expenditure for books.
- In order to encourage the provisions contained in the Official Language Act, 1963, various types of Hindi competitions are held on Dr. Baba Saheb Ambedkar Jayanti, during Swachhata campaigns, quami ekta diwas and vigilance awareness week.
- By conducting workshops and training, more and more people are trained to work in Hindi.
- Kavya gosti and Rajbhasha seminars are organized to promote Hindi.
- Employees working in Hindi language are being given the benefit of the promotional scheme at head office and the mines, to encourage promoting Hindi language.
- Staff of MOIL has been awarded by the Nagar Rajbhasha Karyanvayan Samiti.
- MOIL Bharti magazine of MOIL won second prize of the Nagar Rajbhasha Karyanvayan Samiti.
- Contributory fund is provided by MOIL for the publication of the magazine Wainganga and Rajbhasha Darpan published by the Nagar Rajbhasha Karyanvayan Samiti Balaghat and Nagpur.

**(I) Right to information**

With the advent of the Right to Information Act, 2005 in India, MOIL has taken major initiatives towards its effective implementation.

MOIL has appointed CPIOs at head office and PIOs/APIOs at all its mines. Executive Director (Personnel) has been appointed/designated as Appellate Authority under the Act. Names of all PIOs/ APIOs and the appellate authorities have been also hosted on Company's website [www.moil.nic.in](http://www.moil.nic.in).

The information in respect of Company, its employees, etc., has been prepared under 17 heads as prescribed in Section 4(1) (b) of the RTI Act, and the same been hosted on the Company's portal. MOIL has been submitting necessary information and returns to the prescribed authorities and updating the same regularly.

A lot of awareness has been generated in order to make Company's employees aware about the intention and true spirit of this Act. Various provisions of the Act have been highlighted by issue of circulars, maintaining transparency in day-to-day work and maintain all the records in a proper/ systematic manner. Further, the Company has also hosting/updating in Company's website as much information suo motu at regular intervals for the public, so that public has minimum requirement to use the various provisions under the RTI Act to obtain information.

For the awareness of employees at large, seminars have been organised to make them understand the importance of RTI Act in the present scenario.

During the year under report, the company has received total 157 applications under the RTI Act out of which 107 applications have been disposed off, 20 rejected and 30 are under process. Appellate authority has received 16 RTI appeals out of which 15 appeals have been disposed-off and 01 is under process.



**(J) Industrial relations**

Industrial relations in MOIL continued to be cordial and peaceful during the year 2020-21. The tempo for better production and productivity has been maintained despite challenges posed by Covid. Various committees have been constituted at mines and head office for discussing various issues for smooth functioning of the organization and expeditious decisions for the settlement of grievances have been functioning satisfactorily.

**(9) CORPORATE SOCIAL RESPONSIBILITY (CSR) AND SUSTAINABILITY:**

Corporate social responsibility in MOIL is a continuous process. MOIL has been carrying out CSR activities in a resolute manner for past several years. The Company has framed a CSR policy, duly approved by the Board of Directors. Several schemes have been taken up and being implemented under CSR which broadly include the following.

- In education and skill development initiative, MOIL is supporting various schools near its mines in Balaghat district of Madhya Pradesh and Bhandara district of Maharashtra.
- In a major step towards providing quality education to rural children, MOIL has come up with a large school in association with DAV Group of Schools at village Sitasaongi in Bhandara district. With the overwhelming response for DAV-MOIL School at Sitasaongi, the Company is in process to open one more branch of this school at Munsar in Nagpur district, which will cater to the need of quality education of the rural children.
- Skill development program - Training on logistic skills, mine mate and blasters has been imparted to 100 youths including contractors' workers. As per guidelines of the National Skill Development Council, MOIL has engaged 438 trainees for apprentice training.
- MOIL has also initiated Saksham Balika Programme in which 15 girls belonging to Below Poverty Line families (BPL) have been selected for a nursing course imparted at Apollo College of Nursing, Hyderabad.
- Company has tied up with Lata Mangeshkar Hospital, etc., for carrying out free cataract surgeries for needy people.
- MOIL has vigorously supported the community during the pandemic by distributing dry rations, distribution of cooked food to migrant labourers, needy poor persons in the vicinity of its mines and at head office.
- Company has associated with a professional agency BAIF and Maharashtra Institute of Technology Transfer for Rural Areas (MITTRA), an associate organization of BAIF, Pune having vast experience in rural development programmes. MOIL has entered into MoU with MITTRA who has prepared a detailed project report for the project. Initially 21 villages have been identified in Nagpur, (5 villages) Bhandara (11 villages) districts in Maharashtra and Balaghat (5 villages) district in Madhya Pradesh. Major areas of developmental activities are as under:

• Livelihood	• Education
• Women Empowerment	• Anganwadi based intervention
• Water Resources Management	• Community Resources Dev.
• Agricultural Training	• Infrastructure Development
• Livestock Development Training	• Health, Cleanliness & Sanitation
• Quality of Life	

MOIL has taken up various infrastructural development works like construction of village roads, personal toilets, community halls, hostel buildings, etc., in the vicinity of the operational area of its mines.

During FY 2020-21, MOIL has spent Rs.13.18 Crore on various CSR activities as against mandatory requirement of Rs. 11.39 Crore, i.e., 2% of average net profit.

A report on CSR activities as required under Companies Act, 2013 is attached as **Annexure-II**.

**(10) DIRECTORS AND KMP****(A) Change in Directors and KMP**

During the year under review (a) Shri T.K. Pattnaik, Director (Commercial) has ceased to be Director on attaining the age of superannuation, w.e.f. 31<sup>st</sup> July, 2020 (b) the Government of India has appointed Shri P.V.V. Pattnaik, as Director (Commercial), who took charge w.e.f. 1<sup>st</sup> August, 2020 and (c) Shri Vijayaraghavan M. Chariar, Independent Director, has ceased to be Director of the company, on completion of his tenure.

Government of India has appointed Ms. Sukriti Likhi, Additional Secretary and Financial Advisor, Ministry of Steel, as Nominee Director in place of Shri T. Srinivas, Joint Secretary, Ministry of Steel, w.e.f. 17<sup>th</sup> June, 2021. Further, Shri Sukhveer Singh, Principal Secretary, Mineral Resources Department, Government of Madhya Pradesh has been appointed as Nominee Director w.e.f. 17<sup>th</sup> May, 2021.

Pursuant to section 134(3)(q) read with rule (8)(5)(iii) of Companies (Accounts) Rules, 2014 and section 203(1), the Board has designated Chairman-cum-Managing Director [Chief Executive Officer (CEO)], Director (Finance) [Chief Finance Officer (CFO)] and Company Secretary as Key Managerial Personnel. There is no change in KMPs during the year 2020-21.

#### **(B) Declaration by Independent Directors**

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, the Independent Directors possess the requisite expertise and experience and are the persons of high integrity and repute. CA Mangesh P. Kinare and Dr. Deepak Singh, Independent Directors have completed on-line proficiency self-assessment test conducted by the Indian Institute of Corporate Affairs. They fulfil the conditions specified in the Companies Act, 2013 and the Rules made thereunder and are independent of the management. Independent Directors are generally appointed for a period of three years by Government of India.

#### **(C) Appointment, performance evaluation and remuneration policy**

Being a Central Public Sector Enterprise, appointments, tenure, performance evaluation, remuneration, etc., of Directors are made/fixed by the Government of India.

Ministry of Corporate Affairs has exempted Government companies from applicability of some of provisions/sections of the Companies Act, 2013 vide notification dated June 5, 2015. As per the notification, the Nomination and Remuneration Committee is not required to formulate the criteria for appointment of Directors, their remuneration policy and carrying out their performance evaluation. In MOIL, being a Government Company, the appointment of Directors and their performance evaluation are undertaken by Administrative Ministry, i.e., Ministry of Steel, Government of India. As such, performance evaluation by the Board of its own performance, that of its Committees and individual Directors, are not applicable/required.

The remuneration of officers (executives) is fixed as per Government guidelines on pay revision and remuneration of non-executives is as per Wage Settlement Agreement entered into periodically with recognised Union. Appointments/promotions, etc., of the employees are made as per Recruitment and Promotion Policy approved by the Board.

#### **(D) Directors' Responsibility Statement**

Your Directors state that -

- (i) in the preparation of financial statements, the applicable accounting standards have been followed and there are no material departures from the same,
- (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 as at 31<sup>st</sup> March, 2021 and of the profit and loss of the company for the year ended on that date,
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting frauds or other irregularities,
- (iv) they have prepared the financial statements on a going concern basis,
- (v) they have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively and
- (vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws including applicable Secretarial Standards and that such systems were adequate and operating effectively.

### **(11) DEVELOPMENT OF INFORMATION TECHNOLOGY AND USAGE**

The Company has set-up a full-fledged systems department in order to ensure an effective computerization of all functional areas of the Company. In order to ensure an adequate IT infrastructure, steps taken by the system department are as under.

- Installation of computers and other IT equipment at all its offices, mines/plants.
- Ethernet based Local Area Networks (LAN) on Windows and Linux platform is in place at head office and at all mines of the Company.

- For effective sharing of applications, databases/information and other resources on regular basis, all the mines/plants/offices are connected through MPLS VPN and VPN over leased line.
- For continuous knowledge acquisition, e-mailing and for inter unit data transfer facilities, all the concerned officials of head office have been provided with internet connection through internet leased line on OFC. All mines/plants are provided with leased line internet connections on OFC.
- Procurement of goods and services through e-procurement portal of MSTC/GeM to bring transparency in procurement process.
- Implementation of ERP in the Company. In addition to core modules FICO, MM, SD, PP, PM, HRM of ERP-SAP, the company has also implemented File Lifecycle Management, Document Management System and Employee Self Service Portal.
- State of the art data center for ERP is designed and commissioned at head office, Nagpur.
- Use of File Lifecycle Management (FLM) for effective file tracking and reduction in paper work.
- Implementation of Customer Portal, wherein customers have access to information relating to prices, availability, etc., at one place.
- Scanning/digitizing all records and storing them with electronic index to free-up office space and ensure efficient record retrieval.
- Use of video conferencing for communication with mines, Ministry and other agencies.
- Online bill payments.
- Paperless Board Meetings.
- Vendor Bill Tracking.
- Digitalisation Efforts.

## (12) POLICY AND DISCLOSURES

### (A) Risk Management Policy

MOIL recognizes that risk is inherent to any business activity and that managing risk effectively is critical to the immediate and future success of the Company. The Risk Management Policy of the company establishes a system which helps in overseeing the risks, management of material business risks and also helps in internal control of the company. The identified risks are reviewed periodically alongwith elements of risk, if any, which in the opinion of the Board may threaten the existence of the company. The policy is also uploaded in the company's website [www.moil.nic.in](http://www.moil.nic.in).

### (B) Vigil Mechanism

The Company has a Whistle Blower Policy and the same is uploaded on its website [www.moil.nic.in](http://www.moil.nic.in). The company has a competent and independent vigilance department, headed by Chief Vigilance Officer (CVO) for monitoring any unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy. All the personnel are having the access to the vigilance department for their complaints, grievances, etc. Vigil mechanism has been established for Directors and employees to report genuine concerns. The vigil mechanism provides for adequate safeguards against victimization of persons who use such mechanism for genuine concerns.

### (C) Corporate Governance

The Company strives to attain highest standards of corporate governance. A separate section on Corporate Governance is annexed and forms part of the Boards' Report (**Annexure-III**). Certificate of corporate governance is also attached with the report, which is self-explanatory. There is no qualification in the certificate except on composition of the Board of the company during the year. Being a Government Company, all the Directors are appointed by the Government of India. The Board believes that the Government of India will make appointment of requisite number of Directors on the Board of MOIL, including woman Independent Director.

### (D) Management Discussion and Analysis and Business Responsibility Report

A report on Management Discussion and Analysis is placed at **Annexure-IV**. In compliance with Regulation 34 of SEBI (Listing obligations and Disclosure Requirements Regulations), 2015, Business Responsibility Report is also annexed at **Annexure-V**.

### (E) Related Party Transactions

The Company has not entered into any materially significant related party transactions that may have potential conflict with the interests of the company at large. Nonetheless, transactions with related parties have been disclosed in Point No. 3.5 and 3.6 of Note No. 3 of notes to the accounts. Hence, no disclosure is made in form AOC-2 as required in Section 134(3) read with Rule 8 of Companies (Accounts) Rules, 2014. The Company has Related Party Transaction Policy and the same is uploaded in its website [www.moil.nic.in](http://www.moil.nic.in).



**(F) Procurement as Per Micro, Small And Medium Enterprises Development (MSMED) Act, 2006 and Gem**

As per requirement of Micro, Small and Medium Enterprises Development (MSMED) Act 2006 and notifications issued by Central Government in this regard, PSUs are required to purchase minimum 25% of total annual purchase of products produced and services rendered by MSEs. It further requires that 4% out of 25% shall be earmarked for procurement from MSEs owned by Scheduled Castes or Scheduled Tribe entrepreneurs, 3% of which shall be earmarked for procurement from MSEs owned by women. It also requires the PSUs to report goals set with respect to aforesaid procurement and disclose achievement made in its annual report.

Total procurement of goods during 2020-21 has been at Rs. 106.84 crore (previous year Rs. 114.59 crore) out of which value of goods procured from MSEs (including MSEs owned by scheduled castes or scheduled tribes or women entrepreneurs) is Rs. 40.25 crore (previous year Rs. 40.97 crore) which amounts to 37.67% of total annual procurement as tabulated below.

Category of MSE Firm	Norms	Achievement
Procurement from MSE firms	25%	37.67%
Procurement from MSE firms SC / ST *	4%	-
Procurement from Women Entrepreneurs MSE firms *	3%	-

\* There was very minimal / negligible participation from this category of vendors. Hence, the target could not be met. To encourage participation, MOIL regularly interacts with such vendors in Vendor Development Program (VDP) organized by MSME, DI, Nagpur, Dalit Industries Chamber of Commerce (DICC). MOIL is one of the sponsors for annual NVDP program cum industrial exhibition organized by MSME development institute Nagpur. NIT for all procurement is sent to offices of NSIC, MSME & MSSIDC.

Thus, the company is complying with requirement of Micro, Small and Medium Enterprises Development (MSMED) Act 2006 with respect to minimum purchases. For FY 2021-22, MOIL has a goal to procure products produced/services rendered by MSMEs as mentioned in the first para above.

MOIL's total procurement through the open tender during FY 2020-21 was Rs. 106.84 crore as against Rs. 114.59 crore in FY 2019-20. Out of this, procurement through Government e-Market (GeM) portal was Rs. 28.24 crore in FY 2020-21 as against Rs. 2.32 crore in FY 2019-20.

**(G) Memorandum of Understanding (MoU) with Ministry of Steel**

MOIL has been signing MoU with Ministry of Steel since more than 20 years. The MoU sets forth various targets and parameters of performance, which are assessed against actual achievements after close of the year. From the year 1995-96, the company has been continuously getting Excellent ratings (except for the year 2015-16 and 2016-17 due to worst/poor market conditions). The Rating for the year 2019-20 was fair due to Covid-19 effect. The rating for 2020-21 is not yet finalised which is expected to be Very Good. Continuing the practice, MOIL is in the process of signing MoU with the Ministry of Steel for the year 2021-22.

**(13) AUDITS AND AUDITORS****(A) Statutory Auditors and CAG**

In terms of Section 143 (5) of the Companies Act, 2013 M/s Demble Ramani & Co., Chartered Accountants, Nagpur have been appointed by the Comptroller & Auditor General of India (CAG) as statutory auditors of the Company for the year 2020-21. There is no fraud reported by auditors of the company under sub-section (12) of section 143 of the Act. The statutory auditors' report is attached, which is self-explanatory. There is no qualification in the auditors' report. However, the Annexure-B to the report dated 04-06-2021 of Statutory Auditors on Financial Statements of the company for FY 2020-21 was revised on 13-07-2021 as per the direction of the CAG. The revision in Annexure-B has no impact on results, accounts and financials of the company.

Further, CAG vide letter dated 04.08.2021 has issued their comments under Section 143(6)(b) of the Companies Act, 2013 on the Financial Statements of the Company for the year ended on 31<sup>st</sup> March, 2021. The CAG comments and replies of the Management on the same form part of Annual Report 2020-21. As per opinion of the management and the Board, the observations of the CAG are for classification and additional disclosures, and there is no impact whatsoever on the company's results, accounts and financials.

**(B) Secretarial auditors**

The Board had appointed M/s P.S Tripathi & Associates, Indore as secretarial auditors for 2020-21. Their report is enclosed herewith, which is self-explanatory. There are two observations in the Secretarial audit report. One is related to composition of Board of the company. Being a Government Company, all Directors are appointed by the Government of India. Accordingly, Government of India will make appointment of requisite number of directors on the Board of MOIL. Second observation is related to contribution of Rs. 50 Crore to PM Cares Fund and Chief Minister Relief Fund, Maharashtra. The Company had obtained post facto approval of the shareholders whereas the requirement of the Companies Act, 2013 was to obtain prior approval. In this regard, it is to mention that it was done as per the directions of Ministry of Steel, Govt. of India considering the emergency need due to Covid-19 pandemic.

**(C) Cost audit**

The Company is required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013. Accordingly, such accounts and records are made and maintained. M/s Phatak Paliwal & Co., Cost Accountants, Nagpur have been appointed as the cost auditor of the Company to conduct audit of cost accounting records maintained by the Company for the year ended 31<sup>st</sup> March, 2021. The due date for filing the Cost Audit Reports for the said year is 27<sup>th</sup> September, 2021, if not extended by the Government. The report will be submitted within prescribed time limit. The Cost Audit Report and Compliance Report for the year 2019-20 were filed within the time limit, as prescribed by the Ministry of Corporate Affairs.

**(14) OTHER DISCLOSURES:**

- (i) **Particulars with respect to R&D and technology absorption, etc.** : Particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, forming part of this report, are enclosed as **Annexure-I** to this report.
- (ii) **Foreign Exchange earnings and outgo** : The Company has not made any export of manganese ore or its other products during 2020-21. During the year under review, the Company has incurred NIL expenditure in foreign currency as against Rs. 105.73 lakhs in the previous year.
- (iii) **Particulars of employees** : There are no employees covered within the purview of Section 134(3) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) 2014, as amended from time to time.
- (iv) **Deposits** : During the year under review, MOIL has not accepted any deposits as provided under the Act.
- (v) **Loans, guarantees and investments**: There are no loans, guarantees and investments, as provided under section 186 of the Act.
- (vi) **Composition of Audit Committee** : The details regarding composition of Audit Committee are mentioned in Clause No. 3.1(A) of the Corporate Governance Report which is a part of this Report.
- (vii) **Number of meetings of the Board** : Total 5 Board meetings held during the year. Further details in this respect are given in Clause No. 2.2 of the Corporate Governance Report which is a part of this Report.
- (viii) **Copy of Annual Return**: Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, copy of the Annual Return for F.Y. ended on 31<sup>st</sup> March, 2021 is placed on the website of the Company at <https://www.moil.nic.in/userfiles/file/InvRel/annual-return-2020-21.pdf>
- (ix) **Material Changes and Commitments if any, affecting the financial position of the Company**: There were no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this Report except enumerated elsewhere in the report.
- (x) **Significant and material Orders passed by the Regulators or Courts or Tribunal**: There is no significant and material order passed by the Regulators/Courts/Tribunal impacting the going concern status and company's operations in future.

**(15) DETAILS OF SHARES IN SUSPENSE ACCOUNT AND SHARES & DIVIDEND TRANSFERRED TO IEPF**

(A) The details of shares in suspense account are as follows.

Description	Number of shareholders	Number of shares
Aggregate number in the suspense account as on 1 <sup>st</sup> April, 2020	0	0
Shareholders who approached the company for transfer of shares from suspense account during the year	0	0
Shareholders to whom shares were transferred from suspense account during the year	0	0
Shares transferred to unclaimed suspense account	0	0
Aggregate number in the suspense account as on 31 <sup>st</sup> March, 2021	0	0

- (B) The details of unpaid/unclaimed dividend amount and shares transferred to Investor Education and Protection Fund (IEPF) account during 2020-21 are as under.

Particulars	Amount transferred (Rs.)	Number of shares transferred
Interim Dividend 2012-13	7,50,288	3,074
Final Dividend 2012-13	10,43,067	1,550
Interim Dividend 2013-14	11,60,416	2,105

Details of the resultant benefits (i.e. Dividend) arising out of shares already transferred to the IEPF account are as under.

Particulars	Amount transferred (Rs.)
Final Dividend 2019-20	96,765
Interim Dividend 2020-21	84,513

#### ACKNOWLEDGEMENT

Your Directors acknowledge the support, cooperation and guidance received from the Govt. of India, Ministry of Steel, Ministry of Environment and Forest, State Governments of Maharashtra and Madhya Pradesh, all Government departments, Company's shareholders, bankers, valued customers, suppliers and all other stakeholders.

The employees of the Company have continued to display their commitment towards the pursuit of excellence. Despite challenges posted after outbreak of corona virus, consequent effects of lock down on operations and slowdown in production due to adherence to social distancing norms, other Covid protocols, the employees have shown their dedication, which is reflected in production numbers. Your Directors take this opportunity to place on record their appreciation for the valuable contribution made by the employees and look forward to their continued commitment, dedication and enthusiasm to enable the Company to scale even greater heights.

On behalf of the Board of Directors

Place : Nagpur  
Date : 24.08.2021

**M. P. Chaudhari**  
Chairman-cum-Managing Director  
(DIN - 05339308)

# Annexure – I to Boards' Report to Shareholders

Disclosure of particulars with respect to conservation of energy and technology absorption as required under section 134(3) (m) of the Companies Act, 2013

## A) CONSERVATION OF ENERGY

Sr. No.	Particulars	Details	
1.	Steps taken or impact on conservation of energy	Procurement of energy saving lamps for surface and underground lighting and star rated air conditioners initiated through Energy Efficiency Services Limited.	
2.	Steps taken by the company for utilizing alternate sources of energy	54.25 KW capacity Solar Tree installation is in process at premises of MOIL Bhawan, Nagpur. Installation of total 476 KW capacity solar projects for residential connection proposed in this financial year.	
3.	Capital investment on energy conservation equipment	Description of work	Investment (Rs. in Lakhs)
		Procurement of new generation D.G. Sets for Dongri Buzurg and Chikla Mines	299.72
		Procurement of Active Harmonic Filters for Maharashtra Mines.	64.02
		Procurement of centrifugal pumps to replace old inefficient pumps.	99.61
		Procurement of energy efficient transformers	68.52
		Total investment	531.87

## (B) TECHNOLOGY ABSORPTION

(i) The efforts taken by the company under its Research & Development (R&D) activities and benefits derived there from are as follows.

Sl. No.	Areas	Benefit derived
1.0	Exploration:	MOIL has an expertise from mine to mill in manganese ore mining in India. Gujarat Mineral Development Corporation (GMDC) has signed a MoU with MOIL to explore the possibilities of mining of manganese ore in Pani area of ChotaUdepurdist, Gujarat state. A tripartite MoU between MOIL, GMDC and MECL is signed to carryout exploration in Pani village. MECL has carried out exploration and proved reserves/resources of manganese ore around 7.6 million tonnes. Feasibility study for mining of manganese ore is under process by MOIL to start the mining operations in the year 2022 by underground mining method.
1.1	Pani Project (Mining outside in the state of Maharashtra and Madhya Pradesh):	
1.2	Use of space Technology:	
1.3	Remote sensing and Petrological lab:	
2.0	Rock Mechanics Lab:	Mine planning department is also establishing a Rock Mechanics lab at head office to conduct Geo technical studies of various lithology available at all Mines of MOIL. This will help to know various parameters of rocks which will be useful in preparation of mining plans and method of working for better safety and higher productivity. It helps to generate technical reports for onward submission to regulating authorities like DGMS, IBM, DGM etc. for safer mining operations with higher productivity.



**(B) TECHNOLOGY ABSORPTION (Contd..)**

(ii) The efforts taken by the company under its Research &amp; Development (R&amp;D) activities and benefits derived there from are as follows. (Contd..)

Sl. No.	Areas	Benefit derived
3.0	Mine Ventilation:	Ventilation reorganisation studies for deeper levels have been conducted at Gumgaon by Indian Institute of Technology (IIT), Kharagpur. Accordingly, large diameter ventilation fan has been installed at Gumgaon Mine with energy saving devices. It has improved the face ventilation and productivity of underground section of the mines. The studies are going on at Chikla and Ukwa Mine for productivity improvement.
4.1	Mines Safety	As the mine operation is going deeper and deeper MOIL has engaged CSIR-CIMFR, Nagpur for investigation of RMR at Balaghat and Ukwa mine to formulate new support design for better safety and higher productivity. The project is completed in March 2021 and accordingly support system has been implemented.
4.2	Mines Safety (Rock Mechanics Software) and Patent	MOIL has filed three patents till date and all the three patents are published. The third patent which has been filed on the subject "In house RMR software". This was published on 14.08.2020. This will generate data for mine safety and higher productivity.
5.1	Mine Environment	MOIL is carrying out collaborative research work for restoration of dumps to maintain ecological sustainability by Phytoremediation method with CSIR-National Environmental Engineering Research Institute (NEERI), Nagpur at Gumgaon Mine for sustainable development frame work guidelines for mining projects. MOIL is also conducting joint collaborative research work with the Department of mining engineering IIT, Kharagpur for stabilization of dumps by engineering analysis at Dongri Buzurg Mine for dump stabilisation and ecological balance.
5.2	Environmental Monitoring System in Mines:	MOIL is also establishing continuous ambient Air quality monitoring stations (CAAQMS) at all mines to monitor the pollution parameters of mines to improve the environmental parameters at mine. This project will be completed by Dec, 2021.
5.3	Sustainable Development Framework (Environment) and Patent	Collaborative scientific research for evaluation of environmental parameters in and around Kandri and Munsar mines has been completed for on-line continuous monitoring of air, water and noise parameters on experimental basis by Indian Institute of Engineering Science and Technology (IIEST), Shibpur. The patent has been filed jointly by MOIL-IIEST, Shibpur for the "Real - time zero waste water quality observing system" on 27.02.2020 for publication. The project is completed in March 2021.
6.0	In-house R&D studies for alternative fill material for river sand and patent	Mine Planning and Design Department has conducted the in-house R&D study of overburden material and bottom ash to use as a fill material in underground by hydraulic transportation at Munsar Mine on successful experimental trials and filled a patent for "A composition useful as an alternative material for hydraulic stowing in an underground mine and method thereof" published on 13.04.2018. This will help reduce the consumption of river sand in substantial quantity in future years. The final examination report is submitted in March 2021. Patent has been awarded to MOIL
7.0	MoU with Academic/Regulation agencies for Technology:	1. MOIL has signed a MoU with the Department of Mining engineering, VNIT, Nagpur for 3 years for skill development in various Geo Mining software, numerical modelling, Geological modelling etc to perform the work of mine planning in digital platform. 2. MOIL has also signed an MoU with Indian Bureau of Mines (IBM), Nagpur to know the social impact of mines in the nearby villages by carrying out the Remote Sensing and GIS. Drone survey is also carried out as a part of MoU in the study area to improve the safety and productivity of Dongri Buzurg mine.
8.0	Participation of MOIL in webinar:	MOIL has participated in International and National webinars in virtual mode conducted by reputed organisations like IIT, Kharagpur, IIWM, Bangalore, Barkatullah university etc. these webinars are conducted on smart Mining techniques, waste management, environment at Mines etc. The Citation from IIWM for waste management has been received for case study of Gumgaon mine.
9.0	Quality up-gradation in EMD:	In-house experiments result with product having, MnO <sub>2</sub> consistently above 91.50% (as against industry requirement of > 91.00%), iron contents in the recent past almost consistently getting < 100 ppm (as against industry requirement of < 150 ppm) and lead content, though on higher side at present at ~ 400 ppm, can be brought < 50 ppm by using zirconium cathodes. Thus, technically, the plant can meet desired specifications required by present day battery manufacturers.

Sl. No.	Areas	Benefit derived
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The continuous use of modern digital tools, softwares, modern technologies, industry-academic collaborations and the R & D efforts have shown improvements in safety, productivity and environmental parameters in mining operations. These R & D projects helped to introduce modern mining technologies, changes in stope designs, long hole drill and blast technology, mechanical handling of ROM in stopes by SDL, waste handling by LHD in mining operations. Exploration by geophysical prospecting has earmarked new zones for core drilling in new leases. NRSC studies helped locate new manganese bearing zones in new area for future prospecting in mining leases. This has improved the 'mine to mill' expertise of the company in manganese ore deposits. To enhance the production of manganese ore, MOIL has started to explore new deposits in the state of Gujarat. The exploration done at Pani Project located at ChotaUdepurDistrict of Gujarat has given positive results. Similarly, the exploration will be carried out in the state of Madhya Pradesh for obtaining new mining leases. This will enhance the production of MOIL.

Sl. No.	Areas	Benefit derived
(ii)	Details of Import technology	NIL
(iii)	Expenditure on R & D (in Crore)	6.21

# Annexure – II

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

- Brief outline on CSR Policy of the Company: MOIL has developed the CSR and Sustainability Policy in consonance with the CSR Policy framework as provided in the Section-135 of Companies Act, 2013 (the Act) and in accordance with the Companies (CSR Policy) Rules, 2014 (the Rules) made under the Act, Guidelines on CSR and Sustainability for Central Public Sector Enterprises (CPSEs) issued by Department of Public Enterprises (DPE), Government of India (the Guidelines). On the recommendation of the CSR committee the Board of Directors have approved the CSR Policy which is available at [https://www.moil.nic.in/userfiles/CSR\\_and\\_Sustainability\\_Policy\\_of\\_MOIL.pdf](https://www.moil.nic.in/userfiles/CSR_and_Sustainability_Policy_of_MOIL.pdf)

- Composition of CSR Committee FY 2020-21:

Sl. No.	Name of the Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Dr. Deepak Singh	Independent Director-Chairman (From 16.11.2020)	2	2
2	Shri Mangesh P. Kinare*	Independent Director-Member	-	-
3	Shri Dipankar Shome	Director (Production & Planning) – Member	2	2
4	Smt. Usha Singh	Director (Human Resource)- Member	2	2
5	Shri Vijayaraghavan M. Chariar	Independent Director-Chairman (upto 16.11.2020)	2	2

\* Member w.e.f. 29.12.2020

- Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

The web-links are as follows:

- Composition of CSR committee- [https://www.moil.nic.in/userfiles/Composition\\_of\\_Committee.pdf](https://www.moil.nic.in/userfiles/Composition_of_Committee.pdf)
- CSR Policy: [https://www.moil.nic.in/userfiles/CSR\\_and\\_Sustainability\\_Policy\\_of\\_MOIL.pdf](https://www.moil.nic.in/userfiles/CSR_and_Sustainability_Policy_of_MOIL.pdf)
- CSR projects approved by the board for F.Y. 2020-21: [https://www.moil.nic.in/userfiles/file/CSR\\_Projects\\_20\\_21.pdf](https://www.moil.nic.in/userfiles/file/CSR_Projects_20_21.pdf)

- Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). – Not Applicable (NA).

- Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (RS. in Lakh)	Amount required to be set-off for the financial year, if any (RS. in Lakh)
1.	NA	NA	NA
2.	NA	NA	NA
3.	NA	NA	NA

- Average net profit of the company as per section 135(5). **Rs 569.38 crores (Average of last three years)**

- (a) Two percent of average net profit of the company as per section 135(5) : **Rs 11.39 crore**

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

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

(d) Total CSR obligation for the financial year (7a+7b-7c). **Rs 11.39 crore**

## 8. (a) CSR amount spent or unspent for the financial year

Total Amount Spent for the Financial Year. (Rs. in Lakhs)	Amount Unspent (Rs. in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
1318.12	NIL	NA	NA	NA	NA

## (b) Details of CSR amount spent against ongoing projects for the financial year\*:

(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 to the Act	Local area (Yes/No).	Location of the project		Project duration	Amount allocated for the project (Rs. in Lakhs)	Amount spent in the current financial Year (Rs. in Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (Rs. in Lakhs)	Mode of Implementation – Direct (Yes/No).	Mode of Implementation – Through Implementing Agency	
				State	District						Name	CSR Registration number
1.	Construction of Community hall at Village Chakdehi, Dist. Mandla, (M.P).	Clause X of Schedule VII	No	M.P	Mandla	12 Months	50.00	9.19	0.00	Yes	-	-
2.	Construction of Community hall at Dist. Puri (Odisha)	Clause X of Schedule VII	No	Odisha	Puri	12 Months	50.00	6.72	0.00	Yes	-	-
3.	Construction of New school at Munsar in collaboration with DAV	Clause II of Schedule VII	Yes	Maharashtra	Nagpur	24 Months	1,000.00	237.26	0.00	Yes	-	-
4.	Construction of Additional Floor at Saraswati Mandir, an educational institute for Deaf & Mute Children at Nagpur	Clause II of Schedule VII	Yes	Maharashtra	Nagpur	12 Months	90.00	17.04	0.00	Yes	-	-
5.	Skill Development of Local Youth & Contractual Workers	Clause II of Schedule VII	Yes	Maharashtra, Madhya Pradesh	Nagpur, Bhandara & Balaghat	12 Months	30.00	20.64	0.00	Yes	-	-
6.	Support to Public Health Centre at Sakoli, Dist. Bhandara (M.S)	Clause I of Schedule VII	Yes	Maharashtra	Bhandara	4 Months	9.00	0.00	0.00	Yes	-	-
7.	Installation of Sanitary Napkin vending Machines along with incinerators in 30 Schools. Ten school each in Balaghat, Bhandara & Nagpur District. In association with MPCON	Clause I of Schedule VII	Yes	Maharashtra, Madhya Pradesh	Nagpur, Bhandara & Balaghat	6 Months	30.00	22.50	0.00	Yes	-	-
8.	Providing of various types of aids & appliances to Persons with Disabilities ins Aspirational District of Gadchiroli (Maharashtra) in association with District Administration and ALIMCO	Clause I of Schedule VII	No	Maharashtra	Gadchiroli	6 months	25.00	18.75	0.00	Yes	-	-
9.	Installation of Organic Waste Converters in 10 Gardens of Nagpur City. (Expenditure for AMC)	Clause I of Schedule VII	Yes	Maharashtra	Nagpur	12 Months	5.00	0	0.00	Yes	-	-
Total							1289.00	332.10				

\*It is to clarify here that MOIL has voluntarily taken up additional CSR works beyond mandatory requirement of 2% of its average net profit. It has spent Rs. 13.18 Crore as against mandatory requirement of Rs. 11.39 Crore, i.e., 2% of average net profit.



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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No).	Location of the project		Amount spent for the project (Rs. in Lakhs)	Mode of implementation – Direct (Yes/No)	Mode of implementation – Through implementing agency.	
				State	District			Name	CSR Registration number
1.	Community Development project in identified 21 villages in extension period of two years 2019-2021	Clause X of Schedule VI	Yes	Maharashtra, Madhya Pradesh	Nagpur, Bhandara & Balaghat	200.00	No	MITTRA	NA
2.	Construction of Community hall at Village Goberwahi, Dist. Bhandara	Clause X of Schedule VII	Yes	Maharashtra	Bhandara	20.51	Yes	-	-
3.	Construction of Cement Concrete Road, Boundary Wall and Drain at Village Bagholi Dist. Balaghat (M.P)	Clause X of Schedule VII	Yes	M.P	Balaghat	6.34	Yes	-	-
4	Construction of Cement Concrete Road at Village Sitasangi & Nakadongri, Dist. Bhandara (M.S)	Clause X of Schedule VII	Yes	Maharashtra	Bhandara	1.23	Yes	-	-
5	Conduction Third Party Audit of the Community Development Programme taken by M/s MITTRA	Clause X of Schedule VII	Yes	Maharashtra, Madhya Pradesh	Nagpur, Bhandara & Balaghat	2.55	Yes	-	-
6	Conducting Baseline Survey in 22 Villages for taking up Community Development Programme	Clause X of Schedule VII	Yes	Maharashtra, Madhya Pradesh	Nagpur, Bhandara & Balaghat	3.41	Yes	-	-
7	Expenditure for meeting the deficit of income & expenditure of DAV Public School at Village Sitasangi, Dist. Bhandara, Maharashtra.	Clause II of Schedule VII	Yes	Maharashtra	Bhandara	154.60	Yes	-	-
9	Adoption of RNT School at Balaghat, Ukwa & Dongri Buzurg	Clause II of Schedule VII	Yes	Maharashtra, Madhya Pradesh	Bhandara & Balaghat	62.57	Yes	-	-
10	Expenditure incurred in Apprentice Training	Clause II of Schedule VII	Yes	Maharashtra, Madhya Pradesh	Nagpur, Bhandara & Balaghat	294.36	Yes	-	-

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No).	Location of the project		Amount spent for the project (Rs. in Lakhs)	Mode of implementation – Direct (Yes/No)	Mode of implementation – Through implementing agency.	
				State	District			Name	CSR Registration number
11	Construction of Boundary wall to Central School Balaghat (M.P)	Clause II of Schedule VII	Yes	M.P	Balaghat	17.71	Yes	-	-
12	Providing LED Televisions Sets to 33 Govt. Schools, to be used as Interactive Tool. A project taken up in association with Dist. Education department Balaghat (M.P)	Clause II of Schedule VII	Yes	M.P	Balaghat	7.46	Yes	-	-
13	Construction of Class rooms at Amrapali Uttkarsh Sanstha, Dist. Nagpur.	Clause II of Schedule VII	Yes	Maharashtra	Nagpur	92.95	Yes	-	-
14	Saksham Balika Yojna, A scheme for sponsoring girls students for Nursing courses in association with Apollo College of Nursing, Hyderabad.	Clause I of Schedule VII	Yes	Maharashtra, Madhya Pradesh	Nagpur, Bhandara & Balaghat	40.42	Yes	-	-
15	Support for Water Supply Scheme of Village Anwlajhari & Bharveli & Bhatara	Clause I of Schedule VII	Yes	M.P	Balaghat	6.87	Yes	-	-
16	Providing Meals/ Food Packets to Migrant Workers, destitute Persons and other needy Individuals and families during Pandemic in nearby areas of our Mines, Corporate Office in association with Voluntary Organisations, Charitable Organisations, Government Bodies, District Administration etc	Clause I of Schedule VII	Yes	Maharashtra, Madhya Pradesh	Nagpur, Bhandara & Balaghat	52.71	Yes	-	-
17	Providing 125 KVA Gen SET to ICU ward of Dist. Hospital Balaghat	Clause I of Schedule VII	Yes	M.P	Balaghat	8.50	Yes	-	-
18	Providing medical Instruments to Ramakrishna Mission	Clause I of Schedule VII	No	West Bengal	Burdwan	3.00	Yes	-	-
19	Construction of Toilet at Village Tighai, Dist. Nagpur (M.S)	Clause I of Schedule VII	Yes	Maharashtra	Nagpur	8.19	Yes	-	-

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No).	Location of the project		Amount spent for the project (Rs. in Lakhs)	Mode of implementation – Direct (Yes/No)	Mode of implementation – Through implementing agency.	
				State	District			Name	CSR Registration number
20	Conduction Cataract Surgeries to needy poor patients (132 Nos) in association with Lata Mangeshkar Hospital Nagpur	Clause I of Schedule VII	Yes	Maharashtra	Nagpur, Bhandara	2.64	Yes	-	-
<b>Total*</b>						<b>986.02</b>			

\*It is to clarify here that MOIL has voluntarily taken up additional CSR works beyond mandatory requirement of 2% of its average net profit. It has spent Rs. 13.18 Crore as against mandatory requirement of Rs. 11.39 Crore, i.e., 2% of average net profit.

(d) Amount spent in Administrative Overheads : **NIL**

(e) Amount spent on Impact Assessment, if applicable: **NIL**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **1318.11 Lakh**

(g) Excess amount for set off, if any

Sl. No.	Particulars	Amount (Rs. in Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	1138.78
(ii)	Total amount spent for the Financial Year	1318.12
(iii)	Excess amount spent for the financial year [(iii)-(i)]	179.34
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	179.34

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

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (Rs. in Lakhs)	Amount spent in the reporting Financial Year (Rs. in Lakhs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (Rs. in Lakhs)
				Name of the Fund	Amount	Date of transfer	
1.	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	<b>Total</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

(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 (Rs. in Lakhs)	Amount spent on the project in the reporting Financial Year (Rs. in Lakhs)	Cumulative amount spent at the end of reporting Financial Year. (Rs. in Lakhs)	Status of the project – Completed /Ongoing
1	MOIL DAV School, Munsar*	Construction of new school as Munsar in collaboration with DAV	2019-20	24 Months	1000.00	237.26	428.34	Ongoing
<b>Total</b>		-	-	-	<b>1000.00</b>	<b>237.26</b>	<b>428.34</b>	

\*Already included at Sr. No. 3 in table 8(b) for current year expenditure. The total expenditure on this project upto 31.03.2021 is Rs. 428.34 Lakh.

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

(1)	(2)	(3)	(4)	(5)
Sl. No.	(a) Date of creation or acquisition of the capital asset(s).	(b) Amount of CSR spent for creation or acquisition of capital asset.	(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	(d) Details of the capital asset(s) created or acquired (including complete address and location of the capital asset).
1	NIL	NIL	NIL	NIL
1	NIL	NIL	NIL	NIL
1	NIL	NIL	NIL	NIL
<b>Total</b>		<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5)

**M.P. Chaudhari**  
Chairman-cum-Managing Director  
(DIN - 05339308)

**Dr. Deepak Singh**  
Chairman of CSR Committee  
(DIN - 08568480)



# ANNEXURE- III

## CORPORATE GOVERNANCE REPORT

“Corporate governance involves a set of relationships between a company’s management, its board, its shareholders and other stakeholders. Corporate governance also provides the structure through which the objectives of the company are set, and the means of attaining those objectives and monitoring performance are determined.”

- Organization for Economic Cooperation and Development.

MOIL, a “Schedule-A Miniratna Category-I” Company, is committed to doing business in an efficient, integrated, honest, accountable and ethical manner and believes Corporate Governance is beyond the realm of law. It starts from the culture and mindset of management, and cannot be regulated by legislation alone.

### 1. CORPORATE GOVERNANCE PHILOSOPHY

Good Corporate Governance goes beyond compliance of laws and involves a company-wide commitment. This commitment starts with the Board of Directors, which executes its corporate governance responsibilities by focusing on the Company’s strategic and operational excellence in the best interests of all stakeholders in a balanced fashion with long term benefits to all.

Corporate governance is a journey for constantly improving sustainable value creation and is an upward moving target. Traditional views of governance as a regulatory and compliance requirement have given way to adoption of governance tailored to the specific needs of the Company. Listing Regulations has set the benchmark compliance rules for a listed company and the baseline for governance standards. MOIL not only adheres to the prescribed corporate practices as per Listing Regulation but is constantly striving to adopt emerging best practices worldwide. It is our endeavour to achieve higher standards and provide oversight and guidance to management in strategy implementation and risk management and fulfillment of stated goals and objectives.

### 2. BOARD OF DIRECTORS

MOIL is a Government Company within the meaning of Section 2(45) of Companies Act, 2013. As per the Articles of Association of MOIL, the power to appoint the Directors vests with the President of India. Accordingly, all the Directors on the Board of MOIL have been appointed by President of India, through Ministry of Steel. As on 31<sup>st</sup> March 2021, the Board of Directors of MOIL comprises of 8 (eight) Directors, out of which 5 (five) are Whole-time Directors including Chairman-cum-Managing Director, 1 (one) Government Director representing Govt. of India and 2 (two) Independent Directors. The composition of the Board of MOIL is not in conformity with provision of SEBI (Listing Obligation Disclosure Requirements) Regulations, 2015 and DPE guidelines on Corporate Governance as there was requirement of four more independent directors including a woman independent director.

#### 2.1 Composition of Board of Director of MOIL

**Category wise Composition of the Board of Directors as on 31<sup>st</sup> March, 2021 is as follows:**

##### **Whole-time Directors**

1. Shri M.P. Chaudhari, Chairman-cum-Managing Director
2. Shri Dipankar Shome, Director (Production and Planning)
3. Shri Rakesh Tumane, Director (Finance)
4. Smt Usha Singh, Director (Human Resource)
5. Shri PVV Patnaik, Director (Commercial)

##### **Promoter Nominee Directors**

1. Shri T. Srinivas, Nominee of Govt. of India.

##### **Independent Directors**

1. Shri Mangesh P. Kinare
2. Dr. Deepak Singh

## 2.2 Attendance of each Director at the Meeting, Last AGM, Number of other company Directorship and Membership / Chairmanship of Committee during 2020-21

During the year 2020-21, five (5) Board meetings were held on 18.06.2020, 20.08.2020, 28.10.2020, 12.02.2021, 26.03.2021.

Name of the Director	Meetings Held during Tenure	No. of Board Meetings Attended	Last AGM Attended	No. of Other Director Ship*	No. of Committee Membership/Chairmanship**	
					Committee Chairmanship	Committee Membership
	As on 31.03.2021					
<b>I. Whole time Director:</b>						
Shri M.P. Chaudhari (DIN- 05339308) Chairman-cum-Managing Director	5	5	Yes	NIL	NIL	NIL
Shri Dipankar Shome (DIN-06435854) Director (Production and Planning)	5	4	Yes	2	NIL	1
Shri Rakesh Tumane (DIN-06639859) Director (Finance)	5	5	Yes	2	NIL	1
Smt. Usha Singh (DIN-08307456) Director (Human Resource)	5	5	Yes	NIL	NIL	NIL
Shri PVV Patnaik (DIN-08734778) Director (Commercial) (w.e.f. 01.08.2020)	4	4	N.A.	2	NIL	NIL
Shri T.K. Pattnaik (DIN-07081231) Director (Commercial) (Upto 31.07.2020)	1	1	Yes	NIL	NIL	1
<b>II. Government Nominee Directors:</b>						
Shri T. Srinivas (DIN-07238361) (Nominee of Govt. of India )	5	4	No	1	NIL	NIL
<b>III. Independent Directors:</b>						
Shri Mangesh P. Kinare(DIN-08514820)	5	5	Yes	NIL	1	1
Dr. Deepak Singh (DIN-08568480)	5	5	Yes	NIL	1	1
Shri Vijayaraghavan M. Chariar (DIN-06554220) (Upto 16.11.2020)	3	3	Yes	2	NIL	1

\*Directorship in other companies and Committee Chairmanship/Membership has been given as per the last disclosure received by the Company.

\*\*Membership/ chairmanship of the Audit Committee and Stakeholder's Grievance Committee of MOIL Ltd. and other companies have been considered.

## 2.3 Name of the other Listed companies in which Director of MOIL is also a Director including category of Directorship (as on 31.03.2021)

Sr. No.	Name of Director	Name of the Listed Company other than MOIL	Category of Directorship
1.	Shri M.P. Chaudhari	NIL	N.A.
2.	Shri Dipankar Shome	NIL	N.A.
3.	Shri Rakesh Tumane	NIL	N.A.
4.	Smt. Usha Singh	NIL	N.A.
5.	Shri PVV Patnaik	NIL	N.A.
6.	Shri T. Srinivas	KIOCL Limited	Nominee Director
7.	Shri Mangesh P. Kinare	NIL	N.A.
8.	Dr. Deepak Singh	NIL	N.A.

Present status of the Board's composition is given in the website of the company at [www.moil.nic.in](http://www.moil.nic.in)

### 3. COMMITTEES

The Board's committees focus on certain specific areas and make informed decisions with the authority delegated to them. Each committee of the Board functions according to its charter that defines its composition, scope, power and role in accordance with Companies Act, 2013, the Listing Regulations and DPE Guidelines on Corporate Governance. Presently, the Company is having following Board Committees:

#### 3.1 Audit Committee of Board

The Audit Committee assists the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Committee's purpose is to oversee the accounting and financial reporting process of the Company, the audits of the Company's financial statements, independence, performance and remuneration of the statutory auditors, the performance of internal auditors, the Company's risk management policies, etc.

At present, the Committee comprises of three members out of which two members are Independent Directors and one member is a functional Director. The Composition of the Audit Committee meets the requirements of Companies Act, 2013 and Regulation 18 of Listing Regulations. Following are the details of the committee as on 31.03.2021

##### A. Composition, Name of Members and Chairman

1. Shri Mangesh P Kinare - Chairman
2. Dr. Deepak Singh - Member
3. Shri Dipankar Shome - Member

The Company Secretary acts as the Secretary to the Committee.

##### B. Meetings and Attendance during the year

During the year under review, 6 meetings of the committee were held on 18.06.2020, 23.07.2020, 20.08.2020, 27.10.2020, 18.12.2020 and 12.02.2021 the details of which are as follows:

Name of Member	Meetings held during tenure of the member of Committee	Meetings Attended
Shri Mangesh P Kinare	6	6
Dr. Deepak Singh	6	6
Shri Dipankar Shome (w.e.f. 20.08.2020)	3	3
Shri Vijayaraghavan M. Chariar (up to 16.11.2020)	4	4
Shri T.K. Pattnaik (Up to 31.07.2020)	2	2

##### C. Brief description of role/ terms of reference

The role/terms of reference of the audit committee shall include the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees and terms of appointment, as may be applicable.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors for putting up to the Board.
4. Review and monitor the auditor's independence and performance and effectiveness of audit process.
5. Examination of the financial statement and the auditors' report thereon.
6. Approval or any subsequent modification of transactions of the company with related parties;
7. Scrutiny of inter-corporate loans and investments;
8. Valuation of undertakings or assets of the company, wherever it is necessary;

9. Evaluation of internal financial controls and risk management systems;
10. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a) 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.
  - b) Changes, if any, in accounting policies and practices and reasons for the same
  - c) Major accounting entries involving estimates based on the exercise of judgment by management
  - d) Significant adjustments made in the financial statements arising out of audit findings
  - e) Compliance with listing, applicable laws and other legal requirements relating to financial statements
  - f) Disclosure of any related party transactions
  - g) Qualifications if any, /Modified opinion(s), in the draft audit report.
11. Reviewing with the management the quarterly financial statements before submission to the Board for approval
12. 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.
13. Reviewing, with the management, independence and performance of statutory and internal auditors, adequacy of the internal control systems.
14. Reviewing the adequacy of internal audit function 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.
15. Discussion with internal auditors and/or statutory auditors any significant findings and follow up there on.
16. Reviewing the findings of any internal investigations by the internal auditors 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.
17. Discussion with statutory auditors before the audit commences about the nature and scope of audit as well as post-audit discussion to ascertain area of concern, if any.
18. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors, if any.
19. To review the functioning of the Whistle Blower mechanism.
20. Approval of appointment/designating Chief Financial Officer after assessing the qualifications, experience & background, etc. of the candidate.
21. To review the follow up action on the audit observations/comments of the C&AG audit.
22. To review the follow up action taken on the recommendations of Committee on Public Undertakings (COPU) of the Parliament, if any.
23. Provide an open avenue of communication between the independent/statutory auditor, internal auditor, if any, and the Board.
24. Review with the independent/statutory auditor the co-ordination of audit efforts to assure completeness of coverage, reduction of redundant efforts, and the effective use of all audit resources.
25. Consider and review the following with the independent/statutory auditor and the management:
  - a) The adequacy of internal controls including computerized information system controls and security, and
  - b) Related findings and recommendations of the independent/statutory auditor and internal auditor, together with the management responses.



26. Consider and review the following with the management, internal auditor and the independent auditor:
  - a) Significant findings during the year, including the status of previous audit recommendation.
  - b) Any difficulties encountered during audit work including any restrictions on the scope of activities or access to required information.
27. Review of the antifraud and corruption policies and procedures, if any, to ensure that they are in place and operating effectively.
28. Periodical review on progress of expansion projects, joint ventures, Special Purpose Vehicles, if any
29. If the Company's performance deteriorates in terms of reduction in Operating Profit Ratio or Decrease in Sales, to review the same and give necessary suggestions to the Board.
30. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee or as directed by the Board.
31. To mandatorily review the following information:
  - i. Management discussion and analysis of financial condition and results of operations;  
Statement of significant related party transactions (as defined by the audit committee) submitted by management;
  - ii. Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - iii. Internal audit reports relating to internal control weaknesses;
  - iv. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
  - v. Certification/declaration of financial statements by the Chief Executive/Chief Finance Officer.
  - vi. Statement of Deviation:
    - (a) Quarterly Statement of deviation(s) including monitoring agency, if applicable submitted to stock exchange (s) in terms of Regulation 32 (1).
    - (b) Annual statement of funds utilized for purpose other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

### 3.2 Nomination & Remuneration Committee

The committee has been constituted in terms of Section 178 of the Companies Act 2013, Listing Regulations and DPE guidelines in this regard.

#### A. Brief description of terms of reference

The committee is to

1. Decide annual bonus/variable pay pool and policy for its distribution across the executives and non unionized supervisors, within the prescribed limits.
2. Recommendation of pay/wage revision of employees
3. Discharge such other responsibilities as may be applicable and prescribed, in Companies Act, 2013, DPE Guidelines and Listing Regulations and other Government Guidelines.

Being a Central Public Sector Undertaking, the appointment, tenure, performance evaluation, remuneration etc., of Directors are made/fixed by the Government of India.

#### B. The Committee comprises of following members as on 31.03.2021:

1. Dr. Deepak Singh - Chairperson
2. Shri Mangesh P Kinare - Member
3. Shri T. Srinivas - Member

### C. Meetings of the Committee

During the period under report, 1 meeting of the committee were held on 28.07.2020 the details of which are as follows:

Name of Member	Meetings Held during Tenure of the Member of Committee	Meetings Attended
Dr. Deepak Singh	1	1
Shri Vijayaraghavan M. Chariar (Upto 16.11.2020)	1	1
Shri Mangesh P Kinare	1	1
Shri T. Srinivas (W.e.f. 29.12.2020)	NIL	N.A.

### D. Remuneration Policy

MOIL, being a Central Public Sector Undertaking, the appointment, tenure and remuneration of Directors are fixed by the Government of India.

The remuneration of officers is decided as per Government guidelines on Pay Revision and remunerations of other employees of the company are decided as per Wage Settlement Agreement entered with their Union every 10 years.

### E. Remuneration received by CMD and Functional Directors

Details of remuneration of CMD and Functional Directors of the Company paid during the financial year 2020-21:

Sr. No.	Name of Director	Salary	Benefits	PF and other funds	Performance Linked Incentives	Total
1.	Shri M.P. Chaudhari Chairman-Cum-Managing Director	24,45,427	5,11,698	5,36,666	24,92,618	59,86,409
2.	Shri T.K Pattnaik Director (Commercial) Upto 31.07.2020	12,34,527	45,935	1,78,203	6,16,710	20,75,374
3.	Shri Dipankar Shome Director ( Production and Planning)	41,41,324	1,36,911	4,64,008	16,56,235	63,98,478
4.	Shri Rakesh Tumane Director (Finance)	37,00,190	6,25,727	4,94,112	19,19,774	67,39,803
5.	Smt. Usha Singh , Director (Human Resource)	42,96,842	7,76,442	5,11,251	18,22,808	74,07,344
6.	Shri PVV Patnaik Director (Commercial) W.e.f. 01.08.2020	26,73,522	55,412	2,88,840	13,84,946	44,02,720
7.	Neeraj Dutt Pandey (Company Secretary)	22,89,984	15,749	2,54,205	4,84,894	30,44,832

Note: 1. Salary is adjusted for previous year/s Performance Related Pay in appropriate cases.

2. Bonus/commission: NIL, Stock Option: No Stock Option

The Non- Executive Directors does not have any pecuniary relationship or transaction with the company except their fees/reimbursement in relation to meeting of the Board / committee attended by them.

The Functional Directors are appointed by Government of India for a period of five years from the date of assumption of charge of the post or till the date of his superannuation or until further orders, whichever is earlier. Independent Directors are generally appointed for a period of three years.

Independent Directors are paid sitting fee of Rs.20,000 (Twenty Thousand) for attending each meeting of the Board and Committee thereof. Independent Directors are also paid setting fees for Independent Directors Meeting held in terms of schedule IV of the Companies Act, 2013. The details of sitting fees paid to Independent Directors during Financial Year is as under:

Name of Independent Director	Dr. Deepak Singh	Shri Mangesh P Kinare	Shri Vijayaraghavan M. Chariar
Sitting fee Amount	3,40,000	3,00,000	2,20,000

The Criteria for making payments to Directors is placed on the website of MOIL [www.moil.nic.in](http://www.moil.nic.in).

### 3.3 Stakeholder's Relationship Committee

The Committee is entrusted with the responsibility to address the stakeholders and investor's requests/complaints like transfer of shares, non-receipt of annual report, non-receipt of dividends, etc. The Committee also evaluates performance and service standards of the Registrar and Share Transfer Agent (RTA) of the Company, and also provides continuous guidance to improve the service levels for investors. The Board has delegated the power of approving transfer of securities to the RTA and / or the Company Secretary.

#### A. Brief description of terms of reference

The responsibilities of the committee are as follows:

- (i) Redressal of investor's complaints
- (ii) Allotment of shares, approval of transfer or transmission of shares, debentures or any other securities
- (iii) Issue of duplicate certificates and new certificates on split/consolidation/renewal etc.
- (iv) Non-receipt of declared dividends, balance sheets of the company
- (v) Carrying out any other function contained in the SEBI (LODR), Regulation 2015/any other relevant rules, as and when amended from time to time.
- (vi) Any other matter as determined relevant by the Board from time to time.

#### B. Composition of the Committee:

The Committee comprises of the following members as on 31.03.2021:

1. Dr. Deepak Singh -Chairperson
2. Shri Mangesh P Kinare-Member
3. Shri Rakesh Tumane-Member

#### C. Meeting and attendance :

During the year 2020-21, 1 (one) meetings of the Stakeholders Relationship Committee was held on 20.10.2020. Details of meeting attended by the members are as follows:

Name of Member	Meetings Held during Tenure of the Member of Committee	Meetings Attended
Dr. Deepak Singh	1	1
Shri Mangesh P Kinare	1	1
Shri Rakesh Tumane	1	1
Shri T.K. Pattnaik (up to 31.07.2020)	-	N.A.

**D. Name and designation of Compliance Officer :**

Shri Neeraj Dutt Pandey, Company Secretary is the Compliance Officer of the Company.

**E. Summary of Investors' Grievances**

During the financial year ended 31<sup>st</sup> March, 2021, the Company and Registrars have attended investor grievances expeditiously. The details of complaints are as follows:

Sr. No.	Particulars	No. of Complaints
1	Balance as on 1 <sup>st</sup> April, 2020	0
2	Received during the year	1
3	Attended/Resolved during the year	1
4	Pending as on 31 <sup>st</sup> March, 2021	0

**3.4 Corporate Social Responsibility Committee**

The Committee has been constituted for formation/review of CSR and Sustainability policy, monitoring the progress of the CSR and Sustainability works to ensure that they are carried out in terms of sanction. All the CSR and Sustainability proposals are put up to the Committee, before putting the same to the Board and if found appropriate, the Committee recommends the works to the Board.

**A. Brief description of terms of reference**

The responsibilities of the committee include:

- (i) Review of CSR and sustainability policy of the company, if necessary,
- (ii) Review the compliance of the DPE guidelines on CSR and sustainability or under any law for time being in force,
- (iii) Review and monitoring of implementation of CSR and Sustainability projects approved by the Board of MOIL,
- (iv) Recommending, for approval of projects/schemes to be undertaken under CSR and Sustainability policy,
- (v) Any other matters, as may be applicable and prescribed in the Companies Act, 2013, DPE Guidelines, determined by the Board, from time to time.

**B. Composition of the Committee**

The Committee comprises of the following members as on 31.03.2021:

1. Dr. Deepak Singh –Chairman
2. Shri Mangesh P Kinare-Member
3. Shri Dipankar Shome-Member
4. Smt. Usha Singh-Member

The Company Secretary of the Company acts as the Secretary to the Committee.

**C. Meetings of the Committee**

Two meetings of CSR Committee were held during the financial year on 09.09.2020 and 20.10.2020. The details of members and meeting attended by members of the Committee are as under:

Name of Member	Meetings Held during Tenure of the Member of Committee	Meetings Attended
Dr. Deepak Singh	2	2
Shri Mangesh P Kinare (w.e.f. 29.12.2020)	NIL	N.A.
Shri Dipankar Shome	2	2
Smt. Usha Singh	2	2
Shri Vijayaraghavan M. Chariar (upto 16.11.2020)	2	2



### 3.5 Risk Management Committee:

MOIL is one of the top 500 listed Companies which require having Risk Management Committee. Accordingly, the company has constituted Risk Management Committee as per the provisions of SEBI (LODR) Regulations, 2015.

#### A. Brief description of terms of reference

At present, the role of the committee shall, inter-alia, include the following:

- (1) To formulate a detailed risk management policy which shall include:
  - (a) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectorial, sustainability (particularly, Environmental, Social and Governance (ESG) related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - (c) Business continuity plan.
- (2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
- (7) The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.
- (8) Other role and responsibility as decided by Board of Directors from time to time as per applicable Law/Rules/Regulation, if any.

#### B. Composition of the Committee

The Committee comprises of following members as on 31.03.2021:

1. Shri Rakesh Tumane-Chairman
2. Shri Dipankar Shome-Member
3. Smt. Usha Singh-Member
4. Shri PVV Patnaik- Member

#### C. Meetings of the Committee

During the financial year one meeting of Committee was held on 30.09.2020.

The details of members and meeting attended by members of the Committee are as under:

Name of Member	Meetings Held during Tenure of the Member of Committee	Meetings Attended
Shri Dipankar Shome	1	1
Shri Rakesh Tumane	1	1
Smt. Usha Singh	1	1
Shri PVV Patnaik	1	1
Shri T.K. Pattnaik	NIL	N.A.

- In addition to above, a meeting of the Independent Directors of the company was held on 26.03.2021 during the year.
- Present status of composition of the above mentioned committees is given in the website of the company at [www.moil.nic.in](http://www.moil.nic.in)

## 4 GENERAL BODY MEETING

4.1 The details of the last three Annual General Meetings of the Company are given below:

Year	Date	Time	Location	Special Resolution
2019-20	29 <sup>th</sup> September, 2020	11.30 A.M.	MOIL Ltd., MOIL Bhawan, 1A, Katol Road, Nagpur - 440 013.	NIL
2018-19	6 <sup>th</sup> September, 2019	11.30 A.M.	MOIL Ltd., Golden Jubilee Hall, West Court Premises, In-front-of Z.P. (Ex-Govt.) High School, Katol Road, Nagpur - 440 013	YES
2017-18	27 <sup>th</sup> September, 2018	11.30 A.M.	MOIL Ltd., Golden Jubilee Hall, West Court Premises, In-front-of Z.P. (Ex-Govt.) High School, Katol Road, Nagpur - 440 013	NIL

4.2 During the period 2020-21 under report no special resolution was passed through postal ballot. No special resolution is proposed to be conducted through postal ballot in the ensuing Annual General Meeting.

## 5. SUBSIDIARY/ JOINT VENTURE/ ASSOCIATE COMPANY INFORMATION

There is no subsidiary company of MOIL. However, there are two joint venture companies namely SAIL & MOIL Ferro Alloys Pvt. Ltd and RINMOIL Ferro Alloys Pvt. Ltd. There was no operations in both the companies, therefore, the Board decided to winding off the both the JVs in Fast Track Exit Mode, which is under process. Policy for determining material subsidiary is not applicable to the company.

## 6. DISCLOSURES

- (i) The Company has not entered into any materially significant transactions that may have potential conflict with the interests of the company at large. Nonetheless, transactions with related parties have been disclosed in notes to the accounts which is a part of Annual Report of 2020-21. The company has the Related Party Transaction Policy and the same is uploaded in its website [www.moil.nic.in](http://www.moil.nic.in).
- (ii) There was no case of non-compliance of provisions of Companies Act, 2013 or Rules and regulations of Stock Exchanges or SEBI or any statutory authority and guidelines except composition of board. These authorities have also not passed any strictures or imposed penalty on the company, on any matter related to capital markets, during the last three years. There was no non-compliance with the requirements of the Listing Regulations and DPE Guidelines on Corporate Governance except provisions related to composition of the Board of Directors during the year. In this regard, Nation Stock Exchange and BSE have issued penalty letters for Rs. calculation sheet each during the year. However, the company has submitted request for waiver of penalty as per the carve out policies of the stock exchanges.
- (iii) Non-executive Director are not holding any shares or convertible instruments in the Company.
- (iv) No personnel of the Company have been denied access to the audit committee.
- (v) All the Independent Directors of the Company furnish a declaration at the time of their appointment and also annually that they meet the criteria of independence as provided under law. The Board reviews the same and is of the opinion, that the Independent Directors fulfill the conditions specified in the Act and the Listing Regulations and are independent of the management
- (vi) During the year, no Independent Director resigned from directorship.
- (vii) There is no inter-se relationship between the Directors.
- (viii) All the recommendations of the committees have been accepted during the year.
- (ix) Whistle Blower Policy: The Company has a Whistle Blower Policy and the same is uploaded on its website [www.moil.nic.in](http://www.moil.nic.in). The company has a competent and independent vigilance department, headed by Chief Vigilance Officer (CVO), for monitoring any unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy. And all the personnel are having the access to the vigilance department for their complaints, grievances, etc.
- (x) The Company paid Rs. 8.30 Lakh to the Statutory Auditors for the statutory audit and other services provided by them during the year.

- (xi) Detailed disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been provided in the Board's report.
- (xii) Corporate governance requirements specified in regulation 17 to 27 regarding Board of Directors, Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee, Vigil Mechanism, Related Party Transactions, Obligations with respect to Independent Directors, Directors & Senior Management have been complied by MOIL except composition of the Board as explained in the report.
- (xiii) Corporate governance requirements specified in clauses (b) to (i) of sub-regulation (2) of regulation 46 regarding disclosure on Website of MOIL Limited has also been complied.
- (xiv) Foreign Exchange Risk and Hedging activities: Not required as MOIL has no exposure to foreign exchange.

#### **Adoption of Mandatory and Non-Mandatory Requirements of SEBI (LODR) Regulations, 2015**

MOIL has complied with all mandatory requirements in Listing Regulations (except mentioned above). In respect of non-mandatory requirements as prescribed in Schedule V of Listing Regulations, the areas which are adopted by/complied with by the company are as under:

1. Since the Chairman-cum-Managing Director is in full time employment of the Company, separate maintenance of Chairman's office is not necessary. Further, Independent Directors are appointed by the Ministry of Steel, Government of India, for the tenure of three years, hence no Independent Director has served in aggregate of more than ten years.
2. Company does not send half-yearly financial performance report including summary of the significant events in last six-months, to each household of shareholders as the company declares quarterly financial results and the same is uploaded on stock exchanges and company's website for the shareholders.
3. It is always Company's endeavor to present unqualified financial statements.
4. Whenever required, Internal Auditor report to the Audit Committee.

## **7. MEANS OF COMMUNICATION**

- 7.1 The Company normally publishes the quarterly unaudited/audited financial results in leading National English Newspaper [i.e., Indian Express, MINT, Indian Express, Business Line, Business Standard, Hitavada], Marathi (Lokmat, Nagpur, Navrashtra,) and Hindi daily newspaper (i.e., Navbharat, Dainik Bhaskar, Lokmat Samachar).
- 7.2 These unaudited/audited financial results are also posted on Company's website [www.moil.nic.in](http://www.moil.nic.in).
- 7.3 The Company communicates official news, major events, performances, achievements, presentations etc. through electronic media, newspapers and also its website.

## **8. GENERAL SHAREHOLDER INFORMATION**

### **8.1 Annual General Meeting.**

Date	Day	Time	Venue
29 <sup>th</sup> September, 2021	Wednesday	11:30 A.M.	MOIL Ltd., MOIL Bhawan, 1-A, Katol Road, Nagpur - 440 013

### **8.2 Financial Year**

The Company adopted financial year which begins from the 1<sup>st</sup> day of April and ended on 31<sup>st</sup> day of March, each year.

### **8.3 Date of Book Closure**

The company has not closed the books, however the record date for the purpose of payment of final dividend shall be 10<sup>th</sup> September, 2021.

### **8.4 Dividend Payment Date**

Dividend is paid /dispatched to shareholder within 30 days from the date of its declaration.

### **8.5 During the year the securities of the Company was not suspended from trading.**

### **8.6 MOIL is a debt free company, hence during the year 2020-21 no credit rating was required.**

## 8.7 Listing on Stock Exchanges

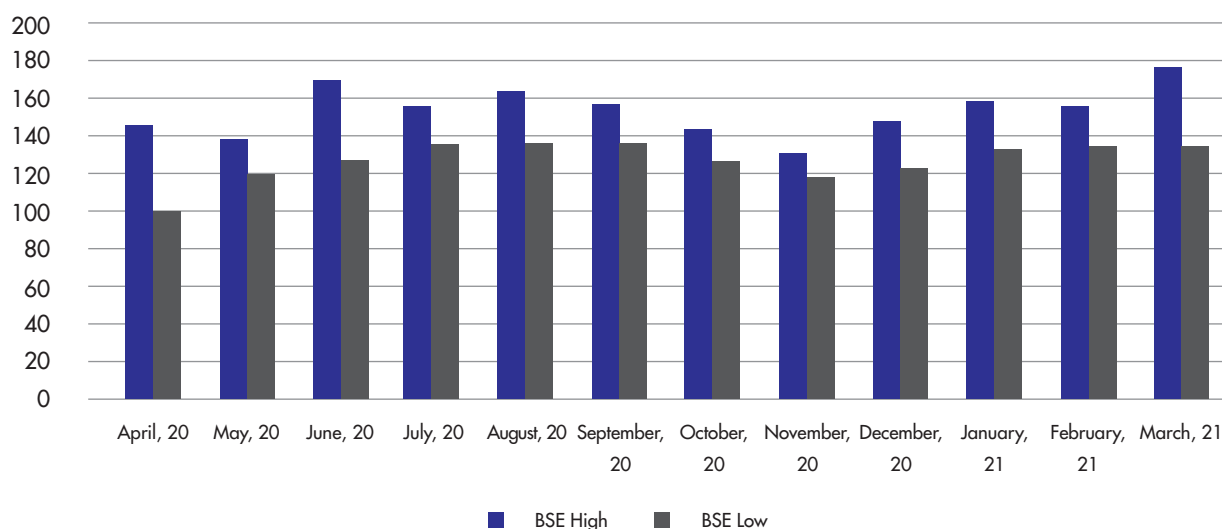
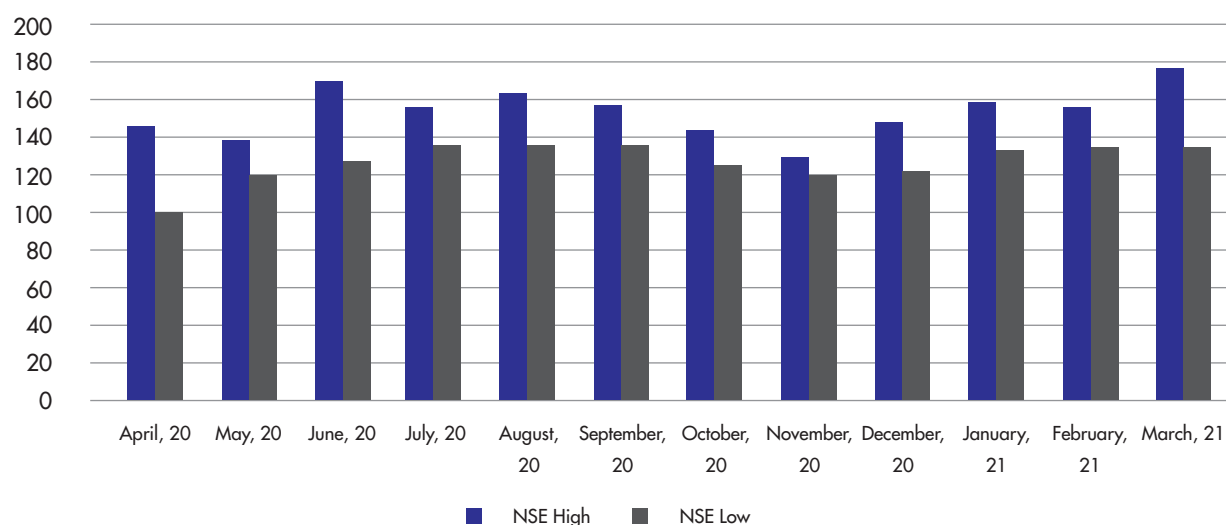
MOIL's shares were listed on 15<sup>th</sup> December 2010. The details of Exchanges and stock code are as follows:

Name of Stock Exchange	Type of Shares	Stock Code
Bombay Stock Exchange Limited	Equity Shares	533286
National Stock Exchange of India Limited	Equity Shares	MOIL- EQ

The Annual Listing Fee for the year 2020-21 has been paid to both the above Exchanges.

Market Price Data: High, Low during each month in last financial year 2020-21:

Month	NSE		BSE	
	HIGH	LOW	HIGH	LOW
April, 2020	146.00	100.00	145.45	99.65
May, 2020	139.00	120.30	138.65	120.35
June, 2020	170.00	127.85	169.80	127.85
July, 2020	157.00	136.15	156.35	135.55
August, 2020	163.90	136.50	164.20	136.50
September, 2020	157.40	136.10	157.10	136.45
October, 2020	144.95	125.80	144.55	128.20
November, 2020	130.50	120.60	130.80	119.00
December, 2020	149.00	122.50	148.90	123.00
January, 2021	159.50	133.50	159.45	133.70
February, 2021	156.95	135.40	156.85	135.35
March, 2021	177.90	135.10	177.75	135.25





**8.8 Performance in comparison to broad-based indices on NSE and BSE**

Month	NSE		BSE	
	NIFTY	MOIL	SENSEX	MOIL
April, 2020	9859.90	129.50	33717.62	129.70
May, 2020	9580.30	126.95	32424.10	126.90
June, 2020	10302.10	140.80	34915.80	140.70
July, 2020	11073.45	143.35	37606.89	143.55
August, 2020	11387.50	147.45	38628.29	147.80
September, 2020	11247.55	140.25	38067.93	140.25
October, 2020	11642.40	128.50	39614.07	128.70
November, 2020	12968.95	123.65	44149.72	123.80
December, 2020	13981.75	143.05	47751.33	143.10
January, 2021	13634.60	135.15	46285.77	135.15
February, 2021	14529.15	150.45	49099.99	150.30
March, 2021	14690.70	150.55	49509.15	150.35

**8.9 Name and address of Share and Transfer Agent**

Bigshare Services Pvt. Ltd.  
 1<sup>st</sup> Floor, Bharat Tin Works Building,  
 Opp. Vasant Oasis Makwana Road  
 Marol, Andheri East Mumbai 400059  
 Telephone : 91-22-022-62638200/68  
 Facsimile : 91-22-022-62638299  
 E-mail : investor@bigshareonline.com

**8.10 Share Transfer System**

Entire share transfer activities under physical segment are being carried out by Bigshare Services Pvt. Ltd. The share transfer system consists of activities like receipt of share transfers along with transfer deed/form from transferees, its verification, preparation of Memorandum of transfers, etc. Share transfers /transmission are approved by sub-committee / authorised persons (Company Secretary). A summary of transfer/transmission of shares is placed at Stakeholders' Relationship Committee/ Board meeting. The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with the share transfer formalities as required under Regulation 40 (10) of the Listing Regulations and files a copy of the said certificate with Stock Exchanges. However, as per SEBI Gazette Notification dated 8<sup>th</sup> June, 2018, no physical shares can be transferred.

**8.11 Tentative Calendar for Board and Audit Committee meeting:**

Name of Stock Exchange	Expected date of meeting
June 30, 2021	First/second week of August, 2021
September 30, 2021	First/second week of November, 2021
December 31, 2021	First/second week of February, 2022
March 31, 2022	Second/ Third week of May, 2022

**In addition to above, meetings are also held as and when required.**

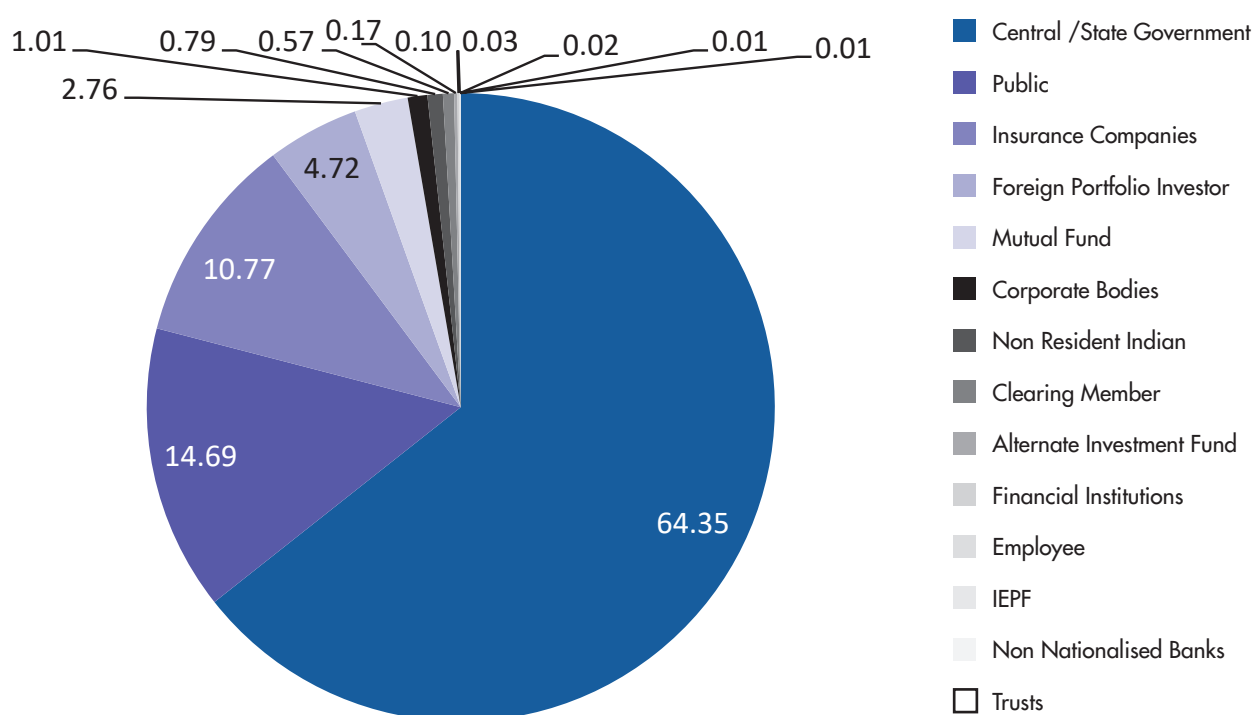
**Distribution of Shareholding.**

a. According to size, Percentage of holding as on 31<sup>st</sup> March, 2021.

Number of Shares	Number of shareholders	% of shareholders	Total no of shares	% of shares
1-5000	256354	99.7246	29113053	12.2670
5001- 10000	397	0.1544	2857248	1.2039
10001-20000	149	0.0580	2108660	0.8885
20001-30000	53	0.0206	1288751	0.5430
30001-40000	24	0.0093	824963	0.3476
40001-50000	11	0.0043	501037	0.2111
50001-100000	30	0.0117	1909417	0.8045
100001 & above	44	0.0171	198724750	83.7343
<b>Total</b>	<b>257062</b>	<b>100</b>	<b>237327879</b>	<b>100</b>

b. Category wise Summary of Shareholding as on 31<sup>st</sup> March, 2021

Category	No. of Shares Held	% of Shareholding
Central /State Govt. (Promoters/Promoter group)	152729899	64.35
Public (Individual)	34865187	14.69
Insurance Companies	25559458	10.77
Foreign Portfolio Investor	11202967	4.72
Mutual Fund	6556071	2.76
Corporate Bodies	2399129	1.01
Non Resident Indian	1863874	0.79
Clearing Member	1348919	0.57
Alternate Investment Fund	415000	0.17
Financial Institutions	236443	0.10
Employee	67666	0.03
IEPF	35910	0.02
Non Nationalised Banks	24700	0.01
Trusts	22656	0.01



## 8.12 Dematerialization of shares and liquidity

The Shares of the Company are dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

**No. of shares in dematerialized and physical mode as on 31.03.2021 are:**

Category	No. of Shares	% of total Capital Issued
Shares in Demat mode with CDSL	1,63,38,907	6.88
Shares in Demat mode with NSDL	22,09,88,314	93.12
Shares in Physical mode	658	Negligible
<b>Total</b>	<b>23,73,27,879</b>	<b>100.00</b>

The Company's Equity Shares are among the liquid and actively traded shares on the Indian Stock Exchanges, i.e., NSE and BSE.

**8.13 Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date & likely impact on equity:**

No GDRs/ADRs/Warrants or convertible instruments have been issued by the Company.

**8.14 Details of shares in suspense account:**

The details of shares in suspense account are as follows:

Description	No. of Shareholders	No. of Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 01.04.2020	NIL	NIL
Number of shareholders who approached company for transfer of shares from suspense account during the year	NIL	NIL
Number of shareholders to whom shares were transferred from suspense account during the year	NIL	NIL
Shares transferred to unclaimed suspense account	NIL	NIL
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 31.03.2021	NIL	NIL

**8.15 Location of Mines, Plants and Wind Farms****LIST OF MINES**

Sr. No.	MINES NAME & ADDRESS
<b>MAHARASHTRA</b>	
1.	Chikla Mine, P.O. - Chikla, Tah.-Tumsar, Dist- Bhandara, Maharashtra, Pin-441904
2.	Dongri Buzurg Mine, P.O. - Dongri Buzurg, Tah.-Tumsar, Dist- Bhandara, Maharashtra, Pin-441907
3.	Beldongri Mine, P.O. - Satuk, Tah- Ramtek, Dist-Nagpur, Maharashtra, Pin-440401
4.	Kandri Mine, P.O. - Kandri, Tah- Ramtek, Dist-Nagpur, Maharashtra, Pin-441401
5.	Munsar Mine, P.O. - Mansar, Tah- Ramtek, Dist-Nagpur, Maharashtra, Pin-441106
6.	Gumgaon Mine, P.O. - Khapa, Tah-Saoner, Dist-Nagpur, Maharashtra, Pin-441101
7.	Parsoda Mine: Village Parsoda, Tahsil Ramtek, District Nagpur, Maharashtra Pin-441101
<b>MADHYA PRADESH</b>	
1.	Balaghat Mine, P.O. Bharveli, Dist-Balaghat, M.P., Pin-481102
2.	Ukwa Mine, P.O.- Ukwa, Dist - Balaghat, M.P., Pin-481105
3.	Tirodi Mine, P.O Tirodi, Dist - Balaghat, M.P. , Pin-481449
4.	Sitapatore Mine P.O. Sukli, Dist - Balaghat, M.P., Pin-418449
<b>PLANT</b>	
1.	Ferro Manganese Plant 12000 (TPY) capacity, Balaghat
2.	Electrolytic Manganese Dioxide (EMD) Plant (1500 TPY) capacity, Dongri Buzurg

**WIND FARMS**

1.	Nagda Hills, Dist. Dewas, M.P	Capacity 4.8 MW
2.	Ratedi Hills, Dist. Dewas, M.P	Capacity 15.2 MW

### 8.16 Address for correspondence

Registered Office:

Company Secretary

MOIL LIMITED,

"MOIL Bhawan"

1-A, Katol Road, Nagpur- 440 013

Telefax – 0712 2806182/100

Email: [investors@moil.nic.in](mailto:investors@moil.nic.in)

Website: [www.moil.nic.in](http://www.moil.nic.in)

## 9. CODE OF CONDUCT

As a part of MOIL's persisting endeavour to set a high standard of conduct for its employees a 'Code of Business Conduct and Ethics' has been laid down for all Board Members and Senior Management personnel. A copy of the said Code has been placed on the company's website [www.moil.nic.in](http://www.moil.nic.in). All Board members and Senior Management personnel have affirmed compliance with MOIL's Code of Business Conduct and Ethics" for the financial year 2020-21

### Declaration

As provided under Part D of Schedule V of Listing Regulations with the Stock Exchanges, all the Board Members and Senior Management of the Company have confirmed compliance with 'Code of Business Conduct and Ethics' for the year ended 31st March, 2021.

For MOIL Limited

Place: Nagpur  
Date: 24.08.2021

**M. P. Chaudhari**  
Chairman-cum-Managing-Director  
(DIN - 05339308)

## 10. CEO/CFO CERTIFICATION

As required under Regulation 17(8) Listing Regulations, the Certificate duly signed by CEO and CFO of the Company is annexed to the Corporate Governance Report.

## 11. FAMILIARISATION PROGRAAMME FOR DIRECTORS

The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. The Company also nominates its directors for various seminars and training programmes conducted by various outside institutions/agencies. Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company, business environment, business strategy and risks involved. Detailed presentations on the Company's business segments are also made at the separate meetings of the Independent Directors held during the year. Updates on relevant statutory changes are informed to the Directors. Site visits to various mines are organized for the Directors to enable them to understand the operations of the Company. The details of such familiarization programmes for Independent Directors are posted on the website of the Company and can be accessed at <https://moil.nic.in/userfiles/MOIL%20Website-Independent%20Directors%20training%20programme.pdf>

## 12. KEY BOARD SKILLS, EXPERTISE AND COMPETENCIES

The Board has identified following core skills/expertise/competencies expected to be possessed by individual directors in the context of the Company's Business and Director having such skills/expertise/competencies :

Skills/Expertise/Competency		Name of the Directors
Leadership / Administrative	Extended entrepreneurial/leadership experience for a significant enterprise. Experience in developing and implementing good corporate governance practices, maintaining Board and management accountability, managing stakeholders' interests and Company's responsibilities towards customers, employees, suppliers, regulatory bodies and the communities in which it operates. Diversity of thought, experience, knowledge, perspective, gender and culture.	Shri M. P. Chaudhari, Shri T. Srinivas Shri T.K. Pattnaik Shri Dipankar Shome Shri Rakesh Tumane Smt. Usha Singh Shri PVV Patnaik Shri Vijayaraghavan M. Chariar Shri Mangesh P. Kinare Dr. Deepak Singh
Commercial/ Marketing	Marketing Operations including formulation and implementation of marketing strategies and policies, procurement.	Shri M. P. Chaudhari Shri T.K. Pattnaik Shri PVV Patnaik
Production & Planning	Practical understanding of organization, processes, strategic planning and risk management, planning and driving change and long-term growth.	Shri M. P. Chaudhari Shri T.K. Pattnaik Shri Dipankar Shome Shri PVV Patnaik
Finance	Knowledge and skills in accounting and finance, business judgment, general management practices and processes.	Shri M. P. Chaudhari Shri Rakesh Tumane Shri Mangesh P. Kinare
Human Resources	Industry knowledge, marco-economic perspectives, human resources, labour laws and practices, staffing plans, compensation, benefits, training and development, budget and labour relations, strengths in developing talent	Shri Dipankar Shome Smt. Usha Singh Shri T. Srinivas Shri Vijayaraghavan M. Chariar Dr. Deepak Singh

## 13. REVIEW OF COMPLIANCE OF APPLICABLE LAWS

The Board has periodically reviewed the compliance reports of all applicable laws to the company and has ensured the compliance of all the applicable laws.

## 14. COMPLIANCE CERTIFICATE OF AUDITOR

Certificate from the Company's Auditor, CS Amit Rajkotia a practicing Company Secretary confirming compliance with conditions of Corporate Governance as stipulated under Schedule V of Listing Regulations, is attached to this Report.



# CEO and CFO Certification

To,  
The Board of Directors  
**MOIL Limited**  
Nagpur

- (a) We have reviewed financial statements and the cash flow statement of MOIL Limited for the year ended 31<sup>st</sup> March, 2021 and that to the best of our knowledge and belief:
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year 2020-21 which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee:
- (i) There has not been any significant changes in internal control over financial reporting during the year 2020-21;
  - (ii) There has not been any significant changes in accounting policies during the year 2020-21 and that the same have been disclosed in the notes to the financial statements; and
  - (iii) We have not become aware instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Nagpur  
Date: 04.06.2021

**Rakesh Tumane**  
Director (Finance)  
(DIN - 06639859)

**M.P. Chaudhari**  
Chairman-cum-Managing Director  
(DIN - 05339308)

# Practising Company Secretaries' Certificate on Corporate Governance

To the Members of

**MOIL LIMITED**

CIN: L99999MH1962GOI012398

1-A, KATOL ROAD,

NAGPUR – 440 013

We have examined the compliance of the conditions of Corporate Governance by Moil Limited ('the Company') for the year ended on March 31, 2021, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the Guidelines on Corporate Governance for Central Public Sector Enterprises, issued by Government of India, Department of Public Enterprises (DPE), New Delhi.

The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2021 and the Guidelines on Corporate Governance for Central Public Sector Enterprises, issued by Government of India, Department of Public Enterprises (DPE), New Delhi except relating to the Composition of Board of the company.

We further state that such compliance 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.

Date: 07/07/2021

Nagpur

**CS Amit K. Rajkotiya**

Company Secretaries

FCS No: 5561 CP No: 5162

UDIN: F005561C000589793

# 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

**MOIL LIMITED**

CIN: L99999MH1962GOI012398

1-A, KATOL ROAD,

NAGPUR-440013

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **MOIL Limited** having CIN L99999MH1962GOI012398 and having registered office at 1-A Katol Road, Nagpur- 440 013 (hereinafter referred to as 'the Company'), produced before me 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](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company and its officers and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2021 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.	Shri Mukund Prabhakar Chaudhari	05339308	01/09/2016
2.	Shri Dipankar Shome	06435854	12/09/2017
3.	Shri Rakesh Tumané	06639859	28/09/2017
4.	Mrs. Usha Singh	08307456	18/12/2018
5.	Shri Srinivas Tatipamala	07238361	11/10/2017
6.	Shri Mangesh Pandurang Kinare	08514820	21/10/2019
7.	Shri Deepak Singh	08568480	21/10/2019
8.	Shri PVV Patnaik	08734778	01/08/2020

\*the date of appointment is as per the MCA Portal.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: 07/07/2021

Nagpur

**CS Amit K. Rajkotiya**

Company Secretaries

FCS No: 5561 CP No: 5162

UDIN: F005561C000589804

# Form No. MR-3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2021

[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,  
**MOIL LIMITED**  
Nagpur (MH)

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by "MOIL LIMITED" (hereinafter called the company). Secretarial Audit was conducted 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 "MOIL LIMITED" books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

### 1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on 31<sup>st</sup> March, 2021 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014:- **Which is not applicable to company during the review period,**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008:- **Which is not applicable to company during the review period,**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009: **Which is not applicable to company during the review period,**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Which is not applicable to company during the review period,**
  - (i) The Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015;
  - (j) The guidelines issued by Department of Public Enterprises.
- vi. Other laws specifically applicable to the company, as informed by the Management:-
  - (a) The Mines Act, 1952
  - (b) Mines and Minerals (Development and Regulation) Act, 1957
  - (c) The Iron ore Mines Manganese ore Mines & Chrome ore mines Labour welfare Fund Act, 1976.

## 2. 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 National Stock Exchange and Bombay Stock Exchange;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- a. Composition of Board with regard to minimum number of Independent Directors are not complied as per the Regulation 17(1)(b) of SEBI (LODR) Regulation, 2015. It has been brought to our knowledge that NSE and BSE had issued notice for aforesaid non-compliance and further, BSE has also waived the penalty charged from June, 2020 to December, 2020 quarter on the basis of explanations submitted by the Company.
- b. Composition of Board with regard to minimum number of Non-Executive Directors are not complied during the year ended on 31<sup>st</sup> March, 2021 as per the Regulation 17(1)(a) SEBI (LODR) Regulation, 2015.
- c. Composition of Board with regard to appointment of one Woman Independent Director is not complied during the year ended on 31<sup>st</sup> March, 2021 as per the Regulation 17(1)(a) SEBI (LODR) Regulation, 2015.
- d. As per the directions of Ministry of Steel, Govt. of India and with the approval of the Board the Company has contributed Rs. 45.00 crore to the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) of Government of India. Further the company has also contributed Rs. 5.00 Crore to the Chief Minister Relief Fund of the Government of Maharashtra. Thus the total contribution is Rs. 50.00 crore in the quarter ended on 30<sup>th</sup> June 2020. As per the provisions of the section 181 of Companies Act, 2013, prior permission of the members in general meeting is required if company contributes amount to bona fide charitable funds and amount in any financial year, exceed five per cent of its average net profits for the three immediately preceding financial years. In the present case the contribution of Rs. 50.00 crores exceeds the aforesaid limits and the company obtained post facto approval of the members in the AGM held on 29<sup>th</sup> September 2020.

## 3. We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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, except that the Composition of Board with regard to minimum number of independent directors was not appointed as per the Regulation 17(1)(b) SEBI (LODR) Regulation, 2015 during the review period ended on 31<sup>st</sup> March, 2021, half of the Directors are not Non-Executive Directors and also there is no Independent Woman Director on the Board as per the Regulation 17(1)(a) SEBI (LODR) Regulation, 2015 during the year ended on 31<sup>st</sup> March, 2021.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes, wherever required.

4. **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.

**For P.S. Tripathi & Associates**  
Company Secretaries

Place: Indore  
Date: 08/07/2021  
UDIN: F005812C000595478

**Pratik Tripathi**  
Partner  
C.P. No. 5358

### Note:

- i. This report is to be read with Annexure to Secretarial Audit Report of even date which is annexed with this report and forms an integral part of this report.
- ii. Due to pandemic of COVID-19 and the consequent lockdown restrictions imposed by Government, the information and documents are provided by company through e mail and secretarial audit has been done on the basis of documents and information which are provide by company through email and no physical verification of documents has been done at registered office of company.



# Annexure to Secretarial Audit Report

To,  
The Members,  
**Moil Limited**  
Nagpur

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. Our report is based on said secretarial records.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. The compliance of the provisions of corporate and other specifically applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis. We have not gone through the laws which are general in nature and applicable to the Company.
5. 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.
6. Where ever required, we have obtained the management representation and declaration about the compliance of laws, rules and regulation and happening of events etc.

**For P.S. Tripathi & Associates**  
Company Secretaries

Place: Indore  
Date: 08/07/2021  
UDIN: F005812C000595478

**Pratik Tripathi**  
Partner  
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# ANNEXURE- IV

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT FOR 2020-21

### Preface

The Management Discussion and Analysis Report (MDAR) aims to elucidate the developments in the business environment, performance of the company in comparison to last report and the future outlook. MDAR is a part of the Board's Report. The performance of a company is linked with various factors including demand, supply, climatic conditions, economic conditions, political conditions, Government regulations and policies, taxation, pandemic and natural calamities, which are beyond the control of the company and could make a significant difference to the Company's operations. Owing to this, certain statements made in this report pertaining to projections, outlook, expectations, estimates, etc., may eventually differ from actuals.

### A. Industry structure and market scenario

India is a developing economy with a large population. The desired economic growth requires continuous investments in new infrastructure, new/large/small cities, machinery and production to employ more people and drive the economy forward.

The inevitable lockdown due to the spread of Covid-19 by the Governments of different countries has made a huge dent in the businesses across the spectrum causing losses and uncertainty in the global economy. Many sectors in India are badly hit by the same and the steel industry is also among the list that had to bear the brunt of the lockdown.

India was in an expansion mode till March, 2020, though the impact of Covid has put India to almost a grinding halt post imposition of lockdowns. The supply side constraints due to inter-state border closures, along with labour shortage and office shutdowns has put the economic cycle to a grinding halt from the month of April 20 which was continued upto June 2020. The weak domestic demand along with large inventory build-up and supply chain bottlenecks resulted into lower production during the 1st half of financial year 2020-21.

In 2020, global crude steel production reached 1,864 million tonnes, down by about 0.9% compared to 2019. However, China, the largest producer of crude steel recorded a growth of 5.2%. Though India's steel production dropped from about 111.35 million tonnes in the year 2019 to 99.6 million tonnes in the year 2020 registering a negative growth of about 10.55%, India maintained its position as world's second largest steel producing country.

During 2020-21, production and consumption of steel was adversely affected by the Covid pandemic and the lockdown necessitated to contain its spread. The cumulative production of finished steel at 94.66 million tonnes was lower by 7.76% over corresponding period last year (CPLY). The consumption during same period at 93.43 million tonnes was lower by 6.73% over CPLY.

During 2020-21, export of finished steel from India at 10.79 million tonnes increased by 29.08% while import at 4.75 million tonnes have declined by 29.77% over CPLY. During the year, import of manganese ore was at 3.95 MT in comparison of 2.84 MT in 2019-20.

National Steel Policy of India, 2017 aspires to achieve 300 million tonnes of steel-making capacity by 2030. This would translate into additional consumption of steel making raw material including iron ore, coking coal, lignite etc. Similarly, ferro alloys are one of the important inputs in the manufacture of steel and the growth of the ferro alloy industry is, thus, linked with development of the iron and steel industry. With abundant resources, there is good potential of growth in manganese ore and ferro alloy industry in India. Of-late, import of manganese ore is increasing due to increase in production of steel as well as less availability of high grade of ore in country.

As per available indicators, the Steel Industry in India is expected to post double digit growth in the coming years which will definitely create demand for manganese ore.

### B. SWOT analysis

#### MOIL's competitive strengths

- o Largest producer of manganese ore with market share (~50%) in the country with large reserves of manganese ore.
- o Holding majority of total demonstrated reserves of high / medium grade manganese ore in the country.
- o Strong financials with high net worth and zero debt.
- o Availability of qualified technically skilled manpower with excellent work culture and peaceful industrial relations.
- o Manganese reserves are in Central Indian Manganese belt, with deposits being in general, of regular shape.
- o Company has got logistical advantage, as all its mines are well connected with State / National Highways. Most of its mines are located with railway network of South East Central Railway and are provided with railway sidings.
- o MOIL continues to be an efficient and environment friendly mining Company.

### Weaknesses

- o Delay in obtaining fresh mine leases resulting delay in commissioning of new mines, affects company's expansion/investment plans.
- o As the Company is largely a single product company, any adverse impact on the manganese ore industry will hit the profitability of the Company.
- o MOIL's mines have narrow ore body and hence full mechanization is relatively difficult.
- o The cost of production will also rise due to increasing depth of deposits, revision in wages of regular employees as well as revision in minimum wages for contractual employees.
- o Limited reserves of high grade manganese ore compared to global players
- o Major production of MOIL comes from underground mines, where the cost of production is higher than opencast mines and cost is on increasing trend, the major portion of cost being manpower cost. Any increase in the cost of UG mining would adversely impact margins.
- o Delay in projects, particularly high speed shaft at Balaghat mine, due to prevailing India-China relationship as the shaft sinking work is being carried out by a consortium with a company from China.
- o Timely completion of projects undertaken for development of mines particularly underground mines on schedule time and estimated cost is an innate, as any shortfall in this may affect targeted performance.

### Opportunities

- o The Government is committed to attract investments in Indian steel sector from both domestic and foreign sources and facilitate speedy implementation of investment intentions on board, so as to reach desired crude steel capacity level to meet the domestic demand fully and also to ensure easy availability of vital inputs and necessary infrastructure to achieve a projected production as per National Steel Policy.
- o India has set capacity target of 300 million tonnes of crude steel by 2030-31 which will create high demand of manganese ore.
- o MOIL being India's largest manganese ore producer, accounts for about ~ 50% of the country's production. With about 91.29 million tonnes of reserves and resources of manganese ore, it is well positioned quantity wise to capitalize on India's steel demand growth, given its dominant position, medium- to high-grade ore, centrally located mines and strong and expanding customer base.
- o Large demand supply gap in Indian Manganese Ore market presents an opportunity for import substitution.
- o Strong financials, i.e., large cash reserves provide opportunity to go for major investment plans. MOIL has already planned large investments for development of its existing mines which will increase the production and productivity to meet the future requirements of manganese ore. It has also taken decision to expand its ferro alloys business by setting up ferro alloy plants at Balaghat and Gumgaon Mines.
- o In past, an area of 814.71 Ha. was reserved by Maharashtra Government in favour of MOIL for prospecting of manganese ore in Nagpur and Bhandara districts. Recently, after exploration and requisite clearances, environment clearance (EC) has been given in respect of 126.84 HA. area, which is adjacent to MOIL's Gumgaon mine. This will be a new mine (12<sup>th</sup> mine) of the Company and the first new underground mine since inception.
- o MOIL has signed a detailed MoU with Gujarat Mineral Development Corporation Limited (GMDC), a Gujarat State enterprise on 01.10.2019 to explore the possibility of mining of manganese ore in the State of Gujarat. Exploration by core drilling has already completed and results indicate availability of manganese ore to carry out profitable mining operations. MOIL is pursuing the matter with GMDC and taking all possible efforts in the matter. Final exploration report from MECL is expected in coming month and the company has also in-house started preparing feasibility report. However, due to Covid-19, there has been some delay.
- o Tripartite MoU has also been signed amongst MOIL, Govt. of Madhya Pradesh, M.P. State Mining Corporation Ltd. (MPSMC) for conducting exploration in four districts i.e. Jabalpur, Jhabua, Balaghat, Chhindwara in Madhya Pradesh State. This MoU also envisages formation of a joint venture company with 51 (MOIL):49 (MPSMC) shareholding, for manganese ore mining. In this context, MOIL has signed MoU with National Remote Sensing Centre (NRSC) - a unit of ISRO, Hyderabad to carry out remote sensing study over four districts to delineate the potential Manganese zone within the district. NRSC has submitted report on remote sensing study. Based on remote sensing study, MOIL has carried out geological mapping and field survey within the areas and identified some blocks for exploration. Consequently, MOIL applied for reservation of area to Govt. of Madhya Pradesh for reservation of the area for exploration. Govt. of Madhya Pradesh has reserved 850 Km<sup>2</sup> and 487 Km<sup>2</sup> areas in Balaghat and

Chhindwara districts respectively, in favour of MOIL to carry out exploration work. This will enable MOIL take up exploration project in the reserved areas of Balaghat and Chhindwara districts. Applications for other two districts, i.e., Jabalpur and Jhabua, are in process.

- o With vast experience in mining, company may also plan for expansion into other minerals such as new fast growing battery minerals-Lithium, Nickel, Cobalt, EMD, EMM, etc. as per Strategic Management Plan (SMP) of the company. In this direction, MOIL is process of issuing EoI to identify the prospective party/agency that may provide technology / set up the plant. The company is also planning to enhance the capacity of its EMD production to 10000 MTPA by setting up new plant and increasing capacity of existing plant.
- o MOIL is also exploring possibilities of overseas acquisition of mines in order to have a global presence.

#### Threats

- o Being a mining Company, MOIL is subjected to extensive regulations surrounding health and safety of the people and environment. With constant evolution of regulatory standards and community expectations, the Company is exposed to increased compliance cost and unforeseen environmental remedial expenses. New wage/labour code is to be implemented which may lead to higher compliance burden.
- o Decline in the Import price of manganese ore is the biggest threat as it leads to erosion in the profit margin of the company. The international prices are largely dependent on Chinese demand and availability scenario.
- o China's deceleration, a slowing global economy, and uncertainty surrounding trade policies and the political situation in many regions suggest a possible moderation in business confidence and investment.
- o High dependency on only one sector i.e. steel industry
- o Any delay in regulatory approvals, may also impact long term growth of the company.
- o Higher availability of inventory of manganese ore at international level mainly at Chinese ports affects MOIL's business.
- o Non-renewal of expiring mining leases by the Government.
- o Current prevailing Covid-19 pandemic may affect the production of the Company adversely. If third wave of Covid-19 pandemic comes, it will further impact company's top line and bottom line performance.

#### C. Outlook

The demand for manganese ore and ferro alloy products depends on the outlook of the steel industry which in turn is dependent on growth of overall economy. The use of manganese in steel is very less in terms of percentage, however, over 95% of the world's production of manganese is utilized in steel making to increase strength of steel, abrasion resistance, hardenability, etc. Accordingly, demand for manganese ore and ferro alloys would increase with production of steel going up.

World Steel Association (WSA) in its Short Range Outlook (SRO) for 2021 and 2022 forecasts that steel demand will grow by 5.8% in 2021 to reach 1,874 million tonnes, after declining by 0.2% in 2020. In 2022, steel demand will see further growth of 2.7% to reach 1,925 million tonnes. The current forecast assumes that the effect of second or third waves of Covid infections will stabilize in the second quarter and that steady progress on vaccinations will be made, allowing a gradual return to normalcy in major steel-using countries.

WSA has also stated that India suffered severely from an extended period of severe lockdown, which brought most industrial and construction activities to a standstill and that the economy has been recovering strongly since August, 2020 much sharper than expected, with the resumption of Government projects and increase in demand. India's steel demand fell by 13.7% in 2020 but is expected to rebound by 19.8% to exceed the 2019 level in 2021. The growth-oriented Government agenda will drive India's steel demand up, while private investment will take longer to recover.

The pandemic of Covid-19 has engulfed the entire world and has posed serious challenges for the health and economic security of millions of people worldwide. Though the Covid-19 pandemic started indirectly affecting the performance of the company from December, 2019 and directly from the last quarter of 2019-20 but it became more serious in the first quarter of 2020-21. Lockdowns declared for Covid-19 mitigation has impacted Company's production in first quarter whereas social distancing and other Covid protocols have impacted the second quarter performance. After partial lifting of restrictions, operating levels started improving resulting in gradually increasing production and sales especially in the fourth quarter of the year. Again, due to surge in Covid cases from March, 2021 onwards in general, and in Maharashtra and Madhya Pradesh in particular, the production and dispatches in April-May, 2021 have suffered. Your Directors have been closely reviewing the impact of Covid-19 pandemic on the Company and taking corrective steps to limit the production/other losses to the bare minimum.

The situation created by Covid-19 continues to hold uncertainties for the future. However, the Board and the Management will do their best to address the same, as the situation evolves, in the best interest of all the stakeholders of the Company.

As per the expert report, in FY22, crude steel production in the country is expected to reach 112-114 million tonnes, growing by 8-9% yoy. The crude steel production is expected to be marginally higher than 2019 when India produced nearly 111 million tonnes of crude steel. Steel demand will be supported by economic recovery, Government spending and enhanced liquidity. The Union Budget for 2021-2022 has a sharp 34.5% yoy increase in allocation for Capex at Rs. 5.54 lakh crore, the thrust being on infrastructure creation and manufacturing to propel the economy. Therefore, enhanced outlays for key sectors like defence services, railways, roads, transport and highways would provide impetus to steel consumption which is expected to grow by 10-12% in FY22 to cross 100 million tonnes for the first time ever.

Further, an up-cycle in steel prices is expected to continue in FY22 and stimulus package unveiled by various countries will keep demand for steel high. Absence of China from the world export market is one of the major factor keeping steel prices elevated as maximum import of steel takes place from China. Continued higher demand from China on the back of stimulus package and the country's desire to bring down production levels in 2021 to reduce Co2 levels will be an important factor that will strengthen steel prices. Demand-supply imbalance in the global market will also continue to present export opportunities to domestic players.

In order to meet the requirement of manganese ore in future and maintain market leadership, MOIL has drawn a Strategic Management Plan-2030 (SMP-2030). As per the SMP-2030, the Company has planned to enhance its production to 3.00 million tonnes by 2030. In this direction, the company is focusing on development and mechanization of its existing mines, sinking new shafts and also adding new leases so that the targeted production can be achieved.

Further, domestic requirement of manganese ore has increased substantially to meet not only increased domestic production of steel but also for export of manganese based alloys. This has continuously made India a net importer of manganese ore.

During 2020-21, MOIL has carried out exploratory core drilling of 7517 Mtrs. and has been able to increase its resource base to 91.29 Million MT (as against 90.00 Million MT as on 01.04.2020). Including dumps, the resources are estimated to be 94.36 Million MT as against 93.06 Million MT on 01.04.2020. With this, MOIL is very well positioned to contribute to the India's Steel demand growth given its dominant position, medium to high grade ore reserves, centrally located mines and strong customer ties.

#### **D. Risks and Concerns**

Manganese ore industry is linked with steel Industry which is cyclic in nature and has impact on demand of manganese ore. Any slowdown in the demand of steel market and over supply from international market at cheaper rates will adversely affect the Indian steel industry. MOIL is a labour intensive organization. Though the industrial relations have been excellent in the Company, the risk factors associated with labour may always play significant role on its production performance.

#### **E. Segment-wise/product-wise sales performance**

During the year 2020-21, net sales of manganese ore increased by 13.42% to Rs. 1177.38 crores against Rs. 1038.07 crores in the previous year. During the year 2020-21, the company sold 12.18 lakh MT of manganese ore in comparison to 11.80 lakh MT in the previous year.

Price as well as demand of ferro manganese in the domestic market was comparatively good in 2020-21. Turnover from manufactured products, i.e., ferro manganese (including slag) and electrolytic manganese di-oxide, during 2020-21 was at Rs. 102.92 crores as against Rs. 60.95 crores in 2019-20 showing an improvement of 69%. Sales quantity of EMD has slightly decreased from 930 MT in the year 2019-20 to 918 MT in the year 2020-21 but sales of ferro manganese has substantially increased from 6,187 MT to 13,367 MT.

#### **F. Production**

During 2020-21, MOIL has produced 11.44 lakh MT of various grades of manganese ore as against 12.77 lakh MT in previous year. Spread of corona virus and various restrictions imposed to contain the spread is the main reason for the lower production, which has suffered for more than two months during the year. The production of EMD was 1,070 tonnes as against the 925 tonnes during the previous year. The production of ferro manganese was 8,851 MT as against the 10,421 MT in the previous year. The wind turbine generators have generated 256.14 lakh Kwh during the year as compared to last year's 313.06 lakh Kwh units.

#### **G. Internal control systems and their adequacy**

MOIL has put in place all the necessary internal controls and they are found to be adequate. The Board of the company has also laid down proper internal financial controls. Company is ensuring internal financial controls through SAP, delegation of responsibilities and powers, SoPs, internal audit, internal checks, vigilance, etc.



## H. Discussion on financial and operational performance

Financial year 2020-21 was very challenging due to Covid-19 pandemic, which has affected the prices and the availability of ore in the domestic as well as international market. During the year, in spite of these disturbances/restrictions, the company has surpassed its last year's revenue. The financial and physical performance of the Company during the year is given below.

### • Financial performance

Particulars	Rs. in crores	
	2020-21	2019-20
Revenue from operations	1177.38	1038.07
Other income	102.47	181.11
Total income	1279.85	1219.18
Total expenditure	890.57	782.53
EBIDTA	339.28	436.65
Profit before tax before exceptional item	290.11	340.49
Operating profit before tax and before exceptional item	187.64	159.38
Exceptional item	50.00	0.00
Profit before tax for the year (PBT)	240.11	340.49
Profit after tax (PAT)	176.63	248.22
Total Comprehensive income for the period	187.05	253.56
Dividend (including proposed dividend)	175.62	142.40
Transfer to general reserve	0.00	80.00
Balance of profit carried over	139.90	83.39

- o Total revenue of the company during the year was Rs. 1279.85 crore as against Rs. 1219.18 crore in previous year. MOIL has achieved turnover of Rs. 1177.38 crore, registering an increase of 13.42% in comparison to previous year's turnover of Rs. 1038.07 crore. Despite challenges posed by Covid pandemic and suffering production for more than two months, operating profit earned is Rs. 187.64 crores as against Rs. 159.38 crores earlier year, showing an improvement of 17.73%. PBT for the year was (before exceptional item) at Rs. 290.11 crore as against Rs. 340.49 crore in the previous year, whereas profit after tax (PAT) has decreased from Rs. 248.22 crore to Rs. 176.63 crore in the current year. EBITDA margin of the company has been at 28.82% during the year. Interest income was Rs. 102.47 crore lower than the last year Rs. 181.11 crore, due to lower interest rates during 2020-21.

### Key financial ratios

Particulars	2020-21	2019-20
Debtors turnover (Days)	20	12
Inventory turnover (Days)	24	51
Current ratio (Times)	4.68	4.53
Operating profit margin (%)	15.94	15.35
Net profit margin (%)	15.00	23.91
EBIDTA to sales turnover (%)	28.82	42.06
Return on net worth (%)	6.33	8.49

Ratios have been impacted mainly because of Covid-19 on the company's performance as detailed in the report of the Board.

### • Operational performance

Adverse market conditions during 2020-21 largely impacted the performance of the company. However, turnover and operational profit during current reporting period have surpassed previous year's performance despite adverse situation created by outbreak of corona virus. Considering the stoppage of operations at mines/plants consequent to lock down imposed due to Covid-19 pandemic affecting production for more than two months, the growth in production of 5.14% in manganese ore, 40.59% in EMD and 19.64% in ferro manganese during second to fourth quarter of the year was commendable. MOIL has recorded gross sales of Rs. 1177.38 crores during the financial year 2020-21 as surpassing previous year's sales of Rs. 1038.07 crores of previous year. During 2020-21, your Company has produced 11.44 lakh MT of various grades of manganese ore as against 12.77 lakh MT in previous year. The operating profit also has increased by 17.73% from Rs. 159.38 crore in the year 2019-20 to Rs. 187.64 crores in the year 2020-21.

## I. Material developments in human resources, industrial relations front, including number of people employed

MOIL employees are very dedicated and loyal to the Company. The employees in general have remained with the Company through thick and thin. On the part of the management, it is ensuring all-round comfort levels to its employees, including the required training at all levels based on the need. In July 2020, the management and non-executives' Union have signed MoU for wage settlement for next

10 years effective from 01.08.2017 to 31.07.2027. The wages settlement is under consideration at the Ministry of Steel for approval. New wage revision will help further improve the living standards of the employees.

It is worth highlighting that industrial relations have been cordial all along during the year. Issues, if any, are sorted out through bipartite discussions at appropriate forum. The cooperation and support of workmen represented by the employees' Unions in this regard is praiseworthy.

MOIL is targeting to increase its present production to 3.00 million tonnes by 2030. Taking into consideration the country's requirement to cater to increasing steel production and limitations of existing mining areas to increase production beyond a particular limit, the Company has taken initiative to expand its operations beyond present leases and adjacent areas and has also ventured for entry into other States. The company is in the process of acquiring mining leases in other States like Gujarat, Odisha and Rajasthan. MoU has been entered into with Gujarat Mineral Development Corporation Limited (GMDC) for exploration and mining operations. Tripartite MoU has also been entered into amongst MOIL, Govt. of Madhya Pradesh, M.P. State Mining Corporation Ltd. (MPSMC) for conducting exploration in four districts i.e. Jabalpur, Jhabua, Balaghat, Chhindwara in Madhya Pradesh. Recently, the State Govt. of Madhya Pradesh has reserved 850 Km<sup>2</sup> and 487 Km<sup>2</sup> areas in Balaghat and Chhindwara districts respectively, in favour of MOIL to carry out exploration work. This will enable MOIL take up exploration project in the reserved areas and applications for other two districts, i.e., Jabalpur and Jhabua, are in process.

The above developments in the company will also require people with specific skills and knowledge in times to come. In order to get people with requisite knowledge and skills, MOIL is imparting effective training to its existing manpower and also resorting to fresh induction as per requirement.

As on 31<sup>st</sup> March 2021, total employee strength is 5866. Details are in the Board's report.

# ANNEXURE- V

## Business Responsibility Report

### Section A: General Information about the Company

1. Corporate Identity Number (CIN) of the Company	L99999MH1962GOI012398
2. Name of the Company	MOIL Limited
3. Registered address	MOIL Bhawan, 1A Katol Road, NAGPUR-440013
4. Website	www.moil.nic.in
5. E-mail id	compliance@moil.nic.in
6. Financial Year reported	April 1, 2020 – March 31, 2021

7. Sector(s) that the Company is engaged in (industrial activity code-wise): The Company is engaged in production and sale of manganese ore, ferro manganese, electrolytic manganese di-oxide (EMD) and generation and sale of wind power.

Description	Group	Class	Sub Class
Manganese ore	072	0729	07293
Ferro Manganese	241	2410	24104
Electrolytic Manganese Di-Oxide (E.M.D.)	242	2420	24204
Electric power generation (Wind)	351	3510	35106

8. List **three** key products/services that the Company manufactures/provides (as in balance sheet):

**Manganese Ore, Ferro Manganese and Wind Power**

9. Total number of locations where business activity is undertaken by the Company

Number of National Locations: **Two (2) - Maharashtra and Madhya Pradesh**

10. Markets served by the Company: Local/State/National/International: MOIL serves the National market by selling manganese ore and ferro manganese/electrolytic manganese oxide.

### Section B: Financial Details of the Company

- |   |  |
|---|--|
| (1) Paid up Capital (INR)                                   | 237.33 crores  |
| (2) Total Turnover (INR)                                    | 1177.38 crores   |
| (3) Profit after tax from continuing operations (PAT)       | 176.63 crores  |
| (4) Total Spending on Corporate Social Responsibility (CSR) | 13.18 crores (Expenditure)   |
|   | 11.39 crores (Budget) [i.e. 2% of average as percentage of profit before tax (PBT) of three preceding years] |
- (5) List of activities in which expenditure in 4 above has been incurred:

MOIL has framed a comprehensive CSR policy for addressing its objectives, focus areas, organizational mechanism, guidelines for identifying the CSR activities along with the implementation and monitoring strategies. The policy also addresses in detail the budgetary allocation, approval methodology and fund utilization mechanism. The major areas in which expenditure has been incurred are as listed below:

- Rural Development
- Healthcare & Nutrition,
- Education & Skill development
- Drinking water,

## Section C: Other Details

(1) Does the Company have any subsidiary company / companies?

No

(2) Do the subsidiary company / companies participate in the BR initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(s).

N.A.

(3) Do any other entity / entities that the Company does business with participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

No.

## Section D: Business Responsibility Information

(1) Details of Director/Directors responsible for BR

(a) Details of the Director/Director responsible for implementation of the BR Policy/Policies

1. DIN Number 08734778
2. Name Shri PVV Patnaik
3. Designation Director (Commercial)

(b) Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	08734778
2	Name	Shri PVV Patnaik
3	Designation	Director (Commercial)
4	Telephone number	0712-2592272
5	e-mail id	<a href="mailto:patnaik@moil.nic.in">patnaik@moil.nic.in</a>

(2) Principle-wise (as per NVGs) BR Policy / policies

The National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility.

These briefly are as under:

P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	Businesses should promote the wellbeing of all employees.
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
P5	Businesses should respect and promote human rights.
P6	Business should respect, protect, and make efforts to restore the environment.
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
P8	Businesses should support inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

## (a) Details of compliance (Reply in Y/N)

No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have policy/policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify?	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate link for the policy to be viewed online	Y	Y	Y	Y	Y	Y	Y	Y	Y
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?*	Y	Y	Y	Y	Y	Y	Y	Y	Y

\*As and when required.

The relevant explanation/ information/links are mentioned in the Annexure to this report.

## (b) If answer to S. No. 1 against any principle is 'No', provide explanation:

**Not applicable.****(3) Governance related to BR:**

- (a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

**Annually**

- (b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

This BR Statement is part of its Annual Report. The hyperlink for viewing the Annual Report for the financial year 2020-21 is [https://www.moil.nic.in/userfiles/AR\\_MOIL\\_2020-21.pdf](https://www.moil.nic.in/userfiles/AR_MOIL_2020-21.pdf)

**Section E: Principle-wise Performance****Principle 1: Ethics, transparency and accountability**

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes /No.

Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?

Yes, MOIL and its associates are committed to working with stakeholders in government, business and civil society to promote good governance, responsible use of mineral wealth and to prevent corruption. MOIL has also signed an Integrity Pact (IP) with Transparency International India (TII). Also, the Vigilance department at MOIL guides and facilitates for impartial, fair and transparent decision making and gives priority to preventive vigilance, with proactive attitude.



2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?

In addition to normal routine requests, one complaint from the shareholder was received in the financial year 2020-21 and no complaint was pending at the beginning of the year. The complaint has been successfully resolved. MOIL has formulated its Whistle Blower Policy to achieve the highest possible standards of ethical, moral and legal business conduct and also to strengthen its commitment to open and transparent communication.

**Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle**

- (1) List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and / or opportunities.

MOIL's main product is manganese. MOIL employs sustainable mining practices in its mine workings environmental friendly and production processes for all its other products also, viz, Ferro Manganese and EMD. It ensures to implement appropriate environmental measures in all its mining operation phases to safeguard the environmental parameters such as air, water, land, noise and biodiversity. MOIL wishes to embark on low carbon growth trajectory in its operations. Few of the measures taken in this respect are : recycle and reuse of water for beneficiation, construction of ameliorative measures like strong parapet walls, afforestation at all its mines, secondary waste treatment at its mines for recycling of treated water in the process, digging contour trenches and biological reclamation of rock waste dumps to minimize land erosion and construction of check dams, effluent treatment plant, sewage treatment plant for treating effluents to avoid water pollution. Air scrubber is installed at EMD plant for reduction of fumes and also bag filter has been provided at Ferro Manganese Plant, Balaghat for reduction of dust pollution.

Along with safeguarding the environment, MOIL also supports the local community along its mining belts. It has a well defined CSR policy run by the CSR department. The CSR team consults the local community around its mining belts and identifies the major focus areas and with due consultation with respective district administration take up implementing various CSR activities. It has contributed to the society by implementing activities like building of boundary wall to schools, cataract surgeries, community development activities like agricultural development, livestock development, installation of biogas, toilets and street lights, conducting medical and many more such initiatives.

- (2) For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

- i. Reduction during sourcing / production / distribution achieved since the previous year throughout the value chain?

MOIL believes in optimum consumption of electricity, fuel, lubricants and water. It sets targets for specific consumption of water and energy, to achieve the target it conducts energy audits. The energy audits also help to identify and prioritise energy efficient technological measures and savings opportunities. The specific energy consumption in its operation has been improved with the implementation of the energy efficient measures. Even though the specific water consumption is low, MOIL believes in water management and the secondary waste water treatment at all project site is treated, recycled and used in the process.

- ii. Reduction during usage by consumers (energy, water) achieved since the previous year?

The volume of MOIL's final product is bulk in nature and gets complex to track the reduction during usage by consumer. However, it sensitizes the use of water and energy where ever possible.

- (3) Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Yes, MOIL employs sustainable sourcing practices. It utilizes Alternative Fuels and Raw Materials (AFR) which help to conserve natural resources and encourages procurement through vendors who adopt sustainable practices. While the transportation is concerned, most of the bulk materials are transported by rail and road with proper covering and ceiling. MOIL has also made proper arrangements to control dust emissions during loading and unloading of the material.

- (4) Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve the capacity and capability of local and small vendors?

Yes, MOIL, supports and encourages the participation of local and small vendors in procurement of goods and services. MOIL participates in National and State level vendor development programme conducted by MSME, DI, Nagpur, Dalit Industries Chamber of Commerce (DICC). MOIL also attends Vendor development programme conducted by MSME, wherein prospective MSE's are explained the requirement of MOIL.

- (5) Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste? (Separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Yes, MOIL employs safe, scientific and environmental friendly methods of mining and mineral processing and about 30% of underground waste is recycled in mines itself. It strives to apply the 4R policy (reduce, recharge, recycle and re-use) to its waste management plan with the aim of avoiding potentially harmful environmental and social impacts, during both the operational and post-closure phases. MOIL's mining sites are expected to continually research, develop and implement productivity improvement measures and waste reduction initiatives along with exploring the re-use of by products. Out of different lubricants and oil used in mines, the burnt/used oil and lubricants are disposed off by authorised agency which is recycled by them.

### Principle 3: Businesses should promote the well-being of all employees

#### 1. Please indicate the total number of employees (as on 31.03.2021):

Category	Executives	Non-Executives	P.R. Workers	Total
Male	300	1897	2858	5055
Female	26	97	688	811
<b>Total</b>	<b>326</b>	<b>1994</b>	<b>3546</b>	<b>5866</b>

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

Contract Labour: 4781

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

There are 811 permanent women employees.

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

There are 20 employees with disabilities

#### 5. Do you have an employee association that is recognized by Management?

Yes,

\* As per order of Hon'ble High Court Jabalpur, Madhya Pradesh verification of trade union and membership has been completed by Authorities of Ministry of Labour i.e. by Chief Labour Commissioner (Central) New Delhi and Regional Labour Commissioner (Central), Nagpur. Accordingly, Ministry of Labour vide their letter No.L-52025/21/2010-IR(Imp-I) dated 15.11.2019 conferred recognition to MOIL Kamgar Sanghatan (INTUC) as majority union recognized under code of discipline for a period of two years.

\* Executives have their own association (MOIL Executives' Association) at unit level and at the corporate level.

#### 6. What percentage of your permanent employees are members of this recognized employee association?

64.37%

#### 7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending as on the end of the financial year.

There have been NIL complaints with regard to child labour, forced labour, involuntary labour and discriminatory employment during the year 2020-21. However, there was a complaint related to sexual harassment during the year 2020-21 which has been disposed off and there is no complaint pending as on end of the financial year. The requisite information the prescribed proforma is furnished hereunder:

Sr. No.	Particulars	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1	Child labour / forced labour / involuntary labour	NIL	NIL
2	Sexual harassment	1	NIL
3	Discriminatory employment	NIL	NIL

## 8. What percentage of your under mentioned employees were given safety and skill up-gradation training in the last year?

The safety training of the employees is a vital component of the Occupational Health and Safety Policy at MOIL. The target is to achieve Zero Accident with optimum use of human resources, materials & machines with higher production / dispatches.

The percentage of employees given Safety and Skill Up-gradation Training for the FY 2020-21:

Sr. No.	Name of Director	Percentage	
		Safety Training	Skill Upgradation Training
1	Permanent Employees	23.93%	6.94%
2	Permanent Women Employees	26.67%	10.48%
3	Casual / Temporary / Contractual Employees	31.73%	1.33%
4	Employees with disabilities	39.22%	NIL

**Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized**

## 1. Has the Company mapped its internal and external stakeholders? Yes / No

Yes, MOIL has mapped its internal and external stakeholders. The key categories are as below:

- Government and Regulatory Authorities
- Customers
- Investors
- Employees
- Local Community
- NGO's and other stakeholders

MOIL engages with the identified stakeholders and communicates its major environmental, social and community development initiatives in different forms and also considers the stakeholders feedback in planning future initiatives and programmes.

## 2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?

Yes, MOIL has identified the disadvantaged, vulnerable and marginalized stakeholders with the help of socio-demographic data of the community through base line surveys conducted as a part of its CSR policy objectives.

## 3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

Yes, one of the major CSR activities implemented by MOIL is Community Development Program which have benefitted the disadvantaged, vulnerable and marginalized stakeholders are given below:

- Company has promoted MOIL Foundation; a Society registered under society registration Act, 1860. It has entered into a MoU with Maharashtra Institute of Technology Transfer for Rural Areas (MITTRA), an Associate Organization of BAIF for Community Development Programme. The project endeavours to develop resources at the village level for better quality of life. 21 villages have been identified in the vicinity of MOIL mines, 5 villages in Nagpur district, 11 villages in Bhandara district of Maharashtra and 5 villages in Balaghat of Madhya Pradesh for the Community Development Program, a detailed micro plan for development of village resources is prepared.
- The project aims at improving livelihoods of participant families through farm based interventions and bringing about improvement in the quality of life through improvement in health, village infrastructure and empowerment of the women. The focus of the project is on developing strong linkages with the government line departments so that even after the end of the project, the process of development continues in a sustainable manner.
- Under the program, MOIL has taken up various works such as Agriculture Development (Soil health cards, SRI demonstrations, Vegetable Cultivation Plots, Crop Diversification, vermin-composting Drip irrigation, Kisan Melava), Water Resource Development (Well deepening, renovation of water bodies, check dam de-silting, etc.), Livestock Development (Inseminations, pregnancy diagnosis, Health camps for Livestock, Infertility cases, Farmers training on Livestock development, vaccinations, De-worming

carried, etc.) Quality of Life: Community Health (Health awareness program, Health Camps, Clean Kitchen, Biogas Installation, toilets, etc.), Women empowerment by creating self-help group etc., Education ( Digital / E -learning, Library material, Water Purifier system in schools, etc.)

#### Principle 5: Businesses should respect and promote human rights

1. Does the policy of the Company on human rights cover only the Company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

Yes. MOIL has no subsidiaries. It is committed to work with stakeholders in government, business and civil society to promote good governance, responsible use of mineral wealth and to prevent corruption. MOIL has also signed an Integrity Pact (IP) with Transparency International India (TII). Also, The Vigilance department at MOIL guides and facilitates for impartial, fair and transparent decision making and gives priority to preventive vigilance, with proactive attitude.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the Management?

There have been nil cases of human right violation during the FY 2020-21.

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

1. Does the policy related to Principle 6 cover only the Company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

The environmental management at MOIL is governed by its Corporate Environment Policy. The policy extends to MOIL only as it has no subsidiaries and its joint venture companies are not in operation.

2. Does the Company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc.? Y / N. If yes, please give hyperlink for webpage etc.

Yes, MOIL understands and recognizes the implications that climate change would have on its business, environment and community. It stands committed in promoting greater environmental responsibility in Mining and processing of minerals for sustainable development. MOIL is committed to prevent and control of environmental pollution, conserve the natural resources, monitor and ensure compliance, continual environmental performance improvement, safeguarding the environment, educating its employees and communities about the environmental commitments, and applying proven management practices to prevent or mitigate negative environmental impacts.

MOIL believes that Greenhouse gas emissions are one of the key concerns of "cost to environment" for modern business. In order to be eco-friendly organization, MOIL has set up Wind Energy Farm of total 20 MW capacity at Dewas in Madhya Pradesh. It has also installed 48 KW roof top solar panel at MOIL Bhawan, Nagpur. Installation of 54.25 KW Solar Trees is in process The company is also installed 10.50 MW capacity solar power projects at its mines.

3. Does the Company identify and assess potential environmental risks? Y / N

Yes, MOIL has defined methods of identifying and assessing potential environmental risks. It carries out Environmental Impact Assessment of operations/activities to identify impacts on the surrounding environment and initiate mitigation measures accordingly. EIA for all its mines and industrial activities has been conducted and mitigation measures have been implemented accordingly. Regular monitoring of environmental parameters is carried out to ensure the effectiveness of the measures implemented and to comply with the CPCB laws.

All Mines / Plants sites are certified to ISO45001:2018 (OHSAS) / ISO 9001:2015 (QMS), ISO 14001:2015 (EMS), S.A. 8000 & GRI certification which carries out aspect-impact studies for all the activities and operations for identification of critical activities for setting objectives and targets. The system is audited biannually through third party auditors (apart from the periodic audits carried out by certified internal auditors) to verify adequacy and effectiveness of the system and to identify changes if any required in objectives, targets and management plan.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?

Yes, MOIL has a project related to Clean Development Mechanism. It is a 20MW Wind Project, installed in 2006-2008. Out of which 15.2 MW wind project is registered with the United Nations Framework Convention for Climate Change (UNFCCC).

5. Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy etc? Y / N. If yes, please give hyperlink to web page etc.

Yes, MOIL stands committed in encouraging the development of environment-friendly technologies. Also, MOIL's research and development centre possesses competency of undertaking technology development mission related to efficient mineral processing. To know more about

the initiatives, please see the hyperlink given below: <https://www.moil.nic.in/userfiles/ENERGY%20GENERATION%20THROUGH%20NON-CONVENTIONAL%20SOURCES.pdf>

6. Are the Emissions / Waste generated by the Company within the permissible limits given by CPCB / SPCB for the financial year being reported?

Yes. All emissions & wastes generated by MOIL are monitored on a regular basis and are within permissible limits as specified by CPCB/ SPCB. Also, the returns are filed regularly to the statutory authorities as per requirement.

7. Number of show cause / legal notices received from CPCB / SPCB which are pending (i.e. not resolved to satisfaction) as of end of financial year.

Nil

The percentage of employees given Safety and Skill Up-gradation Training for the FY 2020-21:

Sr. No.	Particulars	Percentage	
		Safety Training	Skill Upgradation Training
1	Permanent Employees	23.93%	6.94%
2	Permanent Women Employees	26.67%	10.48%
3	Casual / Temporary / Contractual Employees	31.73%	1.33%
4	Employees with disabilities	39.22%	NIL

**Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner**

1. Is your Company a member of any trade and chambers or association? If yes, name only those major ones that your business deals with.

Yes. MOIL is a member of some trade and chambers / associations as listed below:

- Federation of Indian Mineral Industries, New Delhi
- Standing Conference of Public Enterprises, New Delhi
- International Manganese Institute, Paris

2. Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes / No; if yes, specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others)

Yes, following are the broad areas:

- Sustainable Mining Practices
- Energy Conservation
- Inclusive Development

**Principle 8: Businesses should support inclusive growth and equitable development**

1. Does the Company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes, details thereof.

Yes, MOIL has host of programmes / initiatives / projects in its identified focus sectors defined in the CSR Policy. Some of the major CSR initiatives are listed below:

**Literacy and Education**

- MOIL's DAV School
- Support to different schools imparting educations near company's mines.
- Saksham Balika Yojna, a scheme of sponsoring girls of families belonging to below poverty line for Nursing Courses in association with Apollo College of Nursing.

**Healthcare**

- Free medical health camp
- Cataract surgery, cleft lip & palate surgery
- Ambulance



### Rural Development & Infrastructure

- Construction of roads and culverts
- Providing drinking water
- Farmers development scheme
- Construction of Toilets
- Community Development Programmes in 21 villages in Nagpur, Bhandara and Balaghat Districts
- Construction of community halls

- Are the programmes / projects undertaken through in-house team / own foundation / external NGO / Government structures / any other organization?

MOIL takes up various CSR activities through an internal team as well as in partnership with non-governmental organization (NGO's), State / District Authorities and Trusts depending on the type of the activity proposed. The CSR initiatives taken up through partnerships are evaluated and monitored jointly by the CSR department and the partnering organization.

- Have you done any impact assessment of your initiative?

Yes,

As per DPE Guidelines and Companies Act, 2013, CSR, the threshold value for compulsorily carrying out Impact Assessment Study of the work shall be minimum Rs.1.00 crore or as maybe approved by the Board of Directors from time to time, accordingly impact assessment of major CSR initiatives of 2020-21 will be taken up during the year

- What is the Company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken?

MOIL has spent an amount of Rs. 13.18 Crores in development projects as under in FY 2020-21 broadly under the following heads:

Promoting Education, Rural Development projects, Promoting Healthcare including preventive healthcare, Sanitation and making available safe drinking water, Community Development etc.

- Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Site visit helps in increase in awareness in the community & specific in agriculture development activities replication of the activities by other is going on which shows positive impact of the activities

The CSR team at MOIL takes project feedback from the beneficiaries to know its impact or scope for improvements, if any. Also, the impact assessment carried out by a third party along with the MOIL CSR team for its major CSR initiatives captures the effectiveness of the community development projects and responses of the community people towards the initiative. Besides this, the Farmers Development Programme has been subject of appreciation at the highest levels of Government.

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

- What percentage of customer complaints / consumer cases are pending as on the end of financial year

There has been NO customer complaint pending at the end of FY 2020-21

- Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. / Remarks (additional information)

Not Applicable. Our product being a bulk commodity, the product specifications are being displayed on the Company's website: [www.moil.nic.in](http://www.moil.nic.in), and also informed to buyers in price list/contracts.

- Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and / or anti-competitive behaviour during the last five years and pending as of end of financial year? If so, provide details thereof, in about 50 words or so.

No.

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

Yes, MOIL carries out Customer Satisfaction Survey every year by organizing customer meet at various locations and by visiting the customers on a regular basis

# Annexure to Business Responsibility Report

P1	<p>Sl. No. 3 - The Company has a Policy for Prevention of Fraud in MOIL, Code of Business Conduct and Ethics and Whistle Blower Policy. The Policy for Prevention of Fraud is broadly to provide a system for detection and prevention of fraud, reporting of any fraud that is detected or suspected and fair dealing of matters pertaining to fraud. Further, as per the requirement of Corporate Governance under SEBI (LODR) regulations, 2015 the Company framed Code of Business Conduct and Ethics based on professional and ethical standards, which the Company believes all its employees should adopt. Further, as an integral part of Vigil Mechanism, the Whistle Blower Policy of MOIL has been formulated with a view to empower the Directors and employees of MOIL, to detect and report their genuine concerns or grievances about unethical behaviour, actual or suspected fraud or violation of Company's Code of Conduct or Ethics Policy. Further, the Company has also formulated a 'Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions' ("RPT Policy") which prescribe adequate procedures and disclosures to be made before entering into transactions with such parties.</p> <p>Sl. No. 6 - The links of relevant Policies approved by the Board of Directors of the Company are given below:-</p> <table> <tr> <th>Name of the Policy</th><th>Weblink</th></tr> <tr> <td>Policy for Prevention of Fraud</td><td><a href="http://moil.nic.in/userfiles/Fraud%20Prevention%20Policy_MOIL-FinalB.pdf">http://moil.nic.in/userfiles/Fraud%20Prevention%20Policy_MOIL-FinalB.pdf</a></td></tr> <tr> <td>Whistle Blower Policy</td><td><a href="http://moil.nic.in/userfiles/Whistle_Blower_Policy_of_MOIL.pdf">http://moil.nic.in/userfiles/Whistle_Blower_Policy_of_MOIL.pdf</a></td></tr> <tr> <td>Code of Business Conduct and Ethics</td><td><a href="http://moil.nic.in/userfiles/coc.pdf">http://moil.nic.in/userfiles/coc.pdf</a></td></tr> <tr> <td>Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions</td><td><a href="http://moil.nic.in/userfiles/Related_Party_Transaction_Policy.pdf">http://moil.nic.in/userfiles/Related_Party_Transaction_Policy.pdf</a></td></tr> <tr> <td>Policy on Criteria for determining Materiality of Events or Information for disclosure to Stock Exchanges</td><td><a href="http://moil.nic.in/userfiles/Determination%20of%20Materiality%20of%20Events%20or%20Information%20and%20Disclosure%20Thereof.pdf">http://moil.nic.in/userfiles/Determination%20of%20Materiality%20of%20Events%20or%20Information%20and%20Disclosure%20Thereof.pdf</a></td></tr> <tr> <td>Dividend Distribution Policy</td><td><a href="http://moil.nic.in/userfiles/Dividend_Policy_MOIL.pdf">http://moil.nic.in/userfiles/Dividend_Policy_MOIL.pdf</a></td></tr> </table>	Name of the Policy	Weblink	Policy for Prevention of Fraud	<a href="http://moil.nic.in/userfiles/Fraud%20Prevention%20Policy_MOIL-FinalB.pdf">http://moil.nic.in/userfiles/Fraud%20Prevention%20Policy_MOIL-FinalB.pdf</a>	Whistle Blower Policy	<a href="http://moil.nic.in/userfiles/Whistle_Blower_Policy_of_MOIL.pdf">http://moil.nic.in/userfiles/Whistle_Blower_Policy_of_MOIL.pdf</a>	Code of Business Conduct and Ethics	<a href="http://moil.nic.in/userfiles/coc.pdf">http://moil.nic.in/userfiles/coc.pdf</a>	Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions	<a href="http://moil.nic.in/userfiles/Related_Party_Transaction_Policy.pdf">http://moil.nic.in/userfiles/Related_Party_Transaction_Policy.pdf</a>	Policy on Criteria for determining Materiality of Events or Information for disclosure to Stock Exchanges	<a href="http://moil.nic.in/userfiles/Determination%20of%20Materiality%20of%20Events%20or%20Information%20and%20Disclosure%20Thereof.pdf">http://moil.nic.in/userfiles/Determination%20of%20Materiality%20of%20Events%20or%20Information%20and%20Disclosure%20Thereof.pdf</a>	Dividend Distribution Policy	<a href="http://moil.nic.in/userfiles/Dividend_Policy_MOIL.pdf">http://moil.nic.in/userfiles/Dividend_Policy_MOIL.pdf</a>
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P2	<p>The Company strives to follow sustainable business practices with focus on Economic, environmental and social concerns in order to achieve the twin-objectives of growth and sustainability. The Company complies with regulations governing its products and services and has taken initiatives to promote inclusive growth and environmental sustainability.</p> <p>Sl. No. 6 - The Corporate Social Responsibility and Sustainability Policy is available on the website of the Company at the link:</p> <p><a href="http://moil.nic.in/userfiles/CSR_and_Sustainability_Policy_of_MOIL.pdf">http://moil.nic.in/userfiles/CSR_and_Sustainability_Policy_of_MOIL.pdf</a></p> <p><a href="http://moil.nic.in/userfiles/Environment_Policy.pdf">http://moil.nic.in/userfiles/Environment_Policy.pdf</a></p>														
P3	<p>Sl. No. 3 - In line with the general laws and regulations and sound ethical practices followed nationally, the Company has adopted employee-oriented policies covering areas such as employee benefits and prevention of sexual harassment at the workplace which endeavours to provide an environment of care, nurturing and opportunity to accomplish professional aspirations.</p>														
P4	<p>Sl. No. 6 - These policies can be viewed physically or online only by the employees of the organization.</p> <p>The principle enunciates the aspect of being responsive towards all stakeholders especially those who are disadvantaged, vulnerable and marginalized and the Company does not have a specific policy in place for this. However, the Company has set processes in place to achieve the objectives. In addition, the Company works towards inclusive growth in pursuance of its Corporate Social Responsibility &amp; Sustainability Policy, through interventions in areas like Skill Development leading to creation of employment opportunities, Education, Health Care including initiatives for care of elderly and persons with disabilities, women empowerment programmes, Promotion of Non-Conventional Energy sources etc.</p> <p>Sl. No. 6 - The Corporate Social Responsibility and Sustainability Policy is available on the website of the Company at the link :</p> <p><a href="http://moil.nic.in/userfiles/CSR_and_Sustainability_Policy_of_MOIL.pdf">http://moil.nic.in/userfiles/CSR_and_Sustainability_Policy_of_MOIL.pdf</a></p>														
P5	<p>Sl. No. 3 - The Code of Business Conduct &amp; Ethics (Code) for Board Members and Senior Management which has been adopted by the Company addresses the requirements of this principle. The Code emphasizes fair employment practices &amp; diversity, fair competition, prohibition of harassment &amp; intimidation and safety at the workplace.</p> <p>Sl. No. 6 - The Code of Business Conduct and Ethics is available on the website of the Company at the below link:</p> <p><a href="http://moil.nic.in/userfiles/coc.pdf">http://moil.nic.in/userfiles/coc.pdf</a></p> <p><a href="http://moil.nic.in/userfiles/safety_policy.pdf">http://moil.nic.in/userfiles/safety_policy.pdf</a></p>														

P6	The aspects outlined under this Principle are not relevant to the nature of business of the Company. The Company complies with applicable environmental regulations in respect of its premises and operations. Further, the Company participates in initiatives towards addressing environmental issues. The Company also requires the borrowers of project loans to comply with the various national environmental standards/ requirements.
P7	While there is no specific policy outlined for this principle, the Company is working with the State Governments and other organizations to promote initiatives in the field of Skill Development leading to creation of employment opportunities, Education, Health Care, Rural Development Projects and Promotion of Non-Conventional Energy sources.  The CMD and Whole-time Directors of the Company participate in various committees/ working groups constituted by the Ministry of Steel, Government of India.
P8	MOIL strives to ensure inclusive growth and equitable development in pursuance of its Corporate Social Responsibility and Sustainability Policy. During the financial year 2018-19, MOIL has taken various initiatives in this regard including livelihood enhancing women-empowerment programmes, setting up/up-gradation of infrastructure / facilities in select health care institutions, safe drinking water facilities in select rural areas, and programme for farmer-centric integrated watershed development for improving rural livelihoods.  Sl. No. 6 - The Corporate Social Responsibility and Sustainability Policy is available on the website of the Company at the link: <a href="http://moil.nic.in/userfiles/CSR_and_Sustainability_Policy_of_MOIL.pdf">http://moil.nic.in/userfiles/CSR_and_Sustainability_Policy_of_MOIL.pdf</a>
P9	Sl. No. 3- The Company has Code of Business Conduct and Ethics and Feedback - Grievance Redressal Form. Sl. No. 6- The above Code /Form can be viewed online on <a href="http://moil.nic.in/userfiles/coc.pdf">http://moil.nic.in/userfiles/coc.pdf</a> <a href="http://moil.nic.in/user-investors-feedbacks">http://moil.nic.in/user-investors-feedbacks</a>
<b>All policies and processes are subject to audits and reviews done internally in the Company from time to time.</b>	

# **FINANCIAL STATEMENTS**

# Independent Auditor's Report

TO THE MEMBERS OF MOIL LIMITED

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the financial statements of MOIL Limited ("The Company"), which comprise the Balance sheet as at March 31, 2021 and the statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements")

With ongoing COVID-19 pandemic, we have conducted our audit with certain limitation, based on the records available and provided to us by the management at the head office. With restricted movement to mines/plants across borders and other difficulties our audit procedure was limited to documents provided to us by online mode.

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, 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). 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 independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### Emphasis of Matter –

1. We draw attention on Note no.3.27 of the standalone IND AS financial statement, which explains the uncertainties and the management assessment of the financial impact related to COVID-19 pandemic situation, for which a definitive assessment of the impact in subsequent period is highly dependent on future economic developments and circumstances as they evolve. Our Opinion is not modified in respect of this matter.
2. We draw attention to Point No. 1.2.13 of accounting policy & Note No. 2.26 for recognition of revenue. The revenue includes Royalty, District Mineral fund (DMF) and National minerals exploration trust contribution (NMET) collected on behalf of third party on actual basis as per contract. However this treatment is not in line with IND AS 115, which says to show revenue on net basis excluding all collection on behalf of third parties. This has been done by the company as per the industry practice and expert opinion obtained. Our opinion is not modified on the same.
3. We draw attention to Note No. 2.16 (b) Sundry Receivable which includes a sum of Rs 120.5 Lakhs of GST claimed on account of payment made on behalf of JVC to be formed with GMDC in accordance with the opinion obtained by the company. However, in our opinion it is not allowable as the amount paid represents investment in JVC. Our opinion is not modified on the same.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.



Sr. No.	Key Audit Matter	Auditor's Response
1	<p><b>Revenue from Contract with Customer</b></p> <p>(i) Refer Note no. 2.26</p> <p>(A) Sales invoices are raised and revenue is recognized in the books of accounts only after dispatch of goods based on railway receipt/lorry receipt/delivery challan.</p> <p>Supplementary invoices are raised for variation in quality on receipt of laboratory analysis reports. Analysis reports received in subsequent year up to a cut-off date are considered in year of dispatch. Accordingly, supplementary invoices are raised and accounted for in the same year. In respect of analysis reports received after the cut-off date, the same are raised in subsequent year.</p> <p>2. Sales include royalty, district mineral fund and national mineral exploration trust contributions.</p> <p>3. Manganese ore fines, hutch, dust and HIMS rejects generated during operations are recognised as production as and when they are sold and corresponding sales is treated as revenue from mining products.</p>	<p><b>Principal Audit Procedures:</b></p> <p>Our Audit Procedure comprises of assessing the application of the provisions of Ind AS 115 in respect of the Company's revenue recognition and appropriateness of the estimated adjustments in the process, also we have performed test to establish the basis of estimation of the consideration and whether such estimates are commensurate with the accounting policy.</p>
2.	<p><b>Inventory Valuation:</b></p> <p>Refer Note no. 1.2.3(Significant Accounting Policy)</p> <p><b>Finished Goods</b></p> <p>(i) Manganese ore of all grades including Manganese ore fines, hutch dust and HIMS rejects, Manganese ore at port, Electrolytic manganese di-oxide [EMD], Ferro manganese/silico manganese including stock in cake:- At cost at mines including depreciation on mine assets or net realizable value, whichever is less.</p> <p>(b) <b>Stock in process:</b> -The quantity of ferro manganese/silico manganese in process has not been assigned any value.</p> <p>(c) <b>Stock of slag:</b> - Slag is a molten mass of impurities generated during manufacture of ferro manganese, which is treated as scrap and, accordingly, valued at net realizable price.</p>	<p><b>Principal Audit Procedures:</b></p> <p>Our team has reviewed the same and has obtained a copy of valuation reports and price lists that have been taken into consideration while arriving at the final closing value of inventory. The system of inventory valuation and recording of stock level is found to be appropriate.</p>
3.	<p><b>Income tax:</b></p> <p>Due to the multiple tax jurisdictions within which the Company operates and the ambiguity of interpretation tax laws, determining the amounts which should be recognised for tax is subject to judgement and is thus a key audit matter. Management's judgement includes consideration of regulations by various tax authorities with respect to various tax positions. Where there is uncertainty, management makes provision for tax based on the most probable outcome. Management's disclosures with regards to the uncertainties are contained in Note 3.2(ii) The company has opted to assess income tax at concessional rate of tax as per the provisions of Section 115BAA of the I.T. Act, 1961.</p>	<p><b>Principal Audit Procedures:</b></p> <p>We involved our tax specialists to evaluate the recognition and measurement of the current and deferred tax assets and liabilities. This included: – Analyzing the current and deferred tax calculations for compliance with the relevant tax legislation. – Evaluating management's assessment of the estimated manner in which the timing differences, including the recoverability of the deferred tax assets, would be realized by comparing this to evidence obtained in respect of other areas of the audit, including cash flow forecasts, business plans, minutes of director's meetings, etc. The provisions are appropriate and adequate. As the company elects to assess income tax on its total income as per the provision envisaged u/s. 115BAA of the I.T. Act, 1961; it has not claimed deductions u/s. 80IA for calculation the provision for Income Tax in the financial statements and will follow the depreciation rates as may be notified by the concerned authorities.</p>

Sr. No.	Key Audit Matter	Auditor's Response
4.	<p><b>Deferred tax:</b></p> <p>As disclosed in Note 3.3 the Company has recognised deferred tax assets in respect of certain deductions on account of provision for Leave Encashment, provision for pension, provision for Post-Retirement Medical Benefit, provision for Doubtful Debts and provision for Bonus to the extent that it is probable that we get tax benefits in future. This requires management judgement in estimating future taxable income and is accordingly a key audit matter.</p> <p>Refer Note no. 3.3</p>	<p><b>Principal Audit Procedures:</b></p> <p>Reviewed the assumptions made by management for uncertain current and deferred tax positions to assess whether appropriate current and deferred tax provisions have been recognized and are based on the most probable outcome. We found the disclosures relating to the income tax and deferred tax balances to be appropriate.</p>
5.	<p><b>Information Systems and Controls:</b></p> <p>The company is using SAP system to process all accounting transactions. The said system has been implemented recent past. As Some manual intervention is still there. Thus, it is a Key Audit Matter.</p>	<p><b>Principal Audit Procedures:</b></p> <p>Our team has performed risk assessment procedure and considered the risk arising from the use of IT system at the company. While obtaining and understanding of the business process and performing walkthroughs the use of IT system and application has been considered. We have assessed the reliability of source data and completeness of population. Through sample testing we have tested the key reports generated from the IT system, and found that IT controls are adequate.</p>
6.	<p><b>Defined Benefit Obligation and other Long-Term Benefits</b></p> <p>The Company has recognized long term employee benefit liabilities, consisting of Terminal Leave Obligation &amp; Gratuity and defined benefit obligations receivable (net of plan asset against funded gratuity obligation) and post-employment benefits).</p> <p>The valuation of employee benefit obligations is dependent on market conditions and assumptions made. The key audit matter specifically relates to the following key assumptions: discount rate, inflation expectations and life expectancy assumptions. The setting of these assumptions is complex and requires the exercise of significant management judgement with the support of third-party actuary</p>	<p>In testing the valuation, we have examined the reports of external actuarial specialists to review the key actuarial assumptions used, both financial and demographic, and considered the methodology utilized to derive these assumptions. Furthermore, we have examined the sensitivity analysis adopted by the external party viz. actuarial on the key assumptions in valuing the defined benefit obligations.</p> <p>We would like to comment that on the methodology and assumption applied in relation to determination of liability is acceptable</p>
7.	<p><b>Provision for final Mine Closure Expenses:</b></p> <p>The company's obligation for land reclamation and decommissioning of structures consists of spending at both surface and underground mines. The company estimates its obligation for Mine Closure, Site Restoration and Decommissioning based upon detailed calculation and technical assessment. Mine Closure expenditure is provided as per approved Mine Closure Plan. As the provision for mine closure involves estimate and Management judgement, the same is considered as a Key Audit Matter</p>	<p>Our Audit procedure comprise of identification and understanding of the reasonableness of the principal assumption used by the management to judge the need for its basis of estimate as it has been explained to us that the provision made is in accordance with the technical evaluation and production of ore during the year.</p>
8.	<p><b>Provision for Post Retirement medical benefit</b></p> <p>As disclosed in Disclosure no. 1 of Note 2.24 The company, as per office memorandum from Government of India (Ministry of Heavy Industries and Public enterprises) is required to create post retirement corpus fund for medical benefit of employees. The valuation provision of the same requires assumptions which are based upon market conditions, discount rate, Life expectancy of employees and others, to be considered for setting aside fund for medical benefit.</p> <p>The setting of these assumptions is complex and requires the exercise of significant management judgement with the support of third party actuary.</p>	<p>In testing the valuation, we have examined the reports of external actuarial specialists to review the key actuarial assumptions used, both financial and demographic, and considered the methodology utilized to derive these assumptions. Furthermore, we have examined the sensitivity analysis adopted by the external party viz. actuarial on the key assumptions in valuing the defined benefit obligations.</p> <p>We would like to comment that on the methodology and assumption applied in relation to determination of liability is acceptable</p>

## Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

## Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS 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 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 Standalone 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 Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 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 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.

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, 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.
- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, subject to Point No. 2 of Emphasis of Matter hereinabove.
- (e) As per notification no. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 164(2) of the Companies Act, 2013 shall not be applicable to the Company.
- (f) 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 over financial reporting.
- (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:

As per notification no. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 of the Companies Act, 2013 shall not be applicable to the Company.

- (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 Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations as at March 31, 2021 on its financial position in its standalone financial statements— Refer Note 3.9 to the standalone financial statements.
  - ii. There are no long term contracts including derivative contracts, which require provision for material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required under section 143(5) of the Companies Act, 2013 we give in the Annexure "B" a statement on directions issued by the Comptroller & Auditor General of India after complying the suggested methodology of audit, action taken thereon and its impact on the accounts and standalone financial statement of the company.
3. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "C" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For **Demble Ramani and Company**  
Chartered Accountants  
(Firm's Registration Number: 102259W)

**CA ASHOK RAMANI**

Partner

(Membership No. 030537)

UDIN -21030537AAAABO9878

Place of Signature:- Nagpur  
Date of Report:- 04th June 2021

# Annexure “A” to the Independent Auditor’s Report of Moil Limited for the FY 2020-2021

(As referred to in Paragraph 1(f) under Report on Legal and Regulatory Requirements of our report and in terms of section 143 (3)(i) of the Act)

## Report on the Internal Financial Controls 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 MOIL Limited (“the Company”) as of 31st March 2021 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 Company’s management 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 company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting 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”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 standalone Ind AS 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 unauthorized 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, 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 31st March, 2021, 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. However, the internal audit system requires to be strengthened. Also, ERP system SAP requires elaborate improvement like inclusion of several features viz,

- (1) Vouchers making checking authorizing through SAP
- (2) Periodic reviews of roles & authorization
- (3) Audit Logs
- (4) Governance and regulation control consisting statutory legal and other compliance.

For **Demble Ramani and Company**  
Chartered Accountants  
(Firm's Registration Number: 102259W)

Place of Signature:- Nagpur  
Date of Report:- 04th June 2021

**CA ASHOK RAMANI**  
Partner  
(Membership No. 030537)  
UDIN -21030537AAAABO9878



# Annexure “B” to the Independent Auditor’s Report of Moil Limited for the FY 2020-2021

(As referred to in Paragraph 2 under Report on Legal and Regulatory Requirements of our report on the statement of Directions under section 143(5) of the Companies Act, 2013 issued by the Comptroller & Auditor General of India)

This Annexure “B” is being revised to include 2nd para in point No.2 highlighted in **Bold & Italics**. This para was left out in our original report as it was not considered necessary to include the same as it was not applicable to the company.

Similarly in point no.3 the words **(Grants/Subsidy etc.), Government**, Highlighted in Bold/Italic was left out as this was also not considered necessary to include it, as it was not applicable to company.

The additions in aforesaid para 2 to point No.2 & incorporation of words **(Grants/Subsidy etc.), Government**, in point.no.3 have been included as observed by CAG Auditor and to maintain performance of report and it does not have any impact to the Financial Statements.

Sr. No.	Directions	Reply
1.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, then 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 is using ERP-SAP System to process all the accounting transactions with manual intervention, including for preparation of Financial statements, which needs elaborate improvements like Inclusion of several features such as <ul style="list-style-type: none"> <li>• voucher making checking authorizing through SAP,</li> <li>• Periodic reviews of roles &amp; authorization</li> <li>• Audit Trail logs</li> <li>• Governance and regulation control consisting statutory legal and other compliance</li> </ul>
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.  <b>Whether such cases are properly accounted for ? (in case, lender is a government company, then this direction is also applicable for statutory auditor of lender company)</b>	No.
3.	Whether funds <b>(grants/subsidy etc)</b> received/receivable for specific schemes from Central/ State <b>Government or its</b> agencies were properly accounted for/ utilized as per <b>its</b> terms and conditions? List the cases of deviation.	No such funds (Grants and subsidy etc.) have been received or are receivable from Central/State Government and its Agencies.

For **Demble Ramani and Company**  
Chartered Accountants  
(Firm’s Registration Number: 102259W)

**CA ASHOK RAMANI**  
Partner

(Membership No. 030537)

UDIN -21030537AAAABV1719

Place of Signature:- Nagpur  
Date of Report:- 13th July 2021

# Annexure “C” to the Independent Auditor’s Report

(As referred to in Paragraph 3 under Report on Legal and Regulatory Requirements of our report Companies (Auditors Report) Order, 2016 issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013)

In terms of the information and explanations sought by us and given by the company and books & records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that: -

- i. a) The company has generally maintained proper records showing full particulars, including quantitative details & situation of Fixed Assets.
- b) As explained to us, management has physically verified its fixed assets at reasonable intervals and no material discrepancies were noticed on such physical verification. In our opinion, verification of fixed Assets at the year end is reasonable having regard to the size of the Company and the nature of assets.
- c) On examination of the documents provided to us by the management, the title deeds of immovable properties included in Fixed Assets are held in the name of company.
- ii. In our opinion and according to the information and explanations given to us, procedures of physical verification of inventory at reasonable intervals followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business. The company is maintaining proper records of inventory. No material discrepancies were observed during the verification.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained 189 of the Companies Act, 2013('the Act').
- iv. The Company has complied with the provision of Section 185 & 186 of the Companies Act, 2013 in respect of loans, investments, guarantees & security.
- v. The company has not accepted deposits from the public. Hence the issue of compliance with the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed thereunder does not arise.
- vi. The Central Government has prescribed maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013 and prima facie the prescribed cost records have been maintained. We have however not made a detailed examination of cost records with a view to determine whether they are accurate or complete.
- (vii) a) According to the information and explanations given to us and on the basis of our examination of the books of accounts, the company has generally been regular in depositing with the appropriate authorities the undisputed statutory dues including GST, Provident Fund, Employee State Insurance, Income-Tax, Duty of Customs, and other statutory dues applicable to it during the year. The provisions related to sales tax, service tax, duty of excise and value added taxes are not applicable to the Company

According to the information and explanations given to us, no undisputed amounts payable in respect of GST, Provident Fund, Employee State Insurance, Income-Tax, and other material statutory dues were in arrears as at 31st March, 2021 for a period of more than 6 months from the date they became payable. The provisions related to sales tax, service tax, duty of excise and value added taxes are not applicable to the Company

- b) The dues of Entry Tax and Value Added Tax, Professional tax, Service tax Duty of Excise and Income Tax which have not been deposited by the Company on account of various disputes relating to Assessment Dues are as under

Name of the Statute	Amount Demanded (In Rs. Lacs)	Amount paid under Protest (In Rs. Lacs)	Period to which amount relates	Forum where dispute is pending
M.P.Entry Tax Act 1975	13.68	8.45	2008-09	High Court, Jabalpur
	6.28	6.28	2012-13	Commercial Tax Appellate Board, Bhopal
	2.86	0.72	2013-14	Commercial Tax Appeals, Jabalpur
	21.75	5.44	2014-15	
	10.72	2.68	2015-16	
M.P.Vat Act 2002	3.68	1.47	2011-12	Commercial Tax Appellate Board, Bhopal
	9.15	6.66	2012-13	
M.P.CST Act 1956	6.10	1.53	2013-14	Commercial Tax Appeals, Jabalpur
M.S. VAT ACT 2002	13.68	0.00	2009-10	Sales Tax Appellate (MS)
	0.40	0.00	2010-11	
	2.01	0.00	2011-12	
M.S. CST ACT 1956	3.24	1.08	2010-11	Sales Tax Appellate (MS)
	0.71	0.47	2011-12	
Profession Tax Act, 1975	2.27	1.13	2006-07	Sales Tax Appellate M.S.

Name of the Statute	Amount Demanded (In Rs. Lacs)	Amount paid under Protest (In Rs. Lacs)	Period to which amount relates	Forum where dispute is pending
Profession Tax Act, 1975	7.70	1.93	2007-08	Sales Tax Appellate M.S.
Service Tax Act, 1994	228.91	17.73	Apr. 2012- Jun, 2017	Central Excise Service Tax Appellate Tribunal, Mumbai
Central Excise Act, 1944	14435.84	1082.69	Mar. 2011- Dec. 2015	High Court, Jabalpur
Income Tax Act, 1961	133.67	0	2018-19	CIT-Appeals

- (viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) According to the records of the company examined by us and the information and explanations given to us, the company has not raised any money by way of initial public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the order is not applicable.
- (x) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.
- (xi) According to the information and explanations given to us, company is exempt from the provision of section 197 read with Schedule 5 to the Companies Act, 2013.
- (xii) The provisions of Nidhi Rules, 2014 are not applicable to the company.
- (xiii) According to the information and explanations provided to us by the management, all transactions with the related parties are in compliance with section 177 & 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected to its directors and hence the provision of section 192 of Companies Act, 2013 are, therefore, not applicable.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Demble Ramani and Company**  
Chartered Accountants  
(Firm's Registration Number: 102259W)

**CA ASHOK RAMANI**

Partner

(Membership No. 030537)

UDIN -21030537AAAABO9878

Place of Signature:- Nagpur  
Date of Report:- 4th June 2021

**MANAGEMENT'S REPLIES TO THE COMMENTS OF THE COMPTROLLER & AUDITOR GENERAL OF INDIA (CAG)  
UNDER SECTION 143(6)(B) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF MOIL LIMITED  
FOR THE YEAR ENDED 31 MARCH 2021**

Observations	Management replies
<p>The preparation of financial statements of MOIL Limited for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 04 June 2021.</p> <p>I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of MOIL Limited for the year ended 31 March 2021 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.</p> <p>Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report.</p>	
<p>1 <b>A. Balance Sheet</b></p> <p><b>Assets</b></p> <p><b>Non-current Assets</b></p> <p><b>Other non-current assets (Note 2.8)</b> <b>Rs. 3957.15 lakh</b></p> <p><b>Advance to MOIL GMDC Joint Venture</b> <b>Rs. 670.03 lakh</b></p> <p>The expenses related to exploration of mineral by MECL amounting Rs. 670.03 lakh has been shown as advance to MOIL GMDC Joint Venture. As per MOU between MOIL and GMDC the expenses related to exploration of mineral was to be shown as "investment in joint venture" in compliance provisions of Ind AS 31.</p> <p>Non Compliance provision of Ind AS 31 has resulted in overstatement of advances to MOIL GMDC joint venture (Other non-current assets) (Note 2.8) and understatement of (noncurrent) investment in joint venture (non-current) by Rs. 670 .03 lakh (Note 2.5).</p>	<p>Joint Venture between MOIL and GMDC has not yet been formed. MOIL Limited (MOIL) entered into an MoU with Gujarat Mineral Development Corporation Limited (GMDC) to carry out exploration through Mineral Exploration Corporation Limited (MECL). As per the said MoU, a joint venture company (JVC) is to be formed between MOIL (51% share) and GMDC (49% share) after ascertaining feasibility of mining.</p> <p>MECL has carried out exploration of 8260 Mtrs in the designated area in Phase-I and 4903 Mtrs in Phase-II. As per final report of Phase-I, resources of 7.65 Million MT have been established. Final report of Phase-II is awaited.</p> <p>Expenditure on exploration has been treated as advance for MOIL GMDC project the same is yet to be incorporated.</p> <p>Based on the report of MECL, techno-economic feasibility report (TEFR) is under preparation at MOIL. Decision about formation of the JVC is to be taken only after ascertaining viability of the project, which can be known only after TEFR is finalized.</p> <p>As the JVC has not been formed on the date of balance sheet, the said amount has been appropriately disclosed as advance. The fact that the JVC is not formed is also made clear on the face of the Statement by mentioning JVC is not incorporated. As a result, there is no overstatement of non-current advances and understatement of non-current investments.</p> <p>Ind AS 31: "Interest in joint ventures" is applied in accounting for interest in joint ventures and the reporting of joint venture assets, liabilities, income and expenses in the financial statements of joint ventures and investments. In the instant case, as the JV company is not formed, the question of "interest in joint venture" does not arise. Hence, Ind AS 31 is not applicable to the accounting treatment.</p>

Observations	Management replies
<p><b>2 Other Financial Assets (Note no. 2. 7)</b></p> <p><b>Bank Deposit against BG with original maturity more than 12 month: Rs. 2392.68 lakh</b></p> <p>The above includes fixed deposits of Rs. 1603. 80 lakh with remaining maturity of 12 months or less instead of under line item 'term deposit (as margin money against bank guaranties/ LCs)' under 'Bank Balances (Other than Cash and Cash Equivalents' (Note No. 2.13 ).</p> <p>This has resulted in overstatement of Bank Deposit with more than 12 months maturity (Note No. 2. 7) and understatement of term deposit (as margin money against bank guaranties/ LCs) (Note No. 2.13) by Rs. 1603.80 lakh.</p>	<p>Bank guarantees (BGs) are given to Indian Bureau of Mines, Pollution Control Boards of Maharashtra and Madhya Pradesh for operation of mines to fulfill various statutory obligations. These BGs are backed by equal amount of fixed deposits as margin money (security). Generally, the BGs are given on long-term basis and, hence, categorized under non-current assets as <i>term deposit with more than 12 months maturity under the head Bank Balances</i>.</p> <p>As on 31st March, 2021, margin money of Rs. 23.93 crores is outstanding against BGs issued by bankers on behalf of MOIL. The entire amount is shown as non-current financial asset.</p> <p>Government Audit has observed that out of the above, bank deposits of Rs. 16.04 crores are maturing within next twelve months and should have been shown as current financial assets.</p> <p>Classification of bank balance (other than cash and cash equivalent) and non-current financial assets is critical for entities having debt on their balance sheets as it affects the company's ability to borrow. However, in Management's view, MOIL being a debt-free company, such a minor classification change does not materially alter the financial information to the stakeholders. Moreover, the amount involved is not significant in relation to total size of the balance sheet. It is also of significance that the main head of the balance sheet, viz, Other financial assets remains uninterfered.</p> <p>Actions to be taken:- Care will be taken in future to ensure classification of BGs maturing within next twelve months appropriately.</p>
<p><b>3 Current tax liability (Net)</b></p> <p><b>Defined obligation - disclosure as per Ind AS 19: Employee Benefits (Note 2.25)</b></p> <p><b>The management did not disclose the following under above disclosure as required under Ind AS 19:</b></p> <p>a. The description of the risk to which the plan exposes the entity for plan assets of gratuity of Rs. 21755.65 lakh and leave encashment of Rs. 6716.55 lakh as on 31.03.2021 as required under paragraphs 139 (b) of Ind AS 19.</p> <p>b. Limitations of methods and assumptions used in preparing of obligations as per paragraphs 145(b) of IndAS 19</p> <p>Thus, the disclosure on defined obligation as required under Ind AS 19 is deficient to that extent.</p>	<p>Defined post retirement obligations such as gratuity and leave encashment are funded through insurers based on the actuarial valuations every year.</p> <p>Government Audit has observed that disclosure with regard to risk of the funds, limitations of methods and assumptions used in preparing of obligations is insufficient.</p> <p>The following is relevant in this context.</p> <p>(a) Mandates Para 139(b) of the Standard wants description of the risk to which the plan exposes an entity; thus, for example, when the plan assets are invested in property where the same are subject to market risk. This type of risk envisaged by Para 139(b) of the Standard is not relevant for this company handing over the defined obligation to the Life Insurance Corporation of India and other insurers.</p> <p>(b) Para 145(b) of the Standard requires disclosure of methods and assumptions used in preparing the sensitivity analysis when the actuarial assumptions are used to determine the present value of the obligation, in terms of absolute percentage.</p>

Observations	Management replies
	<p>It may be noted that the actuarial assumptions are explained by the Management at the end of the relevant table, which state the assumption regarding mortality table, discount rate per annum, expected return on plan assets per annum and the escalation assumed in salary per annum. This encompasses an area of limitations of methods and assumptions used in preparing of obligations as visualized by Para 145(b) of the Standard. As such, there is a compliance both of Para 139(b) and 145(b) of Ind AS 19.</p> <p>A brief on assumptions is given here-in- below.</p> <p>As per opinion of the management and the Board, the observations of the CAG are for classification but there is no impact whatsoever on the company's results, accounts and financials and the same are also not significant in relation to size of the balance sheet. Necessary care will be taken in future to incorporate additional disclosures, wherever necessary.</p>

For and on behalf of the  
Comptroller & Auditor General of India

SD/-  
(D.K. Sekar)  
Director General of Audit (Energy),  
Place: New Delhi  
Dated: 04-08-2021

For and on behalf of  
Board of Directors

Sd/-  
M.P. Chaudhari  
Chairman-cum-Managing Director  
Place: Nagpur  
Date: 24-08-2021



### Assumptions as mentioned in reply to Comment No. 3 of CAG

#### Characteristics of defined benefit plans:

**Defined Benefit Gratuity plan:** To provide funding to cater gratuity benefit to employees as per provisions of The payment of Gratuity Act 1972. Gratuity is calculated as per the provisions of said Act and is limited to maximum Rs.20 lacs.

**Defined Benefit Leave encashment plan:** To provide funding for terminal encashment benefits of accumulated leave to the credit of employees account at the rate of last drawn salary which is restricted to maximum 300 days leave balance, as per the leave Rules of the Company.

#### Assumptions and limitations:

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The principal assumptions are the discount rate & salary growth rate. The discount rate is generally based upon the market yields available on Government bonds at the accounting date relevant to currency of benefit payments for a term that matches the liabilities. Salary growth rate is company's long term best estimate as to salary increases and takes account of inflation, seniority, promotion, business plan, HR policy and other relevant factors on long term basis as provided in relevant accounting standard.

#### Risk:

Management has entrusted four approved fund managers namely Life Insurance Corporation of India, Bajaj Allianz Life Insurance Co. Ltd., Birla Sun Life Insurance and ICICI Prudential Life Insurance for managing the fund for Gratuity i.e. 60% is to be deposited with LIC and maximum 40% with private insurers and Life Insurance Corporation of India for leave encashment. The performance of fund, assumptions, discount rates and net assets value is evaluated for the reporting period by the management. The fund managers are regulated by IRDA and its investment norms specified by Government of India as per Gazette Notification of 2016 as mentioned below. The fund managers follow policies to mitigate risk which includes review of credit rating, exposure concentration, risk of tolerance levels, regulatory compliance standards, standard operating procedure etc. Since majority of funds invested by fund managers are in Government securities and having sovereign guarantees by Government of India, the risk is minimal.

Sr. No	Type of Investment	Percentage to funds under Regulation 4(b) of Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016
(i )	Central Government Securities	Not less than 20%
(ii)	Central Government Securities, State Government Securities or Other Approved Securities	Not less than 40%
		(incl (i) above)
(iii)	Balance to be invested in Approved Investments, as specified in Schedule I, subject to Exposure / Prudential norms as specified in Regulation 9.	Not exceeding 60%

# Standalone Balance Sheet

		(₹ in lakhs)	
Particulars	Note No.	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	2.1	65629.37	58019.71
(b) Capital work-in-progress	2.2	20089.78	24016.20
(c) Other intangible assets	2.3	661.87	713.87
(d) Intangible assets under development	2.4	166.85	187.23
(e) Financial assets			
(i) Investments	2.5	1.29	23.29
(ii) Loans	2.6	128.47	106.58
(iii) Others	2.7	2392.68	2347.30
(f) Deferred tax assets (Net)	3.3	1734.37	1599.63
(g) Other non-current assets	2.8	13957.15	11528.78
<b>2 Current assets</b>			
(a) Inventories	2.9	11008.16	17792.90
(b) Financial assets			
(i) Investments	2.10	32452.13	702.17
(ii) Trade receivables	2.11	22655.05	13403.86
(iii) Cash and cash equivalents	2.12	500.83	20499.63
(iv) Bank balances other than (iii) above	2.13	157554.14	159968.45
(v) Loans	2.14	361.76	455.45
(c) Current tax assets (Net)	2.15	0.00	4069.93
(d) Other current assets	2.16	9738.18	14709.94
<b>Total Assets</b>		<b>339032.08</b>	<b>330144.92</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	2.17	23732.79	23732.79
(b) Other Equity	2.18	258257.32	252605.64
<b>Liabilities</b>			
<b>1 Non-current liabilities</b>			
(a) Provisions	2.19	5552.77	5050.69
(b) Other non-current liabilities	2.20	1404.97	1571.95
<b>2 Current liabilities</b>			
(a) Financial liabilities			
(i) Trade payables	2.21		
(a) Total outstanding of MSMEs		470.59	545.10
(b) Total outstanding of others		2428.27	3134.37
(ii) Other financial liabilities	2.22	10704.83	14020.87
(b) Other current liabilities	2.23	31080.73	25089.69
(c) Provisions	2.24	4055.19	4393.82
(d) Current tax liability (Net)	2.25	1344.62	0.00
<b>Total Equity and Liabilities</b>		<b>339032.08</b>	<b>330144.92</b>
Significant accounting policies and accompanying notes on accounts :	1 to 3.28		

As per our report of even date

For M/s Demble Ramani &amp; Co.

Chartered Accountants

Firm's Registration Number : 102259 W

For and on behalf of the Board of Directors

Mukund P. Chaudhari

Chairman-cum- Managing Director

DIN : 05339308

CA Ashok Ramani

Partner

Membership Number : 030537

Place : Nagpur

Date : 4th June, 2021

Rakesh Tumane

Director (Finance)

DIN : 06639859

Neeraj Pandey

Company Secretary

M.No. F5632

# Standalone Statement of Profit and Loss

(₹ in lakhs)

Particulars	Note No.	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
<b>I Revenue from operations</b>	2.26	117737.77	103806.51
<b>II Other income</b>	2.27	10247.57	18111.40
<b>III Total income (I+II)</b>		<b>127985.34</b>	<b>121917.91</b>
<b>IV Expenses</b>			
(a) Cost of materials consumed	2.28	1357.21	1646.20
(b) Changes in inventories of finished goods, stock-in-trade and work-in-progress	2.29	6709.74	-6833.29
(c) Employee benefits expense	2.30	44435.84	46260.69
(d) Transport, railing and other works through contractors		6854.60	9072.18
(e) Consumption of stores and spares		8860.57	8240.57
(f) Power and fuel		4546.48	4775.58
(g) Selling expenses	2.31	7903.57	6653.89
(h) Depreciation and amortization expense	2.1 & 2.3	9917.49	9616.15
(i) Other expenses	2.32	8388.41	8436.79
<b>Total expenses (IV)</b>		<b>98973.91</b>	<b>87868.76</b>
<b>V Profit / (Loss) before exceptional items and tax (III-IV)</b>		<b>29011.43</b>	<b>34049.15</b>
<b>VI Exceptional items</b>		<b>5000.00</b>	<b>0.00</b>
<b>VII Profit / (Loss) before tax (V-VI)</b>		<b>24011.43</b>	<b>34049.15</b>
<b>VIII Tax expense:</b>			
(a) Current tax		6483.10	9033.74
(b) Deferred tax	3.3	-134.74	193.39
		<b>6348.36</b>	<b>9227.13</b>
<b>IX Profit / (Loss) from continuing operations (VII-VIII)</b>		<b>17663.07</b>	<b>24822.02</b>
<b>X Other comprehensive income</b>			
(i) Items that will not be reclassified to profit or loss		1447.91	718.07
(ii) Income tax relating to items that will not be reclassified to profit or loss		-406.14	-184.39
		<b>1041.77</b>	<b>533.68</b>
<b>XI Total comprehensive income for the period (IX + X)</b>		<b>18704.84</b>	<b>25355.70</b>
<b>XII Earnings per equity share of ₹ 10 each (for continuing operations):</b>			
(1) Basic (₹)		7.44	9.80
(2) Diluted (₹)		7.44	9.80
Significant accounting policies and accompanying notes on accounts :	1 to 3		

As per our report of even date  
**For M/s Demble Ramani & Co.**  
**Chartered Accountants**  
**Firm's Registration Number : 102259 W**

**For and on behalf of the Board of Directors**

**Mukund P. Chaudhari**  
**Chairman-cum- Managing Director**  
DIN : 05339308

**CA Ashok Ramani**  
**Partner**  
Membership Number : 030537  
Place : Nagpur  
Date : 4th June, 2021

**Rakesh Tumane**  
**Director (Finance)**  
DIN : 06639859

**Neeraj Pandey**  
**Company Secretary**  
M.No. F5632

# Standalone Statement of Changes in Equity

for the year ended 31st March, 2021

## A. Equity Share Capital

(₹ in lakhs)

Balance at the beginning of the reporting period	Changes in equity share capital during the year			Balance at the end of the reporting period
	Issue of bonus shares	Buy back of shares	Net	
23732.79	0.00	0.00	0.00	23732.79

## B. Other Equity

(₹ in lakhs)

	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Debt instruments at fair value through Other comprehensive Income	Equity Instruments at fair value through Other comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of other comprehensive income items that will not be reclassified to profit or loss and income tax thereon (specify nature)	Money received against share warrants	Total
			Capital Redemption Reserve	Securities Premium	Other Reserves - General Reserves	Retained Earnings								
Balance at the beginning of the reporting period	-	-	2904.77	-	241362.34	7804.85	-	-	-	-	-	533.68	-	252605.64
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00
Restated balance at the beginning of the reporting period	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00
Total Comprehensive Income for the year	-	-	-	-	-	17663.07	-	-	-	-	-	1041.77	-	18704.84
Transfer to General reserve	-	-	-	-	-	0.00	-	-	-	-	-	-	-	0.00
Dividends and dividend tax	-	-	-	-	-	-13053.16	-	-	-	-	-	-	-	-13053.16
Transfer from retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00
Any other change - Previous year tax	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00
Buy back of shares & expenditure thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00
Balance at the end of the reporting period	-	-	2904.77	-	241362.34	12414.76	-	-	-	-	-	1575.45	-	258257.32
<b>Total : Equity (A+B)</b>														<b>281990.11</b>

As per our report of even date  
For M/s Demble Ramani & Co.  
Chartered Accountants  
Firm's Registration Number : 102259 W

CA Ashok Ramani  
Partner  
Membership Number : 030537  
Place : Nagpur  
Date : 4th June, 2021

For and on behalf of the Board of Directors

Mukund P. Chaudhari  
Chairman-cum- Managing Director  
DIN : 05339308

Rakesh Tumane  
Director (Finance)  
DIN : 06639859

Neeraj Pandey  
Company Secretary  
M.No. F5632

# Standalone Statement of Cash Flows

(₹ in lakhs)

Particulars	As at the end of current reporting year 31st March, 2021		As at the end of previous reporting year 31st March, 2020	
<b>A Cash flow from operating activities</b>				
<b>Profit/(Loss) before income tax from</b>				
Continued Operations		29011.43		34049.15
Discontinued Operations		0.00		0.00
Profit before income tax including discontinued operations		29011.43		34049.15
<b>Adjustment for -</b>				
(a) Interest on fixed deposits	-6599.16		-15463.74	
(b) Dividend on investment	-0.01		-0.04	
(c) Profit on redemption of mutual fund	-781.87		-729.62	
(d) Depreciation & Amortisation expense	9917.49		9616.15	
(e) Exceptional items	-5000.00		0.00	
(f) Loss on Joint Venture (RINMOIL & SAIL & MOIL)	369.16			
(g) Deductions from plant, property and equipments	137.84		156.11	
		-1956.55		-6421.14
<b>Operating Profits before working capital changes</b>		27054.88		27628.01
<b>Adjustments for -</b>				
(a) (Increase)/Decrease in Inventories	6784.74		-7530.63	
(b) (Increase)/Decrease in Trade Receivables	-9251.19		-219.31	
(c) (Increase)/Decrease in Current Assets	9041.69		-2852.18	
(d) (Increase)/Decrease in Non-current Assets	-2428.38		-3805.88	
(e) (Increase)/Decrease in Loans and advances	71.80		26.31	
(f) Other comprehensive income	1041.77		533.68	
(g) Increase/(Decrease) in Trade & other payables	3235.48		1230.21	
		8495.91		-12617.80
<b>Cash generated from operations</b>		35550.79		15010.21
Income tax paid (net)		-6483.10		-9033.74
Income tax paid for earlier years		0.00		-178.16
<b>Net cash from operating activities</b>		<b>29067.69</b>		<b>5798.31</b>
<b>B Cash flow from investing activities</b>				
(a) Interest received on fixed deposits	6599.16		15463.74	
(b) Dividend on investment	0.01		0.04	
(c) Profit on redemption of mutual fund	781.87		729.62	
(d) Acquisition of tangible and intangible assets and towards capital work in progress (net of sale proceeds)	-13666.18		-19986.90	
(e) Investment in term deposits with more than three months	-30500.00		61834.79	
(f) Investment in term deposits for 12 months	33063.81		0.00	
(g) Deposits paid towards LCs and BGs (towards non fund based facilities)	-190.50		-57.84	
(h) Investments (in Subsidiaries/ Joint Venture)	22.00		-1.00	
(i) Loss on Joint Venture (RINMOIL & SAIL & MOIL)	-369.16			
(j) Current investment in liquid mutual fund	-31749.96		10749.76	
<b>Net cash used in investing activities</b>		<b>-36008.95</b>		<b>68732.21</b>

# Standalone Statement of Cash Flows

(₹ in lakhs)

Particulars	As at the end of current reporting year 31st March, 2021		As at the end of previous reporting year 31st March, 2020	
<b>C Cash flow from financing activities</b>				
(a) Dividend (*including dividend distribution tax)	-13053.16		-17900.18	*
(b) Dividend accounts pending encashment of warrants	-4.38		-26.36	
(c) Buy-back of shares	0.00		-30827.13	
(d) Tax and expenses on buy-back of shares	0.00		-7403.35	
<b>Net cash used in financing activities</b>		<b>-13057.54</b>		<b>-56157.02</b>
<b>D Net increase/(-) decrease in cash and cash equivalents</b>		<b>-19998.80</b>		<b>18373.50</b>
<b>E Opening cash and cash equivalents</b>		<b>20499.63</b>		<b>2126.13</b>
<b>Closing cash and cash equivalents</b>		<b>500.83</b>		<b>20499.63</b>
<b>Net increase/(-) decrease in cash and cash equivalents</b>		<b>-19998.80</b>		<b>18373.50</b>

The statement of cash flows is prepared using the indirect method, as given in Ind AS 7.

As per our report of even date  
For M/s Demble Ramani & Co.  
Chartered Accountants

Firm's Registration Number : 102259 W

For and on behalf of the Board of Directors

Mukund P. Chaudhari  
Chairman-cum- Managing Director  
DIN : 05339308

CA Ashok Ramani

Partner

Membership Number : 030537

Place : Nagpur

Date : 4th June, 2021



**NOTE NO. 1****SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2021****Corporate and General Information**

MOIL Limited (referred to as "the Company") is domiciled and incorporated in India. The Company is a Schedule "A" Miniratna Category – I Central public sector undertaking. The Company is one of the largest manganese ore producers of the country. The registered office of the Company is situated at 1-A, Katol Road, Nagpur-440013, in Maharashtra. The securities of the Company are listed on the National Stock Exchange and Bombay Stock Exchange under scrip code MOIL and 533286 respectively.

**1 Significant Accounting Policies****1.1 Basis of preparation of financial statements****(a) Statement of compliance**

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis (except for certain financial instruments, which are measured at fair values), the provisions of Companies Act, 2013 ('Act') to the extent notified and the guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

**(b) Basis of measurement**

The financial statements are prepared on historical cost basis except for the following assets and liabilities, which have been measured at fair value: -

- Certain financial assets and liabilities which are classified as fair value through profit and loss or fair value through other comprehensive income.
- Assets held for sale, at the lower of the carrying amounts and fair value less cost.
- Defined benefit plans and plan assets.

**(c) Functional and presentation currency**

The financial statements have been presented in Indian Rupees (₹) which is the Company's functional currency. All financial information presented in ₹ have been rounded off to the nearest two decimals of lakh unless otherwise stated.

**(d) Use of estimates, assumptions and management judgements**

In preparing the financial statements in conformity with Company's accounting policies, management is required to make estimates and assumptions that affect reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of the financial statements, the amount of revenue and expenses during the reported period and notes to financial statements. Actuals may differ from those estimates and the difference is recognized in the period in which the same is determined.

**1.2 Summary of Significant Accounting Policies**

A summary of the significant accounting policies applied in the preparation of financial statements is given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

**1.2.1 Accounting for assets****(a) Property, Plant and equipment****Recognition and measurement**

The initial cost at cash price equivalent of property, plant and equipment purchased comprises its purchase price, including import duties and non-refundable purchase taxes, any directly attributable costs of bringing the assets to working condition, location and commissioning, wherever applicable.

Property, plant and equipment are maintained at cost less accumulated depreciation and impairment, if any.

**NOTE NO. 1 (Contd..)**

Property, plant and equipment not ready for intended use on the date of Balance Sheet are disclosed as "Capital Work-in-progress". Such items are classified to the appropriate category of Property, Plant and Equipment when completed and ready for intended use.

**(b) Intangible Assets****Recognition and measurement**

Intangible assets are stated at cost less accumulated amortization and impairment, if any.

**Intangible Asset includes-**

- (i) Cost of leasehold rights obtained for periods, as specified in lease deed.
- (ii) Cost of purchase of SAP licenses, which is having useful life of 5 years.
- (iii) Cost of software which is having useful life of 3 years.

Intangible assets not ready for intended use on the date of Balance Sheet are disclosed as "**Intangible assets under development**". Such items are classified to the appropriate category of Intangible assets, when completed and ready for intended use.

**(c) Depreciation and amortization**

- (i) Depreciation is calculated (i) on straight line method in case of wind turbine generators and (ii) on written down value method on all other assets, based on useful life of various assets, as provided in Schedule II to Companies Act, 2013, as amended from time to time. Depreciation for full month is calculated when any asset is first put to use on any day during that month.
- (ii) Cost of leasehold land, including net present value of diverted forest land, is amortised over the period of lease.
- (iii) Mining rights are treated as intangible assets and all related costs thereof are amortized over their respective estimated useful lives on straight line basis.
- (iv) Software is amortised as per their useful life.

**(d) Write-off losses on assets**

All assets dismantled/discarded are written off assuming that scrap value for the same is Nil. If and when such discarded assets are disposed off partially or fully, the amounts realized during the year on account of sale are taken to statement of profit and loss of that year.

**(e) Expenditure during construction period**

All expenditure during construction period on specific projects, identifiable as relating to such projects, is debited to the said projects up to the date of completion and commissioning thereof.

**(f) Interest during construction period**

Interest on loans (including other related financing costs on loans) pertaining to specific assets incurred during construction period upto completion is capitalized.

**(g) Impairment of assets**

Company assesses, at each balance sheet date, whether there is any indication that asset may be impaired. If any such indication exists, Company estimates the recoverable amount of assets. If such recoverable amount is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If there is any indication that previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

**1.2.2 Investments**

Long term investments in shares are carried at cost. Diminution in value, if any, is provided for, if it is not of temporary nature.

No investments are listed and as such there is no diminution in the value of any investment except the investment in joint ventures for which adequate provision for loss is made.

**NOTE NO. 1 (Contd..)****1.2.3 Inventories**

Inventories are valued on following basis.

**(A) Finished goods**

- (i) Manganese ore of all grades (except fines, hutch dust and HIMS rejects):- At cost at mines including depreciation on mine assets or net realizable value, whichever is less.
- (ii) Manganese ore fines, hutch dust and HIMS rejects: - At cost per tonne on jigging/processing, transportation, etc., allocated on technical estimates or net realizable value, whichever is less.
- (iii) Manganese ore at port: - At landed cost at the port or net realizable value, whichever is less. Landed cost includes freight, unloading charges, sampling charges, etc.

Difference between physical and book stocks are not adjusted, so long as the overall position of stocks at mines is found to be excess when compared with overall book stocks. As and when ore is actually dispatched, excess or shortage after railing/shipment against each stock is ascertained and the same is accounted for in the books of the company in that year.

- (iv) Electrolytic manganese di-oxide [EMD] (including stock as on 31st March at different stages of production, ascertained by technical estimation as to percentage of completed units of EMD): -At current year's cost of production including plant's depreciation or net realizable value, whichever is less.
- (v)(a)Ferro manganese/silico manganese including stock in cake form as on 31stMarch, determined by technical assessment: -At current year's cost of production including plant's depreciation (less realizable value of slag) or net realizable price, whichever is less.
- (b) Stock in process: -The quantity of ferromanganese/silico manganese in process cannot be weighed, seen or assessed and, hence, no value is assigned.
- (vi) Stock of slag: - Slag is a molten mass of impurities generated during manufacture of ferro manganese, which is treated as scrap and, accordingly, valued at net realizable price.

**(B) Stores inventory** (Stores, spares, timber, explosives, fuel and lubricants and raw materials): - At lower of the cost and net realisable value as per Ind AS 2. The basis for determining the cost is weighted average method.

- (i) Physical verification of all stores, spares, etc., is conducted at the end of each year. Difference between physical stock and book stock is examined and necessary adjustments are carried out in the books of accounts.
- (ii) In case of ferro manganese plant, stock of raw materials, except manganese ore at plant, is valued at lower of cost determined on weighted average method and net realisable value. The stock of manganese ore at plant is valued at lower of current year's cost of production and net realizable value, plus cost of transport and other charges, if any as per Ind AS 2. Opening and closing stock of ore at the plant is grouped under the head "Stock of raw materials".

(C) Physical verification of inventories is carried out at the end of the year.

(D) Production and inventory of manganese ore as well as bulk raw materials and ferro manganese are determined as per weight volume ratio by the production/technical department and the same are accounted for accordingly.

**1.2.4 Trade receivables**

The trade receivables include both secured and un-secured trade receivables that are considered good. The trade receivables covered by Letter of credit/Bank Guarantees are considered secured and good. Trade receivables secured and good are excluded from the calculation of No of days of trade receivables.

**1.2.5 Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term highly liquid investments (three months or less from the date of acquisition) that are readily convertible into known amount of cash and are subject to an insignificant risk of changes in value.

**NOTE NO. 1 (Contd..)****1.2.6 Fair Value Measurements of financial instruments**

The Company applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with the market participants to price the instrument. The Company's assumptions are based on observable data as far as possible, otherwise on the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

**1.2.7 Statement of cash flow**

The statement of cash flow is prepared in accordance with the indirect method prescribed in Ind AS-7: 'Statement of cash flow'.

**1.2.8 Stripping Cost****Development stripping cost**

Cost of removal of overburden and other mine waste material during the initial development of a mine/level in order to access mineral deposits are capitalized as asset. Depreciation on the same is computed based on useful life estimated by the management.

**Production stripping cost**

Overburden and other mine waste materials which are removed throughout the production phase of mine are charged off as expense.

**1.2.9 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 period is 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 losses at the time of the transaction. Deferred income tax assets 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.

**1.2.10 Government Grants**

Government grants are recognised when there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in statement of profit and loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

Where the Grant relates to an asset value, it is recognised as deferred income, and amortised over the expected useful life of the asset. Other grants are recognised in the statement of Profit & Loss concurrent to the expenses to which such grants relate/ are

**NOTE NO. 1 (Contd..)**

intended to cover.

Where the Company receives non-monetary grants, the asset and the grant are recorded gross at fair amounts and released to the income statement over the expected useful life and pattern of consumption of the benefit of the underlying asset.

**1.2.11 Earnings per share**

Basic earnings per share are computed using the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed dividing the net profit after tax by the weighted average number of equity considered for deriving basic EPS.

**1.2.12 Exploration and evaluation**

Exploration and evaluation expenditure is treated as research and development expenditure and charged off to statement of profit and loss.

**1.2.13 Revenue from operations – Sales**

Sales invoices are raised and revenue is recognized in the books of accounts only after dispatch of goods based on railway receipt/lorry receipt/delivery challan.

**(A) Manganese ore sales**

- (i) Supplementary invoices are raised for variation in quality on receipt of laboratory analysis reports. Analysis reports received in subsequent year up to a cut-off date are considered in year of dispatch. Accordingly, supplementary invoices are raised and accounted for in the same year. In respect of analysis reports received after the cut-off date, the same are raised in subsequent year.
- (ii) Sales include amounts in respect of royalty, district mineral fund and national mineral exploration trust contributions wherever applicable, if any but excludes GST. Sales are reduced to the extent of the amount of price discount. The Company acts as a principal to its customers and all the performance obligation stands on the Company, therefore revenue is accounted on Gross basis.
- (iii) Manganese ore fines, hutch, dust and HIMS rejects generated during operations are recognised as production as and when they are sold and corresponding sales is treated as revenue from mining products.

**(B) Sale of electricity to M. P. Electricity Distribution Company Limited**

Revenue is recognized on the basis of energy injected into grid for sale, at tariff rate agreed in power purchase agreement.

**1.2.14 Other income**

(A) Interest income from sundry debtors is recognized as under –

- (i) In as far as the realization is supported by letter of credit or Bank Guarantees through bank from the debtors, where there is certainty of its realization, the recognition is made on accrual basis.

Interest billed to customers for credit terms beyond current financial year is recognized in the year to which it pertains.

- (ii) In as far as the realization is not supported by letter of credit or Bank Guarantees through bank and directly billed by the company where its realization is uncertain, based on management's experience, as and when actual realization made, is recognized as income.

(B) Interest income on deposits and advances is recognized on accrual basis.

(C) Memorandum records have been kept in respect of replaced/worn-out parts/scrap capital items. When they are disposed off, proceeds are taken as miscellaneous receipt of that year.

(D) Income from mutual fund is recognised based on the NAV prevailing on the date of disposal or as on Balance sheet date through statement of profit and loss.

**1.2.15 Captive consumption****Manganese ore**

**NOTE NO. 1 (Contd..)**

Manganese ore, fines, HIMS rejects issued as raw material for production of EMD/ferro manganese is valued at current year's cost of production and fines/HIMS rejects are valued at per tonne rate, as adopted for valuation of stock. Consumption of the ore is accounted on average cost. Value of ore issued is reduced from ore raising/operating expenses and is considered as raw material consumption in "Manufacturing Expenses".

**Electricity**

Power generated at wind turbine generator and solar power plant's units consumed at mine/plant, is charged to respective units at the cost of generation.

**1.2.16 Sales tax, income tax, GST etc.**

- (a) In respect of sales tax, income tax, GST etc., the amount payable or receivable as per assessment order is accounted for in the year in which the said order is received and accepted by the company, irrespective of the year to which the order relates.
- (b) Set off / input tax credit is claimed on sales tax/GST on purchases. Difference between set off / input tax credit claimed and actual set off / input tax credit allowed is accounted for in the year in which the assessment order is received and accepted by the company.

**1.2.17 Employee benefits****(a) Short term employee benefits**

Short term employee benefits are recognized as expense at the undiscounted amount in the statement of profit and loss in the year in which the related service is rendered.

**(b) Post-employment benefits**

Post-employment benefits consist of benefits like provident fund, gratuity, leave encashment, pension and medical facilities.

**(i) Defined benefit plans**

Post-employment benefits like gratuity, leave encashment and post-retirement medical facilities are recognized as an expense in the statement of profit and loss in the year in which the employee has rendered services. The expenses are recognized at the present value of the amounts payable, determined by using actuarial valuation techniques. Actuarial gains and losses in respect of these post-employment benefits are charged to the statement of profit and loss.

Benefits like medical facilities (in-patient) are covered by an insurance policy and amount of insurance premium is charged to the statement of profit and loss in the year in which it is incurred.

**(ii) Defined contribution plans**

Defined contribution plans (provident fund, pension) are post-employment benefit plans, under which the company pays fixed contributions into separate entities(funds). The company's contribution to defined contribution plans is recognized in the statement of profit and loss of the year to which it relates.

The Company contributes to employees provident fund (EPF) at a specified rate approved by the Government to the exempted trust (partially exempted) under the defined contribution plan. The exempted trust is paying interest on the contributions to members account, at a rate over and above the minimum rate of interest prescribed by the Government.

Company contributes to Life Insurance Corporation of India at fixed rate of 10% approved by the Government, towards the superannuation benefit of employees (pension scheme).

**1.2.18 V.R.S. expenditure**

The company charges full amount of the expenditure in statement of profit and loss in the year of incurrence.

**1.2.19 Accounting for subsidies from Welfare Commissioner****(a) Labour quarters**

The company has constructed/under construction some labour quarters, for which the company is receiving subsidy from the Welfare Commissioner. Since the land on which such quarters are constructed is surrendered to the Welfare Commissioner and the property (quarters constructed) vests with the Welfare Commissioner, the entire expenditure incurred by the company is charged to and the subsidy received is also credited to revenue in the year in which the expenditure is incurred/subsidy is received.



**NOTE NO. 1 (Contd..)****(b) Welfare assets**

Entire expenditure for acquisition of assets like school bus, ambulance, water supply scheme, etc., under welfare schemes is debited to relevant asset account in the year in which expenditure is incurred. Amount of subsidy received is credited to the same asset head in the year of receipt and depreciation is then charged on such reduced value of the asset from that year.

**1.2.20 Claims by the company**

Amount of claims lodged with insurance company/railways are accounted for on the basis of amount claimed during the year on assessing reasonable certainty of their realisation and the difference, if any, is adjusted on settlement of the claims.

**1.2.21 Pre-paid expenses**

Expenses are treated as prepaid only where amount exceed 5.00 lakh in each case.

**1.2.22 Provision for doubtful debts**

Provision for bad and doubtful debts is made based on a case to case review of sundry debtors outstanding for more than two years Debts outstanding from private parties for more than three years or balance dues on account of levy of penalty which are considered doubtful of recovery are invariably provided.

**1.2.23 Research and development expenditure**

Research and development expenditure is charged to statement of profit and loss in the year of incurrence. However, expenditure on fixed assets relating to research and development is treated in the same way as other fixed assets.

**1.2.24 Mine closure expenditure**

Financial implications towards final mine closure plans under relevant Acts and Rules are technically estimated, based on total available ore reserves of all mines. The same are provided in accounts, on year to year basis, after taking into consideration overall production of all mines.

**1.2.25 Net present value for diversion of forest land for non-forest purposes**

The liability is recognized on receipt of necessary permission from the concerned authorities.

**1.2.26 Materiality threshold limits in the preparation and presentation of financials statements**

The Company has adopted threshold limit value of Rs.5 crores for income/ expenditure in each case pertaining to prior year(s).

# Notes to Balance Sheet

## Note 2.1 - Property, Plant and Equipments

(₹ in lakhs)

Sr. No.	Description of assets	Gross block				Depreciation				Net block	
		As at 01.04.2020	Additions during the year	Deductions/ adjustments during the year	As at 31.03.2021	Up to 01.04.2020	For the year	Deductions/ adjustments during the year	Up to 31.03.2021	As at 31.03.2021	As at 31.03.2020
1	Freehold Land	2450.04	73.98	0.00	2524.02	0.00	0.00	0.00	0.00	2524.02	2450.04
2	Buildings	33727.55	8492.74	257.49	41962.80	10851.96	2264.38	214.83	12901.51	29061.29	22875.59
3	Plant and Equipments	76090.17	8388.78	1492.13	82986.82	44050.84	7186.37	1399.24	49837.97	33148.85	32039.33
4	Furniture and Fixtures	570.09	200.74	9.55	761.28	418.95	59.01	9.07	468.89	292.39	151.14
5	Vehicles	1307.09	118.42	16.62	1408.89	1069.90	72.12	15.79	1126.23	282.66	237.19
6	Office Equipments	984.07	148.29	1.96	1130.40	717.65	93.63	1.04	810.24	320.16	266.42
	<b>Total</b>	<b>115129.01</b>	<b>17422.95</b>	<b>1777.75</b>	<b>130774.21</b>	<b>57109.30</b>	<b>9675.51</b>	<b>1639.97</b>	<b>65144.84</b>	<b>65629.37</b>	<b>58019.71</b>

1 Buildings also include land, wherever consideration for land is not paid separately by the Company

2 Depreciation for the year includes depreciation on -

(₹ in lakhs)

Particulars	For 2020-21	For 2019-20
(a) Assets of manufacturing units	256.33	217.14
(b) Assets of power generating units	577.97	562.85

3 There is no impairment loss as on the balance sheet date.

## Note 2.2 - Capital work in progress

(₹ in lakhs)

Sr. No.	Particulars	As at 31.03.2021	As at 31.03.2020
1	Capital assets under construction	20089.78	24016.20

## Note 2.3 - Other Intangible assets

(₹ in lakhs)

Sr. No.	Description of assets	Gross block				Depreciation				Net block	
		As at 01.04.2020	Additions during the year	Deductions/ adjustments during the year	As at 31.03.2021	Up to 01.04.2020	For the year	Deductions/ adjustments during the year	Up to 31.03.2021	As at 31.03.2021	As at 31.03.2020
1	Computer software	1669.36	68.62	1.01	1736.97	1411.86	141.59	0.95	1552.50	184.48	257.50
2	Mining Rights	2290.34	121.41	0.00	2411.75	1833.97	100.39	0.00	1934.36	477.39	456.37
	<b>Total</b>	<b>3959.70</b>	<b>190.03</b>	<b>1.01</b>	<b>4148.72</b>	<b>3245.83</b>	<b>241.98</b>	<b>0.95</b>	<b>3486.86</b>	<b>661.87</b>	<b>713.87</b>

## Note 2.4 - Intangible assets under development

(₹ in lakhs)

Sr. No.	Description of assets	Gross block				Depreciation				Net block	
		As at 01.04.2020	Additions during the year	Deductions/ adjustments during the year	As at 31.03.2021	Up to 01.04.2020	For the year	Deductions/ adjustments during the year	Up to 31.03.2021	As at 31.03.2021	As at 31.03.2020
1	Computer software									0.40	42.51
2	Mining Rights									166.45	144.72
	<b>Total</b>									<b>166.85</b>	<b>187.23</b>
	<b>Grand Total</b>	<b>119088.71</b>	<b>17612.98</b>	<b>1778.76</b>	<b>134922.93</b>	<b>60355.13</b>	<b>9917.49</b>	<b>1640.92</b>	<b>68631.70</b>	<b>86547.87</b>	<b>82937.01</b>

# Notes to Balance Sheet

## Financial Assets

### Note 2.5 In Equity shares

(₹ in lakhs)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
<b>Investment in joint ventures (Initial subscription) at cost :</b>				
<b>Traded &amp; unquoted at cost :</b>				
(a) 0 (100000) Equity shares of ₹ 10 each fully paid-up in SAIL & MOIL Ferro Alloys Pvt. Ltd.	0.00		10.00	
(b) 0 (120000) Equity shares of ₹ 10 each fully paid-up in RINMOIL Ferro Alloys Pvt. Ltd.	0.00		12.00	
		<b>0.00</b>		<b>22.00</b>
<b>Non-traded &amp; unquoted at cost :</b>				
<b>Fully paid-up shares of Co-operative Stores/ Societies at various mines :</b>				
(a) 500 (500) Equity Shares of ₹ 5 each of Co-operative Stores (unregistered)	0.03		0.03	
(b) 1612 (1612) Equity Shares of ₹ 25 each of Co-operative Societies	0.40		0.40	
(c) 8556 (8556) Equity Shares of ₹ 10 each of Co-operative Societies	0.86		0.86	
		<b>1.29</b>		<b>1.29</b>
<b>Total</b>		<b>1.29</b>		<b>23.29</b>

### Note 2.6 Non-current loans

(₹ in lakhs)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
<b>Loans and advances to employees</b>				
(a) Considered good-Secured	127.79		105.37	
(b) Considered good-Unsecured	0.68		1.21	
(c) Which have significant increase in Credit Risk	0.00		0.00	
(d) Credit impaired	0.00		0.00	
<b>Total</b>		<b>128.47</b>		<b>106.58</b>

### Note 2.7 - Other Financial Asset

#### Bank deposits with remaining maturity of more than 12 months

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Term Deposit against BG with remaining maturity of more than 12 months		
<b>Total</b>	<b>2392.68</b>	<b>2347.30</b>

# Notes to Balance Sheet

## Note 2.8 Other non-current assets

Particulars	(₹ in lakhs)	
	As at 31st March, 2021	As at 31st March, 2020
(a) Capital advances	3755.91	4398.41
(b) Advance payment of income tax (Net)	7137.54	4189.47
(c) Advance to related party (Joint Venture Company)		
(i) Advance to SAIL & MOIL Ferro Alloys Pvt. Ltd.	0.00	400.00
(ii) Advance to RINMOIL Ferro Alloys Pvt. Ltd.	0.00	33.21
(iii) Advance to MOIL GMDC JVC( JVC yet to be incorporated) #	670.03	116.86
(d) Interest accrued but not due on fixed and other deposits	37.81	34.03
(e) Interest accrued but not due on loans to employees	38.41	43.18
(f) Deposit with railway, electricity boards and others (Unsecured)	2214.51	2263.06
(g) Prepaid expenditure	102.94	50.56
	<b>13957.15</b>	<b>11528.78</b>

## Current assets

## Note 2.9 Inventories [As valued and certified by the management]\*

Particulars	(₹ in lakhs)			
	As at 31st March, 2021		As at 31st March, 2020	
(a) Raw materials **		120.24		167.27
(b) Work-in-process		17.89		5.15
(c) Finished goods		7794.73		14501.69
(d) Stores and spares	3075.30		3119.88	
(-) Provision for obsolete stores and spares	0.00		1.09	
		3075.30		3118.79
<b>Total</b>		<b>11008.16</b>		<b>17792.90</b>

\*Inventories are valued at Cost or Net realisable value whichever is less

# Refer Note No. 3.8

\*\* Inventory of raw materials includes stock of manganese ore of 3728.24 MT (4153.56 MT) valuing ₹ 33.41 lakhs (₹ 44.65 lakhs) lying in ferro manganese plant site on 31.03.2021.

## Financial assets

## Note 2.10 Investments

Particulars	(₹ in lakhs)	
	As at 31st March, 2021	As at 31st March, 2020
<b>Traded &amp; quoted at market value :</b>		
Current investment in liquid mutual fund *		
<b>Total</b>	<b>32452.13</b>	<b>702.17</b>

## Note 2.11 Trade receivables

Particulars	(₹ in lakhs)			
	As at 31st March, 2021		As at 31st March, 2020	
(a) Considered good-Secured #	16350.19		9910.88	
(b) Considered good-Unsecured	6304.86		3492.98	
(c) Which have significant increase in Credit Risk	0.00		0.00	
(d) Credit impaired	15.59		73.81	
	22670.64		13477.67	
(-) Provision for doubtful debts	15.59	22655.05	73.81	13403.86
<b>Total</b>		<b>22655.05</b>		<b>13403.86</b>

# Notes to Balance Sheet

## Note 2.12 Cash and cash equivalents

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Cash on hand	0.86	1.47
(b) Balance with banks :		
In term deposits (with original maturity of 3 months or less than 3 months)	0.00	16070.00
In current accounts	499.97	4428.16
<b>Total</b>	<b>500.83</b>	<b>20499.63</b>

## Note 2.13 Bank Balances (Other than above)

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) In term deposits (with original maturity of more than 3 months but less than 12 months)	30500.00	0.00
(b) In term deposits (with original maturity of 12 months)	126322.87	159386.68
(c) In term deposits (as margin money against bank guarantees/LCs)	57.63	23.28
(d) In term Deposit (against BG/LC with original maturity of 12 months)	455.13	344.36
(e) In dividend accounts pending encashment of warrants	218.51	214.13
<b>Total</b>	<b>157554.14</b>	<b>159968.45</b>

## Note 2.14 Current loans

(₹ in lakhs)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
<b>(i) Loans and advances to employees</b>				
(a) Considered good-Secured	105.70		109.18	
(b) Considered good-Unsecured	140.51		211.89	
(c) Which have significant increase in Credit Risk	0.00		0.00	
(d) Credit impaired	0.00	246.21	0.00	321.07
<b>(ii) Loans and advances to Others</b>				
Considered good-Unsecured				
(a) Advances for purchase of stores, spares etc	87.32		122.73	
(-) Provision for doubtful advances	29.17		5.25	
		58.15		117.48
(b) Advances to contractors and others	81.18		40.68	
(-) Provision for doubtful advances	23.78		23.78	
		57.40		16.90
(c) Claims receivable	0.53		0.53	
(-) Provision for doubtful claims	0.53		0.53	
		0.00		0.00
<b>Total</b>		<b>361.76</b>		<b>455.45</b>

## Note 2.15 Current tax assets (Net)

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Current tax assets (Net)	0.00	4069.93

# Notes to Balance Sheet

## Note 2.16 Other current assets

(₹ in lakhs)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
(a) Interest accrued on fixed and other deposits		2874.09		10367.09
(b) Sundry receivable	4634.62		3613.74	
(-) Provision for doubtful sundry receivable	20.94	4613.68	15.00	3598.74
(c) Prepaid expenses		2180.41		744.11
(d) Advances for short term investment		70.00		0.00
<b>Total</b>		<b>9738.18</b>		<b>14709.94</b>

\*Details of Current Investments

(₹ in lakhs)

Current Investment in liquid mutual fund	31.03.2021			31.03.2020		
	No. of Units	NAV (₹)	(₹ in lakhs)	No. of Units	NAV (₹)	(₹ in lakhs)
SBI liquid fund regular growth	507665.21	3203.0965	16261.01	12165.12	3093.6125	376.34
UTI liquid cash plan- direct growth plan	480379.33	3370.4873	16191.12	10020.93	3251.443	325.82
			<b>32452.13</b>			<b>702.17</b>

# The Trade receivables covered by LC/BGs, are considered as secured and good.

Provisions – Disclosure of particulars as per Ind AS 37 are as under.

(₹ in lakhs)

Particulars of provisions	Opening balance 01.04.2020	Provision	Provision written back/ used	Closing balance
Bad and doubtful debts and advances	103.37	39.51	73.81	69.07
	(111.20)	-	(7.83)	(103.37)

## Equity

## Note 2.17 Equity Share Capital

(₹ in lakhs)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
<b>Authorised</b>				
Equity shares :Number	300000000		300000000	
Face value in ₹		10.00		10.00
Amount		30000.00		30000.00
Issued, subscribed and fully paid-up				
Equity shares :Number	237327879		237327879	
Face value in ₹		10.00		10.00
Amount		23732.79		23732.79
<b>Reconciliation Statement</b>				
Number of shares at the beginning	237327879		257608888	
Less :Buy back of shares during the year	0		20281009	
Number of shares at the end	237327879		237327879	

### Terms/rights attached to share :-

The company has only one class of shares as equity shares of ₹ 10 each with one voting right for one equity share and right to equal dividend proportionate to the shareholding. In the event of liquidation of the Company, the holders of equity will be entitled to receive the remaining assets in proportion to the number of equity shares held by the Shareholders.



# Notes to Balance Sheet

## Note 2.17 Equity Share Capital

Details of shareholding of each shareholder holding more than 5 % of shares :

(₹ in lakhs)

Name of the shareholder	No. of shares held	% of shareholding	No. of shares held	% of shareholding
President of India (on behalf of Government of India)	127783925	53.84	127783925	53.84
Governor of M.P. State ( on behalf of Government of Madhya Pradesh )	12813840	5.40	12813840	5.40
Governor of M.S. State ( on behalf of Government of Maharashtra )	12132134	5.11	12132134	5.11
Life Insurance Corporation of India	19291816	8.13	18324326	7.72

## Other Equity

## Note 2.18 Reserves and surplus

(₹ in lakhs)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
<b>General reserve</b>				
As per last balance sheet	241362.34		271592.82	
(-) Transfer to Capital redemption reserve	0.00		2028.10	
(-) Tax & expenses related to buy back	0.00		7403.35	
(-) Buy back of shares	0.00		28799.03	
(+) Transfer from surplus in profit and loss account	0.00		8000.00	
		<b>241362.34</b>		<b>241362.34</b>
<b>Capital redemption reserve</b>				
As per last balance sheet	2904.77		876.67	
(+) addition during the year due to buy back	0.00	2904.77	2028.10	2904.77
<b>Surplus in profit and loss account</b>				
As per last balance sheet	8338.53		10040.96	
Add: Total comprehensive income from statement of profit and loss	18704.84		25355.70	
Amount available for appropriation	<b>27043.37</b>		<b>35396.66</b>	
Less : Appropriations -				
Interim Dividend @ 25% -FY 2020-21 (30% -FY 2019-20)	5933.32		7119.84	
Final dividend @ (30% - F.Y. 2019-20) (30% - F.Y. 2018-19)	7119.84		7728.27	
Tax on interim dividend including surcharge and cess	0.00		1463.50	
Tax on final dividend including surcharge and cess	0.00		1588.57	
Previous years tax	0.00		1157.95	
Transfer to general reserve	0.00		8000.00	
	<b>13053.16</b>		<b>27058.13</b>	
<b>Balance carried forward</b>		<b>13990.21</b>		<b>8338.53</b>
<b>Total</b>		<b>258257.32</b>		<b>252605.64</b>

- 1 Interim dividend is recorded as a liability on the date of declaration by the Company's Board of Directors. The Board has recommended a final dividend ₹ 116,29.07 lakhs @ 4.90 per equity share for the financial year 2020-21. This payment is subject to the approval of shareholder in the Annual General meeting (AGM). The Company declared a interim dividend ₹ 71,19.84 lakhs @ 3.00 per equity share and final dividend ₹ 71,19.84 @ 3.00 per equity share for the financial year 2019-20.

# Notes to Balance Sheet

## Non-current Liabilities

### Financial Liabilities

#### Note 2.19 Non-current provisions

(₹ in lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
(1) Provision for employee benefits :		
Provision for post retirement medical benefit	4251.99	3822.87
(2) Others		
Provision for final mine closure expenses	1300.78	1227.82
<b>Total</b>	<b>5552.77</b>	<b>5050.69</b>

#### Note 2.20 Other non-current liabilities

(₹ in lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Security deposits from suppliers, contractors and others	481.53	648.51
(b) Liabilities for expenses/others	923.44	923.44
<b>Total</b>	<b>1404.97</b>	<b>1571.95</b>

## Current Liabilities

### Financial Liabilities

#### Note 2.21 Trade payables

(₹ in lakhs)			
Particulars	As at 31st March, 2021		As at 31st March, 2020
(a) Total outstanding dues of MSMEs	470.59		545.10
(b) Total outstanding dues of others	2428.27		3134.37
<b>Total</b>		<b>2898.86</b>	<b>3679.47</b>

#### Note 2.22 Other financial liabilities

(₹ in lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Unclaimed dividend pending encashment of warrants	218.51	214.13
(b) Security deposits from suppliers, contractors and others	4740.45	5156.43
(c) Liabilities for capital expenditure #	5745.87	8650.31
<b>Total</b>	<b>10704.83</b>	<b>14020.87</b>

#### Note 2.23 Other current liabilities

(₹ in lakhs)		
Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Credit balances of customers	2136.44	3046.41
(b) Liabilities for expenses *, ##	27026.78	19535.60
(c) Liability to Government/statutory dues	1494.42	2042.42
(d) Other liabilities	423.09	465.26
<b>Total</b>	<b>31080.73</b>	<b>25089.69</b>

# Notes to Balance Sheet

## Note 2.24 Provisions

(₹ in lakhs)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
(1) Provision for employee benefits :				
(a) Provision for unavailed leave -				
Liability on balance sheet date	7059.80		6556.97	
(-) Fund with Life Insurance Corporation of India	6716.55		6686.62	
		343.25	-129.65	
(b) Provision for gratuity**	-1590.34			225.82
(c) Provision for pension fund		3711.94		3455.39
(2) Others				
Provision for loss on joint ventures		0.00		712.61
<b>Total</b>		<b>4055.19</b>		<b>4393.82</b>
<b>Note 2.25 Current tax liability (Net)</b>		<b>1344.62</b>		<b>0.00</b>

\* Refer Note No. 3.15

\* \*Excess of gratuity fund with Insurers over liability, clubbed under prepaid expenses [Note 2.16 (c)] Other current assets.

# Liability for capital expenditure includes amount payable to MSMEs ₹ 452.27 lakhs (₹384.05 lakhs).

## Liability for expenses includes amount payable to MSMEs ₹ 19.32 lakhs (₹8.99 lakhs).

### 1 Defined obligations - Disclosures as per Ind-AS19 : Employee benefits are as under

#### 1A Defined Contribution Plans :

- (a) Provident Fund : The Company pays fixed contribution at predetermined rates to Provident Fund Trust, which invests the funds in permitted securities.
- (b) Pension Fund : The Company pays fixed contribution to MOIL Group Superannuation Cash Accumulation Scheme (Defined Contribution) [MOIL GSCA (DC)] Trust which invests the funds in LIC of India.

#### 1B Defined Benefit Plans :

- (a) Gratuity : The Group Gratuity Cash Accumulation Scheme is funded by the Company and is managed by MOIL Gratuity Trust as per Payment of Gratuity Act, 1972. Liability for gratuity is recognised on the basis of actuarial valuation.
- (b) Post Retirement Medical Benefit : The benefit is available to retired employees and their spouse who have opted for the benefit. Liability for the same is recognised on the basis of actuarial valuation.

#### 1C Leave Benefits :

The accumulated earned leave, half pay leave/sick leave is payable on separation, subject to maximum permissible limit. The liability for the same is recognised on the basis of actuarial valuation.

(₹ in lakhs)

Particulars	Gratuity		Leave encashment	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Reconciliation of opening and closing balance of funded obligation, as assessed by an independent actuary				
<b>Present value of obligation at the beginning of the year</b>	<b>21027.06</b>	<b>20816.68</b>	<b>6556.97</b>	<b>6530.77</b>
Current service cost	981.35	1089.57	448.60	429.00
Interest cost	1429.84	1594.55	445.88	500.26
Actuarial (-)gain/loss	-1996.16	-1479.44	780.15	-98.98
Total Benefits paid	-1276.79	-994.30	-1171.80	-804.08
<b>Present value of obligation at the close of the year</b>	<b>20165.30</b>	<b>21027.06</b>	<b>7059.80</b>	<b>6556.97</b>
Reconciliation of opening/closing balance of fair value of plan assets				
<b>Fair value of plan assets at the beginning of the year</b>	<b>20801.24</b>	<b>18048.85</b>	<b>6686.62</b>	<b>5771.54</b>

# Notes to Balance Sheet

## 1 Defined obligations - Disclosures as per Ind-AS19 : Employee benefits are as under (Contd..)

(₹ in lakhs)

Particulars	Gratuity		Leave encashment	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Actual return on plan assets	2139.71	980.84	359.02	370.78
Fund management charges	-18.84	-18.37	-1.17	-1.13
Employer contribution	110.33	2784.22	0.03	759.27
Benefits paid (Fund)	-1276.79	-994.30	-327.95	-213.84
<b>At the close of the year</b>	<b>21755.65</b>	<b>20801.24</b>	<b>6716.55</b>	<b>6686.62</b>
Reconciliation of fair value of assets and funded obligations				
Present value of plan assets at the end of the year	21755.65	20801.24	6716.55	6686.62
Present value of obligation at the end of the year	20165.30	21027.06	7059.80	6556.97
<b>Liability/(-) prepaid expenses recognized in balance sheet</b>	<b>-1590.35</b>	<b>225.82</b>	<b>343.25</b>	<b>-129.65</b>
Expenses recognised in profit and loss account				
Current service cost	981.35	1089.57	448.60	429.00
Interest cost	1429.84	1594.55	445.88	500.26
Actual return on plan assets	-2139.71	-980.84	-359.02	-370.78
Actuarial (-)gain/loss	-1996.16	-1479.44	780.15	-98.98
Fund management charges	18.84	18.37	1.17	1.13
<b>Total expenses recognized in the statement profit &amp; loss and OCI</b>	<b>-1705.84</b>	<b>242.21</b>	<b>1316.78</b>	<b>460.63</b>
<b>Actuarial assumptions</b>				
Mortality Table	(2012-14) Ultimate	(2012-14) Ultimate	(2012-14) Ultimate	(2012-14) Ultimate
Discount rate (per annum)	6.70%	6.80%	6.70%	6.80%
Expected return on Plan assets (per annum)	6.00%	6.00%	6.00%	6.00%
Rate of escalation in salary (Per annum)	5.00%	5.50%	5.00%	5.50%

(₹ in lakhs)

Particulars	Post retirement medical benefit (PRMB)	
	31.03.2021	31.03.2020
Reconciliation of opening and closing balance of funded obligation, as assessed by an independent actuary :		
<b>Present value of obligation at the beginning of the year</b>	<b>3822.87</b>	<b>3386.69</b>
Current service cost	80.43	110.67
Interest cost	259.96	230.29
Actuarial (-)gain/loss	363.08	353.24
Benefits paid	-274.35	-258.02
<b>Present value of obligation at the close of the year</b>	<b>4251.99</b>	<b>3822.87</b>
Reconciliation of opening/closing balance of fair value of plan assets :		
<b>Fair value of plan assets at the beginning of the year</b>	<b>0.00</b>	<b>0.00</b>
Actual return on plan assets	0.00	0.00
Fund management charges	0.00	0.00
Employer contribution	0.00	0.00
Benefits paid (Fund)	0.00	0.00
<b>At the close of the year</b>	<b>0.00</b>	<b>0.00</b>
<b>Actuarial assumptions</b>		
Mortality Table	(2012-14) Ultimate	(2012-14) Ultimate
Discount rate (per annum)	6.70%	6.80%
Future medical cost increase	1.00%	1.00%

The company as per the office memorandum from Government of India (Ministry of Heavy Industries and Public Enterprises) is required to create a post retirement corpus fund for the medical benefits of employees. For the same, the company has provided a sum of ₹ 4251.99/- lakhs subsequently to be invested in a suitable scheme.

# Notes to Balance Sheet

## 2 Disclosures relating to micro, small and medium enterprises [MSME]

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
1 Principal amount remaining unpaid to MSMEs	942.18	938.14
2 Interest due on the above, remaining unpaid	Nil	Nil
3 Interest paid in terms of Section 16 of MSME Development Act [MSMEDA] along with payments made beyond the appointed day during the year	Nil	Nil
4 Interest due and payable for delay in making payment (paid but beyond the appointed day) but without adding the interest specified under MSMEDA	Nil	Nil
5 Interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
6 Further interest remaining due and payable in succeeding year (until such date by which the interest dues as above are actually paid to the small enterprises), for the purpose of disallowance as a deductible expenditure under Section 23 of MSMEDA	Nil	Nil

## 3. Provisions – Disclosure of particulars as per Ind AS 37 are as under.

(₹ in lakhs)

Particulars of provisions	As at 31st March, 2020	Provision	Provision written back/used	As at 31st March, 2021
(a) Final mine closure expenses	1,227.82	72.96	-	1,300.78
	(1,145.68)	(82.14)	-	(1,227.82)

In respect of provision for final mine closure expenses, cash outflow is expected at the time of closure of mines. Life of mine is assumed as continuous in nature (on going concern basis).

(₹ in lakhs)

Particulars of provisions	As at 31st March, 2020	Provision	Provision written back/used	As at 31st March, 2021
(b) Provision for arrears of pay revision non-executives and PR workers	14,822.86	8385.05	2222.35	20985.56
	(10,609.84)	(9,628.91)	(5,415.89)	(14,822.86)
(c) Provision for bad and doubtful debts and advances	103.37	39.51	73.81	69.07
	(111.20)	0.00	(7.83)	(103.37)

# Notes to Statement of Profit and Loss

## Note 2.26 Revenue from operations

(₹ in lakhs)

Particulars	For the year ended 31st March, 2021		For the year ended on 31st March, 2020	
<b>Sale of products</b>				
(a) Mining products	106773.80		96947.69	
(b) Manufactured products	10292.47		6094.58	
		117066.27		103042.27
<b>Other operating income</b>				
Sale of power		671.50		764.24
<b>Total</b>		<b>117737.77</b>		<b>103806.51</b>

## Note 2.27 Other income

(₹ in lakhs)

Particulars	For the year ended 31st March, 2021		For the year ended on 31st March, 2020	
<b>1 Other income</b>				
(a) Interest income				
(i) On fixed deposits with banks	6599.16		15463.74	
(ii) Others	164.34		376.05	
		6763.50		15839.79
(b) Dividend income		0.01		0.04
(c) Profit on redemption of mutual fund		781.87		729.62
(d) Recoveries from employees		14.14		10.00
(e) Sale of scrap		249.89		227.69
(f) Sales tax set-off/refund		0.98		14.55
(h) Miscellaneous income		1615.33		961.20
<b>2 Provisions written back</b>				
(a) Provisions no longer required		0.00		328.51
(b) Provision for doubtful debts/Liabilities		109.24		0.00
(c) Provision for loss of Joint Venture		712.61		0.00
<b>Total</b>		<b>10247.57</b>		<b>18111.40</b>

## Note 2.28 Cost of raw materials consumed

(₹ in lakhs)

Particulars	For the year ended 31st March, 2021		For the year ended on 31st March, 2020	
<b>Electrolytic manganese di-oxide plant</b>				
(a) Manganese ore	41.21		33.27	
(b) Sulphuric acid	35.96		38.98	
(c) Sodium carbonate	4.50		4.16	
(d) Others	8.33		3.26	
		90.00		79.67
<b>Ferro manganese plant</b>				
(a) Manganese ore	2030.62		2440.52	
(b) Coke	823.70		1004.58	
(c) Carbon paste	49.67		58.73	
(d) Others	207.22		258.14	
		3111.21		3761.97
<b>Total</b>		<b>3201.21</b>		<b>3841.64</b>
Inter unit transfer				
(-) Cost of manganese ore transferred to electrolytic manganese di-oxide and ferro manganese plants		1844.00		2195.44
<b>Total</b>		<b>1357.21</b>		<b>1646.20</b>



# Notes to Statement of Profit and Loss

## Note 2.29 Changes in inventories of finished goods, stock-in-trade and work-in-process

(₹ in lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended on 31st March, 2020
(a) Mining products		
Closing stock	6914.62	11513.07
(-) Opening stock	11513.07	6612.88
	-4598.45	4900.19
(b) Manufactured products		
Closing stock	880.68	2991.97
(-) Opening stock	2991.97	1058.87
	-2111.29	1933.10
<b>Net accretion/(-) decrection [a - b] Total</b>	<b>-6709.74</b>	<b>6833.29</b>

## Note 2.30 Employee benefits expenses

(₹ in lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended on 31st March, 2020
(a) Salaries, wages and bonus	35408.30	36773.79
(b) Contribution to provident fund and other funds	6504.20	6778.06
(c) Welfare expenses	2523.34	2708.84
<b>Total</b>	<b>44435.84</b>	<b>46260.69</b>

## Note 2.31 Selling Expenses

(₹ in lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended on 31st March, 2020
1 Royalty and cess *	6610.77	6002.39
2 Cash discount on sales	524.33	375.66
3 Partial freight compensation	667.81	159.61
4 Service charges on e-auctions	82.83	95.73
5 Sampling expenses	17.83	20.50
<b>Total</b>	<b>7903.57</b>	<b>6653.89</b>

\* Including district mineral fund and national mineral exploration trust contribution.

## Note 2.32 Other Expenses

(₹ in lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended on 31st March, 2020
1 Repairs and maintenance to buildings	707.21	740.39
2 Repairs and maintenance to plant and machinery	1559.51	1399.04
3 Repairs and maintenance to others	1157.08	966.06
	3423.80	3105.49
4 Rent	74.89	30.84
5 Rates and taxes	502.32	519.44
6 Insurance	191.94	115.12
7 Auditors' remuneration		
Audit fees	4.50	4.50
Tax Audit fees	1.35	1.35
Other services	2.45	2.95
	8.30	8.80
8 Cost Auditor remuneration	1.60	1.50
9 Internal Auditors' remuneration	16.00	16.34
10 Directors' sitting fees	8.60	14.80
11 Advertisements	110.62	133.38

# Notes to Statement of Profit and Loss

## Note 2.32 Other Expenses (Contd..)

(₹ in lakhs)

Particulars	For the year ended 31st March, 2021		For the year ended on 31st March, 2020	
12 Expenditure on corporate social responsibility and sustainable development		1318.12		1274.22
13 Miscellaneous expenses		1414.94		2419.47
14 Exploratory drilling at mines	323.24		308.47	
15 Expenditure on blasting/rock mechanics/stop design studies, etc.	297.83		239.55	
		<b>621.07</b>		<b>548.02</b>
16 Write off of discarded assets	136.79		156.12	
17 Write off of shortage of stores and spares	27.90		11.11	
18 Write off of bad debts	73.81		0.00	
19 Provision for doubtful debts and advances	15.59		0.00	
20 Loss on Joint Venture (RINMOIL & SAIL & MOIL)	369.16		0.00	
21 Provision for final mine closure expenses	72.96		82.14	
		<b>696.21</b>		<b>249.37</b>
<b>Total</b>		<b>8388.41</b>		<b>8436.79</b>

# Notes on Accounts for the year ended on 31st March, 2021

## NOTE 3 :

3.1 The standalone financial statements of the company for the year ended 31st March, 2021 are approved for issue by the Board of Directors on 4th June, 2021.

3.2 (i) Income tax deducted at source from interest and rent received by the company amounts to ₹ 495.25 lakhs (₹ 910.36 lakhs). Tax deduction certificates are awaited in some cases due to COVID-19 Pandemic.

(ii) The effective tax rate is 25.168% including surcharge and cess, availing the benefit of section 115BAA of the Income Tax Act, 1961.

3.3 **Deferred tax assets/liability** – Disclosures as per Ind AS12 : Income Taxes are as under.

		(₹ in lakhs)	
Sr No.	Particulars	2020-21/ 31st March, 2021	2019-20/ 31st March, 2020
1	<b>Deferred tax liability</b>		
	Related to depreciation	-1599.63	-1793.02
2	<b>Deferred tax assets</b>		
	Disallowances under the Income Tax Act	-134.74	193.39
	Net deferred tax liability/(-)asset	-1734.37	-1599.63
	Deferred tax for profit and loss account : Increase/(-)decrease in liability	134.74	-193.39

Income tax expense comprises of current and deferred income tax of current year in the statement of profit and loss. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

3.4 Letters for balance confirmation of trade receivables and trade payables have been sent to the parties. Out of total trade receivable outstanding of ₹ 22655.05 lakhs as on 31.03.2021, ₹ 14582.09 lakhs have been confirmed. Out of total trade payable of ₹ 2898.86 lakhs as on 31.03.2021, ₹ 608.05 lakhs have been confirmed. In respect of confirmations received, the company is in the process of scrutinizing and reconciling the balances.

3.5 **Other expenses (Note No. 2.32 ) include –**

		(₹ in lakhs)	
Sr No.	Particulars	31.03.2021	31.03.2020
1	<b>Travelling expenses of</b>		
	(a) Chairman-cum-Managing Director	2.89	11.41
	(b) Directors	17.30	105.66
	(c) Company Secretary	0.00	0.44
	<b>Total</b>	<b>20.19</b>	<b>117.51</b>
2	<b>Auditor's remuneration (statutory audit)</b>		
	(a) As auditor	4.50	4.50
	(b) For taxation matters	1.35	1.35
	(c) For other services	2.45	2.95
	<b>Total</b>	<b>8.30</b>	<b>8.80</b>

# Notes on Accounts for the year ended on 31st March, 2021

## NOTE 3 : (Contd..)

3.6 Transactions with related parties – Disclosures of transactions with related parties as per Ind AS 24/Companies Act, 2013 are as under.

(1) List of related parties and relationship

(a) Key managerial personnel	Designation
i Shri M. P. Chaudhari	Chairman-cum-Managing Director and CEO
ii Shri T. K. Pattnaik (upto 31.07.2020)	Director (Commercial)
iii Shri Dipankar Shome	Director (Production & Planning)
iv Shri Rakesh Tumane	Director (Finance) and CFO
v Smt. Usha Singh	Director (Human Resource)
vi Shri P.V.V. Patnaik (w.e.f. 01.08.2020)	Director (Commercial)
vii Shri N. D. Pandey	Company Secretary

(b) Joint venture companies

- i SAIL & MOIL Ferro Alloys Pvt. Ltd.
- ii RINMOIL Ferro Alloys Pvt. Ltd.

(c) Employees benefit trust

- i MOIL Group Superannuation Cash Accumulation Scheme (Defined Contribution) Fund (Superannuation fund)
- ii MOIL Group Gratuity cum Life Assurance Scheme (Gratuity Trust)

(2) Transactions during the year with related parties stated in (i) (a) above :

As per Ind AS 24 compensation to Key management personnel :

		(₹ in lakhs)	
Particulars		FY 2020-21	FY 2019-20
1	(a) Short term employee benefits	368.84	415.24
	(b) Post-employment benefits	18.77	15.47
	(c) Other long term benefits	0.00	0.00
	(d) Termination benefits	11.37	47.55
	(e) Share-based payment	0.00	0.00
<b>TOTAL</b>		<b>398.98</b>	<b>478.26</b>

2 Related party transactions during the period covered by the financial statement

		(₹ in lakhs)			
Particulars		Unsecured		Secured	
		31.03.2021	31.03.2020	31.03.2021	31.03.2020
<b>A Company Secretary</b>					
	(a) The amount of the transactions	3.15	0.65	3.00	3.00
	(b) The amount of outstanding balances, including commitments and	1.16	0.65	0.08	0.53
	(i) Their terms and conditions, including whether they are secured, and nature of the consideration to be provided in settlement, and			Principal repayment in 80 instalments	
	(ii) Details of any guarantee given or received			Surety bond received	
	(c) Provisions for doubtful debts related to the amount of outstanding balances and	0.00	0.00	0.00	0.00

# Notes on Accounts for the year ended on 31st March, 2021

## NOTE 3 : (Contd..)

3.6 Transactions with related parties – Disclosures of transactions with related parties as per Ind AS 24/Companies Act, 2013 are as under. (Contd..)

2 Related party transactions during the period covered by the financial statement

(₹ in lakhs)

Particulars	Unsecured		Secured	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
(d) The expenses recognised during the period in respect of bad or doubtful debts due from related parties	0.00	0.00	0.00	0.00
<b>B Advances to Joint Venture Companies</b>	<b>OB</b>	<b>Received</b>	<b>Charged as</b>	<b>CB</b>
	<b>01.04.2020</b>		<b>loss</b>	<b>31.03.2021</b>
SAIL&MOIL Ferro Alloys Pvt Ltd	400.00	122.37	277.63	0.00
	<b>OB</b>	<b>Addition</b>	<b>Charged as</b>	<b>CB</b>
	<b>01.04.2020</b>		<b>loss</b>	<b>31.03.2021</b>
RINMOIL Ferro Alloys Pvt Ltd.	33.21	36.32	69.53	0.00
<b>C Investment in Joint Venture Companies</b>	<b>OB</b>	<b>Addition</b>	<b>Charged as</b>	<b>CB</b>
	<b>01.04.2020</b>		<b>loss</b>	<b>31.03.2021</b>
SAIL&MOIL Ferro Alloys Pvt Ltd	10.00	0.00	10.00	0.00
	<b>OB</b>	<b>Addition</b>	<b>Charged as</b>	<b>CB</b>
	<b>01.04.2020</b>		<b>loss</b>	<b>31.03.2021</b>
RINMOIL Ferro Alloys Pvt Ltd.	12.00	0.00	12.00	0.00
D Store Building received from RINMOIL Ferro Alloys Pvt Ltd has been capitalised on 09.03.2021 at carrying cost of ₹ 13.34 lakhs.				

3.7 Joint ventures - Disclosures as per Ind AS31 : Interests in joint ventures are as follows.

(a) Particulars about joint venture companies

(₹ in lakhs)

Name of joint venture company	Incorporation details		Proportion of ownership	Subscription for capital
	Country	Date		
SAIL&MOIL Ferro Alloys Pvt Ltd	India	31.07.2008	50%	0.00
RINMOIL Ferro Alloys Pvt Ltd.	India	29.07.2009	50%	0.00

"The joint venture companies has not commenced commercial and operating activities. There is no further development in the project during the year. During the year, as per decisions of Boards of the respective Companies to wind up joint venture companies, applications have been submitted with Registrar of Companies for striking off the names of the Company's joint ventures with Steel Authority of India Limited (SAIL & MOIL Ferro Alloys Private Limited) and Rashtriya Ispat Nigam Limited (RINMOIL Ferro Alloys Private Limited). The applications are under process, as substance over form is the principle on which the accounts under Ind-AS are prepared and the substance is that the joint venture partners are not interested in taking the projects under the JVCs and, hence, resolved for closure of the same. In view of this, only standalone financial statements are prepared, there being no activities in the joint venture companies. The accounts of the joint venture companies i.e. SAIL & MOIL Ferro Alloys Pvt. Ltd. and RINMOIL Ferro Alloys Pvt. Ltd. are not consolidated as the companies are under closure and are in the process of winding up.

(b) Financial particulars

(₹ in lakhs)

Sr No.	Particulars	Position as at	
		31.03.2021 (Unaudited)	31.03.2020 (Audited)
Aggregate amount of company's interest as per accounts of joint venture companies –			
(i)	<b>SAIL &amp; MOIL Ferro Alloys Pvt. Ltd.</b>		
	Share capital	10.00	10.00
	Reserves and surplus	-10.00	-707.89
	Non-current liabilities	0.00	400.00
	Current liabilities	0.00	600.46
	Fixed assets (net) and capital work in progress	0.00	0.00

# Notes on Accounts for the year ended on 31st March, 2021

## NOTE 3 : (Contd..)

### 3.7 Joint ventures - Disclosures as per Ind AS31 : Interests in joint ventures are as follows. (Contd..)

#### (b) Financial particulars (Contd..)

Sr No.	Particulars	Position as at	
		31.03.2021 (Unaudited)	31.03.2020 (Audited)
	Long term loans and advances	0.00	200.00
	Current assets	0.00	102.57
	Income	699.21	6.49
	Expenditure	1.32	0.97
	Contingent liabilities and capital commitments	0.00	0.00
	<b>RINMOIL Ferro Alloys Pvt. Ltd.</b>		
	Share capital	12.00	12.00
	Reserves and surplus	-12.00	-4.72
	Current liabilities	0.00	77.57
	Fixed assets (net) and capital work in progress	0.00	80.79
	Non-current assets	0.00	2.29
	Current assets	0.00	1.77
	Income	69.59	0.07
	Expenditure	76.88	0.80
	Contingent liabilities and capital commitments	0.00	0.00

**3.8 Advance to MOIL GMDC JVC( JVC yet to be incorporated):** Detailed MoU has been signed between MOIL Limited and Gujrat Mineral Development Corporation Limited (GMDC) on 01.10.2019 to explore the possibility of mining of manganese ore in the state of Gujrat. As per Clause (c) of Mutual detailed MoU agreed by and between them, the cost of exploration will be initially borne by MOIL and GMDC in equal proportion and it shall be treated as investment in JVC. MECL has completed exploratory work in 1st phase by geophysical prospecting and core drilling. MOIL Ltd. is now preparing Techno Economic Feasibility Report based on 1st phase report of MECL for underground mining operations. As the project seems to be viable, a Joint venture company is in process of incorporation between MOIL and GMDC with shareholding of 51% and 49% respectively, in terms of MoU already signed.

### 3.9 Contingent liabilities and Commitments :

#### (i) Contingent Liabilities

##### (a) Claims against the company not acknowledged as debts -

Disputed statutory demands (Income tax, entry tax, central sales tax and value added tax, service tax, central excise duty and employees' profession tax) ₹ 40,400.73 lakhs (₹ 147,71.26 lakhs).

##### (b) Other money for which the company is contingently liable

Other claims - legal cases, etc. ₹1815.59 lakhs (₹1407.33 lakhs).

#### (ii) Capital Commitment

Estimated amount of contracts remaining to be executed on capital account and not provided for is ₹ 507,58.29 lakhs (₹ 561,99.94 lakhs). Advance paid for contracts is ₹ 3755.91 lakhs (₹ 4398.41 lakhs).

**3.10 Bank guarantees** are issued to Mining office and Pollution Control Board for ₹ 2905.44 lakhs (₹ 2714.94 lakhs) towards mining plan/ lease and others activities. The bank guarantees are backed by equivalent amount of fixed deposits.



# Notes on Accounts for the year ended on 31st March, 2021

## NOTE 3 : (Contd..)

### 3.11 Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013 read with guidelines issued by Department of Public Enterprises, GOI, the Company is required to spend, in every financial year, at least 2% of the average net profit of the Company made during the 3 immediate preceding financial years in accordance with its CSR policy. The details of CSR expenses for the year are as under :

(₹ in lakhs)		
Particulars	31.03.2021	31.03.2020
a. Gross amount required to be spent during the year	1138.78	1219.72
b. Amount approved by the Board to be spent during the year	1250.00	1250.00
c. Amount spent during the year on :		
(i) Construction/acquisition of any assets	0.00	0.00
(ii) On purpose other than (i) above	1318.12	1274.22
d. Details of related party transactions :		
Contribution to MOIL Foundation	0.00	0.00

#### Break-up of the CSR expenses under major heads is as under :

(₹ in lakhs)		
Particulars	31.03.2021	31.03.2020
1. Promoting education & skill development	904.58	836.98
2. Rural development project	249.93	106.25
3. Promoting healthcare including preventive healthcare, sanitation and making available safe drinking water	163.61	95.43
4. Culture and sports	0.00	1.96
5. Contribution to PM Cares Fund	0.00	233.60
<b>Total</b>	<b>1318.12</b>	<b>1274.22</b>

**3.12** Revenue is recognized on the basis of energy injected by wind turbine generator of 15.2MW capacity into grid for sale, at tariff rate agreed in power purchase agreement.

**3.13** Power generated at 4.8MW wind turbine generator units and are capively consumed at mine/plant.

**3.14** Power generated by solar power generating panels are used for captive consumption in head office, Munsar, Tirodi, Ukwa and Balaghat.

**3.15** Long term wage agreement in respect of non-executive employees and workers effective from 01.08.2017 is underway. As per provisional estimate, an amount of ₹ 209,85.56 lakhs ( ₹ 148,22.86 lakhs) has been provided after adjustment of interim relief @ 12% paid upto 31.03.2021.

**3.16** (i) Company has contributed ₹ 45,00.00 lakhs to PM Cares Fund & ₹ 5,00.00 lakhs to Chief Minister Relief Fund and have been treated as exceptional items.

**3.17** Land at Bobbili : The land at Bobbili was purchased by MOIL from APIIC for setting up of Ferro/Silico Manganese plant. A Joint Venture Company was formed with RINL. Techno economic feasibility report (TEFR) was prepared by MECON in 2009. Based on the viability of project as suggested in the TEFR certain initial formalities such as environmental clearances, soil testing etc were carried out and global tenders were floated for supply of main furnace and equipments. The tenders could not be finalized due to technical reasons and in the interim period the tariff of electricity units was increased from ₹ 2.50/Kwh to ₹ 5.00/Kwh by the A.P Electricity Board. In view of the above, revised TEFR was prepared by MECON in 2013 which indicated that the project was not be viable in view of the power tariff increase and the reduction in market prices of the Ferro/Silico Manganese. The abnormal increase in power tariff caused the delay in implementation of the project for such a long time. Management has made sincere efforts to implement the project. However, the project could not be materialized.

The Boards of RINL and MOIL have taken decision to close the Joint Venture Company and accordingly closure application submitted to Registrar of Companies (ROC). The management is exploring the possibility to use the land for alternative purpose such as opening of ware house facility depending on viability.

# Notes on Accounts for the year ended on 31st March, 2021

## NOTE 3 : (Contd..)

3.18 EPS as on 31.03.2021 is calculated on weighted average paid-up share capital and EPS as on 31.03.2020 was calculated on weighted average paid-up share capital (due to buy-back of shares on 16.01.2020).

Earning per share has been calculated as under

		(₹ in lakhs)	
Particulars		31.03.2021	31.03.2020
Net Profit/(loss) from continuing operations (₹ in lakhs) (A)		17663.07	24822.02
Shares outstanding at the beginning of the year		237327879	257608888
Shares bought back during the year		0	20281009
Shares outstanding at the end of the year		237327879	237327879
Weighted average number of shares (B)		237327879	253397531
Basic EPS (A)/(B) (₹)		7.44	9.80
Diluted EPS* (A)/(B) (₹)		7.44	9.80

\* The Company does not have any potentially dilutive equity.

## 3.19 Fair Value measurement

### Financial instruments by category

		(₹ in lakhs)				
Particulars	As at 31st March 2021			As at 31st March 2021		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
<b>Financial assets</b>						
i Investments			32452.13			702.17
ii Trade receivables			22655.05			13403.86
iii Cash and cash equivalents			500.83			20499.63
iv Bank balances other than (iii) above			157554.14			159968.45
v Loans			490.23			562.03
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>213652.38</b>	<b>0.00</b>	<b>0.00</b>	<b>195136.14</b>
<b>Financial liabilities</b>						
i Trade payables			2898.86			3679.47
ii Other financial liabilities			10704.83			14020.87
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>13603.69</b>	<b>0.00</b>	<b>0.00</b>	<b>17700.34</b>

The carrying amounts of above financial assets and liabilities are considered to be same as their fair values, due to their short-term nature.

## 3.20 Financial Risk Management

### 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 framework for developing and monitoring the Company's risk management policies. The Risk management committee regularly reports its activities to the Board of Directors through Audit Committee on.

The Company's risk management framework is 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 framework 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 through Audit Committee 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.

# Notes on Accounts for the year ended on 31st March, 2021

## NOTE 3 : (Contd..)

### 3.20 Financial Risk Management (Contd..)

#### Risk management framework (Contd..)

The Company has exposure to the following risks arising from financial instruments:

(₹ in lakhs)

Risk	Exposure arising from	Measurement	Management
A Credit risk	Cash and cash equivalents, trade receivables, loans	Ageing analysis and Credit rating. Sales on letters of credit and Bank guarantee	Diversification of bank deposits/Liquid mutual fund, credit limits, letters of credit and Bank guarantee.
B Liquidity risk	Other Financing liabilities	Rolling cash flow forecasts. Debt based-Liquid cash plan	Availability of deposits/Liquid mutual fund with differing maturities to facilitate the day to day working capital requirements.
C Market risk	Not applicable	Nil	Nil
- Interest rate risk			
- currency risk			

#### 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 letters of credit/ Bank guarantees. The trade receivables in the books are mainly on account of credit sales to M/s SAIL MEL Limited (Chandrapur), SAIL Bhilai Steel Plant and Salem Steel, CPSEs under the Ministry of Steel

Credit loss for trade receivables under simplified approach is detailed as per the below tables

#### Year ended 31st March 2021

(₹ in lakhs)

Ageing	< 6 months	6-12 months	>12 months	Total
Gross carrying amount	22655.05	0.00	15.59	22670.64
Expected loss rate (%)	0%		100%	0.07%
Expected credit losses (Provision for doubtful debts)		0.00	15.59	15.59
<b>Carrying amount of trade receivables (net of impairment)</b>	<b>22655.05</b>	<b>0.00</b>	<b>0.00</b>	<b>22655.05</b>

#### Year ended 31st March 2020

(₹ in lakhs)

Ageing	< 6 months	6-12 months	>12 months	Total
Gross carrying amount	13243.77	144.50	89.40	13477.67
Expected loss rate	0%	0%	83%	0.55%
Expected credit losses (Provision for doubtful debts)			73.81	73.81
<b>Carrying amount of trade receivables (net of impairment)</b>	<b>13243.77</b>	<b>144.50</b>	<b>15.59</b>	<b>13403.86</b>

# Notes on Accounts for the year ended on 31st March, 2021

## NOTE 3 : (Contd..)

### 3.20 Financial Risk Management (Contd..)

#### Risk management framework (Contd..)

#### A Credit risk (Contd..)

##### (a) Trade receivables (Contd..)

Reconciliation of expected credit losses (provision for doubtful debts)- trade receivables

(₹ in lakhs)

Expected credit losses (Provision for doubtful debts) on 31st March 2019	75.14
Changes in provision	1.33
Expected credit losses (Provision for doubtful debts) on 31st March 2020	73.81
Changes in provision	58.22
Expected credit losses (Provision for doubtful debts) on 31st March 2021	15.59

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 in term deposits are made only with scheduled commercial banks having a minimum net worth of ₹ 500 Crore and will not exceed 5% of the networth of the bank as per the latest financial information available. Similarly, investment in term deposit in any one bank will not exceed 25% of surplus funds and limits have been assigned to each bank as per the credit rating of the bank. Investment in mutual funds will be only in liquid debt based mutual funds of public sector AMCs not exceeding 30% of the surplus fund available.. The limits are reviewed by the Company's Board of Directors through Audit Committee on regular 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 the current and the expected operational expenses, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

Maturities of financial liabilities :

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Year ended 31st March 2021

(₹ in lakhs)

Particulars	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
Trade payables	0.00	2894.28	8.57	0.00		2902.85
Other financial liabilities	4332.45	2916.66	764.75	2994.27		11008.13

# Notes on Accounts for the year ended on 31st March, 2021

## NOTE 3 : (Contd..)

### 3.20 Financial Risk Management (Contd..)

#### Risk management framework (Contd..)

#### B. Liquidity risk (Contd..)

Year ended 31st March 2020

Particulars	(₹ in lakhs)					
	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
Trade payables	0.00	3677.84	1.62	0.00		3679.46
Other financial liabilities	5150.27	2813.55	5210.57	846.47		14020.86

#### 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 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.

##### (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. Since the interest rates on fixed deposits are fixed, the company does not have any interest rate risk. Further as the Company does not have any borrowings. Hence, there is no interest rate risk.

**3.21** 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.

**3.22** In accordance with paragraph 117 of Ind AS 1 Presentation of Financial Statements, we have made disclosures regarding significant accounting policies, the measurement basis in Accounting policy No.1.1 (b) used in preparing the financial statements and the other accounting policies used that are relevant to an understanding of the financial statements.

**3.23** Hedge accounting is not applicable.

### 3.24 Capital Management

#### (a) Risk management

The primary objective of the Company's capital management is to maximise the shareholder value. The Company's objectives when managing the capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders.

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors and senior management monitors the return on capital, which the Company defines as result from operating activities divided by total shareholders' equity.

For the purpose of the Company's capital management, capital(Equity) includes issued equity share capital and other equity attributable to the equity holders. The company has no external borrowings as on 31st March 2021.

# Notes on Accounts for the year ended on 31st March, 2021

## NOTE 3 : (Contd..)

### 3.24 Capital Management (Contd..)

#### (b) Dividends

(₹ in lakhs)		
Particulars	Year ended 31st March 2021	Year ended 31st March 2020
Final dividend paid for the year ended 31st March 2020 of ₹ 3.00 (31st March 2019: ₹3.00 per equity share).	7119.84	7728.27
Interim dividend for the year ended 31st March 2021 of ₹ 2.50 (31st March 2020: ₹ 3.00) per equity share	5933.32	7119.84
Proposed final dividend for the year ended 31st March 2021 of ₹ 4.90 per equity share	11629.07	

#### (c) Borrowings

(₹ in lakhs)		
Particulars	31st March 2021	31st March 2020
Net Debt (excluding short term)	0.00	0.00
Total equity	281990.11	276338.43
Net debt to equity ratio	0.00	0.00

### 3.25 Information about business segments

Company has identified three business segments, viz., mining, manufacturing and power generation as per Accounting Standard Ind AS-108 on Segment Reporting

As per segment reporting											(₹ in lakhs)
Sr. No.	Particulars	Mining		Manufacturing		Power generation		Eliminations		Consolidated	
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
1	Revenue										
(a)	External sales	106773.80	96947.70	10292.47	6094.57	671.50	764.24	0.00	0.00	117737.77	103806.51
(b)	Inter-segment sales	1844.00	2195.44	0.00	0.00	972.16	1154.95	-2816.16	-3350.39	0.00	0.00
(c)	Total revenue	108617.80	99143.14	10292.47	6094.57	1643.66	1919.19	-2816.16	-3350.39	117737.77	103806.51
2	Results										
(a)	Segment result	16885.61	14712.90	1085.28	64.94	792.97	1159.91	0.00	0.00	18763.86	15937.75
(b)	Other income (incl. write back)	10191.11	18039.63	52.25	61.14	4.21	10.63	0.00	0.00	10247.57	18111.40
(c)	Total segment result	27076.72	32752.53	1137.53	126.08	797.18	1170.54	0.00	0.00	29011.43	34049.15
(d)	Less : Exceptional items									5000.00	0.00
(e)	Profit before tax									24011.43	34049.15
(f)	Provision for income tax									6483.10	9033.74
(g)	Deferred tax liability/asset									-134.74	193.39
(h)	Profit after tax									17663.07	24822.02
3	Other information										
(a)	Segment assets	113480.57	105475.97	4198.37	5860.50	8214.16	8778.76	213138.98	210082.48	339032.08	330197.71
(b)	Segment liabilities	34194.84	31991.56	1744.12	1581.56	1323.21	1321.30	19779.80	19888.30	57041.97	54782.72
(c)	Capital employed [(a)-(b)]	79285.73	73484.41	2454.25	4278.94	6890.95	7457.46	193359.18	190194.18	281990.11	275414.99
(d)	Capital expenditure	12792.67	15758.15	286.84	559.06	0.00	2828.50	586.67	841.19	13666.18	19986.90
(e)	Depreciation for the period ended....	9083.18	8836.15	256.34	217.15	577.97	562.85	0.00	0.00	9917.49	9616.15

Note : In respect of power generated at wind turbine generators and solar power plants, electricity charges of consuming units are grossed up by the amount of credit given by Madhya Pradesh Electricity Distribution Company Ltd. and Maharashtra Electricity Distribution Company Ltd., in power bills on account of electricity units credited and the same is recognised as inter-segment revenue of power generating unit so as to arrive at the segment revenue.

# Includes unallocated capital expenditure, corporate assets and corporate liabilities



# Notes on Accounts for the year ended on 31st March, 2021

## NOTE 3 : (Contd..)

**3.26** Information about major Customers : The total revenue for the year ended 31st March 2021 have sales from one single customer, which accounts for 16% of total sale of products from mining activity.

**3.27** Coronavirus (COVID-19 Pandemic) Impact on Financial Reporting : The current "second wave" of COVID-19 pandemic has significantly increased in India. The Government of Maharashtra has ruled out lockdown for now, with regional lockdowns implemented in areas with a significant number of COVID-19 pandemic cases. The Company has considered the possible effects that may result from COVID-19 pandemic in the preparation of these Standalone financial statements, The impact of the same is not much as the recoverability of receivables is secured by Bank Guarantee and do not have material impact on financial statements. Based on the current year performance with increase in steel demand and prices all over the globe and estimates arrived at using internal and external sources of information, the company does not expect material impact on any carrying values. The company does not have any major liabilities and the same are of normal business transactions, hence would not be affected due to COVID-19 pandemic. The management believes that there will be no material effect on the company as whole considering all the aforesaid factors. There is no major impact of the COVID-19 pandemic on the company's financial statement, and it will be closely monitored for any material changes in future economic conditions. Salary and wages have been paid in full for the lockdown period. Expenditure pertaining to this period is clubbed in normal expenditure heads in the statement of profit and loss. Various projects have been delayed due to lockdown and its after effects of COVID-19 pandemic.

**3.28** Corresponding figures for previous year have been shown in brackets and regrouped/rearranged wherever necessary, to make them comparable.

Note No. 1 to 3.28 forms an integral part of financial statements.

**For and on behalf of the Board of Directors**

**For M/s Demble Ramani & Co.**

**Chartered Accountants**

**Firm's Registration Number : 102259 W**

**Mukund P.Chaudhari**

**Chairman-cum- Managing Director**

DIN : 05339308

**CA Ashok Ramani**

**Partner**

Membership Number : 030537

Place : Nagpur

Date : 4th June, 2021

**Rakesh Tumane**

**Director (Finance)**

DIN : 06639859

**Neeraj Pandey**

**Company Secretary**

M.No. F5632

# Additional information not forming part of financial statements Production, sales, opening and closing stocks

Particulars	Year ended 31-03-2021		Year ended 31-03-2020	
	Qty (MT)	₹ in lakhs	Qty (MT)	₹ in lakhs
<b>a) Production/generation -</b>				
Manganese ore	1143570	--	1277444	--
E.M.D.	1070	--	925	--
Ferro manganese	8851	--	10421	--
Ferro manganese slag	10780	--	14113	--
Wind power (KwH)	25614204	--	31305864	--
<b>b) Sales -</b>				
Manganese ore	1217891	106773.80	1179799	96947.69
E.M.D.	918	1111.08	930	1082.41
Ferro manganese	13367	8088.94	6187	3886.65
Ferro manganese slag	12069	1092.45	13460	1125.52
Power to MPEDCL(KwH)	19984972	671.50	22745120	764.24
<b>Revenue from operations ( ₹ in lakhs)</b>		<b>117737.77</b>		<b>103806.51</b>
<b>c) Opening stock -</b>				
Manganese ore	190827	11513.07	122882	6612.88
E.M.D.	34	43.96	38	50.91
Ferro manganese	5524	2726.05	1290	827.28
Ferro manganese slag	2683	221.96	2030	180.67
<b>d) Closing stock -</b>				
Manganese ore	90507	6914.62	190827	11513.07
E.M.D.	186	235.88	34	43.96
Ferro manganese	1008	501.16	5524	2726.05
Ferro manganese slag	1394	154.72	2683	221.96
<b>Note :</b>				
Closing stock of manganese ore is arrived at after adjustment of issue of ore for production of -				
EMD	5862		4471	
Ferro manganese	20137		25230	
captive consumption of power Generated from wind mills (KwH)	5629232		8560744	



# MOIL LIMITED

(A Govt. of India Enterprise)

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PAN : AAACM8952A

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