

एनएमडीसी



NMDC

एन एम डी सी लिमिटेड NMDC Limited

(भारत सरकार का उद्यम) (A GOVT. OF INDIA ENTERPRISE)

पंजीकृत कार्यालय : 'खनिज भवन', 10-3-311/ए, कैसल हिल्स, मासाब टैंक, हैदराबाद - 500 028.
Regd. Office : 'Khanij Bhavan' 10-3-311/A, Castle Hills, Masab Tank, Hyderabad - 500 028.

नैगम पहचान संख्या / Corporate Identity Number : L13100AP1958 GOI 001674

No. 18(1)/2019- Sectt

6th August 2019

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

Dear Sir / Madam,

Sub: 61st Annual Report of NMDC Limited for the F.Y. 2018-19 along with Notice of Annual General Meeting

Ref: Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; Security ID: NMDC

Please find attached the 61st Annual Report of NMDC Limited for the F.Y. 2018-19 along with Notice of 61st Annual General Meeting of the Company scheduled to be held on Friday the 30th August 2019 at 1130 hours at Trillion Ball Room, The Park Hotel, 22, Raj Bhavan Road, Somajiguda, Hyderabad – 500082, Telangana.

Thanking you

Yours faithfully,
For NMDC Limited

A S Pardha Saradhi
Company Secretary

Encl: A/a

एनएमडीसी



NMDC

INDIA'S NO.1
MERCHANT IRON ORE
PRODUCER



Review meeting of NMDC with Ministry of Steel

CONTENTS

Strategic Report	Vision & Mission	6	
	CMD's Message	8	
	History & Milestones	12	
	FY2019 Financial Highlights	14	
	Our Footprint	16	
	How We Create Value	18	
	Board of Directors	20	
	Senior Management	22	
	Serving India's DEMAND FOR STEEL	24	
	India's largest IRON ORE PRODUCER	26	
	Advancing up THE VALUE CHAIN	28	
	A philosophy of Sustainable Development	30	
	Corporate Social Responsibility	32	
	Statutory Reports	Directors' Report	34
		Management Discussion & Analysis	58
Report on Corporate Governance		72	
Business Responsibility Report		111	
Financial Statements	Standalone Statements		
	Independent Auditor's Report	144	
	Balance Sheet	162	
	Statement of Profit and Loss	163	
	Notes	167	
	Consolidated Statements		
	Independent Auditor's Report	223	
	Balance Sheet	230	
	Statement of Profit and Loss	231	
	Notes	235	
	Notice	290	

CORPORATE INFORMATION

Statutory Auditors

M/s. Tej Raj & Pal
Hyderabad, Telangana

Branch Auditors

M/s. O P Totla & Co.
Raipur, Chhattisgarh
M/s. Vijay Panchappa & Co.
Dharwad, Karnataka
M/s. Amit OM & Co.
Allahabad, Uttar Pradesh

Secretarial Auditors

D.Hanumanta Raju & Co.
Hyderabad, Telangana

Cost Auditors

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

Main Banker

State Bank of India

Regd. Office:

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

Share Transfer Agent

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



Shri N. Bajjendra Kumar, CMD, NMDC meets Shri Dharmendra Pradhan, Hon'ble Union Minister of Petroleum & Natural Gas and Minister of Steel



Shri N. Bajjendra Kumar, CMD, NMDC meets Shri Faggan Singh Kulaste, Hon'ble Union Minister of State for Steel

**As India's
largest iron
ore miner,
we are
intrinsic to
our nation's
progress.**

Our strategic management plan, 'Vision 2025' is to take our total iron ore production capacity from 43 MTPA today to 67 MTPA. With a judicious mix of greenfield and brownfield expansions of earmarked assets, along with strategic joint ventures, we plan to maintain our peer position as India's largest iron ore producer. We produce one of the best quality iron ore in the world.

FY2019

₹12,153 crore
turnover of NMDC as on
31st March, 2019

₹7,519 crore
EBITDA from operations

₹7,199 crore
Profit Before Tax as on
31st March, 2019

₹4,642 crore
Profit After Tax as on
31st March, 2019

₹25,952 crore
net worth

₹1,690 crore
of cash returns declared to
shareholders (dividend)

NMDC continues to pursue policies and programmes to create superior value for shareholders by meeting India's demand for steel, maximising cash from our world-class assets and allocating capital with discipline.

We also believe in investing substantially into the socio-economic development of our local communities, especially around our mining projects.

We are India's largest iron ore mining company. With an annual production capacity of 43 million tonnes of iron ore, and production of around 32.4 million tonnes of iron ore in FY2019, we enjoy a market share of about 24% domestically (excluding captive iron ore production).

With a Profit (before tax) of ₹ 7,199 crore and a net worth of ₹ 25,952 crore (as on 31st March, 2019), we are one of India's top profit-making 'Navratna' public sector companies. We have a strong history of rewarding investors with an average dividend payment of about 690% in the last 5 years.

Awards & Accolades for the Year 2018-19

- NMDC received the prestigious S&P Platts Global Metal Award under CSR category, organised by S&P Platts.
- NMDC received Hindustan Ratan Award in the category of Best Financial Performing PSE
- NMDC received Rajbhasha Samman (First Prize) amongst PSEs of Ministry of Steel during the meeting of Hindi Advisory Committee of Ministry of Steel.
- NMDC received Finalist Award in "Cloud Migration & Data Centre Operation" at Webscale Conference organised by Data Centre Dynamics, Bengaluru.
- NMDC received "Dun & Bradstreet PSU Award 2018 under the sector Mining- Metals & Minerals category"
- NMDC's Bachel Complex received "Tata Steel Mining Sustainability Award" for the year 2017-18
- NMDC received "India Green Energy Award – 2018" in the category of Outstanding Renewable Energy Generation Projects by Public Sector-Wind
- NMDC received Rajbhasha Award (2nd Prize) in PSU category of 'C' Region
- NMDC received four Awards from Public Relations Society of India (PRSI) in the category of Corporate Sustainability Report, CSR Project of Women Empowerment, Best PSU Organisation and Corporate Film
- NMDC received Quality Circle Forum of India (QCFI) Award in the category of "Best Supporting Organization Award in Public Sector"
- NMDC received two Governance Now PSU awards for Best Performer (Financial) and Best Performer (CSR) under Navratna category.
- NMDC received Swachh Abhiyaan Award (First Prize) amongst PSEs of Ministry of Steel
- NMDC received Public Relations Council of India (PRCI) Excellence Awards 2019 for its CSR Brochure, Corporate Advertising Campaign, Corporate Diary 2017, Wall Calender & Television Commercials.
- NMDC awarded with 8th Annual Greentech HR Platinum Award 2018 under Training Excellence category.

NMDC is a forward looking company, aligning itself to the growth agenda of India, and its people's aspirations.

To meet the country's demand for steel, we plan to augment our production capacity of iron ore to 67 MTPA. We have also embarked on value addition projects by setting up pelletisation plants by utilising slimes and a 3.0 MTPA integrated steel plant in Chhattisgarh. This plant is now close to completion, with production expected during FY2021.

In addition to this, our JV company with CMDC Limited, is expected to start production in near future. We have also developed an intermediate stock pile at Kumarmaranga near Jagdalpur to ensure uninterrupted supply of ore to regional customers.

Government of India has charted a road map to augment India's Steel production capacity to 300 Mtpa by 2030-31 as per National Steel Policy. To fulfil this vision, NMDC proposes to act as a facilitator and developer of greenfield steel plants by creating Special Purpose Vehicles (SPVs) in the mineral rich states of Jharkhand & Karnataka.

NMDC also proposes to invest in strategic and critical raw materials which are required by our nation for long term supply security. In line with this strategy, NMDC has created 'NMDC Global' department and is scouting for rare earth minerals in India and abroad, along with IREL under an MOU.

Going forward, we aim to become an intrinsic partner to India's growth story.

We have a clear purpose: as pioneers in iron ore mining, we produce one of the most essential materials required for India's progress. At NMDC, we operate a portfolio of world-class assets that generate strong cash flows. By doing this efficiently, we deliver superior returns to our shareholders, while safeguarding the environment and meeting our obligations to wider society.

WE ARE COMMITTED TO MAINTAIN OUR GLOBAL COST COMPETITIVENESS AND TO COUNTER THE VAGARIES OF MARKET CYCLES ALONG WITH ROBUST STRATEGIC PLANNING TO SUPPORT OUR GROWTH AGENDA, WE ARE CONSISTENTLY ENHANCING OUR ORGANISATIONAL CAPABILITIES TO ACHIEVE OUR SHORT-TERM AND LONG-TERM OBJECTIVES.

VISION

To emerge as a global environment friendly mining organisation and also as a quality steel producer with a positive thrust on social development.

MISSION

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

67 MTPA
Iron ore production capacity planned

3.0 MTPA
Integrated steel plant in Chhattisgarh

Message from the Chairman-Cum-Managing Director

FY2019 HIGHLIGHTS

₹12,153 crore
turnover

₹1,690 crore
cash returns declared to
shareholders (dividend)

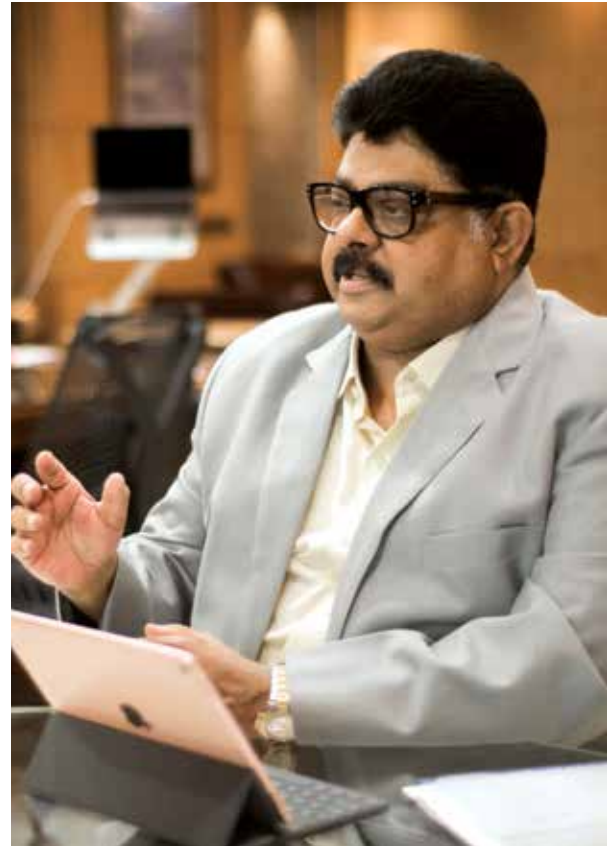
₹7,519 crore
EBITDA

62%
EBITDA margin

₹4,642 crore
PAT

₹6,649 crore
operating cash flow

₹167 crore
CSR Spend for FY2019



N. Bajendra Kumar, IAS
Chairman-Cum-Managing Director



With a strong balance sheet, world-class portfolio, and smart people across our organisation, we are well positioned to leverage on our opportunities and to create new business verticals. High productivity through mechanised and sustainable mining, skilled manpower, customer focus, maximising shareholder's wealth, inclusive development amongst others are our value drivers as we forge ahead on our journey to satisfy India's demand for steel.

Dear Stakeholders,

FY2019 was a satisfying year given the complex global and domestic dynamics, we are witnessing in front of us. This achievement could only be possible because of the strong values and culture that your Company stands for.

ECONOMY

After a GDP growth up to 8% in Q1 FY2019, economic activity slowed down in Q2 led mainly by a large drag from net exports, which became entrenched in Q3 due to deceleration in public spending and private consumption. On the supply side, agriculture and allied activities characterised by a modest growth in kharif and horticulture production. Industrial growth also decelerated led by a slowdown in manufacturing activity. However, services sector activity remained resilient, supported primarily by construction, financial services, and public administration and defence. Despite a challenging year, the Indian economy continued to remain the world's fastest growing large economy. During the fiscal, the overall economic scenario remained under stress with GDP growth

slowing down gradually each quarter to 5.8% for Q4 FY2019, making annual GDP growth of 6.8% for FY2019*. With this economic backdrop, a spate of policy reforms to develop and propel the economy have been introduced, with more on the anvil. The growth in savings, the increasing formalisation of the economy, rapidly growing digitisation across various economic activities; and the continuing entrepreneurship and aspirations of the population is driving both demand as well as innovation in the industrial and services sectors of the economy. These attributes along with a well monitored regulatory mechanisms make it a resilient economy.

INDUSTRY TRENDS AND NMDC

India has emerged as the fastest growing major economy in the world and is expected to be one of the top economic powers of the world over the next 10-15 years, backed by strong policies and reforms by the Government supporting higher growth. The thrust of Government of India to enhance spending on infrastructure augurs well for the steel industry and thereby, the iron ore sector. In the near term, your Company is bullish on the growth prospects of India's steel industry, with its competitive advantages and the impetus being given by the government to

*According to CSO data

the steel sector. The envisaged growth in key sectors will facilitate more consumption and demand for steel from sectors such as, infrastructure, housing, railways, consumer durables and automobile. The persistent demand of high grade ore should help NMDC in improving its performance in terms of volumes as well as EBITDA margins. Coupled with growing urbanisation; rising income levels of the burgeoning Indian middle class; Government initiatives such as Make-in-India, Freight corridors, 100 Smart cities, Rural electrification and Housing for all by 2022, NMDC sees a bright future for the mining and steel industry.

Worldwide, environmental concerns in mining, iron and steel sector, plant closures in China, mainly Induction Furnace and Blast Furnace with low volume and supply disruptions in two of the largest global ore producers mean that the price for steel will remain stable, if not get firmer. Continuous thrust by the government to use domestically manufactured iron and steel products in government procurement, as well as anti-dumping restrictions on steel imports in the country on account of measures being taken by Government of India bode well for NMDC and the iron ore mining industry.

PORTFOLIO

NMDC's current mining capacity stands at 43mn tonnes. We are already India's largest iron ore producer, and going forward, we are targeting substantial increase in mining capacity by improving our evacuation capabilities in Chhattisgarh by doubling the KK line from Kirandul to the Jagdalpur line by 12 MTPA in our existing operations. We are also planning to develop 15 MTPA of greenfield mines (JV with CMDC).

PERFORMANCE

During the year under review, your Company has earned profit before tax of ₹ 7,199 crore (up 16.50% YoY) on a turnover of ₹ 12,153 crore (up 4.63% YoY) in comparison with previous year's achievement of ₹ 6,179 crore and ₹ 11,615 crore respectively.

Your Company posted a PAT of ₹ 4,642 crore, up by 21.97% YoY, while the net worth of your Company by end of the fiscal FY2019 stood at ₹ 25,952 crore, up by 6.56%. For the year FY2019, I am pleased to inform you that your Company has achieved both production and sales of 32.36 MT despite Donimalai Mine being closed w.e.f. 04.11.2018. Your Company made capital expenditure of ₹ 2,090 crore (including investment) during the year under review.

SHAREHOLDER RETURNS

During the year under review, the Board of Directors of your Company, at its meeting held on 8th January 2019, approved a share buyback of 10,20,40,815 fully paid-up equity shares of face value of Re. 1 each (representing 3.23% of the total number of Equity Shares in the paid-up share capital of the Company) from all the existing shareholders / beneficial owners of Equity Shares on proportionate basis. This was done through the "Tender Offer" route at a price of ₹ 98 per Equity Share payable in cash for an aggregate consideration not exceeding ₹ 1,000 crore .

In line with excellent track record set in earlier years, your Directors have approved Dividend for FY2018-19 @ ₹ 5.52 per share against ₹ 4.30 per share in the previous year.

SOCIAL AND ECONOMIC CONTRIBUTION

Your Company believes that the well-being of the society at large is a pre-requisite for progress of business and prosperity of the organisation. This has been the Company's underlying philosophy in its approach to society. NMDC continues to make significant economic and social contribution in the countries where it operates. During FY2019, we paid ₹ 2,590 crore in corporate taxes, and made significant economic contribution to our employees and suppliers. We have pursued several activities that include Prayas – A Pursuit to Education; Nirmaya – Towards Healthy Life; Prakalp – Creating Infrastructure; and Kaushal – Skilling People. I encourage you to read the CSR Annexure within the Directors' Report, to know more about the excellent work your Company and its employees



As we look to the future, we see positive market conditions for India, and we expect our growth agenda to be well absorbed by the ensuing growth in demand anticipated. At NMDC, we continue our strong focus on meeting our 2025 vision, growth and value chain productivity.

do towards social development for the people and the environment in the surrounding areas of our operations.

SUSTAINABILITY

Our sustainability strategy focuses on the areas that represents key challenges and opportunities that is Community Development, Employee Welfare, Scientific Mining, Employee Safety, Biodiversity Conservation, Energy Efficiency and land reclamation. The Company has consciously aimed at surpassing legal compliance requirements, and ensured that the policies and procedures related to ethical business practices are implemented.

OUR PEOPLE

Our success this year is due to the hard work and perseverance of our people, and I thank them for their dedication and enthusiasm. I am particularly grateful for their commitment to making NMDC a safer, more productive and more responsible company. Our aspiration is to continue to be the pioneer of our industry, with a culture that welcomes and nurtures new ideas and higher performance.

THE FUTURE

As we look to the future, we see positive market conditions for India, and we expect our growth agenda to be well absorbed by the subsequent growth in anticipated demand. At NMDC, we continue our strong focus on meeting our 2025 vision, growth and value chain productivity. Our partnership with society and our sustainability agenda must remain important priorities. We will continue to make every effort to keep our people safe, healthy, and equipped to meet the challenges of the coming years.

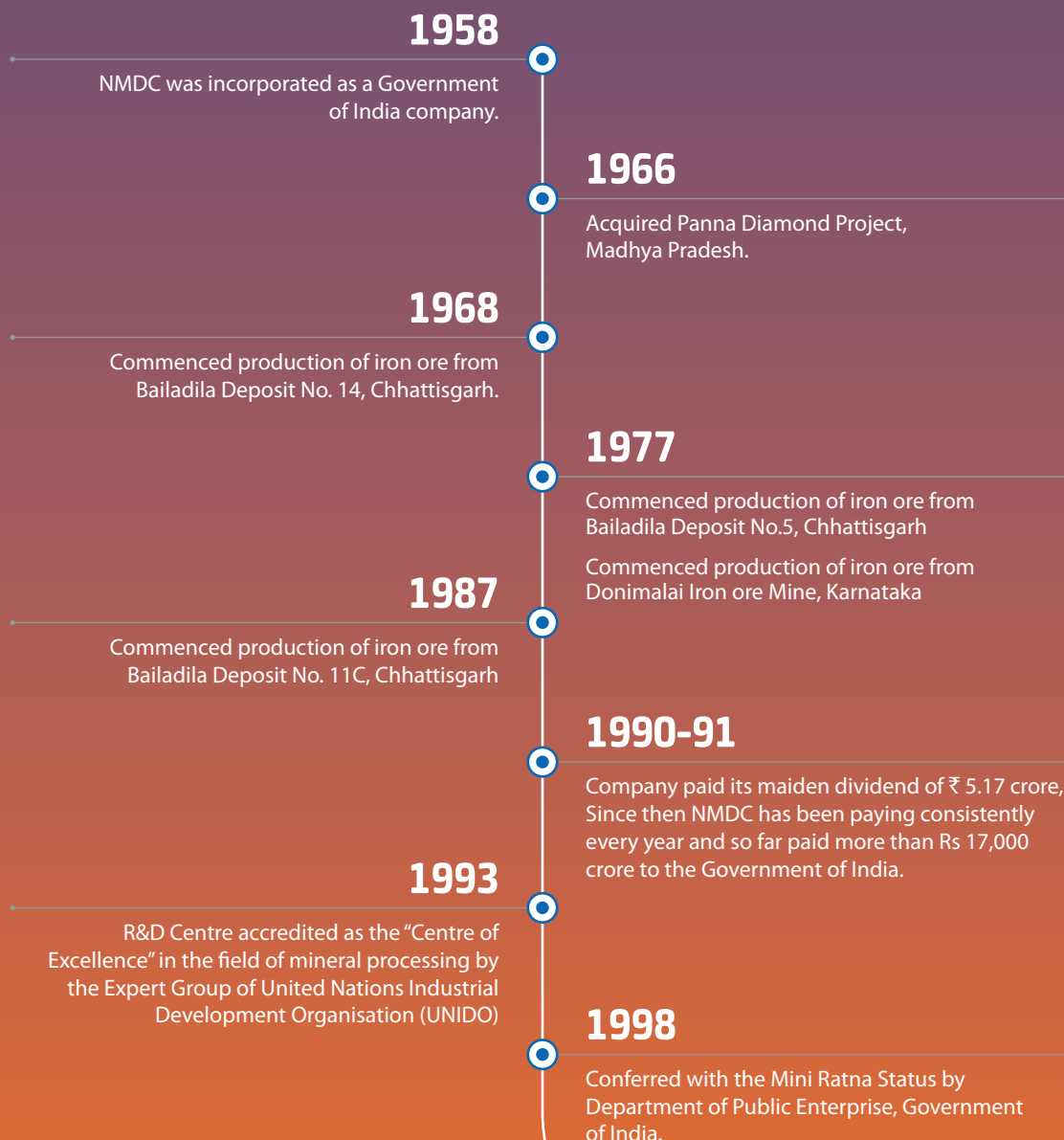
With a strong balance sheet, world-class portfolio, smart and dedicated people across our organisation, we are well positioned to leverage on our opportunities and to create new opportunities. We will continue to drive productivity, and aim to deliver superior value as we satisfy India's demand for steel.

N. Baijendra Kumar
Chairman-Cum-Managing Director

History & Milestones

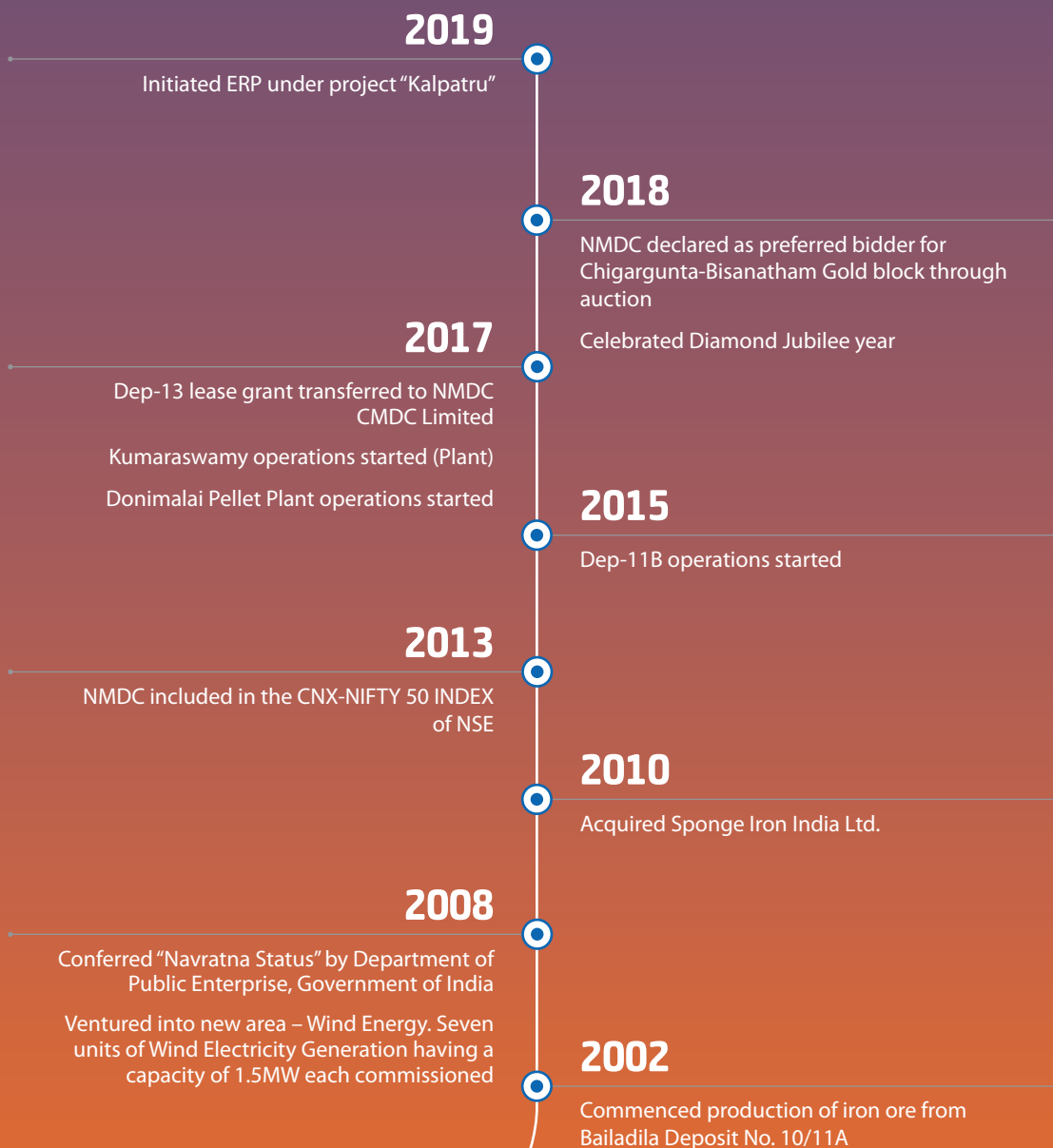
NMDC owes its genesis to the vision of independent India's founding fathers who believed that true and meaningful independence was possible only with economic self-sufficiency. Thus came into existence a few PSEs which provided seminal seeds for the foundation of a great nation. NMDC was established on 15th November 1958 as a Public

Sector Undertaking to explore, develop and exploit mineral resources other than fuel oil and atomic minerals. It is engaged in mining of Iron ore and Diamonds. NMDC is India's single largest iron ore producer, presently producing about 33 million tonnes of iron ore from three fully mechanised mines in Chhattisgarh and Karnataka State.



In acknowledgement of its substantial contribution to the domestic mineral sector during the last six decades, we have been accorded the status of a Schedule-A public sector company. In recognition of the company's consistent performance, the Company was also categorised as a Navratna Public Sector Enterprise in 2008. The Company is diversifying into steel making and has undertaken several capital intensive projects to modernise and increase

capacities to retain its domestic leadership and has also forayed into overseas ventures. A band of over 5800 dedicated employees make NMDC what it is - a world class mining organisation. NMDC is proud of its work culture and the positive attitude of its employees who have earned several laurels for the company and continue to work ceaselessly to take it ever forward.



FY2019 Financial Highlights

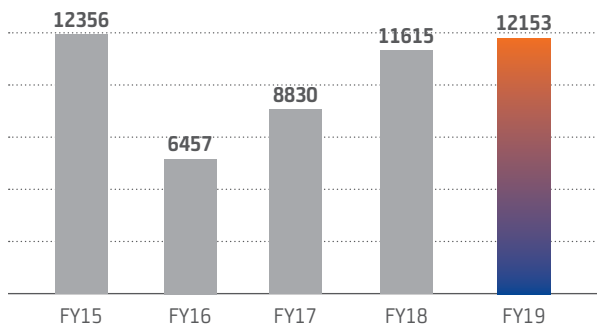
The Company achieved production of 32.36 MT and sales of 32.36 MT of iron ore.

Completed Buyback of 10.20 crore equity shares of ₹ 1/- each @ ₹ 98/- per share.

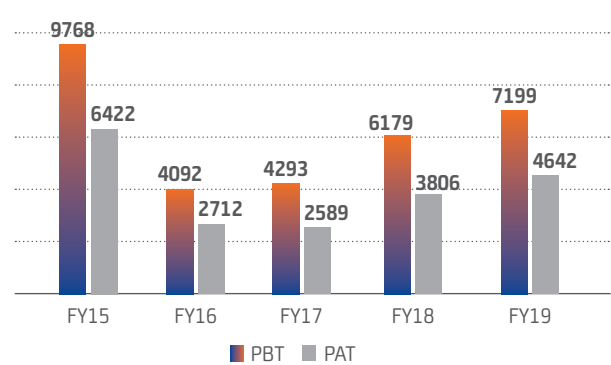
Capital expenditure (including investment) of ₹ 2,090 crore has been incurred during the year under review.

Turnover at ₹ 12,153 crore grew by 4.63% on a YoY basis.

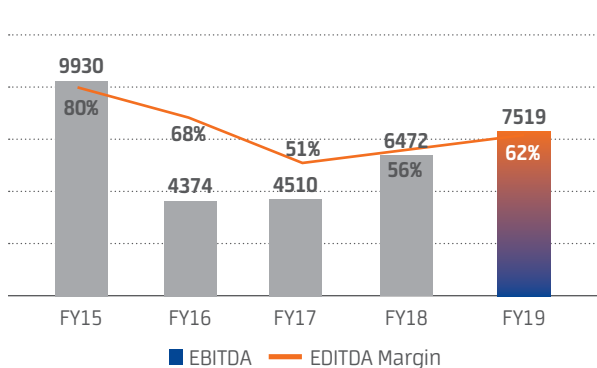
Turnover (₹ Crore)



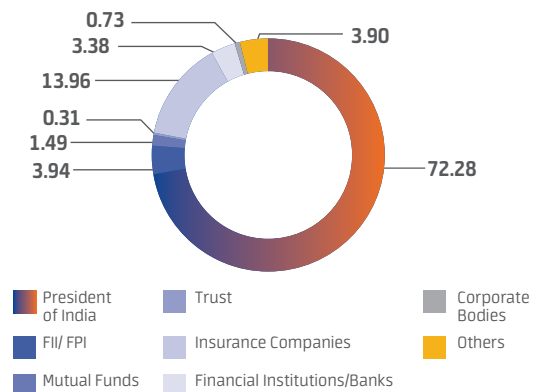
PBT & PAT (₹ Crore)



EBITDA & EBITDA Margin



Share Holding Pattern



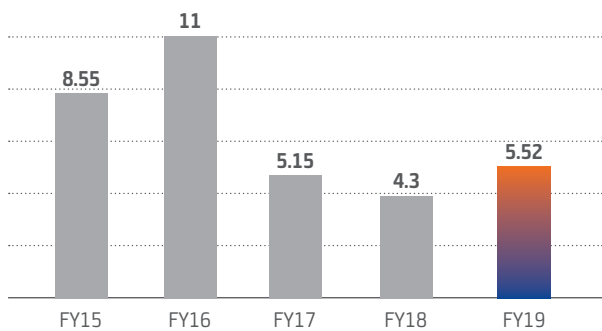
Profit before tax (PBT) of ₹ 7,199 crore grew by 16.50% on a YoY basis.

Net worth stood at ₹ 25,952 crore and grew by 6.56 % on a YoY basis.

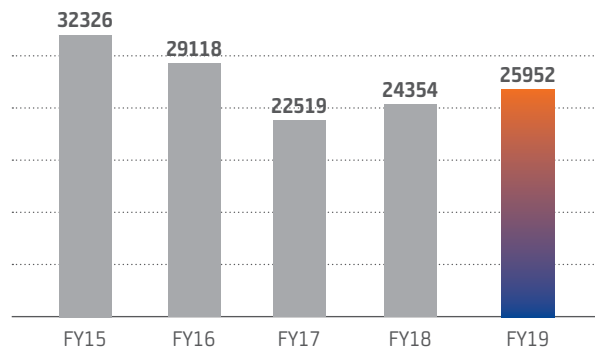
Profit after tax (PAT) was ₹ 4,642 crore and grew by 21.97 % on a YoY basis.

The Company declared an Interim Dividend of ₹ 5.52 per share for FY 2018-19.

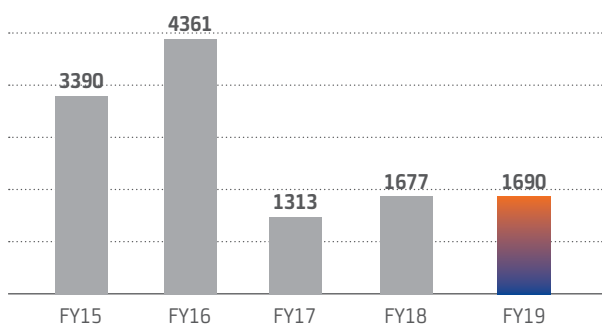
Dividends Distributed (₹ Per Share)



Networth (₹ Crore)



Dividends Paid (₹ Crore)



Our Footprint

OUR OPERATING ASSETS IN INDIA

NMDC is operating three highly-mechanised iron ore mine complexes. Two mine complexes are located in Dantewada (Chhattisgarh) namely Bailadila Iron Ore Mine, Kirandul Complex and Bailadila Iron Ore Mine, Bachel Complex with yearly production of around 23 MT. One mine complex located in Bellary (Karnataka) namely, Donimalai Iron Ore Mine produces 12 MT per annum. NMDC has total iron ore production capacity of 43 MTPA from all the existing mines.

NMDC is also operating a diamond mine namely Diamond Mining Project, Panna (M.P.), which is the only mechanised diamond mine in Asia, with yearly production of around 38,149 carats (FY2019). NMDC also has a sponge iron unit of 200 TPD, at Paloncha (Telangana).

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



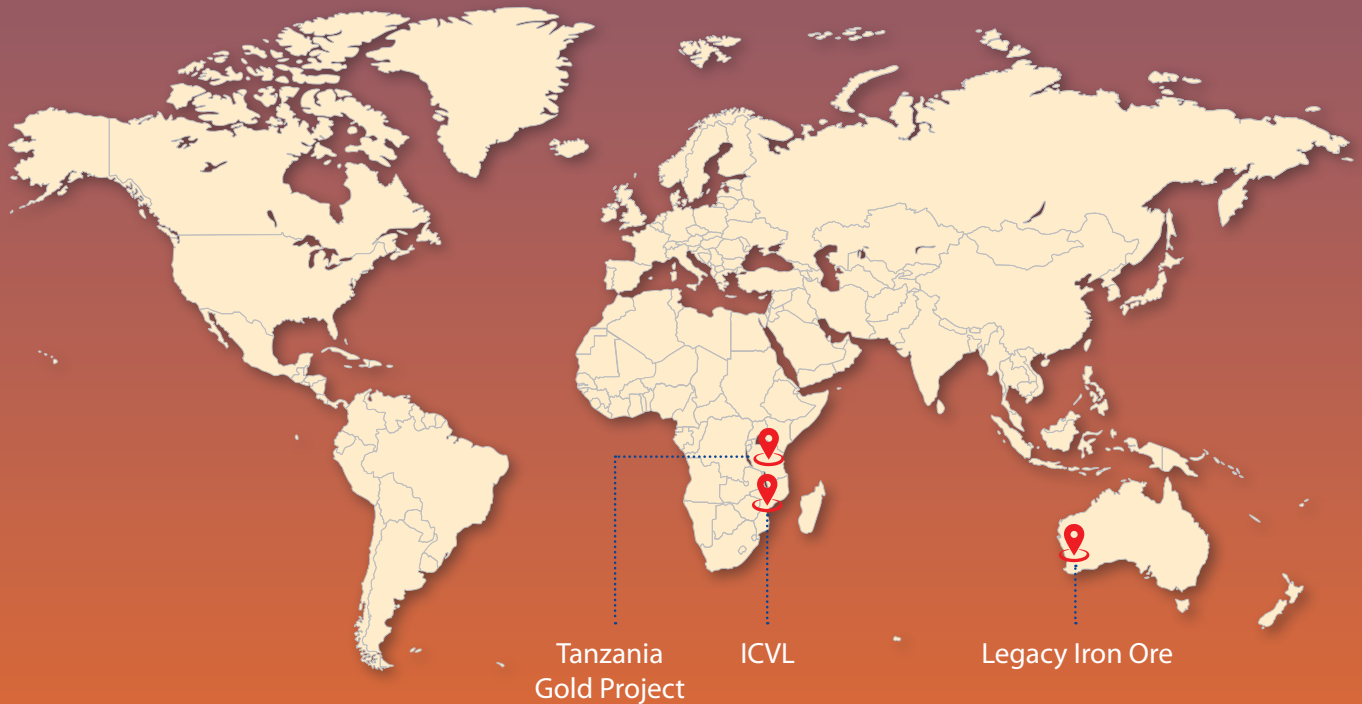
Disclaimer: The India map is used for representational purposes only.

OUR GLOBAL PRESENCE

Legacy Iron Ore Ltd. is an ASX listed entity based in Perth, Australia with a focus on iron ore, gold and base metals. NMDC has 78.56% equity in the company. Legacy is holding 21 exploration tenements in Iron Ore, Gold, Base Metals & Tungsten in Western Australia.

International Coal Ventures Limited (ICVL), a joint venture company of SAIL, RINL & NMDC, acquired a coking/thermal coal mine in Mozambique in 2014 and operation of the same was taken over by ICVL. ICVL undertook strategic review of Benga operations and restarted operations from Dec, 2017. Benga Mine has produced about 1 MT of Coking coal & 0.32 MT of thermal coal in FY2019.

NMDC is in the process of making detailed exploration and setting up of a pilot-scale processing plant for gold in its mining lease in Tanzania.



How we Create Value

BUSINESS STRATEGY

NMDC's business strategy primarily aims at:

1. Increasing iron ore mining and evacuation capacity
2. Strengthening exploration and forward integration to value added business
3. Diversifying into strategic and critical raw materials
4. Creating new steel capacities in the country

HOW WE CREATE VALUE

NMDC draws upon a number of key drivers through development, evacuation, extraction and marketing, create sustainable value for our shareholders and our diverse range of stakeholders.



INPUTS

PEOPLE

Our people are our most important assets. We aim to resource the organisation with a capable, engaged and productive workforce and are committed to ensuring safe operations. Our simplified organisation model allows us to design structures and roles that provide clear accountability and appropriate authority to get our work done.

FINANCIAL

We allocate our financial resources where they can be put to work most effectively to deliver optimal financial returns for our shareholders.

KNOW-HOW

We use our technical and marketing knowledge to ensure that our efforts and capital are invested in key leverage points in the 'mine to market' value chain.

NATURAL RESOURCES

We are major users of water and energy. We work diligently to optimise our requirements, while also use new technologies that have the potential to significantly reduce environmental footprint.

RESERVES AND RESOURCES

We have an extensive resource base across a wide geographic footprint, providing a range of options for delivering value over the long term. We also augment our reserves and resource base regularly through exploration.

RELATIONSHIPS WITH OUR STAKEHOLDERS

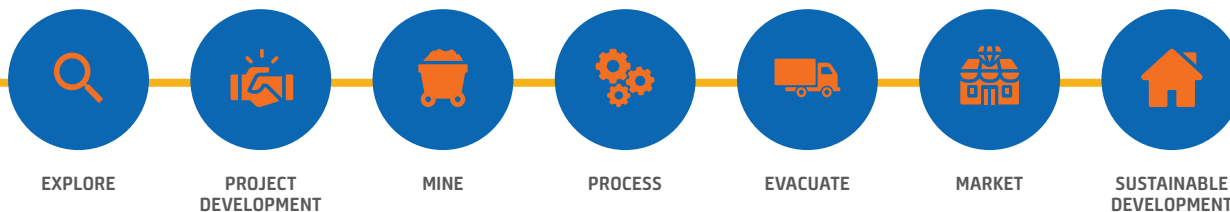
Open and honest engagement with our stakeholders is critical to the sustainability of our business. We engage with a wide range of stakeholders to ensure effective relationships.

PLANT AND EQUIPMENT

We form strong relationships with major suppliers to deliver tailored equipment and other solutions to enable best in class operating performance and cost effectiveness.



OUR VALUE CHAIN



OUR BUSINESS MODEL

BUSINESS CONCEPT

NMDC’s business concept is mining of ore from mother earth, with minimum impact on environment and converting those ore into valuable products through forward integration on sustainable basis to ensure long term profitability of all stakeholders in particular and creating economic growth for country as a whole.

NMDC is aspiring to become from single commodity and geography to multiple commodities and globally diversified company.

RISK & GOVERNANCE

Our robust system of risk identification, supported by established governance controls, ensures we effectively respond to such risks, while acting ethically and with integrity for the benefit of all our stakeholders.

OUR KEY LICENSE PORTFOLIO

NMDC is operating three highly-mechanised iron ore mine complexes. Two mine complexes are located in Dantewada (Chhattisgarh) namely Bailadila Iron Ore Mine, Kirandul Complex and Bailadiala Iron Ore Mine, Bacheli Complex with yearly production of around 23 MT. One mine complex located in Bellary (Karnataka) namely, Donimalai Iron Ore Mine produces 12 MT per annum. NMDC has total iron ore production capacity of 43 MTPA from all the existing mines.

OUR VALUE CHAIN

We judiciously invest in those areas in the value chain that provide us with the best return on investment. Through our entire value chain from mine to market, it is our people who create the sustainable value that all our stakeholders demand and expect.

OUR SUSTAINABILITY MODEL

Integrating sustainability into core business processes has been a longstanding priority for NMDC. It is our ethos of sustainable development that has created a favourable business environment in the areas we operate, and given us a strong local understanding of community concerns and local sensitivities.

OUTPUTS

Our outputs are the products that meet the growing demands of India and world’s economies. Mining and processing activities also result in the unavoidable disturbance of land, generation of mineral residue, as well as atmospheric and water emissions, all of which we strive to minimise through our conservationist approach.

As a mining company, we create and sustain jobs, help communities to develop new skills, support education, build infrastructure, and help improve healthcare for our employees, their families and the local communities around our mines. It is through our core business activities – employing people, paying taxes to governments and procuring from host communities – that we make the most significant and sustainably positive contribution to India and our other host countries.



Board of Directors



Shri N. Bajendra Kumar, IAS
Chairman-Cum-Managing Director



Shri Saraswati Prasad, IAS
Govt. Nominee Director, NMDC Ltd. &
Special Secretary & Financial Advisor,
Ministry of Steel



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



Shri P.K. Satpathy
Director (Production)



Shri Sandeep Tula,
Director (Personnel)



Shri Amitava Mukherjee
Director (Finance) (w.e.f. 20.11.2018)



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



Smt. Bhagwati Mahesh Baldewa
Independent Director



Shri Pradip Bhargava, IAS (Retd)
Independent Director



Dr. Syamal K. Sarkar, IAS (Retd)
Independent Director



Shri S.M. Nigam, IRS (Retd)
Independent Director



Shri Ashok K Angurana, IAS (Retd)
Independent Director



CA. Arun Kumar Srivastava
Independent Director

Senior Management

Senior Management Team of the company comprises of members of the core management team, excluding Board of Directors.



V. V. S. Sreenivas, IRSME
Chief Vigilance Officer



Prasant Dash
Executive Director
NISP, Jagdalpur, CG



V. S. Prabhakar
ED & CEO, BRPL & NCL



T. S. Cherian
Executive Director
BIOM, Bachel Complex



B. Sahoo
Executive Director (Production Coordination)
Head Office



Sumit Deb
Executive Director (Personnel &
Administration) Head Office



S. Surender
Executive Director (Engineering & Projects)
Head Office



M. Mahadevan
Executive Director (RP & S)
Head Office



Rajasekhar
General Manager (Projects)
Head Office



V. Ajit Kumar
General Manager (Slurry Pipeline Project)
Jagdalpur



L. Krishnamohan
General Manager (Finance)
Head Office



S. K. Wadhvani
General Manager (Commercial)
Head Office



A. K. Prajapati
General Manager
BIOM, Kirandul Complex



Sunil Kumar D
General Manager
Donimalai



Hari Narayan Singh
General Manager (Production)
BIOM, Bachel Complex



R. Govindarajan
General Manager (Engineering)
Head Office



A. K. Padhy
General Manager (Finance)
Head Office



S. P. Himanshu
General Manager (Personnel)
Head Office



Dilip Kumar Mohanty
General Manager (Operations)
NISP, Jagdalpur



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



M. Jayapal Reddy
General Manager (Environment)
Head Office, Hyderabad



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



A. S. Pardha Saradhi
Company Secretary (General Manager)
Head Office, Hyderabad



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

SERVING INDIA'S
DEMAND FOR STEEL

India has emerged as the fastest growing major economy in the world and is expected to be one of the top economic powers of the world over the next 10-15 years, backed by strong policies and reforms by the Government supporting higher growth. The thrust of Government of India to enhance spending on infrastructure augurs well for the Steel industry and thereby, the iron ore sector.

With 300 MTPA steel capacity envisaged by FY2031 by the National Steel Policy of 2017, Indian iron ore production is likely to grow in line with domestic steel production. NMDC is bullish on the growth prospects of India's steel industry with its competitive advantages and the impetus being given by the government to the steel sector with growth envisaged in key sectors such as, infrastructure, housing, railways, consumer durables and automobile, the persistent demand of high grade ore should help NMDC in improving its performance in terms of volumes as well as EBITDA margins. Coupled with growing urbanisation; rising income levels of the burgeoning Indian middle class; Government initiatives such as Make-in-India, Freight corridors, 100 Smart cities,

Rural electrification and Housing for all by 2022, NMDC sees a bright future for the mining and steel industry.

Worldwide, mining environmental concerns, plant closures in China and supply disruptions in two of the largest global ore producers mean that the price for steel will remain stable, if not get firmer. Continuous thrust by the government to use domestically manufactured iron and steel products in government procurement, as well as anti-dumping restrictions on steel imports in the country on account of measures being taken by Govt. of India bode well for NMDC and the iron ore mining industry.

NMDC FORGES
FORWARD

At NMDC, we have a long-term plan 'Vision 2025' to take our iron ore production capacity to 67 MTPA. We intend to also remain India's most competitive iron ore producer.

In addition to this, our JV company with CMDC Limited, will also start production in near future. We have also developed an intermediate stock pile at Kumarmaranga near Jagdlapur to ensure uninterrupted supply of ore to regional customers.

Government of India has charted a road map to augment India's Steel production capacity to 300 Mtpa by 2030. To fulfil this vision, NMDC proposes to act as a facilitator and developer of greenfield steel plants by creating Special Purpose Vehicles (SPVs) in the mineral rich states of Jharkhand & Karnataka.

NMDC also proposes to invest in strategic and critical raw materials which are required by our nation for long term supply security. In line with this strategy, NMDC has created 'NMDC Global' department and is scouting for rare earth minerals in India and abroad, along with IREL under an MOU.

Serving India's DEMAND FOR STEEL

To meet the country's demand for steel, we plan to augment our production capacity of iron ore to 67 million tonnes. We have also embarked on value addition projects by setting up pelletisation plants by utilising slimes and a 3.0 MTPA integrated steel plant in Chhattisgarh. This plant is now close to completion, with production expected during FY2021.

67 MTPA
capacity planned

3.0 MTPA
integrated steel plant in
Chhattisgarh coming up

India's largest IRON ORE PRODUCER

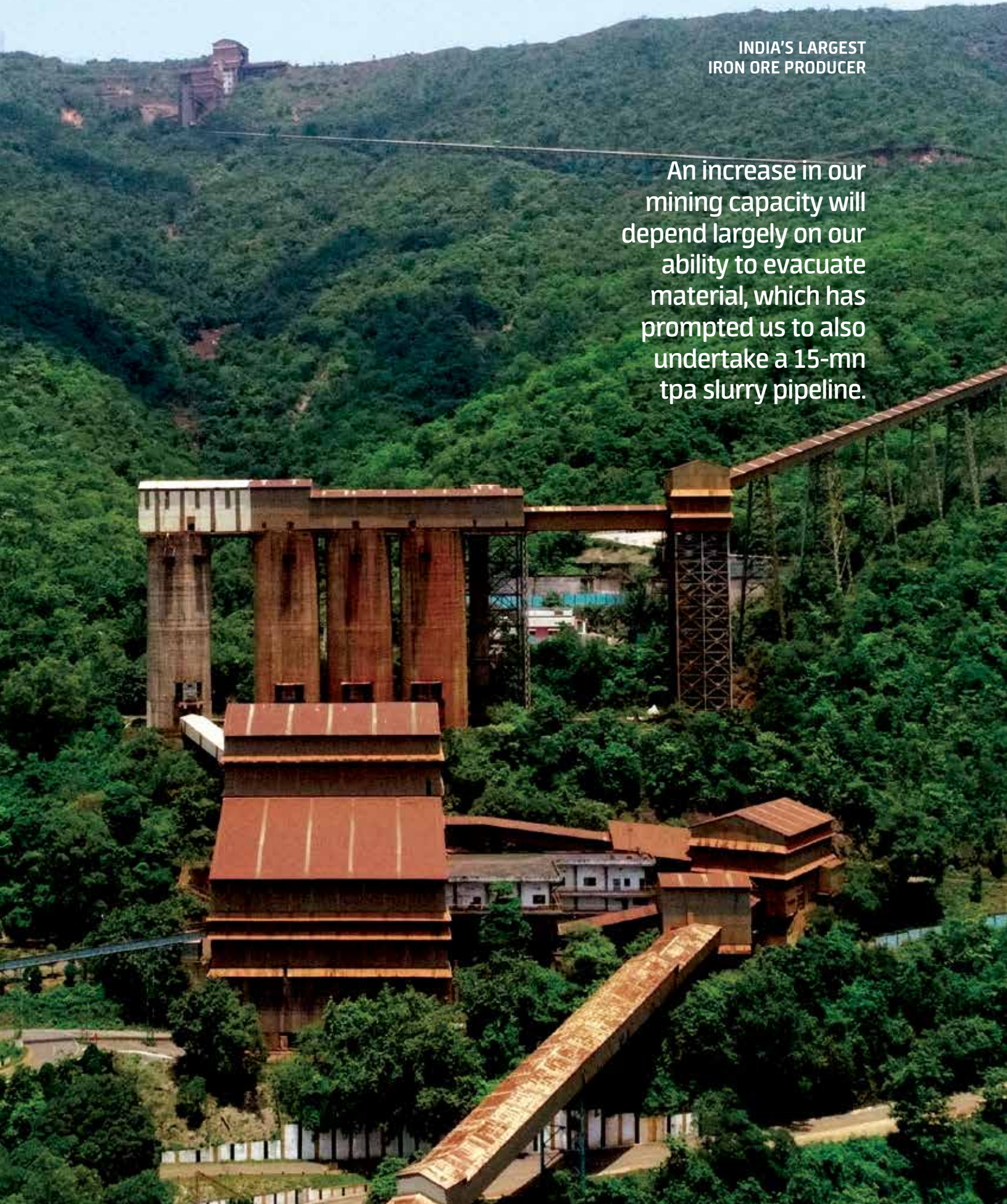
NMDC's current mining capacity is 43mn tonnes. As it stands, we are already India's largest Iron Ore producer. Going forward, we are targeting substantial increase in mining capacity by improving our evacuation capabilities in Chhattisgarh by doubling of KK line from Kirandul to Jagdalpur line by 12 mn tonnes in our existing operations. We are also planning to develop 15mn tpa of greenfield mines (JV with CMDC) by FY2022.

Mining capacity enhancement plan

	Project	FY2019 (Mn)	Plan (Mn)
Existing operating mines	Kirandul	14	21
	Bacheli	15	17
	Donimalai	7	7
	Kumaraswamy	7	7
	Sub Total	43	52
Greenfield Mines (JV with CMDC)	Deposit 13	0	10
	Deposit 4	0	5
	Sub Total	0	15
Grand Total		43	67

INDIA'S LARGEST
IRON ORE PRODUCER

An increase in our mining capacity will depend largely on our ability to evacuate material, which has prompted us to also undertake a 15-mn tpa slurry pipeline.



ADVANCING UP THE VALUE CHAIN

As part of its strategy to forward integrate into higher value products, NMDC is setting up its greenfield integrated steel plant with a capacity of 3.0 MTPA at Nagarnar in the state of CG. With the civil works, structural and equipment erection all in advanced stages of its completion, the Company's steel plant project at Nagarnar is moving towards its stages of commissioning. We expect to see production start in FY2021.

NMDC expects its new steel to be a strong profit earner. This confidence is placed on our reliance of our ability to efficiently feed the quality Iron Ore as raw materials from our own mining operations, the new efficient technologies that we have adopted, and the low manpower costs required to operate the plant.

Our new steel plant will produce 2.89 MT of HR coils, sheets and plates. The HR plates manufactured in the plant will be used in Manufacture of LPG cylinders, bridges, steel structures, ships, large diameter pipes, storage tanks, boilers, railway wagons and pressure vessels. The integrated steel plant will be operating with zero discharge concept and has been

designed with state of art technology for achieving highest level of energy efficiency. The raw material handling system is also completely automated, equipped with high performance dust suppression systems.

The Steel Plant is under installation with the technological knowhow from various global companies from countries like Germany, Italy, Austria, China, France, USA and several others. The Steel Plant will have major technological facilities like India's one of the largest Blast Furnace of capacity 4506 Cum UV, Hot Strip mill coupled with TSC, BOF, Coke Oven of 7 M tall of 2 numbers, etc. The plant will operate on BF – BOF route. The plant is also designed to have optimum use of water and power.

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

Advancing up THE VALUE CHAIN

Products to be produced:

- HR coils/plates/sheets
- HR Plates (IS 2062, IS5986, IS 3039)
- API-5L quality plates upto X 80
- HR sheets (IS 3196)
- HR Coils for LPG Cylinders (IS 6240)
- HR coils (IS 10748), IS 1079)
- High carbon steel (1100-1650) and other alloy steel
- Silicon steel (DIN 46400-3)
- Automotive steel
- Pig Iron

A SIGNIFICANT EMPLOYMENT GENERATOR:

By installing the Integrated Steel Plant, the region will be economically and demographically developed for uplifting the people of the region. The Steel Plant will also generate direct employment to nearly 4000 people (excluding out sourcing employees), and Indirect Employment to local people through various ancillary units, down-stream industries, and service providers. The plant will also help contribute to the state revenue, and increase the pace of industrialisation in the vicinity of the project. This economic progress would also increase the literacy rate, and availability of skilled labour among the local people.

A philosophy of Sustainable Development

NMDC has invested significantly in 'Sustainability' right since its inception. It is our ethos of sustainable development that has created a favourable business environment in the areas we operate, and given us a strong local understanding of community concerns and local sensitivities.

NMDC takes numerous steps to protect and enrich the environment. NMDC's efforts in sustainability have been rewarded with 5-star rating to five of its mechanised mines.



A PHILOSOPHY OF SUSTAINABLE DEVELOPMENT

The four major pillars of Sustainability on which NMDC focuses on are environment, health, safety, and society. When it comes to environment protection and conservation, NMDC has a strong track record of profound caring, backed by tangible actions. It has taken concrete steps in improving air quality; lowering its carbon footprint; controlling environment pollution; recharging ground water levels; greening through plantation; treating domestic waste water for reuse; and planting lakhs of trees.

Some key initiatives for FY2019 include:

Solar Power Projects: With the green energy initiative of Govt. of India focusing more on renewable energies, NMDC has taken up setting up of Solar Power projects (Rooftop) at its Office premises.

Dust Suppression System at the OCSL Plant: In order to create healthy working environment for the working personnel in and around the OCSL Plant, Dust Suppression System was successfully implemented at the Crushing and Screening Plant at Donimalai.

Energy efficient Hydraulic Drive: Compact and Energy efficient Hydraulic Drive was procured for replacing the existing Mechanical Gear Box at the Kirandul Complex.

Mine Safety: NMDC has its training centres in all its projects. Mine Level Tripartite Safety Committee Meetings were conducted in each of the operating mines.

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

OHS Activities: Occupational Health Services were provided by Qualified Doctors trained in OHS at Central Labour Institute, Mumbai.

Safety Management System: Safety Management System was implemented in all NMDC mines, with Risk Assessment studies being conducted regularly.

CORPORATE SOCIAL
RESPONSIBILITY

While pursuing its business, NMDC makes efforts to add value and augment quality of life with the people primarily living around its establishments and working towards improvement in literacy levels, poverty alleviation and providing essential healthcare.

NMDC believes that the well-being of the society at large is a pre-requisite for progress of business & prosperity of the organisation. This has been the company's underlying philosophy in its approach to society. The journey which started way back in late 1950s with random initiatives for communities around Project

locations has now blossomed into a full-fledged CSR programme guided by the organisational philosophy, which goes beyond the call of duty stipulated by statute.

OUR MAJOR THRUST AREAS

Various activities have been grouped into verticals as in:



Prayas
A Pursuit to
Education



Nirmaya
Towards
Healthy Life



Prakalp
Creating
Infrastructure



Kaushal
Skilling
People



Payjal
For Safe
Drinking Water

VISION

To strive for excellence in promoting sustainable development and improvement in quality of life of surrounding communities through CSR initiatives based on ethical, transparent, accountable and sound governance practices.

MISSION

To emerge as a responsible corporate leader in Sustainable CSR initiatives through innovative partnerships/ programmes, strategic collaborations and stakeholder's engagement in order to promote inclusive community growth.

OBJECTIVES

- To operate its business in an economically, socially and environmentally sustainable manner
- To enhance the quality of life and economic wellbeing of local communities
- To generate goodwill and pride for NMDC among stakeholders
- To help reinforce the positive and socially responsible image of NMDC

Corporate Social Responsibility

NMDC takes numerous steps to protect and enrich the environment. NMDC's efforts in sustainability have been rewarded with 5-star rating to five of its mechanised mines

Directors' Report

DEAR MEMBERS,

YOUR DIRECTORS ARE PLEASED TO PRESENT THE 61ST ANNUAL REPORT ON THE PERFORMANCE OF YOUR COMPANY, TOGETHER WITH THE AUDIT REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019 AND THE REPORT THEREON BY THE COMPTROLLER AND AUDITOR GENERAL OF INDIA.



1. PERFORMANCE HIGHLIGHTS

During the year under review, the Company has recorded turnover of ₹ 12,153 crores, achieved Profit Before Tax (PBT) of ₹ 7,199 crores and achieved Profit after Tax (PAT) of ₹ 4,642 crores.

The major performance highlights are summarized as under:-

- The company achieved record production of 32.36 MT and sales of 32.36 MT.
- Turnover for the year under review was ₹ 12,153 crores as against ₹ 11,615 crores in the previous financial year 2017-18 – an increase of 4.63%.
- Profit before tax (PBT) from continuing operations was ₹ 7,199 crores compared to ₹ 6,180 crores in the previous financial year 2017-18 – an increase of 16.50%.
- Profit after tax (PAT) was ₹ 4,642 crores compared to ₹ 3,806 crores in the previous financial year 2017-18 – an increase of 21.97%.
- Net worth of the Company stood at ₹ 25,952 crores as on 31.03.2019 – 6.56 % higher than the previous financial year 2017-18.
- The Company declared an Interim Dividend of ₹ 5.52 per share for FY 2018-19.
- Capital expenditure of ₹ 2,090 crore has been incurred during the year under review.
- Completed Buyback of 10,20,40,815 equity shares of ₹ 1/- each @ ₹ 98/- per share.
- **Granting extension of ML no.2396 in respect of Donimalai for 20 years from 04.11.2018 to 03.11.2038 as per the provision of the Mineral (Mining by Government Company) Rules, 2015**

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

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

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

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

Quote

- i) Writ Petition is allowed;
- ii) The condition imposed to levy premium equivalent to 80% of average sale price of iron ore published by the Indian Bureau of Mines while extending the period of lease vide Communication / Order No.CI 78 MMM 2016 dated 02.11.2018 passed by the Secretary Department of Commerce & Industries, Govt. of Karnataka as amended by Corrigendum No.CI 78MMM 2016 dated 15.11.2018 and intimating the

same through the letter No.DMG/MLS/ML-2396/2018-19/6360 dated 23.11.2018 passed by the Director, Department of Mines & Geology, Bengaluru is set aside .

No Costs.

Unquote

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

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

2. PHYSICAL PERFORMANCE

2.1 Production

Product	Achievement		Percentage of change
	2017-18	2018-19	
Iron Ore (Million tonnes)	35.57	32.36	(-)9.02 %
Diamond (Carats)	39,394	38,149	(-)3.16 %
Sponge Iron (Tonnes)	Nil	2,475	
Pellets (Tonnes)	58,070	1,15,623	99.11 %

3. SALES OF IRON ORE

Product	Physical (in million tonnes)			Value (₹ in crore)		
	Achievement		Percentage of change	Achievement		Percentage of change
	2017-18	2018-19		2017-18	2018-19	
Domestic	33.48	31.18	(-) 6.72%	10,421.00	11,452.33	9.90 %
Export through MMTC	2.60	1.18	(-) 54.62%	1,069.93	545.65	(-) 49.00%
Total Sales	36.08	32.36	(-) 10.31%	11,490.93	11,997.98	4.41 %

3.1 Other Sales

Products	Achievement	
	2017-18	2018-19
a) Diamond		
Sales (carats)	33,175	29,346
Value (₹ in crore)	35.17	38.86
b) Sponge Iron		
Sales (tonnes)	Nil	495.58
Value (₹ in crore)	Nil	0.94
c) Wind Power		
Sales (lakh units)	1.91	1.62
Value (₹ in crore)	6.50	5.51

4. FINANCIAL PERFORMANCE**4.1 Operating Results**

Parameter	Achievement		Percentage of change
	2017-18	2018-19	
Profit Before Tax (PBT) (₹ in crore)	6,180	7,199	16.50 %
Profit After Tax (PAT) (₹ in crore)	3,806	4,642	21.97 %
Net Worth (₹ in crore)	24,354	25,952	6.56 %
Book value per share (₹)	76.97	84.76	10.12 %
Earnings per Share (₹)	12.03	14.70	22.20 %

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

4.2 Profit & Dividend

During the year under review, your Company has earned profit before tax from continuing operations of ₹ 7,199 crores on a turnover of ₹ 12,153 crores in comparison with previous year's achievement of ₹ 6,180 crores and ₹ 11,615 crores respectively.

The Company has declared Interim Dividend for FY 2018-19 @ ₹ 5.52 per share in the month of March 2019 involving an outgo of ₹ 1,690.14 crores. The share of Government with equity stake of 72.28 % is ₹ 1,222 crores.

4.3 TRANSFER TO RESERVES

The company proposed to transfer ₹ 2,000 crore from net profit to General Reserve.

4.4 MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT: NIL**4.5 DEPOSITS**

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

5. INTERNAL CONTROL SYSTEMS

Necessary disclosure in respect of Internal Control System and their adequacy has been made in Annexure-C to the Independent Auditors' report dated 28th May 2019 which forms part of the Annual Report.

6. (a) PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

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

(b) RELATED PARTY DISCLOSURE

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

(c) MAINTENANCE OF COST RECORDS

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

7. (a) STATUTORY AUDITOR'S REPORT

The Audit Report for both Standalone and Consolidated Financial Statements for the year 2018-19 is unmodified and does not contain any qualification, reservation or adverse remark.

(b) SECRETARIAL AUDIT REPORT

The Secretarial Audit Report for the FY 2018-19 as done by M/s Hanumanta Raju & Co., Company Secretary in whole time practice does not contain any qualification, reservation or adverse remark.

8. NEW PROJECTS & BUSINESS DIVERSIFICATIONS

In line with the Vision plan of augmenting its Production & Evacuation capacity, technology upgradation, diversification & value-added products, NMDC has taken up many ambitious projects. Some of the projects have been completed and others are nearing completion. Action for new projects have been initiated. During the financial year 2018-19, the details of Projects undertaken by NMDC are summarized as under:

A. ONGOING PROJECTS:

1. Screening Plant III – Kirandul Complex
2. Additional Screening Line & up gradation of existing conveyor at Kirandul.
3. 15 MTPA Slurry Pipeline – Bacheli to Nagarnar
4. Doubling of KK line between Kirandul & Jagdalpur
5. Doubling of KK line between Jagdalpur & Ambagaon

B. PROJECTS IN PIPELINE:

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

Projects / Schemes for capacity expansion

To augment the production and to improve the quality of product mix from Bailadila Sector, the schemes like SP-III Kirandul, relocating Crushing Plant

of Dep.14 & 11/C and Downhill conveyor, additional screening lines in Bacheli & Kirandul, Rapid Wagon Loading System (RWLS) etc are envisaged. Waste mining and increase in evacuation capacity being a major areas of focus for enhancing the life of mines, schemes like beneficiation plant at Bacheli & Kirandul and Slurry pipeline from Bacheli to Nagarnar has also been taken up.

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

For improving the rake loading capacity in the Donimalai sector an additional Stacking & Loading facility of 7.0 MTPA is envisaged. Further, re-modeling of existing Ranjitpura Railway yard is also planned for augmentation of rail despatches. Railway consultant is appointed for the same and TEFR has been submitted to South western Railway, Hubli for approval.

Projects / Schemes to enhance evacuation capacity

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

Doubling of KK line between Kirandul & Jagdalpur (150.462 km) is executed by Railways as a deposit work and is in advance stage. 45.50 kms line between Jagdalpur & Silakjhor, (Section-I) and 7.32 kms line between Dantewada & Gidam (Section-II) were completed during the FY 2017-18 and opened for traffic. Further, during FY 2018-19, 9.2 Kms line between Silakjhor and Kumharsodra (Section-III) was completed and opened for traffic. Works are in progress in other reaches of Section II & Section III and are scheduled to be completed by FY 2019-20.

Further, Doubling of KK line between Jagdalpur & Ambagaon (25 km) is also taken up through Customer funding model agreement. Work completed during the FY 2018-19, and opened for traffic.

For increasing the rake loading & evacuation capacity at Kirandul, installation of additional rail facilities and line for 2nd RWLS is being planned. Railway consultant is appointed, TEFR approved by East Coast Railway, Bhubaneswar and DPR work is in progress.

Additional Screening Line & up gradation of existing conveyor at Kirandul is expected to be commissioned by December 2019.

NMDC has taken up an ambitious project of laying Slurry pipeline from Bailadila to Jagdalpur and further up to Visakhapatnam. The Capacity of the line 15 MTPA and this will be associated with facilities like beneficiation plant at Kirandul & Bachel, pellet plant at Nagarnar and Vizag. The slurry pipeline between Bachel to Nagarnar is being executed by NMDC and from Nagarnar to Vizag is envisaged to be executed in SPV or BOO mode.

Solar Power Projects

With the green energy initiative of Govt. of India focusing more on renewable energies, NMDC has taken up setting up of Solar Power projects (Rooftop) at its Office premises. This includes:-

- (a) 30 KW rooftop solar power generation at Head Office.
- (b) 1 MW rooftop solar power generation at production units of NMDC.

The rooftop solar power unit at Head office has been commissioned and is in operation since April 2017.

Work awarded for Engineering, Procurement, Supply, Construction and Commissioning of approx. 1MW capacity RTS Photovoltaic Grid connected power projects at various production units of NMDC on turkey basis including Comprehensive Operation & Maintenance for a period of 10 years in Sep'2018. Expected to be completed by July 2019.

a) Steel Plant Project at Nagarnar, Chhattisgarh

Steel Plant project at Nagarnar is moving towards its commissioning stage and the progress of civil works, structural & equipment erection are in advanced stage of its completion.

The operational power supply system is already energized and various sub-stations are also charged to ensure power supply to such units. Further, for the initial inward and outward movement of the materials, plant is already connected with the railway line and procurement action for initial requirement of raw materials, spares, consumables, etc. are under process. The activities of conducting cold trials, Preliminary Acceptance Tests, etc., of equipments of individual facilities are under progress as a preparedness for commissioning of steel plant. The capex achievement w.r.t. steel plant during the financial year 2018-19 is ₹ 1,541 Cr. and expenditure incurred so far is about ₹ 15,426 Cr.

b) Promoting New Steel Plants through SPVs

NMDC is promoting Steel SPVs for setting up new steel plants in the state of Karnataka and Jharkhand. This initiative is under a collaborative

approach of Ministry of Steel, GoI and respective State Governments. The Steel SPVs shall acquire land, seek water and power allocation and iron ore linkage for setting up the Steel plant and then invite a strategic partner to develop and construct the Steel Plant. NMDC shall ensure the ore linkage to the SPVs through JVs with State Mining corporations.

The Steel SPV in Jharkhand has selected the site and has applied for allocation of land, water and power. In the state of Karnataka, NMDC has acquired ~ 2800 acres of land acquisition through KIADB. NMDC has also sought for iron ore allocation in the state of Jharkhand and Karnataka for ore linkage to the steel SPVs. NMDC will take up the next steps on both the SPVs after allocation of iron ore linkage.

Dust Suppression System at Donimalai OCSL Plant:

- a) Dust level be maintained within Fugitive Emission Standards for iron ore processing as specified by Ministry of Environment, Forests & Climate Change (MOEF&CC), i.e. concentration of particulate matter shall be within 1200 µg/m³.
- b) In order to create healthy working environment for the working personnel in and around the OCSL Plant, as per the norms of ISO-14001 (Environment) & OHSAS-18001 and also avoid IR issues, Dust Suppression System is successfully implemented at Crushing and Screening Plant, DIOM through CSIR, CIMFR, Dhanbad during April-2019 and the value of the work is ₹ 271.78 lakhs.

Automatic Fire Detection & Suppression System (AFDSS):

- a) To effectively control the occurrence of Fire in its incipient stage itself and safeguard the interest of the installed Equipment, deployed manpower and also as per DGMS guidelines and Commissioned in Tunnel Conveyors, BC-203 & BC-204 with a length of 1.4KM at Kirandul Complex at a cost of ₹ 472.8 lakhs.
- b) AFDSS is also under implementation at Bachel Complex in Tunnel Conveyor BC-29, approx length of 2.14 KM at a cost of ₹ 534.46 lakhs.

Installation of Portable Sub-station:

Replacement of Existing 33/6.6/3.3 KV Old Conventional Substation of Dep-14 of BIOM Kirandul Complex by 33/6.6/3.3 KV Compact Portable/ Mobile.

This is the first ever Mobile Sub-station of NMDC which includes the followings:-

- a. Easter Oil filled Transformers
- b. Gas Insulated Switchgears

- c. Latest SCADA System
- d. Addressable Fire Detectors
- e. Automatic Power Factor Controller
- f. Utilization of Solar Energy by Hybrid Solar Panels mounted on roof top for Lighting & Control Supply within the E-House.
- g. Mounted on temporary structural frame

The said replacement of RLC system of Screening Plant will be beneficial to reduce the down time of plants due to electrical breakdown/ energy savings/ Eco-friendly & green technology.

8.1 OVERSEAS PROJECTS / NMDC GLOBAL

Australia

Legacy Iron Ore, Perth, Australia

Legacy Iron Ore Ltd is an ASX listed entity based in Perth, Australia with a focus on iron ore, gold and base metals. NMDC has 78.56% equity in the company.

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

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

International Coal Ventures Pvt. Ltd. (ICVL)

ICVL, a joint venture company of SAIL, RINL & NMDC, acquired a coking/thermal coal mine in Mozambique in 2014 and operation of the same was taken over by ICVL. ICVL undertook strategic review of Benga operations & restarted operations from Dec, 2017. Benga Mine has produced about 1 MT of Coking coal & 0.32 MT of thermal coal in FY'19.

Venture into Strategic Raw materials

Tungsten metal is of strategic importance due to its essential requirement in defence and aerospace sector and currently India meets its entire

requirement through imports. NMDC has entered into MoUs with both MIDHANI and DMRL to explore tungsten investment opportunities in India and abroad. NMDC is presently conducting detailed due diligence of a shortlisted tungsten asset for acquisition of minor stake, for defence requirement, subject to committed off-take from defence sector companies.

8.2 Leases for minerals

Iron Ore

In Chhattisgarh

NMDC-CMDC Ltd., is a subsidiary of NMDC Ltd. with equity share holding of NMDC Ltd. and CMDC Ltd. in the ratio of 51:49. This subsidiary company has been formed to develop, mine, process, raise and sale of iron ore from Deposit No.13 & Deposit No.4 at Bailadila in South Bastar Dantewada, Chhattisgarh. The present Mining Lease Grant status of both the deposits are as follows:

Bailadila Iron Ore Deposit No.13

Mining lease was granted for Bailadila Iron Ore Dep-13 over an area of 413.745 Ha, in favor of NMDC Ltd. for 50 Years. Performance security has been deposited with the State Government in the form of a bank guarantee and Mine Development and Production Agreement was signed on 10.01.2017. The lease deed was executed and registered on 10.01.2017 over an area of 315.813 Ha. As per ML Grant Order No.F3-84/95/12 dated 07.01.2017 Mining lease has been transferred in favor of NMDC - CMDC Limited (NCL) on 04.12.2017. Intimation on transfer of Mining Lease in Form-N under Rule 50 of MCDR, 2017 has been submitted to the Regional Controller of Mines, IBM, Raipur on 29.12.2017.

Intimation on transfer of records to transferee regarding Mining Lease under Rule 52 of MCDR, 2017 has been submitted to the Secretary, Mineral Resource Department, Govt. of Chhattisgarh on 29.12.2017. 3D Ore Body Modeling & resource estimation has been completed by using Surpac mine planning software and Geo-statistical tools in WGS 84 datum. MDO has been appointed. The modified mining plan has been approved by IBM Raipur. Action has been initiated for transfer of existing EC & FC in favour of NCL.

Bailadila Iron Ore Deposit No.4

M/s NMDC - CMDC Ltd. (NCL) has submitted the proposal to Secretary, MRD, Govt. of Chhattisgarh through DMG, Govt. of Chhattisgarh on 26.09.2017 for reservation of Bailadila Deposit No. 4 (646.597 ha) in favor of M/s. NCL under section 17A (2A) of MM (D&R) Amendment Act, 2015 for grant of ML. MRD, Govt. Chhattisgarh forwarded application to Ministry of Mines, Gol. The matter is being pursued with MoM, Gol

In respect of Bailadila-1 & 3

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

In Jharkhand**Sasangada**

A JV Company (NMDC 60% & JSMD 40%), Jharkhand National Mineral Development Corporation Limited (JNMDC) has been incorporated, with its registered office at Ranchi. DMG, Govt of Jharkhand has granted PL for iron ore & Manganese in Sasangada NE area in favor of JNMDC Ltd for a period of 3 years. M/s JNMDC applied for renewal of PL for a period of two years. Detailed Geological mapping and topographical survey has been completed. Lol has been issued for carrying out exploratory drilling in PL area. Forest Clearance application for conducting drilling and other exploration works was submitted. FAC of MoEF & CC recommended for Forest Clearance subject to renewal of ML. MoM, GOI has returned the proposal to grant relaxation under section 31 of MMDR Act, 1957 for renewal of PL to State Govt. Further, MoM GOI has also stated that since JV partners of JNMDC are PSUs, State Govt. may consider a proposal for reservation of Sasangada block to JNMDC under Section 17A of MMDR Act 1957. JNMDC requested to the Secretary, Dept of Industries Mines & Geology, GOJ, for reservation of Sasangada Iron ore and Manganese deposit (1.1546 Sq.Km) under Section 17A(2A) of MM(D&R) Amendment Act 2015 for grant of Prospecting and Mining. The matter is being pursued with Govt. of Jharkhand for reservation.

Other PL/ML Applications:

Your Company is pursuing for reservation for Ghatkuri Iron ore area in West Singhbhum District. JNMDC (a JV company of NMDC & JSMD) submitted a proposal to the Secretary, Department of Industries Mines & Geology, Govt. of Jharkhand, for reservation of Ghatkuri Iron ore deposit, West Singhbhum District, Jharkhand, under Section 17A(2A) of MM(D&R) Amendment Act 2015 for grant of Prospecting and Mining operation to provide iron ore linkage to upcoming Jharkhand Kolhan Steel Limited. The matter is being pursued with Govt. of Jharkhand for reserving Ghatkuri iron Ore deposit in favor of JNMDC.

In Karnataka

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

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

In Odisha

Your Company is pursuing for reservation for Mankadnacha, Malangtoli, Khandadhar, Rakma iron ore deposits and Panduliposi Iron Ore & Manganese Deposit

In Madhya Pradesh**Iron Ore Prospective Blocks**

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

Govt. of Madhya Pradesh issued Gazette Notifications of Sidhi-Singrauli, Dhurra and Sagar Iron Ore prospective blocks, which are applied under MoU for exploration and subsequent reservation.

Sidhi Block (2279 Sq. km.) in Sidhi & Singrauli, Districts:

Geological Mapping in 1:2000 scale has been completed in one block in large Iron ore project. Completed Ground Geophysical Survey (VLF-EM) in Lohkhanti area of Sidhi-Singrauli Iron Ore Block and acquired Ground Magnetic data in (30 line & 20.7 line km). Processed the data to generate 30 nos 2 D depth sections for VLF EM & Magnetic profiles. This indicated a depth of 30 meters of iron ore body in Lohkhanti.

Geological Mapping was completed in identified blocks -Katri Kadi, Chitrangi North, Chitrangi South and Mahuriya blocks.

877 nos. of samples are collected and analysis is under progress in Sidhi - Singrauli Iron Ore Block. Chemical analysis of 500 samples of Lohkhanti, Mauhariya and 2 Katrikadi areas using HH XRF, are completed.

In Dhurra block, the team of NMDC Geologists visited the block and geological traverses was taken and Ground Geophysical Survey (Magnetic survey) completed. Anomaly map prepared depicting the iron ore formation. Geological mapping at 1:10000 scale completed and 100 chip/soil samples collected in grid pattern along the iron ore formation and sent to R & D for analysis.

In Dulchipur-Bagroda block, Geological field traverses are completed and 146 nos. of rock / chip samples were collected and the same are sent to R & D Centre for chemical analysis.

In Andhra Pradesh

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

Diamond

In Andhra Pradesh

Your Company is pursuing for grant of 3 PLs falling in the Forest area (Renewal application submitted) in Kalyandurg area, Anantapur District. FAC recommended for forest permission for drilling. NMDC requested Director, DMG for grant of renewal of PL's in favor of NMDC. Once the Govt. of Andhra Pradesh grants the renewal of PL's in favor of NMDC, exploration will be commenced in 3 PL areas.

In Madhya Pradesh

Large area Diamond Prospective Blocks

Your company has applied for three large area Prospective Blocks namely Damoh Block, Chhattarpur Panna Block-1 and Chhattarpur Panna Block-2 for diamond exploration. Tripartite MoU among GoMP (MRD, through DGM) MPSMCL & NMDC was signed for geological and geophysical exploration for various Districts of M.P. Govt. of Madhya Pradesh issued Gazette Notifications for above large prospective blocks, which are applied under MoU for exploration and subsequent reservation.

Panna Prospective Blocks:

Tripartite MoU among GoMP (MRD, through DGM) MPSMCL & NMDC was signed for geological and geophysical exploration for various Districts of M.P. Govt. of Madhya Pradesh issued Gazette Notifications for Karmatiya, Lakshmipur, Pali, Khirwa South and Khirwa West prospective blocks, which are applied under MoU for exploration and subsequent reservation. Exploration will be commenced in 5 Prospective Blocks.

Additional 12 Diamond Prospective Blocks

Your company has applied for 12 additional Diamond Prospective Blocks in Panna, Damoh, Sagar and Chhattarpur districts for exploration under Section 4(1) of MMDR Act, 1957. GoMP granted permission for carrying out exploration works. Forest permission has been obtained for Reconnaissance Survey. Total 418 SSS collected and it is under process. 800-line kms Magnetic & 400 line kms VLF-EM data acquired in proposed 45 target areas for suspected kimberlite rocks and Gravity survey in 3 blocks is completed and in other blocks is under progress.

NMDC is processing and interpreting the Raw Aeromag data using Geosoft software (acquired by M/s Geoken Kazakhistan).

Prospective block for various minerals:

Your company has applied for prospecting of various minerals (Diamond, Gold, PGE, Nickel, etc.) in Jabalpur Katni Block (563 Sq. Km.). Tripartite MoU among

GoMP (MRD, through DGM) MPSMCL & NMDC was signed for geological and geophysical exploration for various Districts of M.P. Govt. of Madhya Pradesh issued Gazette Notifications for prospective block, which is applied under MoU for exploration and subsequent reservation.

Reconnaissance Survey started in Jabalpur -Katni Block for various Minerals (Iron, PGE, Gold, Base metals, etc). Remote Sensing Studies started and some potential areas identified for iron ores. Detailed Geological traverse have been taken and identified potentials areas for Iron Ore, Manganese and Gold. Geological mapping completed in 5 Iron ore & Manganese areas. Forest permission obtained from APCCF, Bhopal for exploration and also from CCF, Jabalpur. A total of 550 nos. of rock samples are collected for Fe-Mn analysis and 25.20 line kilometer of ground magnetic survey completed within the two potential areas and under progress. The geochemical mapping is under progress in potential blocks.

Diamond in Chhattisgarh

Baloda - Belmundi Diamond Block - Your company has submitted the proposal to the Secretary, MRD, Govt. of Chhattisgarh vide letter dated 12.12.2017 for Baloda - Belmundi Diamond Block over an area of 156.80 sq km in Saraipali Tehsil, Mahasamund Dist. for reservation under section 17(A) (2A) of MM (D&R) Amendment Act, 2015 for Diamond for Prospecting and Exploitation. The matter is being pursued with Govt. of Chhattisgarh.

Copper in Chhattisgarh

NMDC submitted the proposal to the Secretary, Govt. of Chhattisgarh vide letter dated 29.03.2019 for Nodenar-Modenar Copper Block over an area of 21.24 sq km for prospecting and exploitation in Bastar & South Bastar Dist. for reservation under section 17(A) (2A) of MM (D&R) Amendment Act, 2015. The matter is being pursued with Govt. of Chhattisgarh.

Gold: In Jharkhand

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

Various minerals: In Jharkhand

Tambadungri Copper, Nickel, cobalt and molybdenum mineral -NMDC submitted the proposal to the Secretary-cum-Commissioner, Dept. of Mines &

Geology, Govt. of Jharkhand, vide letter dated 30.01.2019 to reserve an area of 16.70 Sq. Km in Saraikela-Kharswan district, Jharkhand under Section 17A(2A) of MM(D&R) Amendment Act 2015 for grant of Prospecting and Mining operation of Copper, Nickel, cobalt and molybdenum mineral

Nickel: In Odisha

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

Tungsten: In Maharashtra

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

Coal

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

As per the Section-5 of the Coal Mines (Special Provision) Act, 2015, Your Company is trying to get Coking & Non Coking Coal Blocks for captive and commercial mining through auction or allocation.

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

Your company has been allocated 5 blocks (2 iron ore blocks in Jharkhand & Maharashtra and 3 Gold blocks 2 in Karnataka & 1 in M.P.) by Ministry of Mines, GoI for G4 level exploration. Exploration work is under progress.

e-auction

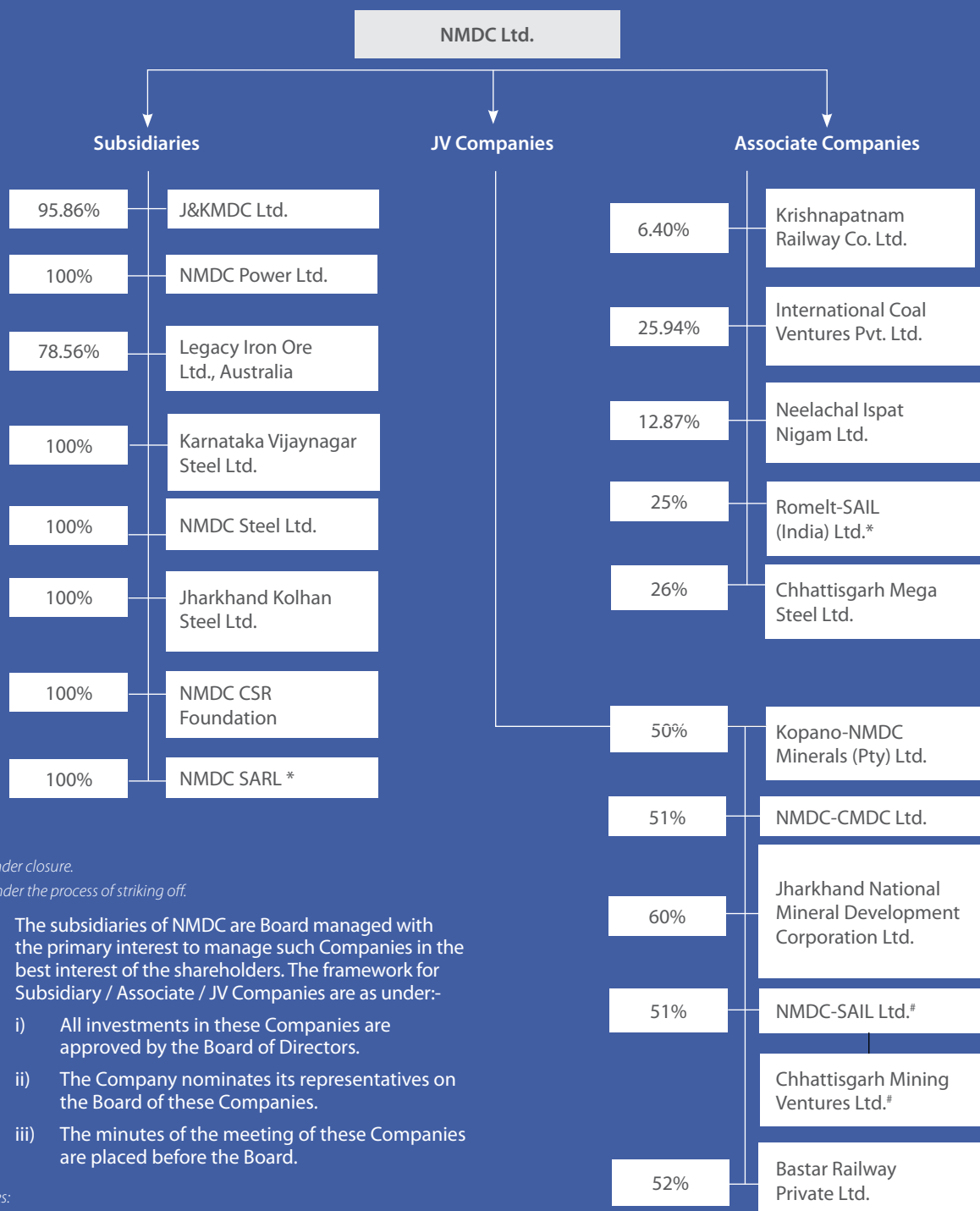
Your company has successfully bid for Chigargunta-Bisanatham gold block for Mining Lease (ML area 263.01 Ha.) located in Chittoor district in Andhra Pradesh through e-auction route with a final bid offer of 38.25%.



1.2 MTPA Pellet Plant at Donimalai, Karnataka

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

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



* Under closure.

Under the process of striking off.

- b) The subsidiaries of NMDC are Board managed with the primary interest to manage such Companies in the best interest of the shareholders. The framework for Subsidiary / Associate / JV Companies are as under:-
- All investments in these Companies are approved by the Board of Directors.
 - The Company nominates its representatives on the Board of these Companies.
 - The minutes of the meeting of these Companies are placed before the Board.

Notes:

- Subsidiary / Associate / Joint Venture Companies have been categorized in line with disclosures as made in the financial statements.
- A step down Subsidiary Company of NMDC-SAIL Ltd. by the name Chhattisgarh Mining Ventures Ltd. was incorporated on 08/11/2016. Both the companies have been filed for striking off by the Registrar of Companies.

10. ENVIRONMENT MANAGEMENT:

The Company has obtained Amendment to Environment Clearance for Nagarnar Integrated Steel Plant (NISP) for changes in configuration of some of the units and product mix from Ministry of Environment Forests and Climate Change (MOEFCC) on 4.08.2018. The Company has also obtained Environment Clearance for increase in built up area of NISP Township from 1.95 to 2.82 lakh sq.m from State Environment Impact Assessment Authority (SEIAA) on 03.12.2018.

The Company has obtained Consent to Operate under Air (Prevention & Control of Pollution) Acts 1981 and Water (Prevention & Control of Pollution) Act 1974 from Chhattisgarh Environment Conservation Board for the following Projects.

- (i) Deposit-5 for 10 MTPA RoM Iron ore on 03/04/2018 for 3 years from 01/04/2017 to 31/03/2020.
- (ii) Deposit-14/11C for 12 MTPA ROM Iron ore on 3/04/2018 for 4 years from 01/01/2016 to 31/12/2019.
- (iii) Consent to operate for Central Workshop, Bacheli on 23/03/2019 for 3 years period from 1/4/2019 to 31/3/2022.

The Company also obtained Consent to Establish and Consent to Operate for railway siding cum dispatch facilities at Kumarmarenga Railway Siding for 10 Lakh Ton per Annum on 30.03.2019. The Company got valid operating consents for all production projects under Air and Water Acts.

The Company has engaged Indian Council of Forestry Research and Education (ICFRE), Dehradun for preparation of EMP and R&R plans for 3 mining leases of Kirandul complex.

The Company has participated in Chhattisgarh Hariyar plantation programme during the year 2018-19 and contributed ₹ 5.00 Cr to Hariyar Kosh for undertaking block plantation in the state of Chhattisgarh. The Company is undertaking all environmental pollution control works such as de-silting of check dams / check bunds, tailing dams, construction of buttress walls at toe of waste dumps and geo-coir matting on waste rock dumps for stabilization of dumps. The Company is organizing monitoring studies covering all environmental parameters by recognized laboratories. The studies indicated that all environmental parameters are found to be well within the limits.

10.1 Sustainable Development Performance

Under SDP Program, the company is undertaking construction of STP at Kirandul (3 MLD) and Donimalai (3 MLD). Carbon foot print studies are also conducted for F.Y 2018-19 and Green House Gas emissions disclosed in Carbon disclosure project.

11.SAFETY**Mine Safety – Activities**

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

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

Mine Level Tripartite Safety Committee Meetings have been conducted in each of the operating mines. This meeting is conducted once in a year at project level with senior officials, Union Representatives and DGMS Officials in which Safety Performance and its appraisal are made and the recommendations are implemented.

Corporate Level Tripartite Safety Committee Meetings are being held regularly once in a year at Head Office. 29th Corporate Level Tripartite Safety Committee Meeting of Bailadila Iron Ore Mines / Diamond Mining Project and Donimalai Iron Ore Mine / Kumarswamy Iron Ore Mine was conducted on 21.01.2019.

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

Man days lost per 1000 man days worked for the year 2018-19 is 7.04 as against 0.43 for the year 2017-18

Integrated Management System (IMS)

All the NMDC Production Projects viz. BIOM, KC; BIOM, BC; DIOM; KIOM; DMP, Parma including R&D Centre are accredited with Integrated Management System (IMS) which comprises of Quality Management System (QMS) – ISO 9001:2015; Environmental Management System (EMS) – ISO 14001:2015; Occupational Health & Safety Management System (OHSMS) OHSAS 18001:2007 & Social Accountability – SA 8000:2014 Certification Standards.

OHS Activities:

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

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

Safety Management System:

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

12. IMPLEMENTATION OF INTEGRITY PACT:

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

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

Contracts : ₹ 50.00 crores
Procurements : ₹ 15.00 crores

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

Contracts : ₹ 20.00 crores
Procurements : ₹ 10.00 crores

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

12.1 Transparency in procurements handled

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

- **e-Procurement:**
All procurements of value above ₹ 2 lakh are tendered through e-mode at HO & Projects. Reverse e-auctions are conducted for high value spares & consumables, wherever possible, by declaring upfront in the tender document
 - ◆ Broad basing of vendors done for high value items viz. Milled Ferro Silicon, Crusher Spares, Under Carriage parts of Excavators, TCRR bits which resulted in substantial savings in cost.
- **Mode of Tendering:** Efforts are continuously taken to minimize proprietary & single tender purchases. Instead, open/global tenders are resorted to by giving generalized specifications & drawings, wherever possible or with OEM Part Numbers.
- **Pre-qualifying conditions:** PQC for conveyor belts & HEM equipments tenders have been revisited and a structured PQCs have been made keeping in view wider participation.

- **GeM Portal:** Procurement through GeM portal as per the guidelines of GOI, is being done for the Materials which are available in the Portal.
- **CPP Portal:** MM Dept. is posting tenders in the CPP portal inviting offers from other interested parties subject to fulfillment of PQC & can supply as per our specifications/ requirement.

13. NMDC'S R&D CENTRE AT HYDERABAD

NMDC has an R&D Centre at Hyderabad which has been bestowed with "Centre of Excellence" by UNIDO. The centre has capabilities for undertaking studies on mineralogy, batch ore dressing, mineral beneficiation pilot plant, agglomeration, pyro and hydro metallurgy, bulk solids flowability with facilities for chemical analysis, electronic data processing and development of new products and is endowed with state of art laboratory equipment to analyse optimum use of minerals. The lab equipment are WD-XRF, ICP-AES, GFAAS, SEM, CS, TGA, ring shear tester, dry & wet abrasion tester, automatic mineral analyzer, sink-float analysis, petrological / stereo microscope, density tester, batch & pilot plant facilities for mineral processing, agglomeration etc. For further details reference may be made to Annexure-I attached to the Directors' Report.

14. GLOBAL EXPLORATION CENTRE, RAIPUR

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

15. IMPLEMENTATION OF OFFICIAL LANGUAGE POLICY

NMDC remained in the forefront of effectively implementing Official Language Policy of Government of India in its Headquarters, Projects and Units.

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

Incentive Schemes for writing noting, letters, Registers in Hindi and giving dictation in Hindi were implemented throughout the year. Hindi Fortnight was celebrated. Various Hindi competitions were conducted and prizes distributed to the participants.

Meetings of Official Language Implementation Committees were held in every quarter at Head Office and all the Projects. To monitor use of Rajbhasha and suggest measures to augment the same, inspections and Desk training programs were conducted at various projects and units. Rajbhasha contact programs were held every month at various departments of HO by Officers of Rajbhasha Department to increase awareness towards Official Language. Desk training in Hindi was also imparted during such programs. "Rajbhasha Karya Sahayika" booklet was uploaded on the website of NMDC as ready reference for routine work in Hindi. A trilingual glossary "NMDC Trilingual Glossary" (English-Hindi-Telugu) has been prepared in-house.

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

"Rajbhasha Vichar Goshtee" was organised at Head Office for officers of various undertakings in presence of honourable members of Hindi Salahakar Samiti of MOS. All India Conference of NMDC Rajbhasha Officers was also conducted at Head Office. Rajbhasha Technical Seminars were conducted at Donimalai Iron Ore Project, SIU, Paloncha and Diamond Mining Project, Panna. House journal dedicated to Official language "Khanij Bharati" was published. Various Hindi / Bilingual / Trilingual magazines, news magazines were also published from Head Office and Projects viz, Sarjana, Baila Samachar, Bacheli Samachar, Doni Samachar, Heera Samachar, She News etc. To encourage usage of Rajbhasha in Projects and units, shields were distributed under "NMDC Rajbhasha Shield" Scheme.

NMDC was awarded "Rajbhasha Samman – First Prize" by Ministry Of Steel, Govt. of India for excellent implementation of Rajbhasha for the Year 2017-18. Rajbhasha Kirti Puraskar (Second) for PSU's in 'C' region was conferred on NMDC by Government of India, Ministry of Home Affairs for the year 2017-18. NMDC also received First Prize-"Rajbhasha Shield" from Town Official Language Implementation Committee (U), Hyderabad-Secunderabad in mid-sized category for outstanding implementation of Rajbhasha during 2017-18. NMDC's Hindi Magazine "Khanij Bharati" was awarded "Best Magazine Award" in printed magazine category among all the PSUs of Hyderabad-Secunderabad.

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

Your company has taken the following steps to procure goods and services from MSE firms, MSE SC/ST & Women entrepreneurs. NMDC has conducted exclusive MSE SC

/ ST vendor meets at its projects in Chhattisgarh and Karnataka to understand the tendering process and our requirement. NMDC has participated in the various vendor meets organised by Ministry of Micro, Small & Medium Enterprises in association with FICCI. Besides NMDC has organised a Vendor Meet at Raipur during June 2018 and also at Head Office during December 2018. The projects at Bailadila and Donimalai Sectors have also conducted meets / programmes. NMDC has participated in 11 programmes in total during 2018-19. NMDC interacted with prospective MSE entrepreneurs encouraging them for supply of goods for various plants at Bailadila & Donimalai.

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

Moreover, against the qualification criteria in tenders we have not received any complaint / request with regard to relaxing tender terms & conditions. For the last 3 years NMDC is achieving the targets as per Public Procurement Policy.

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

17. MANPOWER

17.1 Employee-Employer relations

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

17.2 Scheduled Castes & Scheduled Tribes

32 candidates belonging to Scheduled Caste and 118 candidate belonging to Scheduled Tribes were appointed in the year 2018 against 319 posts filled by direct recruitment.

17.3 Strength of SCs & STs as on 31st March 2019

1. Total number of employees	5887
2. Scheduled Castes amongst them	922
3. Scheduled Tribes amongst them	1446
4. Total SCs and STs	2368
5. Physically challenged employees	100

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

17.5 Staff Welfare activities

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

17.6 Promotion of Sports

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

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

NMDC has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. It has constituted Internal Complaints Committees at Corporate Office and its Projects. These Committees are headed by senior level woman officers and have been constituted in accordance to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal Act, 2013.

18. HUMAN RESOURCES DEVELOPMENT

At NMDC Limited, people are our biggest strength. They are driven by purpose and are fully empowered to excel in the fast-changing environment. We continuously strive to develop the right capabilities and skills needed for different ways of working and new entrepreneurial leadership qualities. To strengthen the People's agenda through Human Resources Development, we are creating a more flexible and agile mindset in the organisation. It involves more collaboration, experimentation through test-and-learn, embracing failure to gain insight. An 'owner's mindset' empowers our people to take responsibility for delivering business results. They are empowered and provided with the resources to develop innovations with speed. Our success depends largely on our ability to attract and retain the most talented individuals. We motivate and inspire them with a mission and a purpose that resonates with the long-term aims and the values of the Company.

Capability Building Programmes:

NMDC Limited believes that education, training, mentoring, and ongoing skill development are each important elements contributing to the continual growth of our employees. NMDC provides world class learning opportunities to all levels of executives in different disciplines commencing with induction training for new Executive trainees, Capability Building programmes to middle and senior level executives in technical, techno-managerial and managerial domains, certification programmes, project management training and leadership development programmes through a planned calendar of training programmes with pre-identified training partners. In addition to the calendar of programmes arranged in India, executives are also being nominated for a vast number of training programmes, seminars and workshops organized in India and abroad.

Capability Building at NMDC endeavours to create value for the business functions through progressive learnings and building capabilities of employees. The key focus areas of the Human Resource Development Department at NMDC include enhancement of competencies, strengthening the leadership pipeline, cultural interventions to enhance collaboration and leveraging technology for learning & development. To enhance the competencies of workforce and make them future ready, NMDC has partnered with various reputed Training Partners like ASCI, Hyderabad, COD, Hyderabad, ESCI, Hyderabad, ni-msme, Hyderabad, IPE, Hyderabad and ISB, Hyderabad for programs aligned to the business requirements.

Corporate HRD has Organized 19 Nos of Customised In House Training Programmes covering 308 Executives during 2018-19, 171 Nos of External Training Programmes covering 494 executives on various subjects, 44 Nos of Executives were sent abroad for Foreign Training Programmes / AMP.

Leadership Development:

General Management Programmes:

To develop leaders at various levels of Management Cadre, 42 executives at different level have undergone one week long training such as Advanced Leadership Programme and General Management Programme in the centers of excellence like IIT -ISM, Dhanbad and ASCI Hyderabad

Advanced Management Programmes for Senior Management

To develop the perspectives and skills necessary for managing organization effectively in a rapidly changing business environment, 10 senior executives in the level of Jt.GM and above were nominated to attend Advanced Management Programs conducted by Administrative Staff College of India (ASCI) - Hyderabad, Management Development Institute (MDI)-Gurgaon, Indian Institute of Public Administration (IIPA) - New Delhi, SCOPE-New Delhi and LEAD centre - Gurgaon and IPE, Hyderabad.

Succession Management Policy:

Board approved "Succession Management Policy" is in place in NMDC Limited to create Leadership Pipeline that would address the envisioned business growth, upcoming vacancies in leadership roles due to Superannuation and Potential contingency scenarios of the future.

Assessment of Level of People Capability Maturity Model (PCMM):

The company has carried out the exercise of Assessment of the level of People Capability Maturity Model (PCMM) in NMDC Limited and the framework has helped to guide our organization in improving processes for managing and developing human workforces. It also helped the organization to characterize the maturity of our workforce practices, establish a program of continuous workforce development, set priorities for improvement actions, integrate workforce development with Process Improvement, and to establish a culture of excellence.

Employee Engagement Initiatives for Young Executives (You Thrive):

To develop a sense of camaraderie amongst the Young Executives at NMDC who are from across the Projects/ Units/ROs, 'You Thrive' – A unique Engagement Initiative for Young Executives have been implemented at NMDC. Under the You Thrive Platform, NMDC Diamond Jubilee Young Executives Business Quiz is organised for the Young executives across the Organisation.

Knowledge Management Framework (Samanvay):

Department of Public Enterprises (DPE) has developed Common Knowledge Management Portal "Samanvay" for 54 selected CPSEs in collaboration with ONGC with the intent to generate a platform for all CPSEs to collaborate and learn.

The Knowledge Management Portal (<https://samanvay.cpse.in>) was smoothly implemented in NMDC Limited on which we can share our Best Practices, Case Studies, tacit knowledge, breakthrough innovations etc. This portal also has a separate section on Infrastructure facilities such as R&D, Training, and Equipment etc which can be shared with other CPSEs.

Strengthening of Quality Circles:

To further strengthen the Quality Circles Movement, the company has given more thrust on Quality Circles activities by adding 5% target population (workers Only). Total 43 Quality Circles participated in CCQC, out of which 37 Teams won Gold Awards and 6 Teams won Silver Awards.

CMD Trophy for Young Managers:

With an Objective to hone the Technical and managerial excellence among the Young Managers in NMDC by encouraging self development, a new scheme "CMD's

Trophy for Young Managers" has been implemented across the Company. This scheme is a Competition based on a "Research Paper and Its presentation" for Young Managers under the age of 40. This initiative has been designed to promote literature- survey, research & innovative thinking among the Young Managers along with their presentation skills.

REWARDS & RECOGNITION FOR HRD INITIATIVES (2018-19)

- NMDC was conferred Best Supporting Organization Award in Quality Movement during 32nd Annual Chapter Convention held during 06-07 Sep 2018 in Hyderabad.
- NMDC limited was conferred with Platinum Award from Green Tech Foundation New Delhi for "Training Excellence -2018" for Customizing and Excelling in its Innovative interventions in 8th Annual Green Tech HR Conference in Feb 2019.
- NMDC Was Conferred with National level Best Supporting Organization Award in Quality Movement during 32nd Annual National Convention on Quality Circles (NCQC) held during 21-24 December 2018 in Gwalior.
- ISTD, New Delhi in FY 2018-19 conferred Certificate of Merit to NMDC limited, Hyderabad for Innovative Training Practices adopted and Implemented in NMDC on 26th June 2018 at SCOPE Complex, New Delhi

19.VIGILANCE

NMDC Vigilance Department guides and facilitates impartial, fair and transparent decision making and gives priority to preventive vigilance, with proactive measures. Department had taken several initiatives during the year. Emphasis was laid on adequate checks and balances in the form of well-defined systems and procedures. Various programmes were conducted for awareness on vigilance matters for the employees of the Corporation. The vigilance functionaries at the projects have conducted regular training classes for the employees on the vigilance matters. Executives of Vigilance Department were nominated for training / workshops being organized in India.

Vigilance Department in NMDC was upgraded to ISO 9001:2015 standards of Quality Management System (QMS) and certificate issued by the certifying authority was received which is valid up to Feb'2022.

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

NMDC has adopted implementation of Integrity Pact since November 2007. As per the suggestions given by Vigilance

Department, the threshold value has been brought down to 1.0 Crore w.e.f. 07.09.2018 for both Procurement and Contracts as against the earlier threshold limit of ₹ 20 crores in case of Civil works and Contracts and ₹ 10 crores in case of Procurement on approval of NMDC Board. The Integrity Pact has been entered into 193 contracts with a value of ₹ 24,445.82 Crores. All the contracts wherein the Integrity Pact was to be signed as per the threshold limit was adhered to and more than 90% of the total values of the contracts are covered under Integrity Pact.

The Vigilance Awareness Week 2018 was celebrated from 29.10.2018 to 03.11.2018.

Awareness among the employees to take Integrity Pledge online was created by sending SMS. A link was also provided on NMDC website for taking online Integrity Pledge.

During the Vigilance Awareness Week, as desired by the Commission, Integrity Club was formed at Schools and Colleges and competitions were conducted at Projects and Head Office. Competitions included Debate, Panel Discussions, Poster Competitions, Elocution and Essay Writing on topics like Eradicate corruption- Build a New India, Moral Values and Ethics, My Vision – Corruption Free India, Role of Youth in Fighting Corruption, Importance of morals and ethics in students etc. for inculcating greater awareness on prevention of corruption and anti-corruption measures. Similar competitions were also held for employees in HO and Projects.

Display of Banners and Slogans related to Vigilance Awareness were done at Offices and Plant / Mine areas and also at various places in the School / College premises during the entire Week.

Outreach activities like Seminar on "Combating Corruption – Technology as an enabler" and Workshop on Procurement through GeM Portal, Marathon Race etc. at BIOM Kirandul Complex, Workshop on GST and Tendering at DIOM, Donimalai, Workshop on "Eradicate Corruption – Build a New India" at NISP Nagarnar etc. were successfully conducted.

Shri N. Bajjendra Kumar, CMD, NMDC in his address had urged for the need of serious will for zero tolerance for corruption, effective implementation of laws, public responsiveness towards corruption free society and ended his message by a quote "It is better to light a candle than curse the darkness".

A Quarterly meeting of Vigilance Officers in NMDC is being conducted regularly and the last meeting was conducted on 26th & 27th, March 2019.

Initiatives / studies / system improvements / suggestions / recommendations made during the period:-

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

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

1) Manuals / Policies and its review / updation

i. Recruitment & Promotion

Given the history of issues cropped up during past phases of recruitment and promotions and in view of recommendations given by Vigilance Department from time to time in this connection it was suggested to frame policy and detailed guidelines for Recruitment & Promotion. Accordingly, NMDC Recruitment & Promotion Policy, 2018 and the rules framed there under in the Company was approved by the Competent Authority and O.O. No. 1(7)/R/2015 dt. 12.09.2018 has been issued by Personnel Department to this effect.

ii. NMDC Fraud Prevention Policy

"NMDC Fraud Prevention Policy" with an objective to provide a system for detection, prevention and reporting of a fraud detected or suspected and handling of such matters pertaining to fraud was approved by NMDC Board on 13.11.2018.

iii. SOP for Diamond Mining Project, Panna

The Standard Operating Procedure for handling of rough Diamonds, incorporating the suggestions given by Vigilance department, was approved by Competent Authority and was circulated on 17.09.2018.

iv. Amendment in CDA Rules

It was suggested to form a Committee consisting of members from Personnel Department, representatives from Contracts, Materials, Vigilance and Finance Departments. Representative from the Finance Department may head the Committee.

v. Rotation in sensitive posts

As per CVC guidelines, rotation of Personnel in sensitive posts is being done on regular basis to avoid generation of vested interest.

vi. Online Vigilance Clearance System

Online Vigilance Clearance System for Executives below board level was started in July 2017. During the Year 2018 strengthening of the system was done by carrying out modifications to simplify the system and by incorporating various modules such as Vigilance clearance for HBA, deputation, foreign travel etc.

vii. Online Complaint Registration Facility

Strengthening of Online Complaint Registration facility by incorporating additional features to authenticate the complainant was done and is made available on the NMDC website.

viii. Panel of Inquiry Officers and Presenting Officers

It was suggested to develop a panel for Inquiry Officers and Presenting Officers by Personnel Department in consultation with Vigilance Department and appropriate training is to be imparted to these Inquiry Officers as well as Presenting Officers so that any inquiry is conducted impartially and as per norms of CVC and CDA Rules of NMDC.

In this regard a Workshop on "Disciplinary Matters" was conducted from 4th to 6th September 2018. The action to form Panel of Inquiry Officers and Presenting Officers is being taken up.

2) Leveraging Technology for Transparency**i. Surveillance of weightment, sampling & Transport in Mining Areas**

On Vigilance observation it was suggested to initiate urgent steps for installing surveillance equipment to cover round the clock, the area of weightment instruments as well as whole process of sampling and analysis for quality control at Kirandul, Bachel, Donimalai and Kumaraswamy Mines. Further, it was suggested that the non-working Automatic sampling machine at Kirandul Complex should be brought into service and if any problem is there in using it, a committee comprising Personnel from Geology, Mining, Mechanical and Vigilance Departments in addition to personnel from concerned manufacturer of machine be constituted and in their presence its functioning be tested. Further

it was suggested to install the weightometer on NMDC conveyor instead of Essar Conveyor at Kirandul Complex.

Mine Transport and Surveillance System (MTSS) has been installed in all Production Weigh Bridges of Donimalai Mines and MTSS is proposed to be installed at Mines of Bailadila. To sort out the issue of non-working Automatic Sampling Machine committee has been formed and the issue is being taken up. Weightometer has been installed on NMDC Conveyor for weightment of material dispatched to Essar.

ii. Vigilance Inspection Management System (VIMS)

Vigilance Inspection Management System (VIMS), a software application has been developed to facilitate processing of the studies/ inspections carried out by the Vigilance Officers and action taken there upon.

iii. System for Online submission of Certificates

System for online submission of Certificate regarding award of contracts on nomination basis has been implemented.

iv. Study on Estate Matters

Based on an elaborate and corrective study, Vigilance department had submitted suggestions for streamlining the Estate Matters so that valuable resources like Mining Areas, Potential Mines (Green field areas), Boundaries etc., are not embroiled in legal tangle.

In view of the Vigilance recommendations Domain experts were appointed for dealing with matters pertaining to Estate in the organization.

v. Sanctioned posts and Vacancy position in NMDC

In order to bring in transparency it was suggested that total sanctioned posts and vacancy position along with details such as place, designation of the sanctioned as well as vacancy position may be exhibited on NMDC website in public domain.

Action in this regard is being taken up.

20. DIRECTORS' RESPONSIBILITY STATEMENT

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

- (a) in the preparation of the annual accounts for the financial year ended 31.03.2019, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors had prepared the annual accounts on a going concern basis; and
- (e) the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

The Independent Directors have given a declaration on meeting the criteria of independence as stipulated in Section 149(6) of the Companies Act, 2013 and Regulation 25(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in the FY 2019-20. The Board of Directors at its 519th meeting held on 28.05.2019 has taken on record the declaration as made by the Independent Directors.

22. COMPANY'S POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

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

23. NUMBER OF BOARD MEETINGS HELD

During the year under review 8 meetings of the Board were held. For further details, reference may kindly be made to Corporate Governance Section of the Annual Report.

24. NMDC STRATEGIC MANAGEMENT PLAN (NMDC VISION 2025).

A long-term strategic management plan (SMP), 'Vision 2025' has been formulated which envisages iron ore

production capacity of 67 MTPA by 2021-22. This expansion plan includes brownfield expansion of existing mines and developing greenfield mines in partnership with Chhattisgarh Mineral Development Corporation. A joint venture of NMDC & CMDC (NCL) is in process of starting operations from Dep-13 Iron Ore Mine in Bailadila Region.

The above expansion plan of NMDC takes into account the high prospects of the growth of the Indian Steel Industry in the coming years with several factors indicating the same, such as, thrust of the government on infrastructure development, growing urbanization, smart cities, housing for all, extensive plans of rail network expansion, improving power generation, etc. Low per capita steel consumption in the country at 63 kg vis-à-vis the world average of 208 kg in 2016 has increased to 70.9 Kg and 224 Kg in 2018, which indicate the huge growth potential the Indian steel industry has.

In the financial year 2018-19, the Company has progressed significantly on various activities to enhance its production capacity and there is extensive progress in the construction of the fifth line in Screening Plant II, Rapid Wagon Loading System (RWLS-I) and Site Development work for New Screening Plant (SP-III) at BIOM Kirandul Complex. Work on the 5th line in Screening Plant Dep-5 & up-gradation of the downhill conveyor system in BIOM Bachel Complex is likely to commence in 2019-20.

To augment the evacuation capacity from Bailadila sector, many projects & schemes are taken up like doubling of KK line, Rowghat-Jagdulpur line, Slurry Pipeline, etc. Doubling of KK line is being executed by Railways as a deposit work. In 2017-18, the entire Section I Jagdulpur to Silakjhor 45.5 km of railway line was completed and was opened for traffic. In 2018-19, the section between Silakjhor & Kumharsodra (9.2 Kms) was completed in October 2018 and opened for traffic. The completion of this project will augment the evacuation capacity of Bailadila sector through Railway line from 28 MTPA to 40 MTPA.

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

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

CCTV Surveillance/ Wireless Networking has been completed at Donimalai and will be implemented across all Mines in a phased manner.

NMDC has also published its second Sustainability Report "Expanding Horizons" as per the Global Reporting Initiative (GRI) Standards. The report captures the initiatives taken by NMDC over the years in Economic, Environmental and Social aspects. The report also ushers in a new resolve in the organization to take Sustainable Development to greater heights. The report highlights the efforts done by NMDC in transforming people and societies in the vicinities of its operating mines. Five Mines of NMDC Donimalai, Bailadila Deposit-5, Deposit -10, Deposit-14 and Deposit-11C have also been conferred 5-star ratings by Indian Bureau of Mines, which is testimony to the Sustainable practices deployed by NMDC ushering in a new resolve in the organization to take Sustainable Development to greater heights by leveraging the efforts in achieving triple bottom line excellence and our commitment to achieve greater heights in future to come.

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

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

upto		
i)	Shri D.S. Ahluwalia, Director (Finance)	30.04.2018
ii)	Shri Sunil Barthwal, Govt. Nominee Director	23.05.2018
iii)	Shri Puneet Kansal, Govt. Nominee Director	15.07.2018
iv)	Shri Rajesh Kumar Mangal, Independent Director	12.11.2018
v)	Shri Bahram Navroj Vakil, Independent Director	18.06.2018

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

w.e.f.		
i)	Shri Amitava Mukherjee, Director (Finance)	20.11.2018
ii)	Smt. Rasika Chaube, Govt. Nominee Director	16.07.2018

The Board places on record its deep appreciation for the valuable contribution made by Shri D.S. Ahluwalia, Shri Sunil Barthwal, Shri Puneet Kansal, Shri Rajesh Kumar Mangal and Shri Bahram Navroj Vakil during their tenure on the Board of the Company.

26. AUDIT

a. Statutory Auditors

On the advice of the Comptroller and Auditor General of India, New Delhi, your Company appointed the following firms of Chartered Accountants as Statutory Auditors of the Company for the year 2018-19

Sl. No.	Unit	Statutory Auditors
1	Head Office, R & D Center SIU & Consolidation	M/s TEJ RAJ & PAL Chartered Accountants Plot No. 1278/2256/4294 Govinda Prasad, Bomikhal Bhubaneswar- 751 010 Odisha
2	Kiradul Complex Bachel Complex NISP, Jagdalpur Vizag Office	M/s O P Totla & Co Chartered Accountants C-16, First Floor, Shyam Market Near LIC Building. Pandri Raipur :- 492 004 (CG)
3	Donimalai Complex	M/s Vijay Panchappa & Co Chartered Accountants Maruthi Complex, II Floor Line Bazar Dharwad, Dharwad-580 001 Karnataka
4	Panna Project	M/s Amit OM & Co Chartered Accountants 2nd Floor, Dr. Bajaj Complex 17/12, Tashkhand Margh-SP Next to PVR Campus, Civil Line Allahabad-211 001(UP)

b. Cost Auditors

M/s. Tanmaya S Pradhan & Co
Cost Accountants
'SWASTHAN' Brooks Hill
Sambalpur, Odisha- 768001

c. Secretarial Auditors

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

27. IMPLEMENTATION OF RIGHT TO INFORMATION ACT, 2005

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

The details of RTI applications received in Head Office and all the Units of the Company during the period 01.04.2018 to 31.03.2019 are as follows:

Month	No of Applications received	Information Rejected Provided	
April	23	17	1
May	29	13	3
June	20	12	0
July	19	17	0
August	23	34	1
September	15	15	0
October	17	7	2
November	7	9	0
December	15	3	0
January	14	19	0
February	32	19	0
March	14	34	0
TOTAL	228	199	7

Pending applications as on 01.04.2019: 4 Nos.

Eighteen (18) applications transferred u/s 6(3) to other PIOs during the FY 2018-19.

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

29. AWARDS RECEIVED BY THE COMPANY

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

- NMDC received the prestigious S&P Platts Global Metal Award 2018 under CSR category, organized by Platts at London.
- NMDC received Hindustan Ratan Award in the category of Best Financial Performing PSE.
- NMDC received Rajbhasha Samman (First Prize) amongst PSEs of Ministry of Steel during the meeting of Hindi Advisory Committee of Ministry of Steel.
- NMDC received Finalist Award in "Cloud Migration & Data Centre Operation" at Webscale Conference organized by Data Centre Dynamics, Bengaluru.
- NMDC received "Dun & Bradstreet PSU Award 2018 under the sector Mining – Metals & Minerals category" organized by Dun & Bradstreet.
- NMDC's Bachel Complex received "Tata Steel Mining Sustainability Award" for the year 2017-18 during 52nd AGM of Federation of Indian Mineral Industries.
- NMDC received "India Green Energy Award – 2018" in the category of Outstanding Renewable Energy

Generation Projects by Public Sector-Wind Organized by Indian Federation of Green Energy (IFGE).

- NMDC received Rajbhasha Award (2nd Prize) in PSU category of 'C' Region.
- NMDC received four Awards from Public Relations Society of India (PRSI) in the category of Corporate Sustainability Report, CSR Project of Women Empowerment, Best PSU Organization and Corporate Film.
- NMDC received Quality Circle Forum of India (QCFI) Award in the category of "Best Supporting Organization Award in Public Sector".
- NMDC received two Governance Now PSU awards for Best Performer (Financial) and Best Performer (CSR) under Navratna category.
- NMDC received Swachh Abhiyaan Award (First Prize) amongst PSEs of Ministry of Steel.
- NMDC received Public Relations Council of India (PRCI) Excellence Awards 2019 for its CSR Brochure, Corporate Advertising Campaign, Corporate Diary 2017, Wall Calender & Television Commercials.
- NMDC awarded with 8th Annual Greentech HR Platinum Award 2018 under Training Excellence category during 8th Annual Greentech HR conference.

30. VIGIL MECHANISM

NMDC being a PSU, the guidelines of Central Vigilance Commission (CVC) are applicable which provides adequate safeguard against victimization of the employees. The Board of Directors at its 451st meeting held on 20.09.2012 approved the internal Whistle Blower Policy of NMDC. In terms of the said Policy, CVO NMDC has been designated as the Nodal Officer for implementation of Internal Whistle Blower Policy. The internal Whistle Blower Policy has also been uploaded on the website and intranet of the Company for information of all the employees. In terms of Whistle Blower Policy, the Screening Committee will comprise of CMD and Chairman of Audit Committee. No complaint has been received by the Company under Whistle Blower Mechanism for the year under review. In order to spread awareness about Whistle Blower Policy, awareness programmes were conducted during the Vigilance Awareness Week 2018 at Projects and Head Office.

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

32. MOU SIGNED BETWEEN NMDC AND CHIPS, RAIPUR

An MoU has been signed on 24.04.2018 between NMDC and Government of Chhattisgarh through CHiPS, Raipur for innovation in Information Technology and Electronic Systems Driven Automation in the area of Mining and Plant.

The following initiatives have been taken up as part of this MOU:-

- i. Fleet Management System (FMS)
- ii. Digital Secretariat Software implementation
- iii. Draft of IT policies and IT roadmap for NMDC
- iv. Quickwins that can be implemented in the short term that include:
 - a. Conveyor or Belt Monitoring System
 - b. Real time Energy Monitoring
 - c. Workers Health & Safety
 - d. Asset Management System
- v. Enterprise Data Hub
- vi. ERP Implementation

33. BUYBACK OF EQUITY SHARES OF THE COMPANY

The Board of Directors of the Company at its meeting held on 8th January 2019 approved buyback of not exceeding 10,20,40,815 (Ten Crore Twenty Lakh Forty Thousand Eight Hundred Fifteen) fully paid-up equity shares of face value of ₹ 1 each (representing 3.23% of the total number of Equity Shares in the paid-up share capital of the Company) from all the existing shareholders / beneficial owners of Equity Shares as on the record date i.e. 18th January 2019, on proportionate basis, through the "Tender Offer" route at a price of ₹ 98 (Rupees Ninety Eight only) per Equity Share payable in cash for an aggregate consideration not exceeding ₹ 1,000 Crore (Rupees One Thousand Crore).

The details of Buyback offers received are summarized as under:

Category of Investor	Number of Equity Shares reserved in Buyback	Number of Valid Bids	Total Equity Shares validly tendered	% Response
Reserved category for Small Shareholders	1,53,06,123	17,725	1,39,81,064	91.34
General category of other Shareholders	8,67,34,692	886	12,51,23,856	144.26
TOTAL	10,20,40,815	18,611	13,91,04,920	136.32

34. INCORPORATION OF NMDC CSR FOUNDATION

During the year under review, a 100% subsidiary of the Company by the name 'NMDC CSR Foundation' was incorporated on 10th May 2018, under Section 8 of the Companies Act, 2013 (Company Limited by Shares Not for Profit). The Authorised and Paid-up Share Capital of the Company is ₹ 2 Crores. The objects of the Company are to undertake the CSR activities in terms of Schedule VII of the Companies Act, 2013 and the CSR activities as provided in the MOA of the Company.

35. FORMAL ANNUAL EVALUATION OF BOARD, COMMITTEES AND INDIVIDUAL DIRECTORS.

All the Directors on the Board of NMDC are appointed by Govt. of India. In the previous financial year as desired by Ministry of Steel, Govt. of India, assessment / evaluation of performance of 6 Non-official Directors (Independent) was submitted to Ministry of Steel, Govt. of India.

Ministry of Steel, Government of India, vide Order No.1/10/2015-BLA(Vol-III)(Pt) dated 19.11.2018 has communicated that the following officials are re-appointed as Non-Official Independent Directors on the Board of NMDC Ltd. for a period of one year from the date of completion of their existing tenure or until further orders, whichever is earlier:-

The Buyback shall be not exceeding 10% of the aggregate of fully paid up share equity capital and free reserves of the Company as per audited financial statements of the Company for the financial year ended 31st March 2018.

Public Announcement dated 8th January 2019 was published in newspapers on 10th January 2019. The Draft Letter of Offer (DLOF) dated 15th January 2019 was filed with SEBI on 17th January 2019 for comments. The Letter of Offer dated 4th February 2019 was despatched to the Shareholders as on record date. Buyback offer opened on 13th February 2019 and closed on 27th February 2019.

All valid bids were considered for the purpose of acceptance in accordance with the Buyback Regulations. The total number of Equity Shares bought back under the Buyback Offer are 10,20,40,815 at a price of ₹ 98 per Equity Share. The total cash outflow in the Buyback of Equity Shares is ₹ 999,99,99,870 (Rupees Nine Hundred Ninety Nine Crore Ninety Nine Lakh Ninety Nine Thousand Eight Hundred Seventy only) excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, GST, stamp duty, etc. Government of India received ₹ 769,65,12,222 out of the buyback transaction.

The settlement of all valid bids was completed on 7th March 2019. The extinguishment of 10,20,40,815 Equity Shares accepted under the Buyback has been completed on 8th March 2019. The paid-up capital of the Company post Buyback is ₹ 306,18,49,659 (pre buyback paid-up capital was ₹ 3,16,38,90,474). Post completion of the Buyback, the share of Govt. of India in NMDC stands at 72.28%.

- i) Shri A.K. Srivastava
- ii) Smt. Bhagwati Mahesh Baldewa
- iii) Shri Pradip Bhargava
- iv) Dr. Syamal K. Sarkar
- v) Shri S.M. Nigam

36. IMPLEMENTATION OF RISK MANAGEMENT POLICY

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

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

37. DIVIDEND DISTRIBUTION POLICY

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

38. REPORT ON MANAGEMENT DISCUSSION AND ANALYSIS

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

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

40. CORPORATE GOVERNANCE

Report on Corporate Governance is at Annexure-III

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

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

42. BUSINESS RESPONSIBILITY REPORT

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

43. SECRETARIAL AUDIT REPORT

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

44. GLOBAL COMPACT – COMMUNICATION ON PROGRESS

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

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

46.REPORT ON CSR ACTIVITIES

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

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

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

48. ACKNOWLEDGEMENT

Your Directors gratefully acknowledge the support, cooperation and guidance received from the

Ministry of Steel, Ministry of Mines and Ministry of Forests & Environment and other Departments of Government of India and the State Governments of Andhra Pradesh, Chhattisgarh, Karnataka, Madhya Pradesh, Jharkhand and Telangana.

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

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

Place: Hyderabad
Date: 16th July, 2019

N. BAIJENDRA KUMAR
Chairman-cum-Managing Director

Paintings done by students of NMDC Aastha Gurukul, Geadam and NMDC-DAV Residential School, Nagarnar, Chhattisgarh





Directors' Report
ANNEXURE – I

Management Discussion & Analysis

NMDC, incorporated in 1958, is one of the top profit-making 'Navratna' public sector companies in the country.

690%

Average dividend payment in the last 5 years

1. NMDC: AN OVERVIEW

1.1 Introduction

NMDC, incorporated in 1958, is the largest iron ore mining company in India. With iron-ore production of around 32.36 million tonnes in FY 2018-19, it has a market share of about 22% domestically (excluding captive iron ore production). Average grade of iron ore of NMDC sold in the market is ~64% Fe, which is one of the best globally. NMDC has completed its 60 years of excellence in mining sector in Nov'2018.

With a Profit (before tax) of ₹ 7,199 crores in FY 2018-19, it is one of the top profit-making 'Navratna' public sector companies in the country. It has a net worth of ₹ 25,952 crores (as on 31st March, 2019). It has a strong history of rewarding investors with an average dividend payment of about 690% in the last 5 years.

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

1.2 Operating Projects

NMDC is operating three highly-mechanised iron ore mine complexes. Two mine complexes are located in Dantewada (Chhattisgarh) namely Bailadila Iron Ore Mine, Kirandul Complex & Bailadiala Iron Ore Mine, Bachel Complex with yearly production of around 23 MT. One mine complex located in Bellary (Karnataka) namely, Donimalai Iron Ore Mine produces 12 MT per annum. NMDC has total iron ore production capacity of 43 MTPA from all the existing mines.

NMDC is also operating a diamond mine namely Diamond Mining Project, Panna (M.P.), which is the only mechanized diamond mine in Asia, with yearly production of around 38,000 carats (FY'19). NMDC also has a sponge iron unit of 200 TPD, at Paloncha (Telangana).

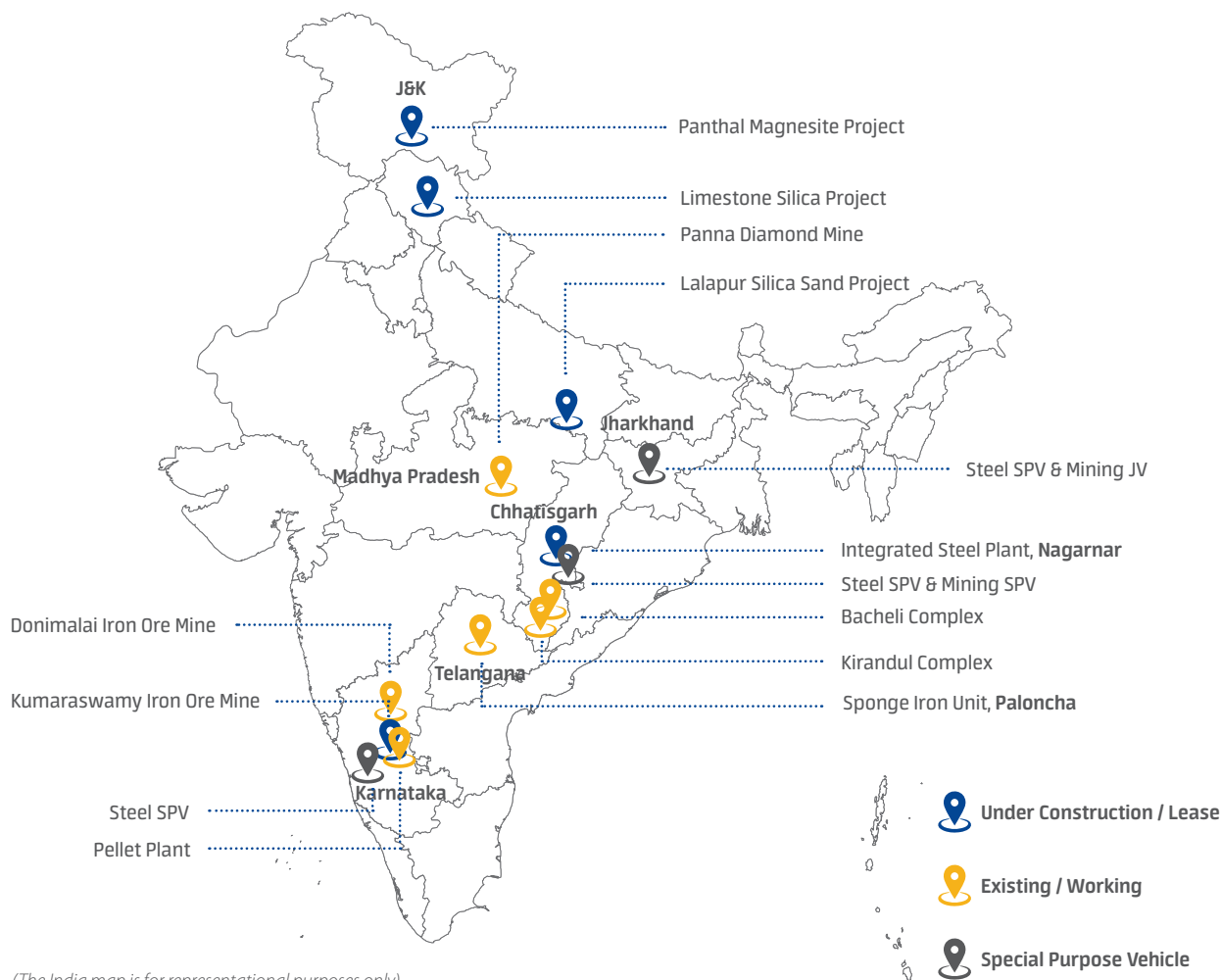
Apart from the above, NMDC has wide presence across the country as shown in the map.

1.3 Global Presence

- Spreading its footprint globally, NMDC has a majority stake of 78.56% in Legacy Iron Ore limited, Australia which has iron ore (magnetite), gold, nickel, base metal and tungsten interests (21 tenements) in Western Australia.
- ICVL acquired a coking / thermal coal mine in Mozambique in 2014 and operation of the same was taken over by ICVL. ICVL undertook strategic review of Benga operations and re-started the mining operations with new contracts from Nov'2017. Benga Mine has produced 1 MT coking coal in FY2019.
- NMDC is in the process of making detailed exploration and setting up of a pilot-scale processing plant for gold in its mining lease in Tanzania.

1.4 Growth plan

- NMDC has made a comprehensive plan to enhance iron ore production capacity to 67 MTPA in the near future to meet the growing requirements of iron ore of the Indian Steel sector. The strategy focuses on growth largely through brown field expansion of existing mines and improving evacuation along with it.
- MDO has been appointed for development of a green- field mines (Deposit 13) by Joint Venture company of NMDC Limited & Chhattisgarh Mineral Development Corporation.



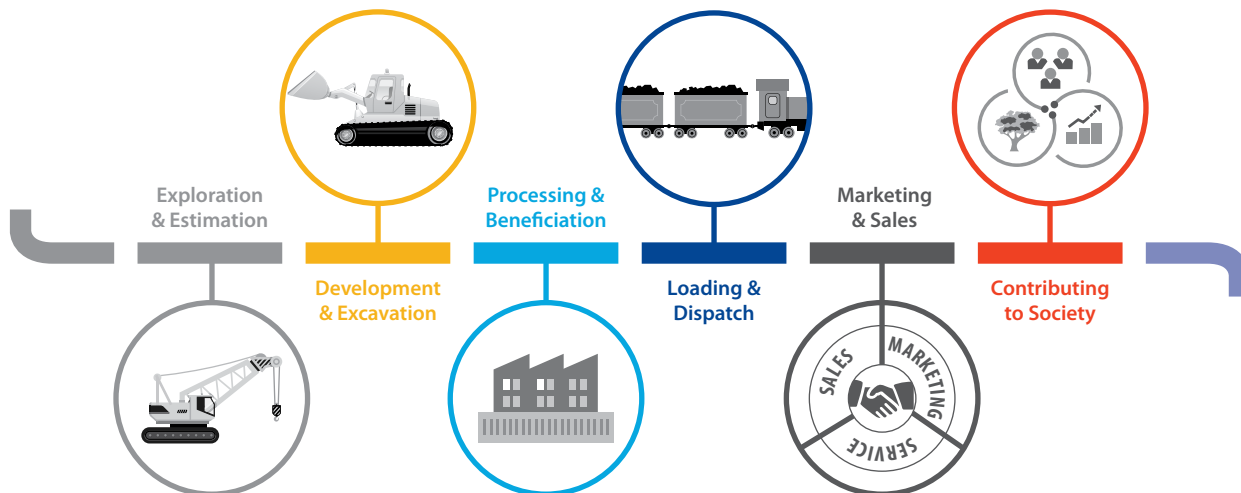
- NMDC is in the process of setting up a slurry pipeline in phases for evacuation of iron ore at economical cost to such locations from where the pellets /ore are made available to industry. Land acquisition for the slurry pipeline is in process. Increase of evacuation capacity through doubling of Kirandul-Kothavalasa (KK) line is also in full swing and few completed sections have been opened for traffic.
- NMDC has developed an intermediate iron ore stockyard at Kumarmaranga in Chhattisgarh for uninterrupted supplies to customers, which will start operation in FY2020.
- For further expansion in capacity, NMDC is pursuing allocation of new iron ore deposits both through participation in auction and reservation through government dispensation route (section 17A(2A) of the revised MMDR Act, 2015). NMDC emerged as preferred bidder for Chigargunta-Bisanatham gold block through auction in July'19.
- Besides, as a part of its diversification and forward integration plan, it is setting up a 3.0 MTPA green

field Steel Plant at Nagarnar in Chhattisgarh, which is in advanced stage of construction and expected to start operation in FY2020. It also has forayed in pellet-making with a 1.2 MTPA pellet plant at Donimalai. Another 2 MTPA pellet plant is in the process of being set up at Nagarnar, Chattisgarh as a part of slurry pipeline project in Phase-I.

1.5 Exploration and Reserve Estimation:

NMDC has a dedicated exploration wing at Raipur, which is fully equipped to undertake mineral exploration works. NMDC has done more than 16000 mts of core drilling in FY'19, at existing mines. Besides, it also has a well-equipped Centre for Geostatistics. A remote sensing lab at Corporate Office, Hyderabad has been set up. NMDC has full-fledged mine planning wings at Corporate office as well as at project sites for ore body modelling and reserve estimation, with advance softwares like Surpac, Whittle and Mineshed.

WHAT WE DO



1.6 Research & Development:

NMDC operates a state-of-the-art R&D centre at Hyderabad, which is declared as a "Centre of Excellence" by UNIDO. Recently, R&D center has also recognised by Department of Scientific and Industrial Research (DSIR), which is valid up to 31-03-2022. R&D undertakes various projects related to the operational problems of the units of NMDC, and provide solutions in terms of improvement in the system or change in technology, to achieve continual improvement in its processes and operations. R&D centre also provides solutions to the external agencies.

2. MARKET ENVIRONMENT:

2.1 Economy:

2.1.1 Global:

- Following a broad-based upswing in cyclical growth that lasted nearly two years, the global economic expansion decelerated in the second half of 2018. Activity softened amid an increase in trade tensions and tariff hikes between the United States and China, macroeconomic stress in Argentina and Turkey, disruptions to the auto sector in Germany, tighter credit policies in China, a decline in business confidence, a tightening of financial conditions, and higher policy uncertainty across many economies.
- After peaking at close to 4 percent in 2017, global growth remained strong, at 3.8 percent in the first half of 2018, but dropped to 3.2 percent in the second half of the year. One year ago, the global economy was projected to grow at 3.9 percent in 2018 and 2019. But due to weakening global expansion, expected to persist into the first half of 2019, global growth is projected to slowdown from 3.6 percent in 2018 to 3.3 percent in 2019,

before returning to 3.6 percent in 2020. Beyond 2020 growth will stabilise at around 3.5 percent, bolstered mainly by growth in China and India.

- While 2019 started out on a weak footing, a pickup is expected in the second half of the year. This pickup is supported by significant policy accommodation by major economies, made possible by the absence of inflationary pressures despite closing output gaps. The US Federal Reserve, in response to rising global risks, paused interest rate increases and signaled no increases for the rest of the year. The European Central Bank, the Bank of Japan, and the Bank of England have all shifted to a more accommodative stance. China has ramped up its fiscal and monetary stimulus to counter the negative effect of trade tariffs.
- Global trade, investment, and output remain under threat from ongoing trade tensions. The November 30, 2018, signing of the US-Mexico-Canada Agreement to replace the North American Free Trade Agreement; the extension past March 1, 2019, of the truce between the United States and China on tariff increases; and the announced reduction in Chinese tariffs on US car imports are steps in the right direction to reduce trade tension. However, final outcomes remain subject to a negotiation process in the case of the US-China dispute and domestic ratification processes for the US-Mexico-Canada Agreement.

2.2 Industry structure and developments: Steel and Iron Ore

2.2.1 Global:

- Steel prices tumbled sharply in Q1 2019, even more than expected, which looks unsustainable and will recover particularly in China and the US, where government stimuli are now laying the

Despite slowing global economic growth, steel demand forecast projects still sizeable, even robust growth in the near term – 2019 and 2020. This growth is powered mostly by government stimuli in China, India, the US and Southeast Asia.

foundations for better demand. However, looking at 2019 and 2020 on an average annual basis, price cycle will follow a descending trend leading to fall of price year-on-year. However, as demand in China shows unexpected resilience, steelmaking raw-material prices remain higher than assumed in the steelmaking costs supporting steel-price forecast. Prices will remain low over the medium term and will stabilise in long term making it viable steel industry.

- Despite slowing global economic growth, steel demand forecast projects still sizeable, even robust growth in the near term – 2019 and 2020. This growth is powered mostly by government stimuli in China, India, the US and Southeast Asia. However, after 2020, it is expected that Chinese demand to start falling in absolute terms. India continues to show the most promising demand.
- Indeed, capacity has already started to shift away from East Asia, which closed more than 130 Mtpa between 2015 and 2018 – mostly in China. In contrast, South Asia accounted for the largest gains – mostly India –, Southeast Asia and the Middle East. Over the coming two years, the same trend of stabilisation, update and consolidation in China and expansion in India, Southeast Asia and the Middle East will continue. High steel prices in 2017 and 2018 have spurred investment everywhere, with additional capacity expected to come online in most regions, including the United States and the EU.
- On other hand, uncertainty over the scale and duration of Brazilian production cuts in the aftermath of the Brumadinho tailings dam failure has changed the entire psyche of the iron ore market. Prior to the January 2019 dam failure, the widely held view was for iron ore to enter a period of cyclical and structural weakness that would drive prices towards \$60/t CFR over the next 2-3 years. But that view has now been pushed out by between 1-5 years, depending on revised assumptions for Brazilian supply, Chinese demand, and the extent to which other seaborne suppliers can offset the forecast shortfall from Vale.

Production forecast for Vale, pegging 2019 output at 310 Mt, which is 75 Mt below reported production in 2018. The Brazilian tailings dam decommissioning process is not a one-year fix, with smaller scale production cuts likely to persist through 2022.

- Overall, global prices trended down slightly in 2018, but China's steel restructuring programme and rising environmental standards have transformed pricing and demand for iron ore. Prices for higher grade iron ore products increased. Wider price spreads based on grade and quality are symptomatic of these structural changes and will remain an important feature of the market for years to come. Increased pressure on steel producers around the world to increase efficiency, reduce energy consumption, and meet environmental benchmarks continued the slow decline in use of low-grade iron ore and spurred investment in the production of iron metallics and high-grade iron ore products, such as pellets.
- Global iron ore production increased to 2.50 billion tonnes (usable ore basis) in 2018, up from 2.43 billion tonnes in 2017. Australia remained the highest producer with an estimated production of 900 million tonnes in 2018. India was the fourth largest iron ore producer.

Top-5 iron ore producing countries (usable ore basis)		
	2017	2018
Australia	883	900
Brazil	425	490
China	360	340
India	202	200
Russia	95	95
World Total (rounded)	2,430	2,500

Source: USGS

- Price of Iron ore was averaged at \$83/t CFR in Q1-19, leading to forecast price for CY 2019 to \$82/t CFR, whereas price forecast for 2020 is about \$75/t CFR.

India:

- Production of Iron Ore in India at 210 MT in FY2019 was 4.5% higher than FY2018. Exports from the country was approx. 13 MT during the year FY2019, Most of the export from India was low grade ore (<= 58% Fe), which has lower export duty of 10%.
- Indian iron ore production is likely to grow in line with domestic steel production, which has been envisaged to 300 MTPA steel capacity by FY'31. In short term, domestic supplies are likely to grow substantially till 2020 as non-captive miners maximising production, with their leases expiring by 2020 (as per MMDR Amendment Act, 2015). Production of Iron Ore is likely to hamper due to delay in auction of iron ore lease after March, 2020.



- India's Iron Ore reserves and resource

Reserves/Resource	Reserves (MT)	% of total	Remaining Resource (MT)	% of total	Total (MT)
Hematite (01.04.2015)	5422	24.11%	17065	75.89%	22487
Magnetite (--do--)	53	0.49%	10713	99.51%	10789
	5475		27801		33276

Source IBM

- NMDC is bullish on the growth prospects of India's steel industry with its competitive advantages and the impetus being given by the government to the steel sector. National Steel Policy 2017 aims to achieve a steel production capacity of 300 mtpa by 2030-31, on the back of envisaged growth in domestic steel demand in all key sectors, such as, infrastructure, housing, automobile, amongst others. Also, increase in demand of high grade ore and price of iron ore globally will also help NMDC in improving its performance in terms of quantity as well as EBITDA margins.

3. NMDC – OPPORTUNITIES AND THREATS

a) Opportunities

- Envisaged growth in domestic steel production on account of factors mentioned below would lead to higher demand of Iron Ore in the country:
 - ♦ Growth in steel intensive sectors such as housing, infrastructure, automotive, rail and road, consumer durables in the coming years.
 - ♦ Growing urbanisation of the Indian economy, one of the best in world, coupled with rising income levels of the burgeoning Indian middle class.
 - ♦ Government initiatives such as Make-in-India, Freight corridors, 100 Smart cities, Rural electrification and Housing for all by 2022.
 - ♦ Increase in demand of high-grade ore world-wide considering environmental concerns.
 - ♦ Continuous thrust by the government to use domestically manufactured iron and steel products in government procurement.
 - ♦ Restrictions on steel imports in the country on account of measures being taken by Govt. of India such as anti- dumping duty, MIP amongst others. would also help domestic steel production to rise.
- Grow business through Special Purpose Vehicles (SPVs) envisaged in mineral rich states like Karnataka and Jharkhand. Play an important role in both the Steel and Mining SPVs being set up in these states.

- iii) Acquisition of Strategic and critical mineral assets based on business potential and national interest.
- iv) NMDC being one of the agencies nominated to undertake exploration activities is investing to intensify exploration for mapping of minerals across the country, which could open new avenues for the company to grow.
- v) Closure of steel plants under effect of environmental concerns, especially in China, will open the avenues for Indian Steel sector to grow and increase its capacity which in-turn will increase the iron ore demand.

NMDC is bullish on the growth prospects of India's steel industry with its competitive advantages and the impetus being given by the government to the steel sector.

b) Threats

- i) Backward integration by Steelmakers into iron ore mining through auction route will significantly shrink the market of the Company.
- ii) Threat of non-renewal of iron ore leases or renewal with high premium or through auction will affect balance sheet of the miners.
- iii) Indian iron ore industry will continue to be uncompetitive on a global level due to higher rates of royalty and other levies such as DMF, NMET, Export duty etc. as well as significantly higher logistic costs.
- iv) Increasing regulatory pressure on environment, health and safety and sustainability.
- v) Disturbances due to Maoist activities in Bailadila region from where majority of NMDC's production comes.
- vi) NMDC may be affected by government actions, including the imposition of tariffs and duties, speculative trades, regulatory issues arising due to judicial verdicts, the development of products substitutes or replacements, recycling practices, an increase in capacity or an oversupply of the company's products in its main markets.
- vii) Huge surplus steel capacity in most regions including China will continue to exert downward pressure on steel prices and thereby iron ore prices.

It would be pertinent to note that iron ore mining industry in India is expected to witness enhanced competition over the next few years. On the one hand, domestic iron ore production is on the rise, with production increasing by over 34% in the last three financial years (Iron ore production in India including captive: FY'19- 210 MT; FY'16-155 MT) and this trend is likely to continue in the near term. On the other hand, with domestic steelmakers acquiring mines through auction as the option to integrate backwards, the market for merchant miners may be affected adversely in the medium to long-term. Also, there is no clarity about allocation of mines or renewal of leases to government companies and applicability of premium for allocation, which may affect NMDC in future.

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

4. SEGMENT WISE OR PRODUCT WISE PERFORMANCE

Physical and Financial performance

Physical Performance of NMDC

Details Production:	2014-15	2015-16	2016-17	2017-18	2018-19
Production of Iron Ore WMT (In lakh tonnes)	304.41	285.74	340.05	355.76	323.61
Production of Sponge Iron (tonnes)	28,993.96	6,614.26	5,474.11	NIL	2,475.37
Production of Diamonds (carats)	35,085.46	35,558.31	35,635.99	39,393.72	38,148.77
Sales:					
Sale of Iron Ore (in lakh tonnes)	305.16	288.39	356.21	360.75	326.56
Sale of Sponge Iron (tonnes)	25,191.38	8,364.52	8,579.42	Nil	495.58
Sale of Diamonds (carats)	38,788.58	36,682.93	25,631.46	33,175.34	29,345.54

Financial Performance of NMDC

(₹ in Cr.)

Details	2014-15	2015-16	2016-17	2017-18	2018-19
Sale of Iron Ore	12,197.69	6,327.93	8,708.90	11,490.93	11,997.98
Sale of Diamonds	50.06	52.61	41.91	35.17	38.86
Sale of Wind Power	5.96	6.30	7.48	6.50	5.51
Sale of Sponge Iron	48.09	13.14	13.13	0.00	0.94
Sales- Pellet	0.00	0.00	0.00	25.40	76.52
Sales – Others	54.62	57.29	58.22	56.91	32.86
Turnover	12,356.41	6,457.27	8,829.64	11,614.91	12,152.67
EBITDA	9,930.07	4,374.21	4,509.86	6,472.13	7,518.91
PBT	9,767.84	4,092.76	4,293.68	6,179.66	7,199.06
PAT	6,421.86	2,712.22	2,589.14	3,805.88	4,642.11
Dividend	3,389.83	4,361.19	1,313.02	1,676.86	1,690.14
Dividend as % of PAT	53%	161%	51%	44%	36%

5. OUTLOOK FOR NMDC

NMDC proposes to augment its production capacity of iron ore to 67 million tonnes by 2021-22. It has also embarked on value addition projects by setting up pelletisation plants by utilising slimes and 3.0 MTPA integrated steel plant in Chhattisgarh. NMDC-CMDC Limited (NCL), a JV company of NMDC Limited and CMDC Limited, will also start production from Dep-13 through MDO in near future. NMDC has also developed an intermediate stock pile at Kumarmaranga near Jagdlapur to ensure uninterrupted supply of ore to the customers from highly affected Naxal area.

Government of India has charted a road map to augment India's Steel production capacity to 300 Mtpa by 2030-31. To fulfill this vision, NMDC proposes to act as a facilitator and developer of green field steel plants by creating Special Purpose Vehicles (SPVs) in the mineral rich states of Jharkhand and Karnataka.

NMDC also proposes to invest in strategic and critical raw materials which are required by our nation for long term supply security. In line with this strategy, NMDC has created 'NMDC Global' department and is scouting for rare earth minerals in India and abroad, along with IREL under MOU.

To diversify further its business, NMDC participated in auction of Gold mine and was declared as preferred bidder for Chigargunta-Bisanatham Gold Block in A.P. in July, 2018.

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

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

6. RISKS AND CONCERNS

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

MMDR Amendment Act 2015 poses increased risks for NMDC as its major customers now have the option to acquire captive mines in mineral rich states. Two of NMDC's major customers, JSW and ESSAR, have already acquired iron ore mines in the state of Odisha and Karnataka through auction route. JSW has already started production from newly acquired mines and planned to increase it further in near future. More auctions of iron ore mines are likely to come up in the near future for the end-users. This is likely to adversely impact the market for NMDC over the medium to long term.

Suspension of operation from Donimalai Mine from 03.11.2018 onwards, due to high premium (80%) demand while renewal of lease, is also affecting the production of NMDC badly. Donimalai mine has capacity of 7 MTPA, but it could achieve only 2.1 MT of iron ore production in FY'19 due to suspension of operation. The Division Bench of the Hon'ble High Court of Karnataka, Bangalore pronounced the judgement on 10.07.2019. The operative portion of the Order is as under:-

Quote

- i) **Writ Petition is allowed;**
- ii) The condition imposed to levy premium equivalent to 80% of average sale price of iron ore published by the Indian Bureau of Mines while extending the period of lease vide Communication / Order No.CI 78 MMM 2016 dated 02.11.2018 passed by the Secretary



HEMM Training through Advanced Simulator

Department of Commerce & Industries, Govt. of Karnataka as amended by Corrigendum No.CI 78MMM 2016 dated 15.11.2018 and intimating the same through the letter No.DMG/MLS/ML-2396/2018-19/6360 dated 23.11.2018 passed by the Director, Department of Mines and Geology, Bengaluru is set aside.

No Costs.

Unquote

On the other hand, all the leases of Bailadila Sector except Dep-11 ML (i.e. Dep-11A, 11B & 11C) are due for renewal in March 2020. NMDC is pursuing with government for timely renewal of leases to avoid any loss of production.

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

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

7. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

NMDC has put in place all the necessary internal control system. Necessary disclosure in respect of Internal Control Systems and their adequacy has been made in Annexure-C to the Independent Auditors' Report dated 28.05.2018 which forms part of the Annual Report.

8. DISCUSSIONS ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the year under review, the Company's revenue from operations increased by 4.63% from ₹ 11,615 crores to ₹ 12,153 crores mainly on account of:

- Decrease in Sales quantity by 10.31% from 360.75 Lakh Tons to 323.57 Lakh Tons.
- Realisation was higher by 16.42% during this period from ₹ 3,185/- per ton to ₹ 3,708/- per ton.
- Details on financial performance with respect to operational performance are given in detail in the Directors' Report.

9. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED.

Human capital of NMDC has been its key driving factor and its greatest asset. The company has made concerted efforts in keeping the workforce highly engaged and motivated. On one hand, continuous improvement is made to improve the quality of life at the townships with investments in parks, community halls, upgradation/construction of new quarters, clubs, gymnasium, facilities for different sports such as tennis, badminton, table-tennis, cricket, amongst others. On the other hand, training and skill upgradation forms an important area where first assessment is made to understand employee needs and concerns and then, appropriate training programmes are organised throughout the year. NMDC has also started culture building initiative by imparting specific training through workshop on work culture and happiness. As a result of the all-round measures being taken by the company, attrition from NMDC has been marginal, in spite of remote locations of the NMDC mines.

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

Keeping in view the various diversification projects viz. Steel Plant and Pellet Plant, and expansion of existing projects, the company has taken initiative to train /retrain its existing manpower and also to go for fresh induction. About 639 workmen, 23 executives 55 Junior Officers have been recruited in FY'19, apart from contract workforce at

Nagarnar Steel Plant. All were provided on-the- job and off-the-job training in order to prepare them for taking up the challenges of working in NMDC's production projects, upcoming Steel Plant as well as any new venture that Company may like to take up. Further recruitment process is in progress for upcoming projects.

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

2014-15	:	5,490
2015-16	:	5,773
2016-17	:	5,572
2017-18	:	5,382
2018-19	:	5,887

The company has made concerted efforts in keeping the workforce highly engaged and motivated. As a result of the all-round measures being taken by the company, attrition from NMDC has been marginal, in spite of remote locations of the NMDC mines.



10. DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS :

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

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

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

	2018-19	2017-18	(% Change)
Net Worth (Rs. In Crore)	25,952	24,354	6.56%
PAT	4,642	3,806	22.00%
Return on Net Worth:	17.89	15.63	14.46 %

• Buy back during the current year of 10.20 cr share @ Rs. 98/= per share, for total consideration of Rs. 1006.73 crore (inclusive of Buyback Exp.)

• Interim Dividend paid during the current year Rs. 5.52 per share, total consideration of Rs.2037.55 crore (Including DDT Rs. 347.41 crore)

12. SUSTAINABILITY

NMDC has invested in 'Sustainability' right since its inception. It is on this account that NMDC has been able to create a favourable business environment in the areas it operates and has developed a strong local understanding of community concerns and local sensitivities. NMDC takes numerous steps to protect & enrich the environment. NMDC's efforts in sustainability have been rewarded with 5-star rating to five of its mechanised mines.

NMDC has also published its 2nd sustainability report for 2017-18, prepared based on Global Reporting Initiative (GRI) standards, steering in a new determination in the organisation to take Sustainable Development to greater

NMDC has invested in 'Sustainability' right since its inception. NMDC takes numerous steps to protect and enrich the environment.

heights by leveraging the decades of relentless efforts undertaken. NMDC Ltd. has bagged Certificate of Merit in Challengers Category at Frost & Sullivan-TERI Sustainability 4.0 Awards, which was held on 12.06.2019 at Mumbai.

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

13. ENVIRONMENT PROTECTION AND CONSERVATION

- The environmental monitoring studies are conducted through recognised laboratories of MoEFCC/ CPCB, covering all environmental parameters. Based on the results of monitoring studies, it is concluded that all environmental parameters are well within the limits during FY 18-19. A total of six Continuous Ambient Air Quality Monitoring Stations (CAAQMS) have been installed at Bachel project (2 nos), Kirandul project (2 nos) and Donimalai Project (2 nos) for recording of Ambient air quality parameters such as PM10, PM2.5, SO2, NOx and CO in real time.
- Carbon footprint studies are conducted annually for the production projects and the Green-House Gas emissions are disclosed in Carbon disclosure project.
- Sustainable Mining Initiatives (SMI) audit was done at all Iron Ore Mining projects of NMDC and recommendation are being implemented to obtain 5-star rating for all mines. 5 mines during the year 2018 received the 5-star rating given by IBM, Ministry of Mines, Gol.
- Indian Council of Forest Research and Education (ICFRE, Dehradun) was engaged for preparation of Environmental Management and Reclamation & Rehabilitation Plan for Deposit 14 ML and 11 ML of BIOM, Kirandul Complex, South Bastar, Dantewada District, Chhattisgarh.
- Water Audit is conducted at regular intervals at all projects of NMDC and recommendations of audit are being implemented to conserve water and to improve the efficiency of motors / pumps, arrest leakages, etc.
- The environmental pollution control works are undertaken such as de-silting of check dams / check bunds, tailing dams, construction of buttress

walls at toe of waste dumps and geo-coir matting for stabilisation of waste rock dumps.

- About 90 wells are being monitored at NMDC projects to monitor underground water level, which also covers the quality analysis in all 4-seasons of the year. Studies are revealed that there has been an increasing trend in the ground water due to hydraulic loading by the existing check dams and check bunds. Limited usage of ground water and continuous recharge has also helped in the process.
- To enhance the green cover in the region, NMDC has contributed Rs.5 Cr during 2018-19 for Hariyar Kosh for undertaking plantation in the state of Chhattisgarh. Since 2010 NMDC has contributed an amount of Rs.98 Cr towards plantation.
- NMDC has set-up Sewage Treatment Plant (STP) with advanced treatment technology (Sequential Batch Reactor) at Bachelii (2 MLD) for treatment of domestic waste water. STP works are in progress at Kirandul (3 MLD) and Donimalai (3 MLD) townships. The treated water will be reused for green belt development.
- A total of 1,13,650 saplings planted in the FY 2018-19 in and around the boundary of all the NMDC projects. Since inception of Mining activities in Bailadila, more than 20 Lakh trees have been planted in and around leases of NMDC Limited.

14. HEALTH AND SAFETY

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

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



Mine Level Tripartite Safety Committee Meetings have been conducted in each of the operating mines. This meeting is conducted once in a year at project level with senior officials, Union Representatives and DGMS Officials in which Safety Performance and its appraisal are made and the recommendations are implemented. Corporate Level Tripartite Safety Committee Meetings are being held regularly once in a year at Head Office and the recommendations are implemented.

NMDC provides extensive safety training programmes, including simulator training on dumper and shovels, to inculcate safety habits and mindset at work to its employees. Behavioral based safety trainings are also given to the employees.

In order to ensure that safety systems are up to date and also comply with the latest safety regulations, a cross-project internal safety audit has been started in NMDC. Safety Management system has been implemented in all our mines. Risk Assessment studies are being conducted regularly.

Severity Rate for the year 2018-19 is 7.04.

(Severity Rate=Mandays lost per 1000 Mandays worked).

OHS Activities:

Occupational Health Services have been provided with adequate manpower and infrastructure and are functioning in full-fledged manner at all the projects, headed by Qualified Doctors trained in OHS at Central Labour Institute, Mumbai. Periodical Medical Examination under statute is carried out regularly in all the projects.

NMDC strives to ensure that workers are not exposed to occupational hazards that negatively affect their health. NMDC also has well equipped hospitals with capable medical teams available 24/7 to support the health and well being of the workers and the surrounding community.

Technological conservation, Renewable energy developments, Foreign Exchange conservation

May kindly refer Directors' Report and its Annexures.

15. CORPORATE SOCIAL RESPONSIBILITY

- NMDC's CSR programmes are carried out in areas which are remote, backward and face serious law and order problems due to left-wing extremism. The area is among the most backward regions of India and inhabited predominantly by Scheduled Tribes and Scheduled caste population who are poor, underprivileged, deprived, suffer malnutrition and devoid of support for their socio-economic needs. It is only because of its strong focus on social responsibility programmes



aiming at enhancing the quality of life of the local communities that NMDC has been successfully mining in these areas.

- NMDC is the model PSE in the field of CSR and its model of stakeholder consultation mechanism for implementation of its CSR has been recommended by Department of Public Enterprises, Government of India for emulation by all other CPSEs.
- The Company is investing substantially in promoting education, development of physical infrastructure, providing healthcare services and clean drinking water along with imparting technical skill sets aimed at enhancing employability and income generation etc. among other initiatives primarily in surrounding areas of its operations.
- On 17th May, 2018, CMD, NMDC received the prestigious S&P Platts Global Metal Award 2018 under CSR category, organised by Platts at London
- Annual Report on CSR activities as required in terms of Companies Act, 2013 is annexed to the Directors' Report.

NMDC also has well equipped hospitals with capable medical teams available to support the health and well being of the workers and the surrounding community.

Directors' Report**ANNEXURE – II****CONSERVATION OF ENERGY,
TECHNOLOGY ABSORPTION,
FOREIGN EXCHANGE EARNINGS
AND OUTGO UNDER THE
COMPANIES ACT, 2013****NMDC's R&D Centre at Hyderabad:**

R&D Centre is committed to maintain its excellence in undertaking Product and Technology Development Projects related to Ore and Minerals through continual improvement in process performance for enhanced customer satisfaction.

It undertakes R&D works related to mineral processing, flow sheet development, mineralogical studies amongst others. R&D Centre extends vital support to NMDC's existing mines. Expertise of R&D Centre is also being extensively used by other organizations (in both public and private sector) in iron ore and allied sectors in India and abroad.

The Centre has implemented Integrated Management System comprising ISO 9001: 2015 (Quality Management System), ISO 14001: 2015 (Environment Management System), OHSAS 18001: 2007 (Occupational Health and Safety Assessment System) and SA 8000: 2014 (Social Accountability).

It has recognition by Department of Scientific and Industrial Research (DSIR) as in-house R&D unit, valid up to 2022.

It's Chemical Laboratory has been accredited by National Accreditation Board for Testing and Calibration Laboratories (NABL ISO 17025) in the field of chemical analysis.

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

- Upgradation of processing technology of existing process plants for better productivity and to meet the customer requirement.
- Providing technical solutions to the problems related to quality and productivity of NMDC mines.
- Development of technology for utilization of mine wastes.
- Development of value Added process and products through innovation.
- Development of technology for dry processing of sub and lean grade iron ore.
- Developing technologies for enhanced utilization of iron ore fines.
- Development of technologies for enhanced recovery of iron values.

A. Conservation of energy:

Various efforts have been initiated to conserve the energy viz. replacing the total lighting system with LED lighting and cooling system (AC's) to eco-friendly five-star rating. Nearly 50% of energy saved with the above two initiatives.

B. Technology Absorption:**Development of Vision Enhancement System for Foggy Weather**

The foggy weather conditions in monsoon season in open cast iron ore mines of NMDC causes significant production loss due to restricted fleet (heavy earth moving) movement. CSIR-CIMFR, Dhanbad has proven expertise and technology to improve the visibility for fleet movement in foggy weather conditions. In this regard, CSIR-CIMFR had conducted trial runs at BIOM, Bachel complex and results were encouraging. Based on the successful trial runs undertaken at BIOM, Bachel complex, NMDC had decided for undertaking a pilot scale research project in association with CSIR-CIMFR for vision enhancement while operating heavy earth moving equipment in foggy weather conditions.

Various Research projects completed by R&D Centre**1.0 Projects as per MOU system with Ministry of Steel:**

Improving recovery of Iron Values (Min 2%) from lean tailing of Donimalai Beneficiation and pellet plant

2.0 In-house Programs completed

- i) Implementation of recommended modifications for improvement in screening efficiency. (at SP-2 Kirandul)
- ii) Studies on abrasive wear of liner materials used in Iron ore storage and handling
- iii) Effect of Particle size, Chemical constituents and Solid Concentration on Iron ore Slurry Rheology
- iv) Beneficiation studies on high silica blue dust sample-Kirandul complex with emphasis on feasibility studies of dry magnetic separation
- v) Characterization and beneficiation studies with slimes from Kirandul
- vi) Study on reduction of Ammonium Para Tungstate (APT) by H₂ gas for Tungsten production.
- vii) Development of value added products from iron ore overburden of Kirandul (Dep-14)

3.0 Collaborative Programmes under progress

Collaborating Institutes	Title and Nature of Work
RDCIS-SAIL, Ranchi	To synergies the capabilities of RDCIS, SAIL and R&D Centre, NMDC so as to accelerate the developmental efforts towards meeting the emerging requirement of the Iron & Steel industry.
IIT, Hyderabad	Improving the efficiency of dense medium cyclone separating the high NGM Coal samples using GPU based CPM and PERT methods.
IIT, Bhubaneswar	Optimization of Silos, Bins and Hoppers design through modeling, primarily intended for Iron ore storage.
IMMT, Bhubaneswar	Modeling & Optimization of high concentration Iron ore fines/Concentrate slurry pipe line for Indian Iron Ore Processing Industry
CSIRO, Australia	Characterization and beneficiation studies on laterite / goethite iron ore. Development of dry beneficiation technology for processing of hydrated iron ore
IIT Madras, IIT Kanpur, JSW	Develop a process for Iron Ore reduction through Microwave furnace as an alternate source of heating the minerals.

4.0 Sponsored Assignments

- i) Flowability studies on Fly ash to design ESP hoppers for M/s BHEL
- ii) Flowability studies on coal of MCL Bhubaneswari Mines for M/s L&T
- iii) Metallurgical characterization test for M/s SIPC
- iv) Beneficiation study for M/s Benita Industries
- v) Beneficiation study for M/s MECL
- vi) Metallurgical characterization for iron ore sample for M/s MSPL
- vii) Blaine No test for M/s Essar and M/s KIOCL
- viii) Cyclosizer test for M/s SGS.

5.0 Investigation Assignments:

- i) Chemical Analysis of Dhura Iron Ore Prospective block 100 Chip/Soil Samples received.
- ii) Chemical analysis of samples received from sidhi-singrauli iron ore block-M.P.
- iii) Chemical analysis of Jabalpur Katni block-M.P.
- iv) Chemical analysis & thin section study of sample received from Nandgaon- maheva block, Chattarpur-M.P.

6.0 R&D Investment

Year	Investment on R&D (₹ Cr.)			Turnover (₹ Cr.)	(% of Turnover	Profit after tax (₹ Cr.)	(% of PAT
	Revenue	Capital	Total				
2014-15	22.02	1.78	23.80	12356.41	0.19	6422	0.37
2015-16	22.21	0.75	22.96	6457	0.36	2715	0.84
2016-17	20.30	1.47	21.77	8830	0.25	2589	0.84
2017-18	22.03	3.10	25.13	11615	0.22	3806	0.66
2018-19	23.81	7.50	31.31	12153	0.26	4642	0.68

7.0 Foreign Exchange Earnings & Outgo

- i) Foreign Exchange Earning- Nil
- ii) Foreign Exchange Outgo- ₹ 65.87 crores

Directors' Report
ANNEXURE – III

Report on Corporate Governance

1. A BRIEF STATEMENT ON COMPANY'S PHILOSOPHY

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

2. BOARD OF DIRECTORS

As on 31st March 2019, the Board of NMDC comprises of Chairman-Cum-Managing Director, five Whole time / Functional Directors, two Government Nominee Directors and six Non-Executive (Independent) Directors.

a. Composition and category of Directors:

Whole-time / Functional Directors

- i) Shri N. Bajendra Kumar, IAS, Chairman-cum-Managing Director
- ii) Dr. Narendra K. Nanda, Director (Technical)
- iii) Dr. T.R.K. Rao, Director (Commercial)
- iv) Shri P.K. Satpathy, Director (Production)
- v) Shri D.S. Ahluwalia, Director (Finance) (upto 30.04.2018)
- vi) Shri Sandeep Tula, Director (Personnel)
- vii) Shri Shri Amitava Mukherjee, Director (Finance) (w.e.f. 20.11.2018)

Government of India Nominee Directors

- i) Shri Saraswati Prasad, Additional Secretary & Financial Adviser (AS&FA), Ministry of Steel
- ii) Shri Sunil Barthwal, Joint Secretary, Ministry of Steel (upto 23.05.2018)
- iii) Shri Puneet Kansal, Joint Secretary, Ministry of Steel (w.e.f. 24.05.2018 upto 15.07.2018)
- iv) Smt. Rasika Chaube Additional Secretary, Ministry of Steel (w.e.f. 16.07.2018)

Independent Directors (Non-Executive)

- i) CA. Arun Kumar Srivastava
- ii) Smt. Bhagwati Mahesh Baldewa
- iii) Shri Rajesh Kumar Mangal (upto 12.11.2018)
- iv) Shri Pradip Bhargava
- v) Dr. Syamal Kumar Sarkar



- vi) Shri S.M. Nigam
- vii) Shri Bahram Navroj Vakil (upto 18.06.2018)
- viii) Shri Ashok Kumar Angurana

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

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

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

b. BOARD MEETINGS

Board Meeting Procedure:

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

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

Information placed before the Board of Directors

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

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

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

Sl. No.	Name of the Director	No. of Board Meetings held	No. of Board Meetings attended	Last AGM Attended
1	Shri N. Bajendra Kumar, IAS Chairman-cum-Managing Director	8	8	YES
2	Dr. Narendra K. Nanda * Director (Technical)	8	4	YES
3	Dr. T.R.K. Rao Director (Commercial)	8	7	YES
4	Shri P.K. Satpathy Director (Production)	8	7	YES
5	Shri D.S. Ahluwalia Director (Finance) (upto 30.04.2018)	1	1	NA
6	Shri Sandeep Tula Director (Personnel)	8	8	YES
7	Shri Amitava Mukherjee Director (Finance) (w.e.f. 20.11.2018)	3	3	NA

Sl. No.	Name of the Director	No. of Board Meetings held	No. of Board Meetings attended	Last AGM Attended
8	Shri Saraswati Prasad Govt. Nominee Director	8	8	NO
9	Shri Sunil Barthwal Govt. Nominee Director (upto 23.05.2018)	1	1	NA
10	Shri Puneet Kansal Govt. Nominee Director (w.e.f. 24.05.2018 upto 15.07.2018)	1	1	NA
11	Smt. Rasika Chaube Govt. Nominee Director (w.e.f. 16.07.2018)	6	6	NO
12	CA. Arun Kumar Srivastava Independent Director	7	7	YES
13	Smt. Bhagwati Mahesh Baldewa Independent Director	7	7	YES
14	Shri Rajesh Kumar Mangal Independent Director (upto 12.11.2018)	4	3	NO
15	Shri Pradip Bhargava Independent Director	8	7	YES
16	Dr. Syamal Kumar Sarkar Independent Director	8	7	YES
17	Shri S.M. Nigam Independent Director	8	8	YES
18	Shri Bahram Navroj Vakil Independent Director (upto 18.06.2018)	2	0	NA
19	Shri Ashok Kumar Angurana Independent Director	8	6	YES

* DoPT vide its letter dated 10.06.2019 has extended the tenure of Dr. Narendra K. Nanda from 01.12.2018 for a period of 6 months

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

Sl. No.	Name of the Director	No. of Directorship and Committee No. Membership / Chairmanship			Names of Listed entity and category of directorship
		Other Board Directorship * (Excluding NMDC)	Committee Membership #	Committee Chairpersonship # (Excluding NMDC)	
1	Shri N. Bajendra Kumar, IAS Chairman-cum-Managing Director	2	--	--	--
2	Dr. Narendra K. Nanda Director (Technical)	1	--	--	--
3	Dr. T.R.K. Rao Director (Commercial)	9	--	--	--
4	Shri P.K. Satpathy Director (Production)	5	--	--	--
5	Shri D.S. Ahluwalia Director (Finance) (upto 30.04.2018)	0	--	--	--

Sl. No.	Name of the Director	No. of Directorship and Committee No. Membership / Chairmanship			Names of Listed entity and category of directorship
		Other Board Directorship * (Excluding NMDC)	Committee Membership #	Committee Chairpersonship # (Excluding NMDC)	
6	Shri Sandeep Tula Director (Personnel)	3	--	--	--
7	Shri Amitava Mukherjee Director (Finance) (w.e.f. 20.11.2018)	5	--	--	--
8	Shri Saraswati Prasad Govt. Nominee Director	4	--	--	SAIL, KIOCL Govt. Nominee Director
9	Shri Sunil Barthwal Govt. Nominee Director (upto 23.05.2018)	--	--	--	--
10	Shri Puneet Kansal Govt. Nominee Director (w.e.f. 24.05.2018 upto 15.07.2018)	--	--	--	--
11	Smt. Rasika Chaube Govt. Nominee Director (w.e.f. 16.07.2018)	1	--	--	--
12	CA. Arun Kumar Srivastava Independent Director	1	--	--	--
13	Smt. Bhagwati Mahesh Baldewa Independent Director	6	--	--	--
14	Shri Rajesh Kumar Mangal Independent Director (upto 12.11.2018)	--	--	--	--
15	Shri Pradip Bhargava Independent Director	--	--	--	--
16	Dr. Syamal Kumar Sarkar Independent Director	--	--	--	--
17	Shri S.M. Nigam Independent Director	--	--	--	--
18	Shri Bahram Navroj Vakil Independent Director (upto 18.06.2018)	--	--	--	--
19	Shri Ashok Kumar Angurana Independent Director	--	--	--	--

Notes:

* Directorship held by Directors on all other Boards

In accordance with Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Membership / Chairpersonship of only the Audit Committee and Stakeholders' Relationship Committee in all Public Limited Companies (Listed and Unlisted) are considered (excluding Private Limited Companies, Foreign Companies and Section 8 Companies).

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

During the year 2018-19, eight (8) Board meetings were held, the details of which are given below:

S. No.	Board Meeting	Board Meeting No.	Board Strength Date	No. of Directors Present
1	511	17.04.2018	16	14
2	512	28.05.2018	15	13
3	513	08.08.2018	14	13
4	514	26.09.2018	14	14
5	515	13.11.2018	11	10
6	516	08.01.2019	14	12
7	517	31.01.2019	14	12
8	518	12.03.2019	14	11

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

e. Directors are not inter se related to each other.**f. No. of Equity Shares of the Company held by Directors as on 31st March, 2019.**

S. No.	Name of the Director	No. of Shares of the Company
1	Shri N. Baijendra Kumar, IAS, Chairman-cum-Managing Director	NIL
2	Dr. Narendra K. Nanda, Director (Technical)	320
3	Dr. T.R.K. Rao, Director (Commercial)	NIL
4	Shri P.K. Satpathy, Director (Production)	320
5	Shri D.S. Ahluwalia, Director (Finance) (upto 30.04.2018)	NIL
6	Shri Sandeep Tula, Director (Personnel)	NIL
7	Shri Saraswati Prasad, Govt. Nominee Director	NIL
8	Shri Sunil Barthwal, Govt. Nominee Director (upto 23.05.2018)	NIL
9	Shri Puneet Kansal, Govt. Nominee Director (w.e.f. 24.05.2018 upto 15.07.2018)	NIL
10	Smt. Rasika Chaube, Govt. Nominee Director (w.e.f. 16.07.2018)	NIL
11	CA. Arun Kumar Srivastava, Independent Director	NIL
12	Smt. Bhagwati Mahesh Baldewa, Independent Director	NIL
13	Shri Rajesh Kumar Mangal, Independent Director (upto 12.11.2018)	NIL
14	Shri Pradip Bhargava, Independent Director	100
15	Dr. Syamal K. Sarkar, Independent Director	NIL
16	Shri S.M. Nigam, Independent Director	NIL
17	Shri Bahram Navroj Vakil, Independent Director (upto 18.06.2018)	NIL
18	Shri Ashok Kumar Angurana, Independent Director	NIL
19	Shri Amitava Mukherjee (w.e.f. 20.11.2018)	NIL

g. Web link of Familiarization Programme:

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

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

S. No.	Name of the Director	Existing Skills / expertise / competence
1	Shri N. Bajendra Kumar, IAS, Chairman-cum-Managing Director	IAS Officer
2	Dr. Narendra K. Nanda, Director (Technical)	Mining
3	Dr. T.R.K. Rao, Director (Commercial)	Commercial & Marketing
4	Shri P.K. Satpathy, Director (Production)	Mining
5	Shri D.S. Ahluwalia, Director (Finance) (upto 30.04.2018)	Finance, Costing & Taxation
6	Shri Sandeep Tula, Director (Personnel)	Personnel, Administration & HR
7	Shri Saraswati Prasad, Govt. Nominee Director	IAS Officer
8	Shri Sunil Barthwal, Govt. Nominee Director (upto 23.05.2018)	IAS Officer
9	Shri Puneet Kansal, Govt. Nominee Director (w.e.f. 24.05.2018 upto 15.07.2018)	IAS Officer
10	Smt. Rasika Chaube, Govt. Nominee Director (w.e.f. 16.07.2018)	IDAS officer
11	CA. Arun Kumar Srivastava, Independent Director	Chartered Accountant
12	Smt. Bhagwati Mahesh Baldewa, Independent Director	Social service, CSR and Philanthropy
13	Shri Rajesh Kumar Mangal, Independent Director	Chartered Accountant
14	Shri Pradip Bhargava, Independent Director	Retired IAS Officer
15	Dr. Syamal K. Sarkar, Independent Director	Retired IAS Officer
16	Shri S.M. Nigam, Independent Director	Retired IRS Officer
17	Shri Bahram Navroj Vakil, Independent Director (upto 18.06.2018)	Solicitor, Advocate
18	Shri Ashok Kumar Angurana, Independent Director	Retired IAS Officer
19	Shri Amitava Mukherjee (w.e.f. 20.11.2018)	Finance, Costing & Taxation

i. Confirmation of the Board relating to independent directors:

The Independent Directors have given a declaration on meeting the criteria of independence as stipulated in the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 in the FY 2019-20. The Board of Directors at its 519th meeting held on 28.05.2019 has noted the declaration as made by the Independent Directors.

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

During the year under review, Shri Bahram Navroj Vakil, Independent Director vide his letter dated 18th June 2018 tendered his resignation from the Board, inter-alia, due to his current situation which does not permit him to give adequate time to the Board. Ministry of Steel, Govt. of India vide its letter no.

1(10)/2015-BLA dated 14th December 2018 informed that the resignation and the vacancy thus created has been noted.

3. AUDIT COMMITTEE

i. Brief description of terms of reference

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

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

- ◆ Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - ◆ Changes, if any, in accounting policies and practices and reasons for the same;
 - ◆ Major accounting entries involving estimates based on the exercise of judgment by management;
 - ◆ Significant adjustments made in the financial statements arising out of audit findings;
 - ◆ Compliance with listing and other legal requirements relating to financial statements;
 - ◆ Disclosure of any related party transactions;
 - ◆ Modified opinion(s) in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 - Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 - Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 - Approval or any subsequent modification of transactions of the Company with related parties;
 - Scrutiny of inter-corporate loans and investments;
 - Valuation of undertakings or assets of the Company, wherever it is necessary;
 - Evaluation of internal financial controls and risk management systems;
 - Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 - Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 - Discussion with internal auditors of any significant findings and follow-up thereon;
 - Reviewing the findings of any internal investigations by the internal auditors / auditors / agencies into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 - To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 - To review the functioning of the Whistle Blower mechanism;
 - Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
 - To review the follow up action on the audit observations of the C&AG audit.
 - To review the follow up action taken on the recommendations of Committee on Public Undertakings of the Parliament.
 - Provide an open avenue of communication between the independent auditor, internal auditor and the Board of Directors.
 - Review all related party transactions in the Company. For this purpose, the Audit Committee may designate a member who shall be responsible for reviewing related party transactions.
 - Review with the independent auditor the co-ordination of audit efforts to assure completeness of coverage, reduction of redundant efforts, and the effective use of all audit resources.
 - Consider and review the following with the independent auditor and the management:
 - ◆ The adequacy of internal controls including computerized information system controls and security;
 - ◆ Related findings and recommendations of the independent auditor and internal auditor, together with the management responses.
 - Consider and review the following with the management, internal auditor and the independent auditor:
 - ◆ Significant findings during the year, including the status of previous audit recommendations.
 - ◆ Any difficulties encountered during audit work including any restrictions on the scope of activities or access to required information.

- Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

ii. Composition, names of Members and Chairperson

The Audit Committee consists of the following Directors:

- Shri S.M. Nigam, Independent Director and Chairman
- Dr. Narendra K. Nanda, Director (Technical) and Member (upto 30.11.2018)

- Dr. T.R.K. Rao, Director (Commercial) and Member
- CA. Arun Kumar Srivastava, Independent Director and Member
- Shri Rajesh Kumar Mangal, Independent Director and Member (upto 12.11.2018)
- Shri Ashok Kumar Angurana, Independent Director and Member
- Shri Pradip Bhargava, Independent Director and Member (upto 19.02.2019)
- The Company Secretary acts as the Secretary to the Audit Committee pursuant to Regulation 18(1)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Director (Finance), Representatives of Statutory Auditors, Internal Auditors, Functional Directors, besides, Head of Finance and Executives of other Departments are invited on need basis.

iii. Meetings and attendance during the year

During the year under report, 8 meetings of the Audit Committee were held. The details of attendance of the Members are indicated below:

S. No.	Board Meeting	Board Meeting No.	Board Strength Date	No. of Directors Present
1	98	17.04.2018	5	4
2	99	28.05.2018	5	5
3	100	08.08.2018	5	4
4	101	25.09.2018	5	4
5	102	12.11.2018	5	4
6	103	13.11.2018	3	2
7	104	31.01.2019	3	3
8	105	19.03.2019	4	3

iv. Attendance of each Director at the Audit Committee meetings

Sl. No.	Name of the Director	No. of meetings held	No. of meetings attended
1	Shri S.M. Nigam Independent Director & Chairman	8	8
2	Dr. Narendra K. Nanda Director (Technical) (upto 30.11.2018)	8	3
3	Dr. T.R.K. Rao Director (Commercial) (w.e.f. 19.02.2019)	1	1
4	Shri Rajesh Kumar Mangal Independent Director & Member (upto 12.11.2018)	5	4

Sl. No.	Name of the Director	No. of meetings held	No. of meetings attended
5	Shri Pradip Bhargava Independent Director & Member (upto 18.02.2019)	7	6
6	CA. Arun Kumar Srivastava Independent Director & Member	8	7
7	Shri Ashok Kumar Angurana Independent Director & Member (w.e.f. 19.02.2019)	1	0

4. NOMINATION, REMUNERATION & HR COMMITTEE

(a) Brief description of terms of reference:

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

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

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

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

Sl. No.	Name of the Director
1	Dr. Syamal Kumar Sarkar, Independent Director & Chairman
2	Shri S.M. Nigam, Independent Director & Member
3	Shri Pradip Bhargava, Independent Director & Member
4	Shri Ashok Kumar Angurana, Independent Director & Member (w.e.f. 06.08.2018)
5	Smt. Bhagwati Mahesh Baldewa, Independent Director & Member (w.e.f. 19.02.2019)
6	Shri Rajesh Kumar Mangal, Independent Director & Member (upto 12.11.2018)

(c) Meetings and attendance during the year:

During the year under review, 5 meetings of the Nomination, Remuneration & HR Committee were held on 06.08.2018, 25.09.2018, 04.11.2018, 14.12.2018 and 18.03.2019.

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

Sl. No.	Name of the Director	No. of meetings held	No. of meetings attended
1	Dr. Syamal Kumar Sarkar Independent Director & Chairman	5	5
2	Shri S.M. Nigam Independent Director & Member	5	4
3	Shri Pradip Bhargava Independent Director & Member	5	5

Sl. No.	Name of the Director	No. of meetings held	No. of meetings attended
4	Shri Rajesh Kumar Mangal Independent Director & Member (upto 12.11.2018)	3	3
5	Shri Ashok Kumar Angurana Independent Director & Member (w.e.f. 06.08.2018)	5	3
6	Smt. Bhagwati Mahesh Baldewa Independent Director & Member (w.e.f. 19.02.2019)	1	1

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

(d) Performance Evaluation

Performance Evaluation Criteria for Independent Directors: Necessary disclosures made in Directors' Report (Refer Sl.No. 35.0).

5. REMUNERATION OF DIRECTORS

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

The details of remuneration paid to Functional Directors during the financial year 2018-19 are as follows:

(₹ in lakhs)

Sl. No.	Name of the Director	Salary & Perquisites as per Section 17(1) & (2) of Income Tax Act, 1961	Retirement & Other Benefits	Total
1	Shri N. Bajendra Kumar CMD	29.74	2.83	32.57
2	Dr. Narendra K. Nanda Director (Technical)	65.61	4.38	69.99
3	Dr. T. R. K. Rao Director (Commercial)	55.19	5.33	60.52
4	Shri P. K. Satpathy Director (Production)	57.01	5.85	62.86
5	Shri D. S. Ahluwalia Director (Finance) (upto 30.04.18) *	35.98	0.45	36.43
6	Shri. Sandeep Tula Director (Personnel)	58.11	6.52	64.63
7	Shri. Amitava Mukherjee Director (Finance) (w.e.f. 20.11.18)	12.96	1.74	14.70
Total		314.60	27.11	341.70

Notes:-

- The Salary of Whole Time Directors is governed by pay scales and rules of the Government. No variable incentive is being paid to Directors except Performance Related Pay being paid to them on annual basis as per DPE guidelines
- Notice period of 3 months or salary in lieu thereof is required for severance from the service.
- The Company has not introduced any stock option scheme.
- The remuneration does not include the provision made on actuarial valuation of retirement benefit schemes and provision made for post retirement medical benefits as the same is not separately identifiable for individual Directors.
- * Includes Retirement Payment for Sl.No.5.

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

S. No.		Sitting Fees (in ₹)
1	CA Arun Kumar Srivastava	4,10,000
2	Smt. Bhagwati Mahesh Baldewa	3,85,000
3	Shri Rajesh Mangal	3,40,000
4	Shri Pradip Bhargava,	6,85,000
5	Dr. Syamal Kumar Sarkar	5,10,000
6	Shri S.M. Nigam	7,15,000
7	Shri. Ashok Kumar Angurana	3,80,000
Total		34,25,000

Notes:-

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

6. SHARE TRANSFER COMMITTEE

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

- i) Chairman-cum-Managing Director
- ii) Director (Technical)
- iii) Director (Commercial)
- iv) Director (Production)
- v) Director (Finance)

Company Secretary acts as Secretary to the Committee.

During the year under report, five (5) meetings of the Committee were held. The details of attendance of the Members are indicated below:-

S. No.	Meeting No.	Meeting Date	Strength of STC	No. of Members present
1.	208	11.05.2018	5	4
2.	209	24.07.2018	5	5
3.	210	08.08.2018	5	5
4.	211	29.12.2018	5	5
5.	212	01.03.2019	5	5

Attendance of each Member at the Share Transfer Committee meetings

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

7. SHAREHOLDERS'/INVESTORS' GRIEVANCE/STAKEHOLDERS COMMITTEE

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

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

Sl. No.	Meeting No.	Meeting Date	Strength of Committee	No. of Members present
1	37	28.05.2018	2	2
2	38	08.08.2018	2	2
3	39	12.11.2018	2	2
4	40	31.01.2019	3	3

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

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

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

- Name of the Non-Executive Director heading the Committee – Shri S M Nigam
- Name and designation of the Compliance Officer: Shri A.S. Pardha Saradhi, Company Secretary
- Number of complaints received - 30
- Number of complaints not solved to the satisfaction of the shareholders - Nil.
- Number of complaints pending - Nil.
- During the year, under SCORES, 06 investor complaints were received & resolved and no complaint was pending as on 31.03.2019.

Other Board level Sub-Committees of Directors

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

8. GENERAL BODY MEETINGS

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

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

AGM No.	Venue	Date & time	Special Resolutions passed
58 th AGM	Katriya Hotel & Towers, Hyderabad	29.09.16 at 1130 hrs	To keep Register of Members at other place at the office of its Registrar and Share Transfer Agents situated at Hyderabad
59 th AGM	The Park, Hyderabad	22.09.17 at 1130 hrs	---
60 th AGM	Hotel Marigold, Hyderabad	26.09.18 at 1130 hrs	---

- (b) Whether any special resolution passed in the previous 3 AGMs – Yes, in the 58th AGM held on 29.09.2016
- (c) During the year 2018-19, there was no occasion to resort to Postal Ballot for consideration of the shareholders of the company.
- (d) At the ensuing Annual General Meeting, there is no special resolution proposed to be conducted through Postal Ballot.
- (e) Procedure for conducting business through Postal Ballot is as prescribed under Section 108 and Section 110 of the Companies Act, 2013 read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 and amendments thereto.

9. MEANS OF COMMUNICATION

Quarterly Results:

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

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

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

10. GENERAL SHAREHOLDERS INFORMATION

i. (a) AGM date, time and venue

Date	Time	Venue
30.08.2019	1130 hrs.	The Park Hotel, Trillion Ball Room, 22 Raj Bhavan Road, Somajiguda, Hyderabad.

(b) Webcast of the AGM :

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

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

iii. Dividend Payment date:

- (a) Dividends as declared were paid within 30 days of declaration as per the provisions of the Companies Act, 2013.
- (b) Details of interim dividend paid during the year under review are as under:

(₹ in crores)				
Particulars	GOI Share	Others	Total Dividend	% of Share Capital
Interim Dividend	1221.60	468.55	1690.15	552
Final*	-	-	-	-
Total	1221.60	468.55	1690.15	552
Previous Year (Including Final Dividend)	985.39	375.09	1360.48	430

* No final dividend was recommended by the Board.

Date of Book Closure: from 24.08.2019 to 30.08.2019 (both days inclusive)

iv. Financial Calendar for 2019-20

1 st quarter results	(Unaudited)	on or before 14.08.2019
2 nd quarter results	(Unaudited)	on or before 14.11.2019
3 rd quarter results	(Unaudited)	on or before 14.02.2020
4 th quarter results	(Audited)	on or before 30.05.2020

v. Listing on Stock Exchanges

NMDC shares are listed on three (3) Stock Exchanges at BSE Ltd, Mumbai, National Stock Exchange of India Ltd., Mumbai and The Calcutta Stock Exchange Ltd., Kolkata. Listing Fees for the year 2018-19 has been paid to the three Stock Exchanges (BSE Ltd., National Stock Exchange of India Ltd. and The Calcutta Stock Exchange Ltd.).

vi. Stock Code:

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

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

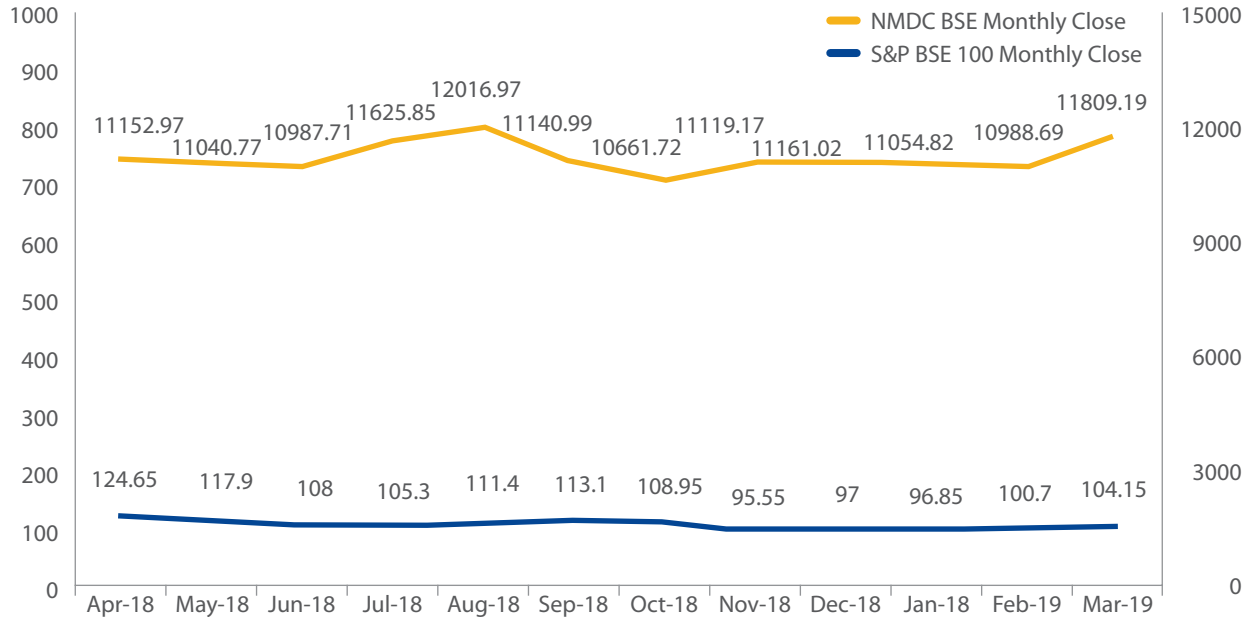
Market High & Low prices at BSE Ltd. (BSE) & National Stock Exchange of India Ltd. (NSE)

Month and Year	BSE		NSE	
	Highest	Lowest	Highest	Lowest
Apr-18	126.15	115.35	126.45	115.55
May-18	125.65	111.50	125.80	111.45
Jun-18	119.50	103.00	119.60	102.50
Jul-18	109.35	93.50	109.00	93.50
Aug-18	115.40	100.00	115.25	100.20
Sep-18	124.30	108.85	124.40	108.75
Oct-18	117.20	104.40	117.50	104.05
Nov-18	117.95	92.90	118.10	92.85
Dec-18	98.10	86.45	98.20	88.60
Jan-19	99.50	89.30	99.50	89.25
Feb-19	101.40	91.15	101.60	91.10
Mar-19	118.90	100.80	118.40	100.60

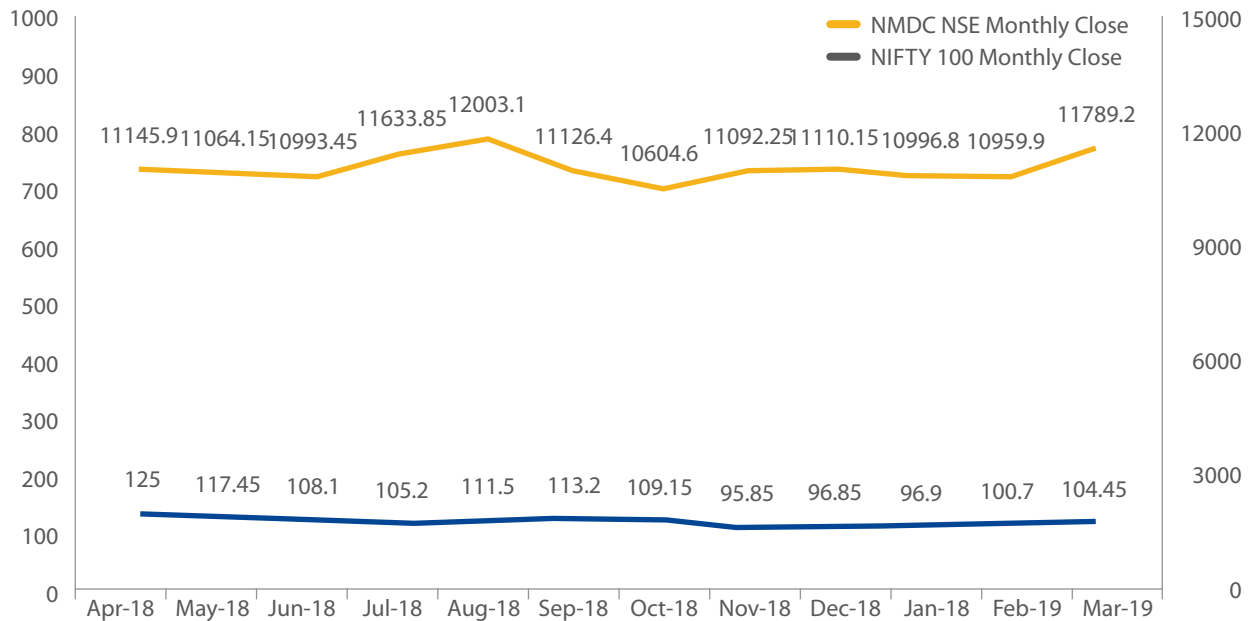
viii. Performance in comparison to broad based indices such as BSE Sensex, CRISIL Index etc.

a) BSE / Sensex and NMDC Share Price

NMDC Monthly Close Share Prices on BSE / S&P BSE 100 Monthly Close Quotations



NMDC NSE Monthly Close Share Prices / Nifty 100 Monthly Close Quotations



ix. Registrar & Share Transfer Agent

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

x. Share Transfer System

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

xi. Distribution of Shareholding:

(a) Shareholding Pattern of the Company as on 31.03.2019

Category (I)	Category of shareholder (ii)	No. of share holders (iii)	No. of fully paid up equity shares held (iv)	No. of partly paid-up equity shares held (v)	No. of shares underlying Depository Receipts (vi)	Total nos. shares held (vii) = iv++v+vi	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)(viii) As a % of (A+B+C2)	Number of Voting Rights held in each class of Securities (ix)			Total as a % of (A+B+C)	No. of Shares Underlying Outstanding convertible securities (including Warrant) (X)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (xi)=(vii)+(X) as a % of (A+B+C2)	Number of Locked in shares (Xii)		Number of Shares pledged or otherwise encumbered (Xiii)				
								No. of Voting Rights	Class	Class eg: X*				No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total shares held (b)	No. (a)	As a % of total shares held (b)	
(A)	Promoter & Promoter Group	1	2213035712	0	0	2213035712	72.28	2213035712	0	2213035712	72.28	0	0	0	0	0	0	2213035712		
(B)	Public	245394	848813947	0	0	848813947	27.72	848813947	0	848813947	27.72	0	0	0	0	0	N.A	N.A	848708178	
(C)	Non Promoter-Non Public																			
(C1)	Shares underlying DRs	0	0	0	0	0	N.A	0	0	0	0	0	0	0	0	0	N.A	N.A	0	
(C2)	Shares held by Employee Trusts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	N.A	N.A	0
	Total	245395	3061849659	0	0	3061849659	100	3061849659	0	3061849659	100	0	100	0	0	0	0	0	3061743890	

*X = Equity

(b) Distribution of Shareholding by size as on 31.03.2019

Sl No.	CATEGORY	HOLDERS	HOLDERS PERCENTAGE	SHARES	AMOUNT	AMOUNT PERCENTAGE
1	1 - 5000	242247	98.72	69079318	69079318	2.26
2	5001 - 10000	1682	0.69	12333523	12333523	0.4
3	10001 - 20000	703	0.29	10006873	10006873	0.33
4	20001 - 30000	225	0.09	5669569	5669569	0.19
5	30001 - 40000	115	0.05	4055702	4055702	0.13
6	40001 - 50000	68	0.03	3147012	3147012	0.1
7	50001 - 100000	156	0.06	11005016	11005016	0.36
8	100001 & Above	199	0.08	2946552646	2946552646	96.23
	Total	245395	100	3061849659	3061849659	100

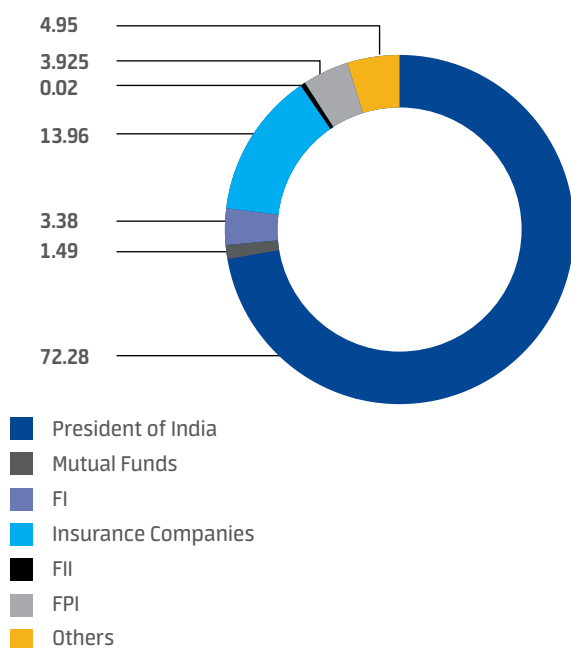
(c) Top ten shareholders of the Company as on 31.03.2019

Sl. No.	Shareholder	No. of Shares	%	Group	Category
1	PRESIDENT OF INDIA	2213035712	72.28	Pro	Central Government/ State Government(s)
2	LIFE INSURANCE CORPORATION OF INDIA	394591074	12.9	Pub	Insurance Companies
3	LICI NEW ENDOWMENT PLUS-GROWTH FUND	62259091	2.03	Pub	Financial Institutions/ Banks
4	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE NIFTY NEXT 50 ETF	35735371	1.17	Pub	Mutual Funds
5	EDGBASTON ASIAN EQUITY TRUST	24100613	0.79	Pub	Foreign Portfolio Investor
6	VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERIES OF VANGUARD INTERNATIONAL EQUITY INDEX FUNDS	12736492	0.42	Pub	Foreign Portfolio Investor
7	VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	12187721	0.4	Pub	Foreign Portfolio Investor
8	STATE BANK OF INDIA	11680466	0.38	Pub	Financial Institutions/ Banks
9	CANARA BANK-MUMBAI	10772388	0.35	Pub	Financial Institutions/ Banks
10	THE NEW INDIA ASSURANCE COMPANY LIMITED	10466508	0.34	Pub	Insurance Companies
	TOTAL	2787565436	91.06		

(d) Geographical Distribution of Shareholders as on 31.03.2019

Sl. No.	City	No. of Share Holders	% to Total	No. of Shares	% to Total
1	AHMEDABAD	12650	5.03	5631358	0.18
2	BANGALORE	12725	5.06	7062627	0.23
3	BHUBANESWAR	820	0.33	247902	0.01
4	CHANDIGARH	952	0.38	509820	0.02
5	CHENNAI	10022	3.99	14873653	0.49
6	GUWAHATI	541	0.22	232282	0.01
7	HYDERABAD	11173	4.44	4818525	0.16
8	JAIPUR	5196	2.07	1630582	0.05
9	KANPUR	1309	0.52	408966	0.01
10	KOLKATA	12090	4.81	17928515	0.59
11	MUMBAI	41608	16.55	730949367	23.87
12	NAGPUR	1414	0.56	547345	0.02
13	NEW DELHI	14986	5.96	2228847859	72.79
14	PATNA	1271	0.51	1172346	0.04
15	TRIVANDRUM	711	0.28	259439	0.01
16	OTHERS	123920	49.29	46729073	1.53
	TOTAL	251388	100.00	3061849659	100.00

Shareholding Profile as on 31.03.2019



xii. Dematerialization of shares and liquidity

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

- (i) National Securities Depository Limited
Trade World, 4th Floor
Kamala Mills Compound
Senapati Bapat Marg
Lower Parel, Mumbai - 400 013
- (ii) Central Depository Services (India) Limited
Phiroze Jeejeebhoy Towers
28th Floor, Dalal Street
Mumbai - 400 023

No. of Shares held in dematerialized and physical mode as on 31st March, 2019 are as under:

Particulars	No. of Shares	% of total capital issue
Held in dematerialized form in NSDL	3019078933	98.60
Held in dematerialized form in CDSL	42664957	1.39
Physical	105769	0.01
Total	3061849659	100.00

xiii. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity : NIL**xiv. Commodity price risk or foreign exchange risk and hedging activities.**

NMDC Export iron ore to Japan / S. Korean steel mills through MMTC (Canalizing agent) under Long Term Agreement based upon Union Cabinet approval from time to time. Export prices are fixed on quarterly basis and payment against exports are remitted in Indian rupee by MMTC to the Company which, constitutes a small percentage of NMDC's total turnover. However, commodity (iron ore) price risk does exist due to volatility in International Market, but due to quarterly based pricing risk is mitigated to some extent. Hedging activities are not undertaken by NMDC / MMTC

xv. Transfer of Dividend and corresponding Ordinary Shares to the Investor Education and Protection Fund

During the financial year 2018-19, unclaimed dividend for the financial year 2010-11 Final, 2011-12 1st Interim and 2011-12 2nd Interim dividend aggregating ₹17,24,258/- and the corresponding 13,303 Ordinary Shares in respect of which dividend entitlements remained unclaimed for seven consecutive years or more, have been transferred by the Company to the Investor Education and Protection Fund established

by the Central Government (IEPF), pursuant to the provisions of Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016

Shareholders may claim their unclaimed dividend for the years prior to and including the financial year 2010-11 Final, 2011-12 1st Interim and 2011-12 2nd Interim dividend and the corresponding shares, from the IEPF Authority by applying in the prescribed Form No. IEPF5. This Form can be downloaded from the website of the IEPF Authority www.iepf.gov.in, the access link of which is also available on the Company's corporate website nmdc.co.in under the section 'Investor Relations'.

The unclaimed dividend for the undernoted years and the corresponding shares will be transferred by the Company to IEPF in accordance with the schedule given below. Communication has been sent to the concerned Shareholders advising them to write to the Investor Service Centre of the Company (ISC) to claim their dividend. Notices in this regard have also been published in newspapers. Details of such unclaimed dividend and corresponding shares are available on the Company's corporate website under the section 'Investor Relations'. Attention in particular is drawn that the unclaimed dividend for the financial year 2011-12 Final Dividend and the corresponding shares will be due for transfer to IEPF on 19.10.2019.

Financial Year	Dividend Identification No.	Date of declaration of Dividend	Total Dividend (₹)	Unclaimed Dividend as on 31.03.2019		Due date for transfer to IEPF
				₹	%	
2011-12	2011-12 Final	20.09.2012	9911802425.00	949028	0.009575	19.10.2019
2012-13	2012-13 1 st Interim	07.11.2012	7929432000.00	744820	0.009393	06.12.2019
2012-13	2012-13 2 st Interim	13.02.2013	3964716000.00	749743	0.018910	12.03.2020
2012-13	2012-13 Final	25.09.2013	15858864000.00	2265596	0.014286	24.10.2020
2013-14	2013-14 1 st Interim	24.10.2013	11894148000.00	1571322	0.013211	23.11.2020
2013-14	2013-14 2 nd Interim	10.02.2014	21805953617.00	2455473	0.011261	09.03.2021
2014-15	2014-15 1 st Interim	31.10.2014	11894148000.00	1577010	0.013259	30.11.2021
2014-15	2014-15 2 nd Interim	06.02.2015	16850063857.00	1805830	0.010717	05.03.2022
2014-15	2014-15 Final	29.09.2015	5154142052.00	844180	0.016379	28.10.2022
2015-16	2015-16 1 st Interim	12.02.2016	37664819874.00	5657687	0.015021	11.03.2023
2015-16	2015-16 2 nd Interim	19.03.2016	5947091716.00	1533879	0.025792	18.04.2023
2016-17	2016-17 Interim	07.03.2017	13130168437.00	2666762	0.020310	06.04.2024
2016-17	2016-17 Final	22.09.2017	3163890474.00	752482	0.023783	21.10.2024
2017-18	2017-18 Interim	26.03.2018	13604741375.00	2933946	0.021566	25.04.2025

xvi. Unclaimed Shares Suspense Account

Pursuant to an offer for sale, Government of India has disinvested 8.38% of its holding in the Company aggregating 33,22,43,200 equity shares of ₹1/- each in the financial year 2009-10. During this period, two demat accounts were opened with NSDL & CDSL for crediting unclaimed / suspense equity shares. As per Schedule-V Part F of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, disclosures with respect to unclaimed suspense account are as follows:-

Sl. No.	Particulars	NSDL		CSDL	
		Shareholders	Equity Shares	Shareholders	Equity Shares
1	Opening balance as on 01.04.2010	403	46,400	174	24,460
2	Requests received during the year 2010-11	361	41,760	174	24,460
3	Requests resolved during the year	361	41,760	174	24,460
4	Pending as on 31.03.2011	42	4,640	Nil	Nil
5	Requests received during the year 2011-12	8	1,100	Nil	Nil
6	Pending as on 31.03.2012	34	3,540	Nil	Nil
7	Requests received during the year 2012-13	7	1,060	Nil	Nil
8	Pending as on 31.03.2013	27	2,480	Nil	Nil
9	Requests received during the year 2013-14	Nil	Nil	Nil	Nil
10	Pending as on 31.03.2014	27	2480	Nil	Nil
11	Requests received during the year 2014-15	1	320	Nil	Nil
12	Pending as on 31.03.2015	26	2160	Nil	Nil
13	Requests resolved during the year 2015-16	0	0	Nil	Nil
14	Pending as on 31.03.2016	26	2160	Nil	Nil
15	Requests resolved during the year 2016-17	3	320	Nil	Nil
16	Pending as on 31.03.2017	23	1840	Nil	Nil
17	Requests resolved during the year 2017-18	0	0	Nil	Nil
16	Pending as on 27.03.2018 *	23	1840	Nil	Nil

* The pending shares of 1840 were transferred to IEPF account on 27.03.2018.

The voting rights on these equity shares mentioned in the closing balance shall remain frozen till the rightful owner of such shares claims the shares.

xvii. Plant / Mine Locations:

The mines / units of the Company are located in the following locations:

- Bailadila Iron Ore Mine
Kirandul Complex
P.O. Kirandul
Distt: Dantewada (Chhattisgarh)
- Bailadila Iron Ore Mine
Bachel Complex
P.O. Bachel
Dist: Dantewada (Chhattisgarh)
- Donimalai Complex:-
 - Donimalai Iron Ore Mine
 - Kumaraswamy Iron Ore Mine
 - Pellet Plant
 Dist: Bellary - 583 118, Karnataka

d. Diamond Mining Project
Majhgawan
Panna - 488 001 (MP)

e. Sponge Iron Unit, NMDC Limited
SIIL Campus,
Paloncha - 507 154
Dist. Khammam(A.P.)

xviii. Address for Correspondence:

NMDC Limited
Regd. Office: 10-3-311/A
Khanij Bhavan,
Castle Hills, Masab Tank
Hyderabad - 500 028
E-mail: ims@nmdc.co.in

xix. Investors having any complaints relating to Company "other than Offer for Sale made by the Government of India" may register the complaint with M/s Aarthi Consultants Pvt. Ltd. at the following address:

M/s Aarthi Consultants Pvt Ltd.,
D.No. 1-2-285, Domalguda
Hyderabad - 500 029.
Phone Nos. 040-27638111/27634445,
Fax No. 040-27632184
Email : ims@nmdd.co.in,
info@aarthiconsultants.com
Web site : www.aarthiconsultants.com
Contact Person: Mr. G. Bhaskara Murthy,
General Manager

xx. Investors having any grievance relating to "Offer for Sale made by the Government of India in March 2010" may register the complaint with M/s Karvy Computershare Pvt. Ltd. at the following address:

Karvy Computershare Pvt. Ltd.
Karvy Selenium, Tower B,
Plot No.31-32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad – 500 032
Tel: 040-23420815
Fax: 040-23431551
Email: nmdd.ipo@karvy.com
Contact Person: Mr. M. Murali Krishna,
General Manager

xxi. Investor Relation Cell:

The Investor Relation Cell is also looked after by the Board & Company Affairs Department. The Company organizes Investors / Analysts / Brokers meet at regular intervals. Corporate Presentation, details of provisional production & sales, prices of iron ore and other material information are informed to Stock Exchanges and are uploaded on the Company's website.

xxii. Nodal Officer for coordinating with IEPF Authority – Company Secretary, NMDC

xxiii. Disclosures of transactions of the listed entity with any person or entity belonging to the promoter / promoter group which hold(s) 10% or more shareholding in the listed entity, in the format prescribed in the relevant accounting standards for annual results-NIL

xxiv. List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or

proposal of the listed entity involving mobilization of funds, whether in India or abroad:

During the current financial year, company has not accepted any deposits or issued any debt instruments for mobilisation of funds, either in India or Abroad. However, Company has availed fund and non-fund based limit for which the rating are as under:

- (a) Fund Base Limit (India Ratings & Research)
IND AAA/Stable/Ind A1+ (for ₹ 0.5 Billion)
- (b) Non Fund based Limit (India Ratings & Research)
IND AAA/Stable/Ind A1+ (For ₹ 24.5 Billion)

11. OTHER DISCLOSURES

- i. There are no materially significant related party transactions' that may have a potential conflict with the interests of Company at large.
- ii. The Company is in receipt of BSE letter no: LIST/COMP/Reg.27(2) & Reg.17 to 21/Mar-19/526371/37/2019-20 dated 2nd May 2019 and NSE notice no: NSE/LIST-SOP/CG/FINES/80162 dated 2nd May 2019 for non-compliance with the provisions of Regulation 17(1) of SEBI (LODR) Regulations, 2015 for the quarter ended 31-03-2019. In terms of the said letters a fine of ₹1,06,200/- each has been imposed by BSE and NSE towards non-compliance with Regulation 17(1) of SEBI (LODR) Regulations, 2015. The company has represented before BSE and NSE requesting condonation of fine on the grounds that being a Central Public Sector Enterprise under administrative control of Ministry of Steel, Govt. of India and as per Articles of Association, the President of India shall appoint all members on the Board of Directors. The letters received from BSE and NSE were placed before the Board of Directors of the Company in its meeting held on 28th May 2019 for their comments / advise. Comments / Advise made by the Board has been informed to the exchanges vide letter no. 18(1)/2019- Sectt dated 25th June 2019. The company is regularly following up with Ministry of Steel, Govt. of India for appointment of a requisite number of Independent Directors on the Board of the company.
- iii. NMDC being a PSU, the guidelines of Central Vigilance Commission (CVC) are applicable which provides adequate safeguard against victimization of the employees. The Board of Directors at its 451st meeting held on 20.09.2012 approved the internal Whistle Blower Policy of NMDC. In terms of the said Policy, CVO NMDC has been designated as the Nodal Officer for implementation of Internal Whistle Blower Policy. The internal Whistle Blower Policy has also been uploaded on the website and intranet of the Company for information of all the employees. In terms of Whistle Blower Policy, the Screening Committee will comprise of CMD and Chairman of Audit Committee. No complaint has been received by the Company under Whistle Blower Mechanism for

the year under review. In order to spread awareness about Whistle Blower Policy, awareness programmes were conducted during the Vigilance Awareness Week 2018 at Projects and Head Office.

- iv. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements – Necessary disclosure has been made.
- v. Web link where Policy for determining Material Subsidiaries is disclosed:- <https://www.nmdc.co.in/corporategovernance.aspx>
- vi. Web link where Policy on dealing with Related Party Transactions. <https://www.nmdc.co.in/corporategovernance.aspx>
- vii. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)-NIL
- viii. Disclosure of commodity price risks and commodity hedging activities.

May refer Sl. No.10 (xiv) of General Shareholder Information.
- ix. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part: Total amount paid to Statutory Auditors of NMDC & subsidiaries:- ₹ 0.93 crores
- x. Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof-NA
- xi. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013: NIL
- xii. Other than the sitting fees paid (₹30,000/- per sitting of the Board level Meetings and ₹ 25,000/- per sitting of the Board level Committee Meeting), part-time Directors have had no pecuniary relationship or transactions with the Company during the year under report.
- xiii. Details of Presidential Directives issued by Central Government and their compliances during the year and also in the last 3 years:

The Company is following the Presidential Directives and guidelines issued by the Government of India from time to time regarding reservation for SCs, STs

and OBCs, implementation of wage revision etc. It has complied with all Presidential Directives applicable to it during the year and also during the last three years.

- xiv. Items of expenditure debited in books of accounts, which are not for the purposes of the business.
Nil.
- xv. Expenses incurred which are personal in nature and incurred for the Board of Directors and Top Management.
Nil
- xvi. Details of Administrative and Office expenses as a percentage of total expenses was 3.09%.

12. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OF SUB-PARAS (2) TO (10) ABOVE, WITH REASONS THEREOF SHALL BE DISCLOSED.

(May refer disclosure made in Sl.No.11(ii) in respect of non-compliance with Regulation 17(1) of SEBI (LODR) Regulations, 2015)

13. DISCRETIONARY REQUIREMENTS

In respect of discretionary requirements as prescribed in Part-E of Schedule-II to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the extent of compliance are as under:

A. The Board:

The Chairman cum Managing Director of the Company is the Chairman of the Board. Therefore, there is no need for maintenance of a separate Chairman's office.

B. Shareholder Rights:

The Quarterly Financial Results of the Company are published widely in leading newspapers. The said results are also hosted on the website of the Company.

C. Modified opinion(s) in Audit Report:

The Audit Report for both standalone and consolidated Financial Statements for the FY 2017-18 is unmodified. The Company always aims to present financial statements with unmodified audit opinion.

D. Separate posts of Chairperson and Chief Executive Officer:

All appointments to the Board of the Company viz. Functional, Govt. nominees and Independent Directors are made by Govt. of India.

E. Reporting of Internal Auditor:

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

F. Training of Board Members:

The Directors of the Company are nominated for suitable training / programmes / seminars / mines visit from time to time. The Board of Directors has also approved a policy on training.

14. NMDC'S CODE FOR PREVENTION OF INSIDER TRADING

In pursuance of SEBI (Prohibition of Insider Trading) Regulations, 2015 and its amendments, the Board of NMDC has approved the Internal Code of Conduct for Prevention of Insider Trading in dealing with Securities of NMDC Limited. The Code is framed with an aim that the employees of the Company and his/her Dependents shall not derive any benefit or assist others to derive any benefit from the access to and possession of Price Sensitive Information about the Company which is not in the public domain.

15. MEETING OF NON-OFFICIAL (INDEPENDENT) DIRECTORS

In compliance with DPE vide Office Memorandum No. F. No. 16(4)/2012-GM dated 28th Dec 2012 and Companies Act, 2013 a separate meeting of Non-official (Independent) Directors was held on 12.11.2018 without the attendance of Functional and Government Directors and members of management.

16. CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS - PURSUANT TO REGULATION 34(3) AND SCHEDULE V PARA C CLAUSE (10) (I) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 IS ENCLOSED AT ANNEXURE-III(A)**17. DECLARATION ON COMPLIANCE WITH THE CODE OF CONDUCT**

A copy of the Code of Conduct of Board of Directors and Senior Management is posted on the website of the Company. Declaration as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed at Annexure-III (B).

18. COMPLIANCE CERTIFICATE ON CONDITIONS OF CORPORATE GOVERNANCE

In Compliance with Part-E of Schedule-V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, certificate from the Company Secretary in whole-time practice regarding compliance of conditions of Corporate Governance is annexed at Annexure III (C).

19. COMPLIANCE CERTIFICATE OF CEO AND CFO

As required in terms of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Compliance Certificate duly signed by CEO, NMDC [CMD], Director (Finance) and CFO, NMDC has been taken on record by the Board.



Hon'ble CM of Chhattisgarh and CMD, NMDC along with meritorious students of 'Choo Lo Aasman' CSR initiative of NMDC

Directors' Report
Annexure-III(A)

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



CS DATLA HANUMANTHA RAJU
B.COM., LL.B., PGDT, M.B.A., FCS
PARTNER
D. HANUMANTA RAJU & CO.
COMPANY SECRETARIES

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
NMDC LIMITED
Khanij Bhavan,
10-3-311/A, Castle Hills,
Masab Tank, Hyderabad
Telangana - 500 028

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **NMDC LIMITED** having CIN: L13100TG1958GOI001674 and having registered office at Khanij Bhavan, 10-3-311/A, Castle Hills, Masab Tank, Hyderabad, Telangana - 500 028 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No	Name of Director	DIN	Date of Appointment in Company
1.	Mr. Baijendra Kumar Nair	03289526	06/09/2017
2.	Mrs. Bhagwati Devi Baldwa	01537251	13/11/2015
3.	Mr. Arun Kumar Srivastava	01940109	13/11/2015
4.	Mr. Pradip Bhargava	01986827	27/11/2015



Directors' Report
Annexure-III(A)D. HANUMANTA RAJU & CO,
COMPANY SECRETARIES

NMDC LIMITED

5.	Mr. Ashok Kumar Angurana	06600185	16/11/2017
6.	Mr. Pradip Satpathy Kumar	07036432	13/12/2014
7.	Mr. Sandeep Tula	07261884	03/08/2016
8.	Mr. Shyam Murari Nigam	07355272	27/11/2015
9.	Mr. Syamal Kumar Sarkar	07387840	27/11/2015
10.	Mr. Saraswati Prasad	07729788	08/02/2017
11.	Mrs. Rasika Chaube	08206859	24/08/2018
12.	Mr. Amitava Mukherjee	08265207	20/11/2018
13.	Mr. Ramakishan Rao Tanugula*	01312449	17/11/2014
14.	Mr. Narendra Kumar Nanda [#]	02455894	01/12/2008
15.	Mr. Alok Kumar Mehta [@]	07474850	01/06/2019

* Mr. Ramakishan Rao Tanugula, ceased to be a director w.e.f 01.06.2019 due to superannuation.

[#] The tenure of Dr. Narendra K.Nanda, (Dr. N. K. Nanda, D2571) Director (Technical) of the Company had expired on 30.11.2018. However, Department of Personnel and Training vide its letter no. 17(30)/2013-EO(ACC) dated 10.06.2019 and Ministry of Steel vide its Order No. 3(6)/2015 BLA of June 2019 had extended the tenure for a period of six months w.e.f 01.12.2018.

[@] Mr. Alok Kumar Mehta, appointed as Director (Commercial) w.e.f 01.06.2019

As the Company is a Central Public Sector Enterprise under administrative control of Ministry of Steel and Government of India, the President of India appoints all members of the Board. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Hyderabad
Date: 16.07.2019



For D.HANUMANTA RAJU & CO
COMPANY SECRETARIES


Hanumanta Raju
CS DATLA HANUMANTA RAJU
PARTNER
FCS: 4044 CP NO: 1709

Directors' Report
Annexure - III(B)

Annexure - III(B)

**DECLARATION AS REQUIRED UNDER REGULATION 26(3) READ WITH
SCHEDULE-V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE
REQUIREMENTS) REGULATIONS, 2015**

In compliance with Regulation 26(3) read with Schedule-V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Members of the Board and senior management personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management for the year ended 31st March 2019.


N. Baljendra Kumar
Chairman-cum-Managing Director

Place : Hyderabad
Date : 16.07.2019

Directors' Report
ANNEXURE-III(C)

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

**CS DATLA HANUMANTHA RAJU**B.COM., LL.B., PGDT, M.B.A., FCS
PARTNER**D. HANUMANTA RAJU & CO.**
COMPANY SECRETARIES**CERTIFICATE**

TO
THE MEMBERS OF
NMDC LIMITED

We have examined the compliance of conditions of Corporate Governance by **NMDC Limited** (*"the Company"*), for the year ended on March 31, 2019, as per Regulation 15(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') for the period 1st April, 2018 to 31st March, 2019 and the Guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises (DPE), Government of India.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that, the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations and DPE Guidelines, except the requisite number of Independent Directors on its Board as required under the provisions of Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

PLACE: HYDERABAD
DATE : 16.07.2019



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

CS D.HANUMANTA RAJU
PARTNER

FCS: 4044, CP NO: 1709

Directors' Report
ANNEXURE-IV

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March 2019

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies

(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

CIN	L13100TG1958GOI001674
Registration Date	15.11.1958
Name of the Company	NMDC LIMITED
Category/Sub Category of the Company	Union Government Company under administrative control of Ministry of Steel.
Address of the Registered office and Contact details	Khanij Bhavan, 10-3-311/A, Castle Hills, Masab Tank, Hyderabad – 500 028
Whether listed Company	Yes
Name, Address and contact details of the Registrar and Transfer Agent	M/s Aarthi Consultants Pvt Ltd., D.No. 1-2-285, Domalguda Hyderabad - 500 029. Phone Nos. 040-27638111/27634445, Fax No. 040-27632184 Email : ims@nmdc.co.in, info@aarthiconsultants.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Name and description of main products/services	NIC Code of the product / service	% to total turnover of the Company
Mining of Iron Ore	071 – Mining of Iron Ore*	99

* As per National Industrial Classification – Ministry of Statistics & Programme Implementation, Government of India.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
1.	J&K Mineral Development Corporation Ltd. JAMMU	U14107JK1989SGC001110	Subsidiary	95.86	2(87)(ii)
2.	NMDC Power Ltd. HYDERABAD	U40100AP2011PLC077952	Subsidiary	100	2(87)(ii)
3.	Karnataka Vijaynagar Steel Ltd. BENGALURU	U27100KA2014GOI077968	Subsidiary	100	2(87)(ii)
4.	NMDC Steel Ltd. CHHATTISGARH	U27310CT2015GOI001618	Subsidiary	100	2(87)(ii)
5.	Legacy Iron Ore Ltd. # AUSTRALIA	ACN125010353	Subsidiary	78.56	2(87)(ii)

Sl. No.	Name and address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
6.	Jharkhand Kolhan Steel Ltd. RANCHI	U27100JH2015GOI003192	Subsidiary	100	2(87)(ii)
7.	NMDC-SARL * MADAGASCAR	883408	Subsidiary	100	2(87)(ii)
8.	Krishnapatnam Railway Company Ltd. SECUNDERABAD	U45200TG2006PLC051378	Associate	6.40	2(6)
9.	Neelachal Ispat Nigam Ltd. BHUBANESWAR	U27109OR1982GOI001050	Associate	12.87	2(6)
10.	International Coal Ventures Pvt. Ltd., NEW DELH	U10100DL2009PTC190448	Associate	25.94	2(6)
11.	Chhattisgarh Mega Steel Ltd. CHHATTISGARH	U27100CT2015GOI001627	Associate	26	2(6)
12.	Romelt-SAIL (India) Ltd. * NEW DELHI	U74899DL1997PLC090025	Associate	25	2(6)
13.	Kopano-NMDC Minerals (Pty.) Ltd. ## SOUTH AFRICA	2010/006788/07	Joint Venture	50	2(6)
14.	NMDC-CMDC Ltd. RAIPUR (CG)	U13100CT2008GOI020711	Joint Venture	51	2(6)
15.	Jharkhand National Mineral Development Corporation Ltd. RANCHI	U10300JH2012GOI000585	Joint Venture	60	2(6)
16.	NMDC-SAIL Ltd.* HYDERABAD	U27320TG2016GOI109798	Joint Venture	51	2(6)
17.	NMDC CSR Foundation (A Section 8 Company)	U74999TG2018NPL124391	Subsidiary	100	2(87)(ii)
18.	Bastar Railway Pvt. Ltd. RAIPUR	U74900CT2016PTC007251	Joint Venture	52	2(6)
19.	Chhattisgarh Mining Ventures Ltd. ###	U14290CT2016GOI007612	Joint Venture	NMDC-SAIL 51% CMDC 49%	2(6)

* Under Closure

Incorporated in Australia

Incorporated in South Africa

A step-down Subsidiary Company of NMDC-SAIL Ltd. by the name Chhattisgarh Mining Ventures Ltd. (CMVL) was incorporated on 08.11.2016.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Sl. No.	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
1	Indian									
(a)	Individuals/Hindu Undivided Family	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Central Government/State Government(s)	2291571551	0	2291571551	74.84	2213035712	0	2213035712	72.28	-2.56
(c)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00

Sl. No.	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(d)	Financial Institutions/Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Others(Specify)	0	0	0	0.00	0	0	0	0.00	0.00
(e-i)	Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e-ii)	Trusts	0	0	0	0.00	0	0	0	0.00	0.00
	Sub Total (A)(1)	2291571551	0	2291571551	72.43	2213035712	0	2213035712	72.28	-2.56
									0.00	
2	Foreign								0.00	
									0.00	
(a)	Individuals (Non Resident Individuals/Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Others(Specify)	0	0	0	0.00	0	0	0	0.00	0.00
(e-i)	Overseas Corporate Bodies	0	0	0	0.00	0	0	0	0.00	0.00
(e-ii)		0	0	0	0.00	0	0	0	0.00	0.00
									0.00	
	Sub Total (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
									0.00	
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	2291571551	0	2291571551	72.43	2213035712	0	2213035712	72.28	-2.56
									0.00	
(B)	Public Shareholding								0.00	
									0.00	
1	Institutions								0.00	
									0.00	
(a)	Mutual Funds/UTI	58256734	0	58256734	1.84	45744237	0	45744237	1.49	-0.35
(b)	Financial Institutions/Banks	108473294	0	108473294	3.43	103606850	0	103606850	3.38	-0.04
(c)	Central Government/State Government(s)	0	0	0	0.00	2996756	0	2996756	0.10	0.10
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	427798087	0	427798087	13.52	427350369	0	427350369	13.96	0.44
(f)	Foreign Institutional Investors	665666	0	665666	0.02	646344	0	646344	0.02	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Any Others(Specify)	0	0	0	0.00	0	0	0	0.00	0.00
(i-i)	Foreign Companies	0	0	0	0.00	0	0	0	0.00	0.00
(i-ii)	Bank - Foreign Bank	0	0	0	0.00	0	0	0	0.00	0.00
(i-iii)	Foreign Portfolio Investor	131002797	0	131002797	4.14	120054522	0	120054522	3.92	-0.22
	Sub Total (B)(1)	726196578	0	726196578	22.95	700399078	0	700399078	22.88	-0.08
B2	Non-Institutions									
(a)	Bodies Corporate	26713655	31000	26744655	0.85	22447794	2000	22449794	0.73	-0.11
(b)	Individuals									
(i)	Individual shareholders holding nominal share capital upto ₹1 lakh	95004764	125997	95130761	3.01	75229855	83769	75313624	2.46	-0.55
(ii)	Individual shareholders holding nominal share capital in excess of ₹1 lakh	8020892	0	8020892	0.25	29605031	0	29605031	0.97	0.71
(c)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Any Others(Specify)	0	0	0	0.00	0	0	0	0.00	0.00

Sl. No.	Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(d-i)	Non Resident Individuals	6182991	0	6182991	0.20	5720806	0	5720806	0.19	-0.01
(d-ii)	Overseas Corporate Bodies	0	0	0	0.00	0	0	0	0.00	0.00
(d-iii)	Trusts	6997352	0	6997352	0.22	9498514	0	9498514	0.31	0.09
(d-iv)	Employees	19227	32360	51587	0.00	19297	20000	39297	0.00	0.00
(d-v)	Clearing Members	2755528	0	2755528	0.09	5613577	0	5613577	0.18	0.10
(d-vi)	Foreign Nationals	800	0	800	0.00	800	0	800	0.00	0.00
(d-vii)	FPO Unclaimed Shares A/c	1840	0	1840	0.00	0	0	0	0.00	0.00
(d-ix)	NBFCs Registered with RBI	233000	0	233000	0.01	154076	0	154076	0.01	0.00
(d-x)	IEPF	2939	0	2939	0.00	19350	0	19350	0.00	0.00
Sub Total (B)(2)		145932988	189357	146122345	4.62	148309100	105769	148414869	4.85	0.23
Total Public Shareholding (B)=(B)(1)+(B)(2)		872129566	189357	872318923	27.57	848708178	105769	848813947	27.72	0.15
		0	0	0	0.00	0	0	0	0.00	0.00
Total (A)+(B)		3163701117	189357	3163890474	100.00	3061743890	105769	3061849659	100.00	0.00
		0	0	0	0.00	0	0	0	0.00	0.00
(C)	Shares held by Custodians and against Depository Receipts have been issued	0	0	0	0.00	0	0	0	0.00	0.00
1	Shareholding of Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
2	Public Shareholding	0	0	0	0.00	0	0	0	0.00	0.00
		0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A)+(B)+(C)		3163701117	189357	3163890474	100.00	3061743890	105769	3061849659	100.00	0.00

(ii) Shareholding of Promoters

Sl. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		Number of Shares	% of total Share of the Company	% of Shares Pledged/ encumbered to total shares	Number of Shares	% of total Share of the Company	% of Shares Pledged/ encumbered to total shares	
1	PRESIDENT OF INDIA	2291571551	72.43	0	2213035712	72.28	0	-0.15
Total:		2291571551	72.43	0	2213035712	72.28	0	-0.15

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		Number of Shares	% of total Share of the Company	Number of Shares	% of total Share of the Company
1	President of India				
	At the beginning of the year	2291571551	72.43		
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):				
	Buy Back 2019	-78535839	-2.51	2213035712	72.28
	At the end of the year			2213035712	72.28

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
	Number of Shares	% of total Share of the company	Number of Shares	% of total Share of the company	
1	LIFE INSURANCE CORPORATION OF INDIA				
	At the beginning of the year	462222733	15.0962	462222733	15.0962
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):				
	15-Mar-19	-845396	-0.0276	-845396	-0.0276
	25-Mar-19	-4045253	-0.1321	457332084	14.9365
	At the end of the year			457332084	
2	ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C ADITYA BIRLA SUN LIFE BALANCED 95 FUND				
	At the beginning of the year	25858500	0.8445	25858500	0.8445
	20-Apr-18	-146000	-0.0048	25712500	0.8398
	04-May-18	415100	0.0136	26127600	0.8533
	11-May-18	-1000000	-0.0327	25127600	0.8207
	18-May-18	-1000000	-0.0327	24127600	0.7880
	08-Jun-18	-96000	-0.0031	24031600	0.7849
	15-Jun-18	-150000	-0.0049	23881600	0.7800
	22-Jun-18	-553500	-0.0181	23328100	0.7619
	29-Jun-18	333500	0.0109	23661600	0.7728
	06-Jul-18	480000	0.0157	24141600	0.7885
	20-Jul-18	-86600	-0.0028	24055000	0.7856
	27-Jul-18	1388179	0.0453	25443179	0.8310
	03-Aug-18	-854000	-0.0279	24589179	0.8031
	17-Aug-18	200000	0.0065	24789179	0.8096
	24-Aug-18	72000	0.0024	24861179	0.8120
	07-Sep-18	3555000	0.1161	28416179	0.9281
	14-Sep-18	3632000	0.1186	32048179	1.0467
	19-Sep-18	1000000	0.0327	33048179	1.0794
	28-Sep-18	51000	0.0017	33099179	1.0810
	05-Oct-18	5026000	0.1641	38125179	1.2452
	12-Oct-18	638000	0.0208	38763179	1.2660
	02-Nov-18	172000	0.0056	38935179	1.2716
	16-Nov-18	2000000	0.0653	40935179	1.3369
	23-Nov-18	988000	0.0323	41923179	
	14-Dec-18	42000	0.0014	41965179	
	21-Dec-18	79977	0.0026	42045156	1.3732
	28-Dec-18	-1030512	-0.0337	41014644	1.3395
	04-Jan-19	-1086458	-0.0355	39928186	1.3041
	11-Jan-19	-1475000	-0.0482	38453186	1.2559
	18-Jan-19	-600000	-0.0196	37853186	1.2363
	25-Jan-19	-400000	-0.0131	37453186	1.2232
	15-Feb-19	-480000	-0.0157	36973186	1.2075

Sl. No.	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	Number of Shares	% of total Share of the company	Number of Shares	% of total Share of the company
22-Feb-19	-1050000	-0.0343	35923186	1.1733
01-Mar-19	15792	0.0005	35938978	1.1738
08-Mar-19	28576	0.0009	35967554	1.1747
15-Mar-19	-190872	-0.0062	35776682	1.1685
29-Mar-19	-41311	-0.0013	35735371	1.1671
At the end of the year			35735371	1.1671
3	RELIANCE ETF-JUNIOR BEES INVESTMENT A/C			
At the beginning of the year	15175888	0.4956	15175888	0.4956
06-Apr-18	30219	0.0010	15206107	0.4966
13-Apr-18	222743	0.0073	15428850	0.5039
20-Apr-18	1897	0.0001	15430747	0.5040
27-Apr-18	-791539	-0.0259	14639208	0.4781
04-May-18	4291	0.0001	14643499	0.4783
11-May-18	291808	0.0095	14935307	0.4878
18-May-18	537208	0.0175	15472515	0.5053
25-May-18	-656675	-0.0214	14815840	0.4839
01-Jun-18	-539257	-0.0176	14276583	0.4663
08-Jun-18	7356	0.0002	14283939	0.4665
15-Jun-18	-498313	-0.0163	13785626	0.4502
22-Jun-18	-313096	-0.0102	13472530	0.4400
29-Jun-18	-1056270	-0.0345	12416260	0.4055
06-Jul-18	20916	0.0007	12437176	0.4062
13-Jul-18	40820	0.0013	12477996	0.4075
20-Jul-18	-492920	-0.0161	11985076	0.3914
27-Jul-18	1465726	0.0479	13450802	0.4393
03-Aug-18	-460897	-0.0151	12989905	0.4243
10-Aug-18	1110430	0.0363	14100335	0.4605
17-Aug-18	-9906	-0.0003	14090429	0.4602
24-Aug-18	23622	0.0008	14114051	0.4610
31-Aug-18	348003	0.0114	14462054	0.4723
07-Sep-18	556	0.0000	14462610	0.4723
14-Sep-18	7036	0.0002	14469646	0.4726
19-Sep-18	48723	0.0016	14518369	0.4742
21-Sep-18	134667	0.0044	14653036	0.4786
28-Sep-18	-410661	-0.0134	14242375	0.4652
05-Oct-18	-402470	-0.0131	13839905	0.4520
12-Oct-18	186574	0.0061	14026479	0.4581
19-Oct-18	212440	0.0069	14238919	0.4650
26-Oct-18	-3092341	-0.1010	11146578	0.3640
02-Nov-18	-413611	-0.0135	10732967	0.3505
09-Nov-18	48477	0.0016	10781444	0.3521
16-Nov-18	-1456009	-0.0476	9325435	0.3046

Sl. No.	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	Number of Shares	% of total Share of the company	Number of Shares	% of total Share of the company
	-1269139	-0.0415	8056296	0.2631
23-Nov-18				
30-Nov-18	-543436	-0.0177	7512860	0.2454
07-Dec-18	1520924	0.0497	9033784	0.2950
14-Dec-18	239280	0.0078	9273064	0.3029
21-Dec-18	29876	0.0010	9302940	0.3038
28-Dec-18	-4400526	-0.1437	4902414	0.1601
31-Dec-18	2716	0.0001	4905130	0.1602
04-Jan-19	-519978	-0.0170	4385152	0.1432
11-Jan-19	13752	0.0004	4398904	0.1437
18-Jan-19	14898	0.0005	4413802	0.1442
25-Jan-19	13752	0.0004	4427554	0.1446
01-Feb-19	982560	0.0321	5410114	0.1767
08-Feb-19	1254830	0.0410	6664944	0.2177
15-Feb-19	28650	0.0009	6693594	0.2186
22-Feb-19	56063	0.0018	6749657	0.2204
01-Mar-19	162560	0.0053	6912217	0.2258
08-Mar-19	1070292	0.0350	7982509	0.2607
15-Mar-19	170196	0.0056	8152705	0.2663
22-Mar-19	-4434422	-0.1448	3718283	0.1214
25-Mar-19	-1040851	-0.0340	2677432	0.0874
29-Mar-19	241231	0.0079	2918663	0.0953
At the end of the year			2918663	0.0953
4	VANGUARD EMERGING MARKETS STOCK INDEX FUND			
At the beginning of the year	13659564	0.4461	13659564	0.4461
04-May-18	-26400	-0.0009	13633164	0.4453
11-May-18	-25080	-0.0008	13608084	0.4444
01-Jun-18	-19800	-0.0006	13588284	0.4438
15-Jun-18	-19800	-0.0006	13568484	0.4431
22-Jun-18	-47150	-0.0015	13521334	0.4416
29-Jun-18	-392865	-0.0128	13128469	0.4288
06-Jul-18	-31050	-0.0010	13097419	0.4278
13-Jul-18	-49450	-0.0016	13047969	0.4261
16-Nov-18	18225	0.0006	13066194	0.4267
23-Nov-18	47385	0.0015	13113579	0.4283
07-Dec-18	23085	0.0008	13136664	0.4290
21-Dec-18	65610	0.0021	13202274	0.4312
28-Dec-18	-786578	-0.0257	12415696	0.4055
01-Feb-19	69948	0.0023	12485644	0.4078
08-Feb-19	204114	0.0067	12689758	0.4144
15-Feb-19	18996	0.0006	12708754	0.4151
25-Mar-19	27738	0.0009	12736492	0.4160
At the end of the year			12736492	0.4160

Sl. No.	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
	Number of Shares	% of total Share of the company	Number of Shares	% of total Share of the company	
5	STATE BANK OF INDIA				
	At the beginning of the year	11680946	0.3815	11680946	0.3815
	06-Apr-18	78000	0.0025	11758946	0.3840
	13-Apr-18	9000	0.0003	11767946	0.3843
	20-Apr-18	-87000	-0.0028	11680946	0.3815
	18-May-18	45000	0.0015	11725946	0.3830
	01-Jun-18	-45000	-0.0015	11680946	0.3815
	27-Jul-18	-480	0.0000	11680466	0.3815
	At the end of the year			11680466	0.3815
6	EDGBASTON ASIAN EQUITY TRUST				
	At the beginning of the year	11457567	0.0185	11457567	0.3742
	13-Apr-18	565376	0.0185	12022943	0.3927
	20-Apr-18	1117391	0.0365	13140334	0.4292
	25-May-18	1210099	0.0395	14350433	0.4687
	06-Jul-18	-80058	-0.0026	14270375	0.4661
	20-Jul-18	640206	0.0209	14910581	0.4870
	03-Aug-18	-145393	-0.0047	14765188	0.4822
	24-Aug-18	912489	0.0298	15677677	0.5120
	05-Oct-18	243836	0.0080	15921513	0.5200
	30-Nov-18	691846	0.0226	16613359	0.5426
	07-Dec-18	-139252	-0.0045	16474107	0.5380
	04-Jan-19	68483	0.0022	16542590	0.5403
	18-Jan-19	1103948	0.0361	17646538	0.5763
	01-Feb-19	2099410	0.0686	19745948	0.6449
	08-Feb-19	1302643	0.0425	21048591	0.6874
	15-Feb-19	1509961	0.0493	22558552	0.7368
	22-Feb-19	1542061	0.0504	24100613	0.7871
	At the end of the year			24100613	0.7871
7	CANARA BANK-MUMBAI				
	At the beginning of the year	10772508	0.3518	10772508	0.3518
	20-Apr-18	2400	0.0001	10774908	0.3519
	15-Jun-18	-2520	-0.0001	10772388	0.3518
	At the end of the year			10772388	0.3518
8	VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND				
	At the beginning of the year	10446859	0.3412	10446859	0.3412
	20-Jul-18	490427	0.0160	10937286	0.3572
	24-Aug-18	448319	0.0146	11385605	0.3719
	07-Dec-18	401696	0.0131	11787301	0.3850
	15-Feb-19	400420	0.0131	12187721	0.3981
	At the end of the year			12187721	0.3981

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		Number of Shares	% of total Share of the company	Number of Shares	% of total Share of the company
9	THE NEW INDIA ASSURANCE COMPANY LIMITED				
	At the beginning of the year	10266508	0.3353	10266508	0.3353
	06-Jul-18	100000	0.0033	10366508	0.3386
	13-Jul-18	100000	0.0033	10466508	0.3418
	At the end of the year			10466508	0.3418
10	NATIONAL INSURANCE COMPANY LTD				
	At the beginning of the year	7200721	0.2352	7200721	0.2352
	At the end of the year			7200721	0.2352

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Dr. Narendra K. Nanda, Director (Technical)				
	At the beginning of the year	320	0%	320	0%
	Date wise Increase/ Decrease in promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc):	-	-	-	-
	At the end of the year	320	0%	320	0%
2.	Shri P.K. Satpathy				
	At the beginning of the year	320	0%	320	0%
	Date wise Increase/ Decrease in promoters Shareholding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus/sweat equity etc):	-	-	-	-
	At the end of the year	320	0%	320	0%
3.	Shri Pradip Bhargava				
	At the beginning of the year	100	0%	100	0%
	Date wise Increase/ Decrease in promoters Shareholding during the year specifying the reasons for increase/decrease (e.g.allotment/transfer/bonus/sweat equity etc):	-	-	-	-
	At the end of the year	100	0%	100	0%

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

(₹ in Crores)

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured loans	Deposits	Total Indebtedness
i. Principal Amount				
ii. Interest due but not paid				
iii. Interest accrued but not due				
Total (i+ii+iii)				
Change in the indebtedness during the financial year				
Additions		NIL		
Reduction				
Net Change in Indebtedness				
Indebtedness at the end of the Financial year				
i. Principal Amount				
ii. Interest due but not paid				
iii. Interest accrued but not due				
Total (i+ii+iii)				

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:**

SI No.	Particulars of Remuneration	Shri N Baijendra Kumar, IAS	Dr. Narendra K Nanda	Dr. T R K Rao	Shri P K Satpathy	Shri Devinder Singh Ahluwalia (#)	Shri Sandeep Tula	Shri Amitava Mukherjee	Total
1	a Gross Salary u/s 17(1) of the Income -tax Act,1961	29,34,000	64,86,599	53,88,296	55,91,715	27,10,247	57,01,003	12,82,655	3,00,94,515
	b Value of Perquisites u/s 17(2) of the Income -tax Act,1961	39,600	74,067	1,30,740	1,09,600	8,88,209	1,09,600	13,500	13,65,316
	c Profit in lieu of salary u/s 17(3) of Income tax Act,1961		0	0	0	0			0
2	Stock Option		0	0	0	0			0
3	Sweat Equity		0	0	0	0			0
4	Commission								0
	-% of profit		0	0	0	0			0
	-% of others specify		0	0	0	0			0
	Others, Please specify								0
Total Upto 31/03/2019		29,73,600	65,60,666	55,19,036	57,01,315	35,98,456	58,10,603	12,96,155	3,14,59,831

Ceiling as per the Act

Notes

As per ISA Scales except for CMD who is drawing CDA

Includes Basic , FPA, DA, PERKS (Taxable), HRAs, PRP, LEC, SPL leave where applicable.

Includes perquisite value of conveyance , accommodation, Assets & furniture where applicable.

includes Retirement payments

B. REMUNERATION TO OTHER DIRECTORS:

(₹)

Sl. No.	Particulars of Remuneration	CA Arun Kumar Srivastava	Smt. Bhagwati Mahesh Baldewa	Shri Rajesh Mangal	Shri Pradip Bhargava	Dr. Syamal Kumar Sarkar	Shri S.M. Nigam	Shri Ashok Kumar Angurana	TOTAL (Including Service Tax)
1	Independent Directors								
	Fees for attending board/committee meetings	4,10,000	3,85,000	3,40,000	6,85,000	5,10,000	7,15,000	3,80,000	34,25,000
	Commission	-	-	-	-	-	-	-	-
	Others please specify	30,000	-	-	-	-	-	-	-
	Total (1)	4,40,000	3,85,000	3,40,000	6,85,000	5,10,000	7,15,000	3,80,000	34,55,000
2	Other Non-executive Directors for attending board/ committee meetings	-	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-	-
	Others please specify	-	-	-	-	-	-	-	-
	Total (2)	-	-	-	-	-	-	-	-
	Grand Total (1+2)	4,40,000	3,85,000	3,40,000	6,85,000	5,10,000	7,15,000	3,80,000	34,55,000
	Total Managerial Remuneration Overall Ceiling as per the Act								

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(₹)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel Company Secretary
1	a Gross Salary u/s 17(1) of the Income -tax Act,1961	31,46,645
	b Value of Perquisites u/s 17(2) of the Income -tax Act,1961	49,300
	c Profit in lieu of salary u/s 17(3) of Income tax Act,1961	
2	Stock Option	
3	Sweat Equity	
4	Commission	
	-% of profit	
	-% of others specify	
5	Others, Please specify	
	Total	31,95,945

Notes

Includes Basic, FPA, DA, PERKS(Taxable), HRAs, PRP, LEC, SPL leave where applicable.

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: #

TYPE	Section of the Companies Act, 2013	Brief Description	Details of Penalties/ Punishment/ Compounding fees imposed	Authority RD/NCLT/ COURT	Appeal made, if any (Details)
A. Company					
Penalty					
Punishment					
Compounding					
B. Directors					
Penalty		NIL			
Punishment					
Compounding					
C. Other Officers in Default					
Penalty					
Punishment					
Compounding					

The Company is in receipt of BSE letter no: LIST/COMP/Reg.27(2) & Reg.17 to 21/Mar-19/526371/37/2019-20 dated 2nd May 2019 and NSE notice no: NSE/LIST-SOP/CG/FINES/80162 dated 2nd May 2019 for non-compliance with the provisions of Regulation 17(1) of SEBI (LODR) Regulations, 2015 for the quarter ended 31-03-2019. In terms of the said letters a fine of ₹1,06,200/- each has been imposed by BSE and NSE towards non-compliance with Regulation 17(1) of SEBI (LODR) Regulations, 2015. The company has represented before BSE and NSE requesting condonation of fine on the grounds that being a Central Public Sector Enterprise under administrative control of Ministry of Steel, Govt. of India and as per Articles of Association, the President of India shall appoint all members on the Board of Directors. The letters received from BSE and NSE were placed before the Board of Directors of the Company in its meeting held on 28th May 2019 for their comments / advise. Comments / Advise made by the Board has been informed to the exchanges vide letter no. 18(1)/2019- Sectt dated 25th June 2019. The company is regularly following up with Ministry of Steel, Govt. of India for appointment of a requisite number of Independent Directors on the Board of the company.



'Run for Unity' participants

Directors' Report
ANNEXURE-V

Business Responsibility Report



SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company	L13100TG1958G01001674
2.	Name of the Company	NMDC Limited (NMDC)
3.	Registered address	Khanij Bhavan, 10-3-311/A, Castle Hills, Masab Tank, Hyderabad – 500 028
4.	Website	www.nmdc.co.in
5.	E-mail id	ims@nmdc.co.in
6.	Financial Year reported	April 1, 2018 – March 31, 2019
7.	Sector(s) that the Company is engaged in (industrial activity code-wise): The Company is engaged in exploration and production of Iron Ore along with Diamond, production and sale of Sponge Iron and generation and sale of Wind Power.	
	Description	Group Class Sub Class
	Mining of Iron Ore	071 0710 07100
	Mining of Diamond	089 0899 08991
	Manufacture of Sponge Iron	241 2410 24102
	Electric power generation (wind)	351 3510 35106
	Iron Ore Pellets	241 2410 24101
8.	List three key products/services that the Company manufactures/provides (as in balance sheet): Iron Ore, Diamond and Sponge Iron	
9.	Total number of locations where business activity is undertaken by the Company Number of National Locations : Four (4) - Chhattisgarh , Karnataka, Madhya Pradesh and Andhra Pradesh	
10.	Markets served by the Company – Local/State/National/International: NMDC serves the National market and also the International market by exporting iron ore to countries like Japan and South Korea.	

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital (₹)	306.19 crores
2.	Total Turnover (₹) (Total Income)	12,153 crores
3.	Total profit after taxes (₹)	4,642 crores
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax.	₹167.24 Cr. (2.80% of average PBT of three preceding years)

5. List of activities in which expenditure in 4 above has been incurred:

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

Focus Areas

Prime Focus Areas

- Employment enhancing Vocational Skills including Skill Up-gradation
- Drinking Water including integrated water shed development & Sanitation
- Promotion of Education- special Education in primary schools with special focus on Districts in which NMDC projects are located
- Health
- Rural Development Projects
- Ensuring Environmental Sustainability
- Sustainable Natural Resource Management

Other Focus Areas

- Promoting gender equality and empowering women - Setting up Homes & Hostels for women and Orphans; Setting up Homes, day-care centre and such other facilities for senior citizens and measures for reducing inequalities faced by Socially and Economically backward groups
- Eradicating Hunger, Poverty & Malnutrition
- Reducing Child Mortality & Improving Maternal Health
- Promotion of Sports

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company / Companies?

Yes. NMDC has following Indian subsidiary companies, viz;

- J&KMDC Limited
- NMDC Power Limited
- Karnataka Vijaynagar Steel Limited
- NMDC Steel Limited
- Jharkhand Kolhan Steel Limited
- NMDC CSR Foundation

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

NMDC keeps all its subsidiaries informed about the Business Responsibility initiatives. It also encourages its subsidiaries to participate in such initiatives.

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

No.

SECTION D: BUSINESS RESPONSIBILITY INFORMATION

1. Details of Director / Directors responsible for BR

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

DIN Number	07036432
Name	Shri P.K. Satpathy
Designation	Director (Production)

b) Details of the BR head

Sl. No	Particulars	Details
1	DIN Number (if applicable)	07036432
2	Name	Shri A.S. Pardha Saradhi
3	Designation	Company Secretary
4	Telephone number	040-23538757
5	Email-id	cs_pardha@nmdc.co.in

2. Principle-wise (as per NVGs) BR Policy / policies (Reply in Y / N)

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

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

No	Questions	Business ethics P1	Product responsibility P2	Wellbeing of Employees P3	Stakeholder engagement & CSR P4	Human Rights P5	Environment P6	Public Policy P7	CSR P8	Customer relations 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	Yi	Yii	Yiii	Yiv	Yv	Yvi	Yvii	Yviii	Yix
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y#	Y#	Y#	Y^	Y#	Y^	Y#	Y#	Y#

* All the policies are embedded and aligned to ISO 14001:2004 (Environmental management systems), ISO 9001:2008 (Quality management systems) and OHSAS 18001:2007 (Occupational health and safety), United Nations Global Compact, Corporate Environmental Policy and CSR policy.

Impact assessment of two major Flagship CSR initiatives i.e. the Integrated Village Development Programme & hospital on Wheels (Mobile Medical Unit) of the Company have been carried out by a third party in 2016-17. NMDC has commissioned comprehensive studies for Impact Assessment and Social Audit in connection with the CSR Programme of the Company in 2018-19.

- (i) Memorandum of understanding between NMDC Ltd. and Transparency International (India) TII
- (ii) (v), (vii), (ix) <https://www.nmdc.co.in/Handlers/DownloadCommunicationOnProgress.aspx?ID=65243eb7-5ad1-4ba5-9fd8-24fa0012c626>
- (iii) <https://www.nmdc.co.in/Docs/Service%20Regulations.pdf>
- (iv) <https://www.nmdc.co.in/CSR/Default.aspx>
- (vi) <https://www.nmdc.co.in/EnvironmentalMgmt.aspx>

Internal; ^ External

2a. if answer to S. No. 1 against any principle is 'No', provide explanation:

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principles									
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles.									
3	The Company does not have financial or manpower resources available for the task									Not Applicable
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. Governance related to BR:

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

NMDC assesses its BR performance on regular basis. Also, the Chairman-cum-Managing Director of NMDC communicates the performance of the NMDC on the ten principles of the International framework 'United Nations Global Compact' annually.

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

NMDC has published its second Sustainability Report "Expanding Horizons" as per the Global Reporting Initiative (GRI) Standards. The report captures the initiatives taken by NMDC over the years in Economic, Environmental and Social aspects. The report also ushers in a new resolve in the organization to take Sustainable Development to greater heights. The report highlights the efforts done by NMDC in transforming people and societies in the vicinities of its operating mines. Please see the below hyperlink for more information on NMDC Sustainability Report

https://www.nmdc.co.in/Docs/NMDC-Sustainability/NMDC_Sustainability_Report_2018%20Final.pdf

In order to have a clearer understanding of the impact of NMDC's CSR activities and to make improvements therein, in terms of monitoring, evaluation & study the socio-economic implications of its CSR interventions, a comprehensive study w.r.t. Baseline Study, Impact Assessment, Monitoring & Evaluation and Social Audit connected with the CSR Programme of the Company has been commissioned through reputed developmental institutions empanelled with the Govt. of India.

NMDC has published its CSR policy and also publishes monthly update on all CSR activities on its website. Please see below given hyperlink for more information:

https://www.nmdc.co.in/CSR_Policy.aspx
<https://www.nmdc.co.in/CSR/CSRActivities.aspx>
<https://www.nmdc.co.in/CSR/CSR-Booklet.pdf>

NMDC also publishes its Corporate Environmental policy along with six monthly environmental progress reports for its project sites on its website. Please see the below hyperlink for more information on the environmental progress reports.

<https://www.nmdc.co.in/EnvironmentalMgmt.aspx>

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Ethics, transparency and accountability

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?

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

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

About 30 shareholder complaints have been received in the financial year 2018-19 and all of them have been successfully resolved. NMDC has formulated its Whistle Blower Policy to achieve the highest possible standards of ethical, moral and legal business conduct and also to strengthen its commitment to open and transparent communication.

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

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

NMDC adopted sustainable mining practices and production processes for all its three products viz; Iron Ore, Diamond and Sponge Iron. It ensures to implement appropriate environmental measures in all its mining operation to protect and safeguard the environmental parameters such as air, water, land, noise and biodiversity.

NMDC wishes to embark on low carbon growth trajectory in its operations and water conservation measures. Few of the measures taken-up in this respect are recycle and reuse. The treated waste water reused for beneficiation of ore process, construction of ameliorative measures like buttress walls, check dams, green belt development in the project premises. Digging contour trenches and biological reclamation of rock waste dumps to minimize land erosion.

Towards water pollution, the environmental measures adopted includes construction of check dams for treatment of surface runoff, tailing dams for treatment of process effluents, effluent treatment plant for treatment of industrial effluents and sewage treatment plant for treating of domestic effluents. Towards safeguarding the environment, NMDC also supports the Hariyar Chhattisgarh plantation program of CG Govt.

Company has a well-defined CSR policy run by the CSR department for peripheral and community development. The CSR team consults the local community around its mining belts and identifies the major focus areas for implementing various CSR activities. It has contributed to the society by implementing activities like roads, bridges, building of residential schools and hostels, operating 'hospitals on wheels, conducting medical camps and providing free treatment to local tribal's, electrification of villages and many more such initiatives.

NMDC also supports natural habitation and wild life protection by implementing bio-diversity conservation plan through State Forest Dept to maintain the ecological balance of the area.

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

i. Reduction during sourcing / production / distribution achieved since the previous year

NMDC utilize optimum consumption of resource such as electricity, fuel oil, lubricant oil, raw material and water. The targets are fixed for specific consumption of resource usage. The achievements of the same are reviewed in internal and external audits of quality and environment management system. Water and energy audits are conducted at all project sites. These audits also help to identify and prioritize energy efficient technological measures and savings opportunities.

The specific energy consumption at the project sites is seen to be improving with the implementation of few of the energy efficient measures. Even though the specific water consumption is low as compared to electricity, NMDC implementing water conservation and management measures by installing secondary waste water treatment systems at most of the project sites. The treated water is recycled and reused for various purposes.

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

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

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

NMDC is encouraging procurement through vendors to adopt sustainable practices and also takes due care in handling of bulk materials by giving specific instructions for the transportation of materials like HSD petrol, explosives etc. NMDC also makes proper arrangement to control the dust emission during loading and unloading of the products at site. The bulk transportation is mainly through rail.

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

The company has taken various steps to procure goods and services from MSE firms as well as MSE SC/ST entrepreneurs and MSE women entrepreneurs. NMDC has achieved more than the mandatory

procurement targets set by MSME Ministry for the above categories. NMDC has organized exclusive vendor meetings at Project sites at Bailadila, Donimalai and interacted with various prospective MSE / Local vendors to enhance supply of goods. NMDC has also actively participated in several National & State level Vendor Development Programs organized by MSME Development Institutes at various places like Raipur, Bangalore, Hyderabad etc.

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

Yes, NMDC employs safe, scientific and environment friendly methods of mining and mineral processing. It strives to apply the 3R policy (reduce, re-use and recycle) to its waste management plan with the aim of avoiding potentially harmful environmental and social impacts, during both the operational and post-closure phases.

NMDC mining projects are implementing productivity improvement mechanism and waste reduction initiatives along with exploring the possibility for re-use of byproducts. One of the waste reduction and mineral conservation is blending of low grade ore. is set for achievement for blending of low grade ore (less than 55% Fe) is < 16% towards mineral beneficiation. The same is also reviewed periodically. Different lubricants in NMDC projects are disposed of to the agencies duly authorized for recycling. It has also set its target to treat, recycle and reuse the secondary waste water from the mining operations.

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

1. Please indicate the total number of employees (as on 31.03.2019):

Total: 5887 Category wise breakup is shown below:

Executives: 1507, Jr. Officers: 129, Workmen: 4251

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

Contract Labour: 10342

On Contract basis at NISP: 614

3. Please indicate the number of permanent women employees:

There are 371 permanent women employees.

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

There are 100 permanent employees with disabilities

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

Yes,

- Majority of the unions at project level have formed an independent apex body called All India NMDC workers federation (AINMDCWF).
- Supervisors have their own association (NMDC Supervisors' Association) at unit level and at corporate level.
- Executives have their own association (NMDC Officers' Association) at unit level and at the corporate level.

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

All our permanent employees (100%) are members of their respective recognized employee association.

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

There have been nil complaints with regard to child labour, forced labour, involuntary labour, discriminatory employment and sexual harassment in the FY 2018-19. The requisite information in the prescribed proforma is furnished hereunder:-

Sl. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1	Child labour / forced labour / involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil *
3	Discriminatory employment	Nil	Nil

*Departmental enquiry for major misconduct is going on in respect of one complaint filed in FY 2017-18.

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

The safety training of the employees is a vital component of the Occupational Health and Safety Policy at NMDC. As the motto of NMDC goes 'A Safe Mine is a Productive Mine', the target is to achieve Zero Accident with optimum use of human resources, materials & machines with higher production / dispatches.

The percentage of employees given Safety and Skill Up-gradation Training for the FY 2018-19:

Sl. No.	Particulars	Percentage	
		Safety Training	Skill Upgradation Training
1	Permanent Employees	33.06	24.68
2	Permanent Women Employees	32.91	13.10
3	Casual / Temporary / Contractual Employees	59.07	21.22
4	Employees with disabilities	5.26	1.05

NMDC Projects viz. BIOM, KC; BIOM, BC; DIOM; DMP, Panna and R&D Centre are certified with Integrated Management System (IMS) comprising of Quality Management System (QMS) ISO 9001:2015; Environmental Management System (EMS) ISO 14001:2015; Occupational Health Safety Management System (OHSMS) OHSAS 18001:2007 and Social Accountability SA 8000:2014 Standards.)

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

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

Yes, NMDC has mapped its internal and external for the purpose of stakeholder engagements. The key categories are as below:

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

NMDC engages with the identified stakeholders and communicates its major CSR initiatives in different forms and considers the feedback in planning future initiative.

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

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

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

Yes, some of the major CSR activities implemented by NMDC which have benefitted the disadvantaged, vulnerable and marginalized stakeholders are given below:

- During the academic year 2018-19, 40 Tribal girl students under the 'NMDC Balika Shiksha Yojana', were given sponsorship for Nursing Course, which is a unique initiative in State of Chhattisgarh to benefit Tribal girls of Bastar Division.
- Continued operation of NMDC Shiksha Sahyag Yojana – a Scheme for providing upto 18000 scholarships to SC/ST students for encouraging them to pursue education beyond 8th class up to Graduation.
- A unique initiative of operating 500 single teacher schools in remote tribal villages around Bailadila Projects has been taken up with the aim of promoting the cause of Education amongst tribal children. During 2018-19, 120 such schools have been commissioned.
- Support to Mid-Day Meal Scheme to provide nutritious & wholesome meals in Govt. Schools around Donimalai mines, Karnataka, covering 8000 students.
- A 3 year Skill Development Programme in RPL training for the benefit of 1600 Non-NMDC stakeholders/Contract labours in Mining & Steel sector related skills has been successfully completed in 2018-19.
- A Skill Development Initiative for imparting training in construction industry related skills to 200 nos. of unemployed youth from SC/ST/OBC/ BPL communities has been initiated in the State of Chhattisgarh.

- Skill devt. prog in trades viz. Industrial garmenting, Woodcraft and Domestic Electrician for 270 unemployed youth from socio-economically disadvantaged sections of society residing around NMDC Bailadila Projects in Dantewada District was initiated.

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

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

There have been Nil cases of human right violation during the FY 2018-19.

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

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

Businesses should respect, protect, and make efforts to restore the environment. The environmental management at NMDC is governed by its Corporate Environmental Policy. The policy extends to NMDC and its subsidiaries.

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

Yes, NMDC understands and recognizes the implications that climate change would have on its business, environment and community. NMDC has framed policies around the climate change and other global environmental challenges. It stands committed in promoting greater environmental responsibility in mining and processing of minerals for sustainable development. The environmental management at NMDC is governed by its Corporate Environmental

Policy. The Policy outlines its commitment to prevention and control of environmental pollution, conserve the natural resources, monitor and ensure compliance, continual environmental performance improvement, safeguarding the environment, educating its employees and communities about the environmental commitments and applying proven management practices to prevent or mitigate negative environmental impacts.

NMDC believes that Greenhouse gas emissions are one of the key concerns of "cost to environment" for modern business, it wishes to embark on low carbon growth trajectory in its operations. NMDC measures, records, calculate and reports its GHG's every financial year. The possible mitigation measures proposed for the thrust areas of mining, mechanical and electrical services are being looked into for abatement. Also, NMDC being a signatory to the 'United Nations Global Compact, it reports its environmental performance annually under the defined principles of UNGC. The hyperlinks to view the Corporate Environmental Policy and UNGC principles are given below.

<https://www.nmdc.co.in/EnvironmentalMgmt.aspx>

<https://www.nmdc.co.in/Handlers/DownloadCommunicationOnProgress.ashx?ID=65243eb7-5ad1-4ba5-9fd8-24fa0012c626>

https://www.nmdc.co.in/Docs/Environment/Concept%20Note%20Climate%20Change%20NMDC_23rd%20Sept%202015.pdf

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

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

NMDC project sites are certified to Integrated Management System including SA-8000: 2008 and as a part of requirements of EMS carries out aspect-impact studies for all the activities and operations for identification of critical activities for setting objectives and targets. The system is audited biannually through third party auditors (apart from the periodic audits carried out by certified internal auditors) to verify adequacy and effectiveness of the system and to identify changes if any required in objectives, targets and management plan.

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

Yes, NMDC has a project related to Clean Development Mechanism. It is a 10.5MW Wind Project, initiated in 2009. The project has been registered with the United Nations Framework Convention for Climate Change (UNFCCC).

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

Yes, NMDC being a signatory to UNGC, it stands committed in encouraging the development of environment-friendly technologies along with its Corporate Environmental Policy. Also, NMDC's research and development Centre has earned rare distinction of competence of undertaking technology development mission related to efficient mineral processing. To know more about the initiatives, please see the hyperlink given below:)

<https://www.nmdc.co.in/EnvironmentalMgmt.aspx>

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

Yes. All emissions & wastes generated by NMDC are monitored on a regular basis and are within permissible limits as specified by CPCB/SPCB. Also, the returns are filed regularly to the statutory authorities as per requirement. To know more about the initiatives, please see the hyperlink given below:)

<https://www.nmdc.co.in/EnvironmentalMgmt.aspx>]

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

Regional Officer, Chhattisgarh Environment Conservation Board has filed a complaint under section 41,43 & 47 of Water Act 1974 against NMDC, Kirandul Project in Hon'ble court of Bachel on 3/12/2016. However, the same was not informed to Kirandul Project by CEGB, Jagdalpur.

Taking cognizance of the complaint after period of almost 8 months, judicial Magistrate First Class, Bachel summons to NMDC dated 29.07.2017, directed to present before the Hon'ble court on 03.08.2017. The matter is sub-judice.

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

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

Yes. NMDC is a member of various trade and chambers / associations. Few of the major ones are listed below:

- Federation of Indian Mineral Industries, New Delhi (FIMI)
- Skill Council for Mining Sector (SCMS)
- Mining Engineers Association of India (MEAI)
- The Mining, Geological & Metallurgical Institute of India (MGMI)
- Indian Institute of Mineral Engineers (IIME)
- All India Management Association, New Delhi
- Federation of Indian Chamber of Commerce and Industry, New Delhi
- Standing Conference of Public Enterprises, New Delhi
- Confederation of Indian Industry (CII)
- Indian Iron and Steel Sector Skill Development Council
- Federation of Indian Export Organization, Chennai
- The Associated Chambers of Commerce & Industry of India)
- Global Compact, UN

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

Yes, following are the broad areas:

- Sustainable Mining Practices
- Energy Conservation
- Inclusive Development)

Principle 8: Businesses should support inclusive growth and equitable development

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

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

Literacy and Education

- NMDC's Shiksha Sahayog Yojana
- NMDC Balika Shiksha Yojana
- Operation of Polytechnic College at Dantewada
- Operation of ITIs at Dantewada and Nagarnar
- Operation of Astha Gurukul- Residential School for SC, ST & Orphans etc.
- Operating 120 single teacher schools
- Operation of 'Saksham' a School for the differently abled School at Dantewada
- Choo Lo Aasman Scheme- Provision of Tutorial Support along with regular schooling from 9th class to 12th class for Tribal students aspiring to appear in Professional Competitive Exams like IIT/ PET/PMT etc.
- Ujjar- A Chhattisgarh Govt. Programme – to help upto 100 bright students to pursue higher education. NMDC is providing a financial assistance of upto ₹ 75,000/- per year per student for 3 years.
- Lakshya Scheme- Financial support for providing coaching to un-employed youth to appear for job oriented competitive exams.

Health Care

- Free medical treatment at Project hospitals
- Hospital on Wheels
- Contribution to Maa Danteshwari Sanjeevni Kosh for referring poor patients to Higher Centre of Medical Care
- Promotion of awareness and conduct of reconstructive surgery for persons with disabilities residing around NMDC Projects in Chhattisgarh-

Rural Development & Infrastructure

- Construction of roads and bridges
- Promotion of Solar Energy-Installation of Solar Pumps, solar electrification works & distribution of solar equipments
- Providing drinking water through thermal & solar energy-based water supply schemes and installation of hand pumps
- Farmers Development Scheme

Others

- A Skill Development Initiative for imparting training in construction industry related skills to 200 nos. of unemployed youth from SC/ST/OBC/ BPL communities has been initiated in the State of Chhattisgarh.
- Skill devt. prog in trades viz. Industrial garmenting, Woodcraft and Domestic Electrician for 270 unemployed youth from socio-economically disadvantaged sections of society residing around NMDC Bailadila Projects in Dantewada District was initiated
- A 3 year Skill Development Programme in RPL training for the benefit of 1600 Non-NMDC stakeholders/Contract labours in Mining & Steel sector related skills has been successfully completed in 2018-19

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

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

3. Have you done any impact assessment of your initiative? Give details

Yes, an Impact assessment of two major Flagship CSR initiatives i.e. the Integrated Village Development Programme & Hospital on Wheels (Mobile Medical Unit) of the Company have been carried out by National Institute of Rural Development & Panchayat Raj (NIRD&PR), Hyderabad in 2016-17.

As a follow up measure, in order to have a clearer understanding of the impact of the NMDC's CSR activities of the Company and to make improvements in terms of monitoring, evaluation & study the socio-economic implications of its CSR interventions, a comprehensive study w.r.t. Baseline Study, Impact Assessment, Monitoring & Evaluation and Social Audit connected with the CSR Programme of the Company has been commissioned through reputed institutions viz., NIRD, Hyderabad & IHD, New Delhi.

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

NMDC has spent an amount of ₹167.24 crores on development projects as under in FY 2018-19 broadly

under the following heads, which also form part of Schedule VII of the Companies Act.

(1) Education (2) Drinking Water (3) Health and Hygiene (4) Free Medical Treatment (5) Infrastructure (6) Financial Assistance (7) Rural Development (8) Sanitation (9) Environment.

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

Yes, the CSR team at NMDC takes feedback from the beneficiaries to know its impact or scope for improvements if any. Also, the impact assessment carried out by a third party along with the NMDC's CSR team for its major CSR initiatives captures the effectiveness of the community development projects and responses of the community people towards the initiative. A manifestation of the positive feedback in this regard is the various Awards & Accolades received by NMDC including the coveted S&P Global Platts Global Metals Awards in Corporate Social Responsibility (CSR) Category. The award has been bagged by NMDC consecutively during 2018 & 2019. NMDC is the 1st Indian Company to bag this award.

NMDC takes all the requisite measures to ensure that its community development initiatives are successfully adopted by the community by way of initiating dialogue with the community to assess their need and by seeking a firm & written commitment from the beneficiary stakeholders during the pre implementation consultation/need assessment process w.r.t. post implementation maintenance and up keep of the infrastructure and support to instill a sense of ownership among the beneficiaries for initiating the activity. Hence, sustainability has become an integral part of NMDC's CSR initiatives.

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

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

Commercial Department receive complaints pertaining to quality of the products and some time about shortages. As soon as complaints are

received, the same is being forwarded to respective departments / projects for corrective measures / redressal. There are no complaints pending at our end as of end of FY 2018-19.

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

Not Applicable. Our product being a bulk commodity, it is not feasible to put product labels. The product specifications are being displayed on the Company's website. To know more about the product specifications. Please see the below hyperlink

<https://www.nmdc.co.in/Products.aspx>

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

No case is pending against NMDC as of end of financial year 2018-19.

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

No consumer survey has been done in FY 2018-19. However, regular customer meets are being conducted at Hyderabad / Chennai / Raipur to assess customer satisfaction.

Cautionary Statement

The statements in the Directors' Report and Management Discussion and Analysis Report are forward looking statements and progressive within the meaning of applicable laws and regulations. Actual results may vary from those expressed or implied, depending upon economic conditions, Government Policies and other incidental factors that may arise. Shareholders / Readers are cautioned not to place undue reliance on the forward looking statements.

Directors' Report
ANNEXURE-VI

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



CS DATLA HANUMANTHA RAJU
B.COM., LL.B., PGDT, M.B.A., FCS
PARTNER
D. HANUMANTA RAJU & CO.
COMPANY SECRETARIES

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2019
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
NMDC LIMITED,
Khanij Bhavan 10-3-311/A,
Castle Hills, Masab Tank,
Hyderabad – 500 028

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **NMDC LIMITED** (hereinafter called the company). Secretarial Audit was conducted in accordance with the guidance note issued by the Institute of Company Secretaries of India and in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;



**D. HANUMANTA RAJU & CO.,
COMPANY SECRETARIES****NMDC LIMITED
SECRETARIAL AUDIT REPORT 2018-19**

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - (Not applicable to the Company during the period of audit);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - (Not applicable to the Company during the period of audit);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - (Not applicable to the Company during the period of audit);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - (Not applicable to the Company during the period of audit);
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - (j) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
- (vi) Other laws **specifically** applicable to the company include:
- A. Mines Act, 1952 and Mines Rules, 1955
 - B. Mines and Minerals (Development and Regulation) Act, 1957
 - C. Metallic Ferrous Mines Regulations, 1961
 - D. Indian Electricity Rules, 1956,
 - E. MCR (Mineral Concession Rules), 1960
 - F. Forest Conservation Act, 1980
 - G. Wild Life Act, 1977



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

**NMDC LIMITED
SECRETARIAL AUDIT REPORT 2018-19**

- H. The Explosives Act, 1884
- I. The Explosives Rules, 2008
- J. Indian Boilers Act, 1923
- K. Central Electricity Authority Regulations, 2010
- L. Welfare Cess Fund

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

- (i) Standards issued Secretarial by "The Institute of Company Secretaries of India"
- (ii) The Listing Agreements entered into by the Company with BSE Limited, National Stock Exchange of India Limited (NSE), the Calcutta Stock Exchange Limited(CSE)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except the appointment of requisite number of Independent Directors.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. However, the appointment of Independent Directors is not as per the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. In terms of Articles of Association of the Company all appointments to the Board are made by Government of India.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings are carried out unanimously as recorded in the Minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the period under review:

- a. The company had bought back 102040815 equity shares representing 3.23% of the total paid-up capital of the company for an amount of Rs. 999,99,99,870, which was in compliance with Section 68,69 and 70 of Companies Act, 2013 and rules made thereunder and SEBI (Buy-back of Securities) Regulations, 2018.



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

**NMDC LIMITED
SECRETARIAL AUDIT REPORT 2018-19**

- b. National Stock Exchange of India Limited imposed on the Company a fine of Rs. 106,200/- including GST and BSE Limited had imposed a fine of Rs. 106,200/- including GST for Non Compliance with the requirements pertaining to the composition of the Board of Directors as per Regulation 17(1) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, company had replied to the Stock exchanges on the said matter stating that the Company is a Central Public Sector Enterprise (CPSE) under the administrative control of Ministry of Steel, Government of India. As per Article 74(b) of the Articles of Association of the Company, inter alia, the President of India shall appoint all members of the Board of Directors.

- c. The tenure of Dr. Narendra K.Nanda, (Dr. N. K. Nanda, D2571) Director (Technical) of the Company had expired on 30.11.2018. However, Department of Personnel and Training vide its letter no. 17(30)/2013-EO(ACC) dated 10.06.2019 and Ministry of Steel vide its Order No. 3(6)/2015 BLA of June 2019 had extended the tenure for a period of six months w.e.f 01.12.2018.

**PLACE: HYDERABAD
DATE : 16.07.2019**

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



D. Hanumanta Raju

**CS D.HANUMANTA RAJU
PARTNER
FCS: 4044, CP NO: 1709**

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

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

**NMDC LIMITED
SECRETARIAL AUDIT REPORT 2018-19**

'Annexure A'

To
The Members,
NMDC LIMITED,
Khanij Bhavan 10-3-311/A,
Castle Hills, Masab Tank,
Hyderabad – 500 028

Our report of even Date is to be read along with this letter

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness and with which the management has conducted the affairs of the Company.

**PLACE: HYDERABAD
DATE: 16.07.2019**

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



D. Hanumanta Raju
**CS D.HANUMANTA RAJU
PARTNER
FCS: 4044, CP NO: 1709**

Directors' Report

ANNEXURE-VII

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



पंजीकृत कार्यालय : खनिज भवन, 10-3-311/ए,
केसल हिल्स, मासाब टैंक, हैदराबाद - 500 028

Regd. Office : 'Khanij Bhavan' 10-3-311/A,
Castle Hills, Masab Tank, Hyderabad-500 028
सीआरईएन CIN : L13100AP1958GOI001674

ED/EPS/GC/03

16.07.2019

Dear Stakeholders,

The UN Global Compact's governance framework is the world's largest framework under which business organizations world-over strive to derive their strategies and operations towards sustainability initiative. It is a guiding light for organizations to evolve strategies and actions with focus on universal principles on human rights, labour, environment, anti-corruption and advancement of societal goals.

It has become a business language, which all business entities, regardless of size, complexity or location, are speaking to ensure responsive practices.

The United Nations laid foundation of a movement in September 2015 to end extreme poverty, fight inequality and injustice, and protect our planet by 2030. The focus areas of "Agenda 2030" are the 17 Sustainable Development Goals (SDGs) which clearly define the world we want — applying to all nations and leaving no one behind.

The Sustainable Development Goals result from a more inclusive process, with Governments, business, civil society and citizens from the outset as active partners. As an important part of the global society, business organizations have to play a very important role in the achieving these goals. The civil society together with the organizations through collaboration and innovation, can create an environment wherein, the development of societies and markets go hand in hand.

NMDC as a responsible business entity has always been on the forefront by contributing actively through its' business practices towards achieving the Ten Principles of UN Global Compact. NMDC will continue to play an important role in coming years to support these. I look forward to have you, as an active partner in our endeavor to support the UN Global Compact and its principles.

With warm regards,

Yours sincerely,

N Baijendra Kumar
Chairman – Cum – Managing Director

Directors' Report
Annexure-VII

GLOBAL COMPACT – COMMUNICATION ON PROGRESS

10 principles of UN Global Compact complied by NMDC

1. Business should support and respect the protection of internationally proclaimed human rights.
2. Business should ensure that they are not complicit in human rights abuses.
3. Business should uphold the freedom of association and the effective recognition of the right to collective bargaining.
4. Business should support the elimination of all forms of forced and compulsory labour.
5. Business should support the effective abolition of child labour.
6. Business should support the elimination of discrimination in respect of employment and occupation.
7. Business should support a pre-cautionary approach to environmental challenges.
8. Business should undertake initiatives to promote greater environmental responsibility.
9. Business should encourage the development and diffusion of environmentally friendly technologies.
10. Business should work against corruption in all its forms, including extortion and bribery.

The CEO / CMD signed statement along with COP for UN Global Compact for the year 2018-19 is available on NMDC's website (<https://www.nmdc.co.in/docs/NMDC%20GC%202017-18.pdf>).



Kick off Meeting for ERP Implementation

Directors' Report

ANNEXURE-VIII

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES
/ ASSOCIATE COMPANIES / JOINT VENTURES (FORM AOC-1)

Part "A": Subsidiaries

Information in respect of each subsidiary to be presented with amounts in ₹

Sl. No	Particulars	Details							
		1	2	3	4	5	6	7	8
2	Name of the subsidiary	J&K Mineral Development Corporation Limited Jammu	NMDC SARL* Madagascar	NMDC Power Limited, Hyderabad	Legacy Iron Ore Limited, Perth, Australia.	Karnataka Vijaynagar Steel Limited, Karnataka	NMDC Steel Limited, Chhattisgarh	Jharkhand Kolhan Steel Limited, Jharkhand	NMDC CSR Foundation(**)
3	Date since when subsidiary was acquired	19.05.1989	27.07.1999	12.12.2011	20.04.2007	29.12.2014	02.01.2015	24.09.2015	10.05.2018
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April- March	Jul-June	April- March	April- March	April- March	April- March	April- March	April- March
5	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Rupees	MGA	Rupees	AUD@50.17	Rupees	Rupees	Rupees	Rupees
6	Share Capital	297,400,300	1,000,000	5,500,000	3,112,860,011	1,000,000	600,000	600,000	20,000,000
7	Reserves & Surplus	(158,589,226)		(972,922)	(2,465,174,951)	(1,498,961)	(445,654)	(879,193)	98349546
8	Total Assets	324,575,392	764,072,266	4,571,267	655,460,783	6,417,282,925	185,196	75,365	118837994
9	Total Liabilities	185,764,318	763,072,266	44,189	7,775,723	6,417,781,886	30,850	354,558	488448
10	Investments								
11	Turnover								
12	Profit before taxation	(7,364,839)		235,415	(41,617,164)	(1,194,189)	(108,655)	(432,823)	98349546
13	Provision for taxation								
14	Profit after taxation	(7,364,839)		235,415	(41,617,164)	(1,194,189)	(108,655)	(432,823)	98349546
15	Proposed Dividend								
16	% of Shareholding	95.86%	100%	100%	78.56%	100%	100%	100%	100%

* Amount is taken as MGA

** NMDC CSR Foundation is a Not-for-Profit company (incorporated under Sec 2 (7) of Companies Act, 2013. The company is not being considered for consolidation in preparation of Consolidated Financial statements as per Ind-AS 110

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations - All the subsidiary companies are yet to commence operations
- Names of subsidiaries which have been liquidated or sold during the year - NIL

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/ Joint Ventures	Associates			Joint Venture						
	International Coal Ventures (Pvt) Ltd.	Neelachal Ispat Nigam Limited	Krishnapatnam Railway Company Limited	Chhatishgarh Mega Steel Limited	Romelt- Sail (India) Limited	* Kopano- NMDC Minerals (Pty) Limited	NMDC CMD Limited, Raipur	Jharkhand National Mineral Development Corporation Limited, Ranchi	Bastar Railway Pvt. Limited	NMDC- SAIL Limited
1. Latest audited Balance Sheet Date	31.03.2019	31.03.2019	31.03.2019	31.03.2019		28.2.2018	31.03.2019	31.03.2019	31.03.2019	31.03.2019
2. Shares of Associate/ Joint Ventures held by the company on the year end	376,357,143	74,799,878	40,000,000	13,000	105,000	50	98,347,236	6,000	152,674,600	-
3. Date on which the Associate or Joint Venture was associated or acquired	14.01.2009	08.12.2004	13.10.2006	14.7.2016	02.09.1999	01.09.2010	19.06.2008	06.08.2012	05.05.2016	23.05.2016
4. Amount of Investment in Associates / Joint Venture	3,763,571,430	1,005,997,560	400,000,000	130,000	1,050,000	324	983,472,360	60,000	1,526,746,000	-
Extent of Holding %	25.94%	12.87%	6.40%	26%	25%	50%	51%	60%	52.00%	0%
5. Description of how there is significant influence										
6. Reason why the associate / joint venture is not consolidated										
7. Networth attributable to share holding as per latest audited Balance sheet (₹ In Crore)	559.29	(123.10)	44.92	0.004	-	-	96.94	(0.03)	152.29	0
8. Profit / Loss for the year										
i. Considered in Consolidation										
ii. Not Considered in Consolidation										

1. Names of associates or joint ventures which are yet to commence operations.

- International Coal Ventures (Pvt) Ltd. - Post acquisition, ICVL has been successfully continuing the commercial operations from Benga Mines
- Neelachal Ispat Nigam Ltd. - Commenced operations.
- Krishnapatnam Railway Co. Ltd. - Out of total length of 113KM of New BG Rail Line Project from Obulavaripalle to Krishnapatnam, a portion of 21KM from Vankatachalam to Krishnapatnam is already operational. However, the balance portion of the project is under construction, which is expected to start commercial operations in June, 2019.
- Romelt-SAIL (India) Ltd. - Under closure.
- NMDC SAIL (India) Ltd. - Under closure.
- Chhatishgarh Mega Steel Limited. - Under closure.
- Kopano-NMDC Minerals (Pty) Ltd. - Yet to commence operations.

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

*3. Accounts of 2017-18 was considered for consolidation of accounts based on un-audited results.

Directors' Report

ANNEXURE-IX**ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN BOARD'S REPORT**

- 1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

NMDC has been undertaking various CSR activities since its inception, which is a reflection of the Company's Commitment towards its stakeholders and the societal well-being. NMDC strives for excellence in promoting sustainable development and improvement in quality of life of its surrounding communities through CSR, based on ethical, transparent and sound governance practices.

As part of NMDC's commitment to its CSR program and in order to ensure timely and effective implementation of its initiatives, NMDC has established NMDC CSR Foundation, a Company under section 8 of the Companies Act 2013 in the year 2018-19.

While pursuing its business vision which includes expansion of ongoing activities in India and abroad and to diversify into new areas of mineral exploration and steel making, NMDC makes efforts to add value and augment quality of life of the people living primarily in and around NMDC's projects. NMDC is committed to uplift the underprivileged living in and around its establishments predominantly inhabited by Scheduled Castes and Scheduled Tribes population and other deprived sections of the society.

NMDC has a well-defined Board approved CSR policy, which provides the necessary guidelines for conceiving and implementing its various CSR initiatives aiming at overall well-being of the people of the under developed areas with special emphasis on areas in and around Projects & Establishments of NMDC having predominantly SC/ Tribal/ other under privileged population. NMDC has recently revised the aforesaid CSR policy in compliance with the requirement of statutory provisions in keeping with the needs of its stakeholders. All the CSR initiatives in NMDC are undertaken in conformity to the Schedule VII of the Companies Act, 2013 and necessarily uploaded on the Company's website. The focus areas of Company's CSR initiatives include Education, Infrastructure development, Cleanliness campaign under Swachh Bharat Mission, Health care, Sanitation and Hygiene, Drinking water, Environment, Skill development, Promotion of Sports and Culture.

The web link is – https://www.nmdc.co.in/CSR_Policy.aspx

The status of flagship CSR programmes and new initiatives undertaken/initiated by the Company in 2018-19 are as follows:

A) Education

- Operation of Residential School for tribals at Nagarnar, Bastar District, Chhattisgarh,
- Operation of Industrial Training Institute (ITI) at Nagarnar, Bastar District, Chhattisgarh,
- Support to nutritious & wholesome Mid-Day Meal Scheme around Donimalai mines, Karnataka,
- Scholarship Scheme, Bastar Division, (Chhattisgarh) covering 18,000 students
- Education City at Jawanga Geedam in Dantewada District,
- Operation of Polytechnic College at Dantewada
- Operation of 'Astha Gurukul' – Residential School for SC, ST, Orphans etc,
- Support to 'Saksham' – Residential School for children with special needs,
- Balika Shiksha Yojana- sponsoring 40 students from Bastar Division, Chhattisgarh to Nursing Courses at Apollo School & College of Nursing, Hyderabad

Initiatives taken up during 2018-19

- An initiative for promotion of education by operating 500 Single Teacher Schools in areas around NMDC Projects in Chhattisgarh over a period of five years. During the year 120 Single Teacher Schools have been successfully set up under the scheme.
- Construction of Transit Hostel at Education City, Adwal, Bastar District.
- Construction of 500-Seater Residential Complex cum Training Centre Building' in Kondagaon District.
- Financial assistance for the purchase of seven (07) Buses for the benefit of the Students who are availing educational facilities at Swami Vivekananda Educational Complex, Narayanpur.

B) Healthcare, Water & Sanitation

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

Cleanliness Campaign

NMDC has committed itself for conduct of a comprehensive cleanliness campaign in 16 villages in the surrounding areas of Bailadila Projects in Dantewada District, Chhattisgarh. Under this initiative NMDC has facilitated construction of 1859 household toilets out of 2953 households in these 16 villages in convergence with Swacchh Bharat Mission Grameen Scheme with 100% household toilet coverage in one village, thus making it open defecation free (OFD).

Initiatives taken up during 2018-19

- Promotion of awareness and conduct of reconstructive surgery on 100 persons with disabilities residing around NMDC Projects in Chhattisgarh.
- Provision of Drinking water facility in Education City premises at Gadaji in Narayanpur District.
- Installation of Solar Pumps for drinking water in 27 distant locations in Sukma District.
- Provision of Four Mobility Support Vehicles for Immunization and Mother & Child Health (MCH) Services to District Administration, Nuh, Haryana.
- Provision of Sanitary Napkins dispensers & incinerators in Schools of Nuh (Mewat) District, Haryana in partnership with District Administration, Nuh, Haryana.

C) Infrastructure Development

Initiatives taken up during 2018-19

- Installation of 2KW Solar Power Plants in 08 Villages of Narayanpur District.
- NMDC has been successfully continuing with the Farmers Development Scheme to provide fencing to farmers lands, digging bore wells & installation of hand pumps in Dantewada District.

D) Promotion of Sports

Initiatives taken up during 2018-19

- Extended financial support for setting up of a Water Sports Center in Bhopal, Madhya Pradesh for promotion of water sports and for conducting a water sports event therein.
- Sports Education Programme for development of sports in Schools in 30 Schools in the Districts of Bastar, Rajnandgaon, Kabirdham and Mahasamund Districts of Chhattisgarh has been initiated.

E) Skill Development

- Skill development Training Programme in partnership with NSDC to train 1600 non NMDC stakeholders in Mining and Steel Sector related skills over a period of 3 years has been completed successfully in the year 2018-19.

Initiatives taken up during 2018-19

- A Skill Development Programme has been undertaken for the benefit of 270 persons in trades such as Domestic Electrician, Wood craft (Design) and Industrial Garmenting. During 2018-19, training w.r.t 2 batches made up of 180 trainees has been completed under this programme.
- Skill Development Training Programme for covering 200 Unemployed Youth, SC/ST/OBC Women & persons from Economically weaker sections of Society (EWS) in Construction industry related trades initiated. Trades covered: Group A – Mason, Bar benders, Shuttering Carpenter, Plumber etc, Group B – General Work Supervisor, Electrician, Welder & other Trades, Group C – Land Surveyor, Safety Inspector, Store keeper, Site Accountant, Lab Technician etc. During the year 43 trainees have been trained as Electricians, Plumbers, welders, DG Set Operators & Shuttering Carpenters.

1.1 Comprehensive studies of the CSR Program:

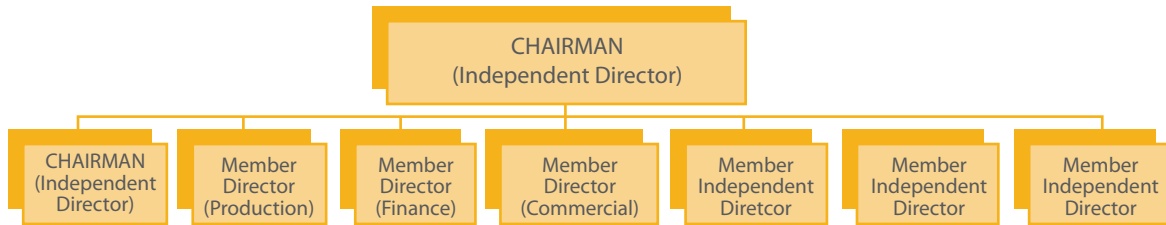
The initiative w.r.t. conduct of the Baseline Survey, Monitoring & Evaluation, Impact Assessment & Social Audit in relation to the CSR programme of the Company was initiated during the year.

1.2 CSR Awards:

- NMDC bagged the prestigious S&P Global Platts Global Metals Awards 2018 in Corporate Social Responsibility (CSR) Category. This is the 1st time since inception of this award that an Indian Company bagged an award in this category.
- NMDC received the ICC Social Impact Award by Indian Chamber of Commerce under the Mega Enterprise Category for Promoting Education in January 2019.
- NMDC received the "Energy and Environment Foundation Global CSR Award" for Promoting Education in the Platinum Category in February 2019.

2. The composition of CSR Committee.

In Compliance with the provisions of sec 135. (1) of Companies Act 2013, NMDC has Constituted a Board Level Sub Committee on CSR & sustainability.

**3. Average Net Profit of the Company for last three financial years (preceding 3years)**

₹ 4854.64 Cr

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above).

₹97.09 Cr amounting to 2 % of PBT of preceding three years. Apart from this amount of ₹25.79 Cr of unspent CSR fund of 2017-18 has been carried forwarded to 2018-19. Thus, the total annual CSR Budget for 2018-19 was ₹122.88 Cr.

5. Details of CSR Spent during the financial year 2018-19

(a) Total amount spent during the financial year – ₹ 167.24 Cr

(b) Manner in which the amount spent during the financial year- Enclosed at Annexure.

6. In case company failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide reason for not spending the amount in its Board report.

NMDC has spent ₹167.24 Crores during the year 2018-19 which is 3.44 % of the average net profit of preceding 3 years as specified in the Companies Act, 2013.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Implementation and Monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company. To ensure that the CSR Programme is implemented effectively, a system of Monitoring & Evaluation and Impact Assessment of initiatives is in place.

Director (Personnel)

**Independent Director & Chairman
CSR & Sustainability Committee**

Statement of Details of CSR Budget & Expenditure during F.Y. 2018-19

(Amount in ₹ Lakhs)

Sl. No.	CSR Project or activity identified	Sector in which the Project is covered	Projects or Programmes (1) Local area or other (2) State & Dist where Projects or Programmes was undertaken	Amount Outlay (budget) project or programme wise	Amount spent on the projects or programmes	Cumulative expenditure upto the Reporting Period	Amount spent: Direct or through implementing agency
1	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care, sanitation and making available safe drinking water;	Eradicating hunger, poverty & malnutrition, promoting health care, Sanitation, making available safe drinking water	Local Area Chhattisgarh, Karnataka, Madhya Pradesh, Telangana Other Area Maharashtra Andhra Pradesh Haryana Kerala	13125.57	8392.17	8392.17	Directly, Through implementing Agencies & State Govt
2	Promoting education, including special education and employment enhancing vocation skills, especially among children, women, elderly, and the differently abled and livelihood enhancement projects,	Promoting education including special education promoting employment enhancing vocation skills	Local Area Chhattisgarh, Karnataka, Madhya Pradesh, Telangana	1498.57	572.26	572.26	Directly, Through implementing Agencies & State Govt
3	Promoting gender equality, empowering women and reducing inequalities faced by socially and economically backward groups	Promoting gender equality, empowering women, setting up homes & hostels for women & orphans; setting up old age homes measures for reducing inequalities faced by socially and economically backward groups	Local Area Chhattisgarh, Karnataka, Telangana	155.00	155.00	155.00	Directly, Through implementing Agencies & State Govt
4	Ensuring environmental sustainability, protection of flora & fauna and animal welfare;	Ensuring environmental sustainability, ecological balance, protection of flora & fauna & agroforestry Animal welfare conservation of natural resources	Local Area Chhattisgarh Karnataka Other Area Andhra Pradesh	754.39	500.00	500.00	Directly & State Govt
5	Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts	Protection of national heritage, art & culture including restoration of buildings & sites of historical importance and works of art setting up public libraries promotion & development of traditional arts & handicrafts	Local Area Chhattisgarh, Karnataka	420.53	223.75	223.75	State Govt
6	Training to promote rural sports, nationally recognized sports	Training to promote rural sports, nationally recognized sports, paralympic sports & olympic sports	Local Area Chhattisgarh Madhya Pradesh	1108.75	917.71	917.71	Directly, Through implementing agencies & State Govt
7	Rural Development Projects	Infrastructure Development, Integrated Village Development"	Local Area Chhattisgarh Karnataka Madhya Pradesh	10585.5	4907.15	4907.15	Directly, Through implementing agencies & State Govt
8	Miscellaneous		"Local Area Chhattisgarh Karnataka Madhya Pradesh"	1862.43	1056.09	1056.09	
GRAND TOTAL				29510.74	16724.13	16724.13	

The CSR Programmes are carried out primarily in the following districts of States as mentioned below:

Chhattisgarh - Bastar, Dantewada, Sukma, Kondagaon, Narayanpur, Bijapur, Kanker

Karnataka- Bellary

Madhya Pradesh - Panna

Directors' Report

ANNEXURE-X

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

- I. Details to be provided in the Annual Report in terms of recommendations made by the Committee on Papers laid on the Table (Rajya Sabha) in its 150th Report are as under:-

Details of the vigilance cases for the FY 2018-19

Opening balance as on 01.04.2018	Vigilance cases received during 01.04.2018 to 31.03.2019	Disposed off	Balance
03	NIL	03*	NIL

Details of 03 cases disposed off are:

- Complaint dt.31.08.2013 & 13.09.2019 from Shri G. Ankamma Rao regarding irregularities in the recruitment of Jr. Officer (Min) at Donimalai. The case was forwarded to CVC for Second stage advice and CVC has accorded second Stage advice. The same is under implementation.
- Complaint dt.14.07.2014 received at ACB, Hyderabad forwarded by CBI regarding irregularities in the recruitment of AM (IS) in NMDC. The proceedings against 04 employees were completed. Minor penalty was imposed on three employees and denovo enquiry has been ordered against one employee for which IO & PO were appointed.
- Complaint regarding Unwanted recruitment in NMDC forwarded by Ministry of Steel and others – IO & PO were appointed and enquiry is under progress.

II. Status of Pending CAG Paras and Management Replies

Sl. No.	Audit para no and year	Brief of audit para	Management reply
1	Audit para 14.1 in CAG report no: 13 of 2013 (Commercial 2013)	<p>Idle Investment of ₹65.55 cr.</p> <p>The company has commissioned six wind energy generators in Sep 2008 and one unit in Mar 2009 with installed capacity of 10.5 MW at a total cost of ₹65.55 cr by engaging Suzlon Energy Limited on a turnkey basis.</p> <p>However, operations of these wind energy generators were stopped in Oct'10 by the forest authorities for want of forest clearance for the 33 KV transmission lines laid (without approval) in the forest land (from wind energy farm to Grid) in Jogimatti Reserve Forest .</p> <p>Company failed in exercising due diligence in ensuring the availability of the required statutory approvals led to idling of the entire investments of ₹65.55 crore and consequential loss of revenue of ₹9.83 cr due to stoppage of power generation during Oct'10 to Mar'12. Further 289 lakh units of power which could have been generated are lost forever which is a loss of energy to the nation well.</p>	<p>As per clause no: 9(A) of the work order dated 27/3/18 placed on M/s Suzlon, the contractor was responsible for arranging necessary statutory clearances/approvals.</p> <p>After stoppage of operations of wind energy generators in Oct'10 by the forest authorities for want of forest clearance for the 33 KV transmission lines laid (without approval) in the forest land, M/s Suzlon has set up an alternate evacuation route and after necessary approvals, the Wind energy generators are operating from Dec'13.</p> <p>In respect of claim on M/s Suzlon for compensation for the non-operating period, the claim went under arbitration.</p> <p>The Sole Arbitrator issued arbitral award dated 14.12.2018 in favor of NMDC. On review, NMDC has requested M/s Suzlon to pay the net amount receivable from M/s Suzlon</p>

Sl. No.	Audit para no and year	Brief of audit para	Management reply
2	Audit para 15.2 in CAG report no: 9 of 2017	<p>Avoidable expenditure towards interest on delayed payment of royalty.</p> <p>NMDC was paying royalty to DMG on a provisional basis based on the estimated quantity of dispatches. Since the royalty payable was to be computed for the actual quantity dispatched as per the price declared for that month by IBM at a later date, NMDC was expected to monitor the royalty actually paid and royalty payable and pay any differential amount due to DMG. The Company, however, relied on DMG to raise demands for such differential amounts, if any to be paid, at the end of each financial year. No demands, however, were raised by DMG immediately after the end of financial years from 2007-08 to 2011-12. However, in January 2013, a demand was raised by DMG, Hospet seeking payment of differential royalty of ₹34.85 crore for the above period, with specific mention that the demand was subject to further scrutiny and approval by Director, DMG, Bangalore. NMDC paid this amount on 19 January 2013. DMG, Hospet, at the request of NMDC, issued (March 2013) a 'No Dues Certificate' as well, based on the existing demands raised and payments made. In February 2016, DMG raised another demand of ₹40.52 crore towards differential royalty for the period 2009-10 to 2011-12 which included interest on the arrears up to 2014-15 amounting to ₹34.34 crore, computed at the rate of 24 per cent per annum. The above amount was deducted (March 2016) by the Monitoring Committee from the sales proceeds payable to NMDC and remitted to DMG.</p> <p>Thus, failure on the part of NMDC to compute the royalty correctly and pay the same on a timely basis during the period from 2009-10 to 2011-12, resulted in avoidable payment of interest amounting to ₹34.34 crore in March 2016</p>	<p>However, notice of intimation regarding challenge of Arbitral award received from "Counsel of M/s Suzlon Energy Ltd (SEL)" vide letter of SEL date 12.03.2019 is received by NMDC.</p> <p>NMDC is in the process of filling an Execution petition before the Honorable Commercial Court, Hyderabad, seeking execution of award.</p> <p>As per the earlier practice at the end of every Financial Year, NMDC, Donimalai unit used to submit the details of month wise actual dispatches (grade wise) along with details of advance payments made to Department of Mines and Geology, Hospet (DMG) for verification and to issue demand notice. After due verification, DMG used to give demand notice for releasing differential royalty, if any, and accordingly NMDC used to release the payment. Accordingly, DMG had conducted the assessment regularly up to F.Y 2006-07 and NMDC discharged the liability.</p> <p>However, DMG did not take up the royalty assessment for the F.Ys 2007-08, 2008-09, 2009-10, 2010-11 and 2011-12 (up to September'2011) in spite of submitting every year the details with DMG and also regularly pursuing to take up the Royalty Audit of the respective years.</p> <p>Aft After making several requests by NMDC, finally DMG issued demand notice dated 16.01.2013 for ₹34.85 crores covering all the periods as stated above. After due verification, NMDC has released the amount of ₹34.85 crores to DMG vide DD dated 19.01.2013 on receipt of demand notice from DMG. At the request of NMDC, DMG, Hospet had also issued "No Due Certificate" dated 27.03.2014 stating that there are no dues from NMDC up to 2011-12.</p> <p>However, after a gap of two years of issue of "No Due Certificate", DMG, Hospet issued a fresh demand notice dt. 19.02.2016 to pay an amount of ₹ 40.52 crores towards differential royalty for the F.Ys 2009-10 to 2014-15 informing that the demand is based on the annual auditing for the period from 2009-10 to 2014-15.</p> <p>It is mentioned in the letter that annual auditing of Mining Leases could not be done earlier as the original permit files pertaining to Mining leases for the year 2009-10 & 2010-11 have been taken over by various investigating agencies.</p>

Sl. No.	Audit para no and year	Brief of audit para	Management reply
			<p>The short fall in royalty occurred as DMG has first appropriated the payments made by the company in subsequent years towards the interest on differential royalty payable calculated by them.</p> <p>As the assessment of royalty for annual auditing for the period from 2007-08 to 2011-12 was already completed and considering the dues paid by NMDC, DMG, Hospet had issued No Due Certificate, Company is of the view that it is not correct to appropriate the payments made by the company in subsequent years towards the interest on differential royalty payable.</p> <p>However, in this connection, it is to state that considering the practice being followed at that time (payment of advance royalty and later on differential royalty after receipt of demand notice from DMG at the end of every financial year), NMDC did not pay the differential royalty to DMG in the absence of any demand notice from DMG.</p> <p>The demand of DMG for payment of interest for differential royalty, that too after a gap of two years after issue of "No Due Certificate" by the same office was not fair and considered as forceful and unilateral imposition of penalty.</p> <p>The Company has filed a writ petition no: 9859/2017 in the High Court of Karnataka, Bangalore on 4.6.2017.</p> <p>The Honorable High Court of Karnataka directed for listing the matter on 27th March 2018 and further adjourned to 26th April 2018.</p> <p>On 26th April 2018, Director, DMG has informed to Honorable High Court of Karnataka that he will convene a meeting with NMDC on 3rd May 2018.. In the said meeting NMDC was asked to submit certain information/records and which was submitted by NMDC in the meeting scheduled on 29.06.2018.</p> <p>During the hearing dated 29.11.2018, the Govt. Advocate has made submissions in the Hon'ble Court of Karnataka, that the orders need to be passed by Respondent (i.e. DMG). Accordingly, the matter was adjourned and directed to be listed in the month of January 2019, which was later postponed for hearing on 23.04.2019 & later after completion of after summer vacation i.e. on 27.05.2019. The matter is yet to be continued .</p>

Sl. No.	Audit para no and year	Brief of audit para	Management reply
3	Para 3.3.7 of CAG report no: 18 of 2018	<p>Para no: 3.3.7</p> <p>Review of performance of Independent Directors</p> <p>The Board of directors shall evaluate the performance of independent directors and on the basis of report of such evaluation, it shall be determined whether to extend or continue the term of appointment of independent director.</p> <p>NMDC is one among the 16 PSUs mentioned where the Board did not evaluate the performance of Independent directors</p>	<p>In terms of Articles of Association of NMDC, all appointments to the Board are made by President of India. In terms of Ministry of Corporate Affairs' Notification dated 05.07.2017, inter alia, Paragraph-VIII dealing with evaluation mechanism shall not apply in case of Govt. companies as defined in Clause 45 of Section 2 of the Companies Act, 2013.</p> <p>However, NMDC vide their letter dated 16.05.2018, assessment / evaluation of performance of its 6 non-official Directors (Independent) in the prescribed format were submitted to Ministry of Steel, Govt. of India. No further communication received from the Ministry till date.</p>
4	Para 3.9 of CAG report no: 18 of 2018	<p>Para no: 3.9</p> <p>Policy relating to Related Party.</p> <p>NMDC is not having policy related to Related Parties.</p>	<p>Board in its 507th meeting held on 13th Nov 2017 had approved policy relating to Related Parties. The same was communicated to Ministry vide ATN dated 10.09.2018.</p> <p>Further, Ministry vide their letter dated 26.11.2018 sought for resolution of shareholders approving the said policy, as per C&AG remarks "pending receipt of the resolution of the shareholders, the para is proposed to be retained".</p> <p>It was intimated to Ministry vide ATN dated 15.12.2018 as under:</p> <p>Pursuant to Regulation 23(4) of SEBI Regulations, all material related party transactions shall require approval of the shareholders through resolution and the related parties shall abstain from voting on such resolution whether the entity is a related party to the particular transaction or not.</p> <p>As the subject matter is only a policy and not a material related party transaction, it is clarified that approval of the shareholders is not required for this policy. No further communication received from the Ministry till date.</p>
5	Para no. 4.5.2.2 of CAG report no: 9 of 2016	<p>Para no. 4.5.2.2</p> <p>Non-issue of Bonus Shares by NMDC Ltd</p>	<p>NMDC has issued Bonus shares in the ratio of 2 shares for every share held in the financial year 2008-09. The Authorized and Paid up Capital of NMDC is ₹400 cr. and ₹396.47 cr. respectively. Accordingly, any issue of further bonus shares would require increasing the Authorized Capital of the Company to the extent of bonus shares issue as may be approved.</p> <p>The increase of Authorized Capital require amendment to the Memorandum and Articles of Association of the Company which needs approval of the Govt. of India.</p>

Sl. No.	Audit para no and year	Brief of audit para	Management reply
			<p>The Company has approached its Administrative Ministry, Ministry of Steel, Govt of India seeking approval for enhancement of its Authorized Share Capital. Ministry of Steel, Govt. of India vide their letter No. 9(6)/2013-RM-I dated 09.10.2017 inter alia, has in-principle approved for amending the Memorandum of Association and Articles of Association for increasing the Authorized Share Capital from ₹400 Crores to ₹ 1600 Crores for the purpose of issue of Bonus Shares. The Company has appointed M/s IDBI Capital Markets & Securities Ltd., as Advisor to handhold the company in respect of issue of bonus shares.</p> <p>A comprehensive proposal was put up at the 516th meeting of the Board of Directors held on 08.01.2019, wherein feasibility report of the Merchant Banker i.e. M/s IDBI Capital Markets & Securities Ltd. was placed for review of the Board seeking exemption from issue of bonus shares of NMDC for the FY 2018-19 & 2019-20</p> <p>The Board, inter alia, passed the following resolution:</p> <p>RESOLVED THAT:-</p> <p>“The company may apply to DIPAM through its administrative ministry, i.e. Ministry of Steel, Govt. of India, seeking necessary exemption from issue of Bonus Shares for the FY 2018-19 in terms of Sl. No. 9.3 of DIPAM's O.M. No. 5/2/2016-Policy dated 27.05.2016”</p> <p>Keeping in view the directions of the Board, the company vide its letter dated 02.03.2019 has requested Ministry of Steel, Govt. of India to take up the matter with DIPAM to exempt NMDC from issue of bonus shares for the FY 2018-19.</p> <p>Secretary, Ministry of Steel vide DO letter dated 19.03.2019 intimated DIPAM to consider the request of NMDC for exempting from issue of Bonus Shares. Accordingly, Ministry of Steel (MOS) vide letter dated 11.04.2019 has forwarded the letter issued by DIPAM dated 09.04.2019 wherein it is indicated that request for exemption of issue of Bonus Shares will be considered after finalization of 2018-19 accounts.</p>

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF NMDC LIMITED, HYDERABAD FOR THE YEAR ENDED 31 MARCH 2019

The preparation of financial statements of NMDC Limited, Hyderabad for the year ended 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on the independent audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 28 May 2019.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of NMDC Limited, Hyderabad for the year ended 31 March 2019 under Section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report under section 143(6)(b) of the Act.

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

M. S. Subrahmanyam
30/07/2019
(M. S. Subrahmanyam)

**Director General of Commercial Audit &
Ex-Officio Member, Audit Board,
Hyderabad**

**Place: Hyderabad
Date: 30 July 2019**

Ten Year Performance

(₹ In crore)

	Ind_AS 2018-19 #	Ind_AS 2017-18 #	Ind_AS 2016-17 #	Ind_AS 2015-16 #	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	
Operating Statistics:											
Production											
1	Iron Ore (WMT) (in lakh tonnes)	323.61	355.76	340.05	285.74	304.41	300.25	271.84	272.60	251.55	238.03
2	Diamonds (Carats)	38,148.77	39,393.72	35,635.99	35,558.31	35,085.46	37,081.70	31,533.39	18,043.44	10,865.93	16,529.21
3	Sponge Iron (in tonnes)	2,475.37	-	5,474.11	6,614.26	28,993.96	29,734.36	36,289.00	37,259.54	38,962.00	-
4	Pellets(in Tonnes)	115,622.89	58,070								
Sales											
1	Iron Ore (WMT) (in lakh tonnes)	323.56	360.75	356.21	288.39	305.16	305.00	262.74	273.01	263.15	240.85
2	Diamonds (Carats)	29,345.54	33,175.34	25,631.46	36,682.93	38,788.58	43,487.63	17,863.00	8,085.00	18,421.22	7,335.34
3	Sponge Iron (in tonnes)	495.58	-	8,579.42	8,364.52	25,191.38	30,572.34	37,600.00	33,732.00	39,775.00	-
4	Pellets(in Tonnes)	112,010	42,948	-							
Financial Statistics:											
Income											
1	Sales Iron Ore	11,997.98	11,490.93	8,708.90	6,327.93	12,197.69	11,899.52	10,558.71	11,167.56	11,285.33	6,222.60
2	Sales Sponge Iron	0.94	-	13.13	13.14	48.09	56.01	73.50	65.93	62.75	
3	Sales Diamonds	38.86	35.17	41.91	52.61	50.06	49.85	28.51	9.84	12.88	6.94
4	Sale of Power	5.51	6.50	7.48	6.30	5.96	1.05	-	-	4.48	6.57
5	Sales Others	0.52	0.74	0.38	1.78	8.75	5.91	5.60	1.36	-	-
6	Sales of Pellet	76.52	25.40								
7	Income from services	32.34	56.17	57.84	55.51	45.86	45.86	37.95	17.20	3.50	2.98
2	Sales: Other Products and Services	154.69	123.98	120.74	129.34	158.72	158.68	145.56	94.33	83.61	16.49
3	Net Revenue from Operation	12,152.67	11,614.91	8,829.64	6,457.27	12,356.41	12,058.20	10,704.27	11,261.89	11,368.94	6,239.09
4	Other Income	588.30	519.73	908.81	1,809.25	2,265.40	2,094.52	2,238.87	2,016.49	1,205.70	861.71
PROFIT											
1	EBDITA	7,518.91	6,472.13	4,509.86	4,374.21	9,930.07	9,865.98	9,616.84	10,891.12	9,848.69	5,280.48
2	Depreciation	278.89	256.04	196.18	216.60	162.23	104.93	138.52	130.17	121.52	73.16
3	Interest	40.32	37.10	20.76	65.59	-	1.85	13.20	1.48		
4	PBT	7,198.42	6,178.99	4,292.92	4,092.02	9,767.84	9,759.20	9,465.12	10,759.47	9,727.17	5,207.32
5	Taxes	2,752.48	2,141.39	1,619.92	1,566.06	3,345.98	3,339.12	3,122.75	3,494.08	3,227.95	1,760.06
6	PAT	4,642.11	3,805.88	2,589.14	2,712.22	6,421.86	6,420.08	6,342.37	7,265.39	6,499.22	3,447.26
7	Dividend	1,690.14	1,676.86	1,313.01	4,361.19	3,389.83	3,370.01	2,775.30	1,784.12	1,308.35	693.82

(₹ In crore)

	Ind_AS 2018-19 #	Ind_AS 2017-18 #	Ind_AS 2016-17 #	Ind_AS 2015-16 #	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10
8 Dividend % of PAT	36%	44%	51%	161%	53%	52%	44%	25%	20%	20%
FINANCIAL POSITION										
1 Equity (^)	306.19	316.39	316.39	396.47	396.47	396.47	396.47	396.47	396.47	396.47
2 Reserves & Surplus	25,645.34	24,037.44	22,202.55	28,721.12	31,935.27	29,591.83	27,114.49	24,009.89	18,818.05	13,875.96
3 Gross Fixed Assets	3,681.38	3,368.53	2,406.26	2,170.98	2,944.65	2,769.91	2,581.95	2,388.12	2,272.82	1,771.14
4 Net Fixed Assets	2,720.69	2,671.70	1,952.81	1,918.45	1,333.69	1,362.28	1,264.66	1,188.80	1,099.26	787.15
5 Other Assets(intangible)	-	-	-	-	5.37	5.37	6.24	10.07	14.45	16.78
6 Capital Work-in-Progress	13,792.45	12,519.90	11,831.36	9,722.88	7,710.03	5,276.89	3,236.09	1,494.16	677.17	561.29
7 Current Assets	7,963.98	8,839.45	8,584.95	18,764.55	23,889.76	23,861.19	25,592.18	23,195.21	19,171.56	14,263.61
8 Current Liabilities	3,062.06	3,541.17	2,571.92	3,200.32	1,989.00	1,340.82	3,235.68	2,105.13	1,780.72	1,347.66
9 Deferred Tax Asset	582.73	385.71	453.36	263.17	(98.40)	(107.25)	(104.49)	(100.09)	(102.88)	(84.88)
10 Net Worth	25,951.53	24,353.83	22,518.94	29,117.59	32,326.37	29,982.93	27,504.72	24,396.29	19,200.07	14,255.65
11 Book value per share (Rs.) (^)	84.76	76.97	71.17	73.44	81.54	75.62	69.37	61.53	48.43	35.96
12 Earning per share (Rs.) (^)	14.70	12.03	7.22	6.84	16.20	16.19	16.00	18.33	16.39	8.69
13 Valued added per emp (Rs. In lakhs)	173.89	167.76	117.46	86.89	182.23	178.54	159.04	167.10	159.05	93.58

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

Under Ind-AS



Inter Project Cricket Tournament at Hyderabad

Independent Auditor's Report

To
The Members
NMDC LIMITED
New Delhi

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of NMDC LIMITED ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss (including Other Comprehensive Income), 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 in which are included the Returns for the year ended on that date audited by the branch auditors of the Company's branches located at Bailadila Iron Ore mines, Bachel; Bailadila Iron Ore mines, Kirandul; Donimalai project, Donimalia; NMDC Iron and Steel plant, Nagarnar; Diamond Mining unit, Panna; Sponge Iron unit, Paloncha; R&D unit, Hyderabad; Regional Office, Visakhapatnam.

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, ("IndAS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and 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 (SAs) 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 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 together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules 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 opinion on the standalone financial statements.

Emphasis of Matter

We draw your attention without modifying our opinion in respect of:-

1. Note No. 2.12(2) of the financial statements, regarding buy back of 10,20,40,815 numbers equity shares at ₹ 98/- per share during the year for an aggregate consideration of ₹ 1000 crore.
2. Note No. 2.34.10 of the financial statements, regarding show cause notice having been served on Bailadila project of NMDC by District Collector (South Bastar, Dantewada) pursuant to judgment of Honorable Supreme Court of India with reference to writ petition (Civil No- 114 of 2014, dated 2nd August, 2017).
3. Note No. 2.34.9 of financial statements, regarding suspension of operations at Donimalai Iron Ore Mines owing to imposition of condition by Govt. of Karnataka asking for a premium of 80% on average sales value which is challenged before Honorable High court of Karnataka.

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 along with other branch auditors have determined the matters described below as key audit matters to be communicated in our report.

Sr. No.	Branch	Key Audit Matter	Auditor's Response
1.	NISP	<p>Capital Work- in- Progress: The Capital Work In Progress (CWIP) for the financial year ended 31.03.2019 in the unit is ₹ 13,292.19 crores. Since the amount involved is substantial, and these projects takes significant period of time to get ready for intended use, this is considered to be a key audit matter. (Refer Note No: 2.2 of financial statements)</p>	We obtained a view of the management and examined the process of capitalization. We have relied on the management expertise regarding commissioning of the plant.
2.	Donimalai	<p>Trade Receivable: As at 31st March 2019, current asset in respect of trade receivable includes receivables from monitoring committee amounting to ₹ 1,934.39 crores which are pending adjudication. Since it is a area of higher assessed risk of material misstatement, this is considered to be a key audit matter. (Refer Note No:2.34.8 of financial statements)</p>	We have involved our internal experts to review the nature of the amounts recoverable, the sustainability and the likelihood of recover ability upon final resolution.
3.	HO	<p>Mine Closure Obligation (MCO): The company creates Mine closure obligation liability based on the present cost of closure of mining project of the latest mine. The rate of closure arrived at based on such cost is uniformly applied to other mines for arriving at the total MCO liability. The matter was considered to be a key audit matter because there is estimate involved as per management's policy.</p>	We have involved our internal expertise to review the estimates of the rate of MCO considered by the company and whether any change was required to management's position on these matters.
4.	HO	<p>Income tax: The company has uncertain tax position including matters under dispute which involve significant judgment relating to the possible outcome of these disputes in estimation of the provision of income tax. In view of this, the area has been considered as a Key Audit Matter. (Refer Note No:2.29 of financial statements)</p>	<p>Our audit procedures include obtaining details of completed tax assessments and outstanding demands as at the year ended March 31, 2019 from management. We involve our internal experts to discuss with the management regarding estimates used to ascertain the tax provision of disputed cases.</p> <p>Our internal experts also consider legal precedence and other rulings in evaluating management's position on these disputed cases.</p>
5.	HO	<p>Investment in Subsidiary, Joint Ventures and Associates : Investment in Subsidiary, Joint Ventures and Associates are valued at cost and adjusted for impairment losses after carrying out impairment testing. Since judgment of the management is required to determine if there is any indication of possible impairment, we have considered it to be a key audit matter. (Refer Note No:2.4.1 of financial statements)</p>	Our audit procedure comprise of identification and understanding of the reasonableness of the principle assumptions used by the management to judge the need for impairment testing.

Independent Auditor's Report

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 Financial Performance Highlights, Directors' Report including Annexures to Directors' Report, but does not include the standalone financial statements and our auditor's report thereon.

The other information as stated above not made available to us as of the date of signing of this report is expected to be made available to us after the date of this statutory auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information when made available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the other information, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company with the IndAS and other accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements/ information of Six branches included in the stand alone financial statements of the Company whose financial statements/financial information reflect total assets of ₹21,098.41 crores as at 31st March 2019 and the total revenue of ₹12,258.15 crores for the year ended on that date, as considered in the standalone financial statements/information of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. 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 Act, and on the basis of such checks of books and records of the

Independent Auditor's Report

company as we consider appropriate and according to the information and explanations given to us, we give in the "Annexure-1" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. We are enclosing our report in terms of section 143(5) of the Act, on the basis of such checks of books and records of the company as we consider appropriate and according to the information and explanations given to us, in "Annexure-2" on the directions issued by the Comptroller & Auditor General of India.
3. 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 and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
 - (c) The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report.
 - (d) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), Statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from the branches not visited by us.
 - (e) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (f) The provisions of Section 164(2) of the Act, in respect of disqualification of directors are not applicable to the company, being a Government company in terms of notification no:- G.S.R.463(E) dated 5th June 2015 issued by Ministry of Corporate Affairs, Government of India.
 - (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure -3".
 - (h) With respect to the other matters to be included in the auditor's report in accordance with the requirements of Section 197(16) of the Act, as amended:

We are informed that the provisions of section 197 read with Schedule V of the Act, relating to managerial remuneration are not applicable to the company, being a Government Company, in terms of Ministry of Corporate Affairs notification no- G.S.R.(E) 5th June 2015.
 - (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 2.31 to the financial statements; [*or the Company does not have any pending litigations which would impact its financial position 10*]
 - ii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

As per our attached report of even date.

For **Tej Raj & Pal**,
Chartered Accountants,
FRN: 304124E

(**CA Dinakar Mohanty**)
Partner
Membership No. 059390

Place: New Delhi
Date: 28-05-2019

"ANNEXURE -1" TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the Financial Statements of the Company for the year ended March 31, 2019:

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company is in the process of carrying out physical verification of fixed assets, a regular programme of physical verification of its fixed assets by which all the fixed assets are physically verified by the management over a period of three years. In our opinion the periodicity of the physical verification is reasonable having regard to the size of the company and the nature of fixed assets. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies have been noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, as to whether the title deeds of immovable properties are held in the name of the company, our observations are listed below:

Sl. no.	Description of Assets	Area in acres	Value (in ₹) as on 31.03.2019	Issues*(if any)
R & D				
01	Stamp duty of Land	2.98	8,42,208	No documents regarding stamp duty were made available for verification therefore, we are unable to comment.
BACHELI				
LAND LEASE HOLD (GENERAL)				
01	Land Magazine Building and Service Centre. Location Hilltop	755.27	Nil	The unit holds possession Letter Dated 24.01.1977 M.P. Govt. gazette Notification dated 07.06.1977.
02	Land acquisition for screening plant	470	Nil	No documents were made available for verification therefore we are unable to comment.
03	Land acquisition for intake arrangement Location – Bachel	28.13	Nil	Original Sale deed is available for Private land of 14.13 acres (5.718 Hec.). Mutation of Land in favour of NMDC is under process with tahsildar, Bachel. However, paper for 14acres Govt. land not available.
04	Mining Lease of DEP. – 05	1334.463	53,99,96,215	The unit holds Possession Letter issued by Mining Officer District South Bastar, Dantewada.
05	Mining Lease of DEP. – 10	764.379	29,89,00,815	The unit holds Possession Letter issued by Mining Officer District South Bastar, Dantewada.
06	Mining Lease of DEP. – 10(FO)	352.858	13,91,64,937	The unit holds Possession Letter issued by Mining Officer District South Bastar, Dantewada.
07	Mining Lease of DEP. – 11A	764.379	38,45,514	The unit holds Possession Letter issued by Mining Officer District South Bastar, Dantewada.

Independent Auditor's Report

Sl. no.	Description of Assets	Area in acres	Value (in ₹) as on 31.03.2019	Issues*(if any)
08	Land for Sankinalla W/supply scheme for 10 & 11 a proj.	2 Hectares	1,03,528	No documents were made available for verification; therefore we are unable to comment.
09	Land for Sankinalla W/supply scheme for 10 & 11 a proj.	3 Hectares	Nil	No documents were made available for verification; therefore we are unable to comment.
10	Land acquired for Central workshop Location : Bachel	23.39	62,594	The unit holds Possession Letter of lease deed dated 19.07.1991 from Tahsildar bastar M.P.
11	Land Lease hold of Dep No 10 for measuring of iron ore	308.13 (Hecters)	1	No documents were made available for verification, therefore we are unable to comment.
12	Land lease hold of pocket No. 1,2, and 3 near Bhansi	189.956 (Hecters)	1	No documents were made available for verification; therefore we are unable to comment.
13.	Lease Hold land of Bachel Float	99.956 (hecters)	1	No documents were made available for verification; therefore we are unable to comment.
LAND FREEHOLD (GENERAL)				
1.	Land for Bhansi Camp Location : Bachel	Under reconciliation	7,840	Khasra documents for holding available
2.	Land acquired for Const. of intake water supply to screening plant. Location : Bachel	14	18,987	No documents were made available for verification; therefore we are unable to comment.
3.	Value of private land from Adivasi for pipeline from Nerli Dam to Screening plant. Location – Bachel	1.54	7,375	No documents were made available for verification; therefore we are unable to comment.
4.	Value of private land for Oxidation pond. Location :Bachel.	17.77	13,294.	Sale deed for the land 17.77 acres(i.e. 7.191 Hect) available; mutation is under process with Tehsildar.
5.	4 acres land for railway siding at Bachel Location : Bachel	4	5,502	Original sale deed is available, mutation application for land is under process with tehsildar.
6.	Land acquired from adivasi for tailing dam near parapur.	81.35	2,11,395	Attested copy of sale deed obtained from registrar, dantewada is available; mutation application is under process with tehsildar.
7.	Acquisition of land for Tailing Dam and diff of amount paid vide JV No/12461/88	Under Reconciliation	30,635	No documents were made available for verification; therefore we are unable to comment.
8.	Forest Land for Uniflowly, dispatch system	4-94	12,40,000	Ministry of environment and forest(MOEF) issued Letter No. 8B/007/2002/FCW/1313 dated 07.06.2002 is available.

Sl. no.	Description of Assets	Area in acres	Value (in ₹) as on 31.03.2019	Issues*(if any)
	BUILDINGS (GENERAL)		Gross Block – 38,87,34,256 Net Block – 33,61,16,142	No documents were made available for verification; therefore we are unable to comment.
1.	Land for Bhansi Base Camp Location : Bachel	30	Nil	The unit holds possession letter dated 03.06.1996 M.P. Govt. Gazette Notification dated 03.06.1996.
2.	Land for Bachel Town – ship (lease paid to DFO and cost of stamp for regn.)	200	Nil	The unit holds possession letter dated 20.06.1976 M.P. Govt. Gazette Notification dated 09.02.1976.
3.	Land for Bailadila Estate at Jagdalpur Location : Jagdalpur	10	Nil	No documents were made available for verification; therefore we are unable to comment.
4.	Land for Operation Township at Hill Top Location : Hilltop	307.06	Nil	Copy of Gazette Notification issued by M.P. Govt. dated 07.06.1977 denoting the area is available.
	Building (Social Amenities)		Gross Block – 93,55,51,377 Net Block – 87,85,60,029	No documents were made available for verification; therefore we are unable to comment.
PANNA				
	FREEHOLD LANDS (GENERAL/ SOCIAL)			
1.	Land		2,68,392	Measurement details were not made available.
2.	Land at Panna Plot No – 1236/3	2.063	5,176	No documents were made available for verification; therefore we are unable to comment.
3.	Land at Panna Plot No – 76/2	1.821	3,304	No documents were made available for verification; therefore we are unable to comment.
4.	Land at Panna Plot No – 1237/2	2.063	7,370	No documents were made available for verification; therefore we are unable to comment.
5.	Land at Panna Plot No – 1236/2	15.873	30,085	No documents were made available for verification; therefore we are unable to comment.
6.	Land lease hold Dep No-14	317.19 (Hecter)	Nil	The company hold possession letter issued by the Chief Secretary , Mining Resource, Dept., M.P.
KIRANDUL				
1.	Land Leasehold Dep-11C Mines and Fine Ore Dump	122.619 Hectares	21,84,430.00	No documents were made available for our verification there for we are unable to comment.

Independent Auditor's Report

Sl. no.	Description of Assets	Area in acres	Value (in ₹) as on 31.03.2019	Issues*(if any)
2.	Cap of 11B Expenditure Dep-11B Mines		1,19,13,706.00	No documents were made available for our verification there for we are unable to comment.
3.	Mining Lease of Dep-14	17.81 Hectares	57,31,352.00	No documents were made available for our verification there for we are unable to comment.
Land Leasehold (Social Amenities)				
1.	Land Leasehold (for Town ship) Type ii Qtr. In Kirandul	20.81 Hectares	0.00	No documents were made available for our verification there for we are unable to comment.
Land Freehold (General)				
1.	Land-Area in Bacheli Pargana	1.00 Acres	338.00	No documents were made available for our verification there for we are unable to comment.
2.	Land-Area in Bacheli Pargana (Kameli Kala)	2.10 Acres	557.00	No documents were made available for our verification there for we are unable to comment.
3.	Land-Area in Bacheli Pargana (Poro Kameli)	3.27 Acres	1,341.00	No documents were made available for our verification there for we are unable to comment.
4.	Land-Area in Bacheli Pargana	2.58 Acres	958.00	No documents were made available for our verification there for we are unable to comment.
5.	Land-Area in Bacheli Pargana	0.09 Acres	31.00	No documents were made available for our verification there for we are unable to comment.
6.	Land-Area in Bacheli Pargana	0.08 Acre	212.00	No documents were made available for our verification there for we are unable to comment.
7.	Land-Area in Bacheli Pargana	0.22 Acre	58.00	No documents were made available for our verification there for we are unable to comment.
8.	Land-Area in Bacheli Pargana	5.44 Acres	2,216.00	No documents were made available for our verification there for we are unable to comment.
9.	Land-Area in Kirandul Pargana	0.93 Acre	514.00	No documents were made available for our verification there for we are unable to comment.
10.	Land-Area in Kirandul Pargana	11.50 Acres	8,525.00	No documents were made available for our verification there for we are unable to comment.
11.	Land-Area in Kirandul Pargana	2.20 Acres	1,866.00	No documents were made available for our verification there for we are unable to comment.

Sl. no.	Description of Assets	Area in acres	Value (in ₹) as on 31.03.2019	Issues*(if any)
12.	Land-Area in Kirandul Pargana	4.59 Acres	3,090.00	No documents were made available for our verification there for we are unable to comment.
13.	Land Area in Bada bachel	1.46 Acres	384.00	No documents were made available for our verification there for we are unable to comment.
14.	Land Area in Bada bachel Pargana	1.35 Acres	355.00	No documents were made available for our verification there for we are unable to comment.
15.	Land Area in Bada bachel Pargana	0.32 Acres	158.00	No documents were made available for our verification there for we are unable to comment.
16.	Land Area in Bada bachel Pargana	0.70 Acres	433.00	No documents were made available for our verification there for we are unable to comment.
17.	Land Area in Bada bachel Pargana	1.40 Acres	663.00	No documents were made available for our verification there for we are unable to comment.
18.	Land Area in Bada bachel Pargana	1.81 Acres	477.00	No documents were made available for our verification there for we are unable to comment.
19.	Land Area in Bada bachel Pargana	1.07 Acres	382.00	No documents were made available for our verification there for we are unable to comment.
20.	Land Area in Bada bachel Pargana	4.27 Acres	1,140.00	No documents were made available for our verification there for we are unable to comment.
21.	Land Area in Padapur Pargana	1.00 Acre	263.00	No documents were made available for our verification there for we are unable to comment.
22.	Land Area in Padapur Pargana	1.00 Acre	1,580.00	No documents were made available for our verification there for we are unable to comment.
23.	Land Area in Padapur Pargana	1.06 Acres	279.00	No documents were made available for our verification there for we are unable to comment.
24.	Land Area in Padapur Pargana	1.22 Acres	321.00	No documents were made available for our verification there for we are unable to comment.
25.	Land Area in kodenar Pargana	3.48 Acres	916.00	No documents were made available for our verification there for we are unable to comment.
26.	Land Area in Jagdalpur	5.823 Hectares	1,05,778.00	No documents were made available for our verification there for we are unable to comment.

Independent Auditor's Report

Sl. no.	Description of Assets	Area in acres	Value (in ₹) as on 31.03.2019	Issues*(if any)
27.	Land for Accumulation of Slimes	39.58 Acres	7,09,502.00	No documents were made available for our verification there for we are unable to comment.
28.	Land at Madadi VIL	15.79 Acres	4,46,722.00	No documents were made available for our verification there for we are unable to comment.
29	Land Freehold in Kirandul pargana	47.18 Acres	22,569.00	No documents were made available for our verification there for we are unable to comment.
30	Land Freehold (Construction of 100 Permanent Type-C Qtrs)	75.90 Acres	46,200.00	No documents were made available for our verification there for we are unable to comment.
31	Land Freehold for Construction of K.V. School Near Praleosh Vidyalaya	21.62 Acres	22,39,610.00	No documents were made available for our verification there for we are unable to comment.
32	BUILDINGS (Social Amenities)		Net Block- 69,06,41,990.00	Documents for construction have been verified. However, these buildings have been over the above Land for which no title deeds have been made available for verification.
KIRANDUL				
33.	Land lease hold Dep-14 Mines	322.368 (Hecters)	41,31,186	The company hold possession letter issued by the joint secretary, Mining Resources Department, Raipur.
34.	Land lease Hold Dep-14 non Mining	506.742 (Hecters)	66,49,904	The company hold possession letter issued by the joint secretary, Mining Resources Department, Raipur.
35.	Land Lease Hold Dep No. 11	317.79 (hecters)	1	The company hold possession letter issued by the chief secretary, Mining Resources Department, Raipur.
NAGARNAR IRON AND STEEL PLANT				
1.	Land at villages Nagarnar, Kasturi, Amaguda & Maganpur	288.79 (Hecters)	7,27,58,374	Free hold land for which the company hold possession letter issued by (Kabja Praman Patra) the Tehsildar, Jagdalpur
2.	Land at villages Bhamani	1.82 (Hecters)	1,36,380	Free hold land for which the company hold possession letter issued by (Kabja Praman Patra) the Tehsildar, Jagdalpur
3.	Land at villages Nagarnar, Bijaput, Upanpal, Kasturi, amaguda, Madpal, Chokawada & Maganpur	318.74 (Hecters)	88,08,16,636	Free hold land for which the company hold possession letter issued by (Kabja Praman Patra) the Tehsildar, Jagdalpur
4.	Land at villages Chokawada	7.2 (Hecters)	26,31,600	Free hold land for which the company hold possession letter issued by (Kabja Praman Patra) the Tehsildar, Jagdalpur
5.	Land at villages Nagarnar	155.55 (Hecters)	Not finalized	Free hold land for which the company hold possession letter issued by (Kabja Praman Patra) the Tehsildar, Jagdalpur

Sl. no.	Description of Assets	Area in acres	Value (in ₹) as on 31.03.2019	Issues*(if any)
6.	Land at villages Dhanpunji	20.28 Acres	3,10,20,964	Free hold land for which the company hold possession letter issued by (Kabja Praman Patra) the Tehsildar, Jagdalpur
INDUSTRIAL LAND AND OTHERS				
1.	Land at Jhanj Raipur	1.82 (Hecters)	60,82,2220	The company holds possession letter issued by the New Raipur Development Authority
2.	Industrial Free Hold Land	11.35 Acres	139.21 crores	Having provisional allotment letters of 13.43 acres but measuring 11.35 acres
3.	Industrial free hold Land purchased from M/s Allwyn Watches Ltd.	24.23 Acres	5.88 crores	Purchased land of 26.39 acres but measuring 24.23 acres
4.	Industrial Free Hold land acquired from Chattisgarh Housing board	1.43 Acres	0.83 crores	Acquired land of 1.32 acres measuring 1.43 acres
5.	Building (General Leasehold)		Net Block- ₹ 21,28,51,322	Building constructed on mines lease area.

2. (a) The management has conducted the physical verification of inventory at reasonable intervals.
- (b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
3. According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly the provisions of clause (3) (iii) (a) to (c) of the order are not applicable to the company and hence not commented upon.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
5. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
6. The Central Government has prescribed the maintenance of cost records under Section 148(1) of the Act. Company is generally maintaining proper cost records as specified by the Central Government under sub-Section (1) of Section 148 of the Companies Act, 2013.
7. According to information and explanations given to us, in respect of statutory dues :
 - (a) The company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income - Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities.

Independent Auditor's Report

- (b) There were no undisputed amounts payable in respect of including Provident Fund, Employees State Insurance, Income - Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues were in arrears as at March 31, 2019 for a period of more than six months from the date on when they become payable.
- (c) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute, except the followings:

UNIT	NAME OF STATUE	NATURE OF DUES	PERIOD	FORUM WHERE DISPUTE IS PENDING	₹ in Crores
KIRANDUL	Nagarpalika, Kirandul	Export Tax	1995 – 96 1996 – 97 2008 – 09 To 2018 - 19	Hon'ble High Court of Chhattisgarh	11.26
	MP Commercial Tax Act, 1994	Commercial Tax	2002-03 2005-06 2008-09	Dy. Commissioner of Commercial Tax (Appeal)	1.60
	DGGI, Raipur Zonal Unit	Service Tax	2017-18	It commission Raipur Commissionerate	0.65
	Commissioner of GST and Central Excise (Audit)	GST	2017-18	Director(c) GST and Central Excise (Audit)	0.11
	DFO, Dantewada and state of Chhattisgarh	Forest Permit Fee	14.06.2002 to 31.10.2012	Bilaspur bench of Ho'ble High Court, Chhattisgarh	63.29
	Nagarpalika, Kirandul	Conservancy Tax	1997-98 to 2005-06 2014-15 to 2017-18	High Court, Chhattisgarh	0.79
	Nagarpalika, Kirandul	Property Tax	2013-14 to 2016-17	High Court, Chhattisgarh	74.40
	The Appellate Tribunal	Service Tax	July 2012- June 2014	Service Tax Appellete Tribunal	16.12
	High Court	Service Tax on Royalty	2017-18	High Court, Bilaspur	80.23
DONIMALAI	Karnataka Sales Tax Act 1957	Tax on ERP Licenses	1990-91, 1991-92	Dy. Commissioner of Commercial Tax, Bellary	0.51
	Karnataka Forest Act 1963	Forest Development Tax	2008-09 to 2010-11	Hon'ble Supreme Court of India	243.69
	Central Excise, Customs and Service tax	Service Tax on services provided to CISF	2012-13 to 2015-16	Commissioner of Central Excise (Appeals)	0.23

UNIT	NAME OF STATUE	NATURE OF DUES	PERIOD	FORUM WHERE DISPUTE IS PENDING	₹ in Crores
	Central Excise, Customs and Service tax	Service Tax on LD and penalty recovered from contractors	2013-14 to 2015-16	Commissioner of Central Excise (Appeals)	0.27
	Central Excise, Customs and Service tax	Objection to Trans – 1 Credit in respect of Service Tax credit taken in July 2017 GST	2017 – 18	Central Tax (CGST) Hosapete	0.49
	Central Excise, Customs and Service tax	Service Tax on Royalty	01.04.2016 to 30.06.2017	Commissioner of Central Excise (Appeals) Belagavi	97.00
PANNA	Service tax on Royalty	Service Tax	2016-17, 2017-18 (Q1)	High Court, Jabalpur	0.85
	Commercial Tax	Sales & Entry Tax	2013-14	DCIT, Sagar	0.23
	Commercial Tax	Sales & Entry Tax	2016-17	DCIT, Sagar	0.04
BACHELI	The Finance Act, 1994	Service Tax	July 2012 to June 2014	The Appellate Tribunal	59.38
	The Finance Act, 1994	Service Tax	April 2016 to March 2019	The Appellate Tribunal	102.38
VIZAG	The Finance Act, 1994	Service Tax	2007-08 TO 2011-12	Service Tax – Vizag Sales Tax - Hyderabad	2.74
NISP	Central Excise Act.	GST Refund	F.Y. 2018-19	Commissioner Appeals U/S 35 of the Central Excise Act	3.40
Head Office	Income Tax Act, 1961	Income Tax	FY 2015-16	CIT(A)	70.54
			2010-11, 2005-06, 1990-00 & 2001-02 2006-07 to 2009-10, 2011-12 to 2013-14	High Court	1604.71
			2014-15	ITAT, Hyderabad	98.58
	The Finance Act, 1994	Service Tax	01.10.2013 to 30.09.2014 & 01.10.2007 to 31.10.2012	CESTAT	28.28
			01.07.2012 to 31.03.2015	COM.(A), Mysore	0.17
TOTAL					2561.94

Independent Auditor's Report

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans and borrowings to any financial institutions, banks, government or dues to debenture holders.
9. The Company has not raised money by way of initial public offer or further public offer(including debt instrument) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
10. To the best of our knowledge and according to the information and explanations given to us, no fraud by the company or no material fraud on the company by its officers or employees has been noticed or reported during the year.
11. In our opinion and according to the information and explanations given to us, the company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Act.
12. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the order is not applicable to the company.
13. In our opinion and according to the information and explanations given to us, the company is in compliance with section 177 and 188 of the Companies Act,2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
14. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the order is not applicable to the company.
15. In our opinion and according to the information and explanations given to us, during the year the company has not entered into any non cash transactions with its Directors or persons connected to its Directors and hence provisions of section 192 of the Companies Act,2013 are not applicable to the company.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act,1934.

As per our attached report of even date.

For **Tej Raj &Pal**
Chartered Accountants
(FRN. 304124E)

New Delhi
28th May, 2019

(**CA. Dinakar Mohanty**)
Partner
Membership No-059390

“ANNEXURE-2” TO THE AUDITOR’S REPORT

Report on the Direction of the Comptroller and Auditor General of India required under sub section 5 of section 143 of the Companies Act, 2013 (“the Act”)

Sl. No.	Directions	Reply
1.	Whether the company has system in place to process all the accounting transaction through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Yes, the company has a ERP system (Oracle) to process all the accounting transactions through IT system. However, for preparation of financial statements some manual interventions are carried out.
2.	Whether there is any restricting of an existing loans 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, financial impact may be stated.	Not Applicable
3.	Whether funds received/ receivable for specific schemes from central / state agencies were properly accounted for/ utilised as per its terms and conditions? List the cases of deviations.	Not Applicable

For **Tej Raj &Pal**
Chartered Accountants
(FRN. 304124E)

New Delhi
28th May, 2019

(**CA. Dinakar Mohanty**)
Partner
Membership No-059390



Release of NMDC's 2nd Sustainability Report

Independent Auditor's Report

ANNEXURE "3" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 3(g) under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the Financial Statements of the Company for the year ended March 31, 2019.)

Report on the Internal Financial Controls Over Financial Reporting under Clause(i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of NMDC Ltd("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, 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.

As per our attached report of even date.

For **Tej Raj &Pal**
Chartered Accountants
(FRN. 304124E)

New Delhi
28th May, 2019

(**CA. Dinakar Mohanty**)
Partner
Membership No-059390



Aerial view of NMDC Mine

Balance Sheet

as at 31st March 2019

₹ in crore

Particulars	Note No.	Figures as at the end of current reporting year 31-March-2019	Figures as at the end of previous reporting year 31-March -2018
ASSETS			
Non-Current Assets			
a) Property plant & equipment	2.1	2,554.49	2,507.53
b) Capital work-in- progress	2.2	13,792.45	12,519.90
c) Other intangible assets	2.3	166.20	164.17
d) Financial assets			
i) Investments	2.4.1	939.32	786.45
ii) Loans	2.4.2	796.49	779.68
e) Deferred tax assets (Net)	2.5	582.73	385.71
f) Other non-current assets	2.6	2,986.32	2,626.23
Total non-current assets		21,818.00	19,769.67
Current Assets :			
a) Inventories	2.7	666.17	571.69
b) Financial assets			
i) Trade receivables	2.8.1	1,424.51	1,472.74
ii) Cash and cash equivalents	2.8.2	38.33	25.97
iii) Bank balances other than (ii) above	2.8.3	4,569.39	5,412.25
iv) Other financial assets	2.8.4	401.01	447.00
c) Current tax assets (Net)	2.9	451.12	602.10
d) Other current assets	2.10	412.94	307.29
e) Assets held for disposal	2.11	0.51	0.41
Total current assets		7,963.98	8,839.45
Total Assets		29,781.98	28,609.12
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	2.12	306.19	316.39
b) Other equity	2.13	25,645.34	24,037.44
Total equity		25,951.53	24,353.83
Liabilities			
Non- Current Liabilities			
a) Provisions	2.14	768.39	714.12
Total non-current liabilities		768.39	714.12
Current Liabilities			
a) Financial liabilities			
i) Borrowings	2.15.1	364.15	500.09
ii) Trade payables	2.15.2		
a) Total Outstanding dues of Micro Enterprises and Small Enterprises"		10.19	6.63
b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		192.55	152.91
iii) Other financial liabilities	2.15.3	1,667.15	1,887.31
b) Other current liabilities	2.16	786.76	966.83
c) Provisions	2.17	41.26	27.40
Total current liabilities		3,062.06	3,541.17
Total liabilities		3,830.45	4,255.29
Total equity and liabilities		29,781.98	28,609.12

Significant Accounting Policies and notes on accounts : 1 & 2

Subject to our Report of even date

For and on behalf of the Board

For M/s Tej Raj & Pal,
Chartered Accountants
Firm Regn No: 304124E

(CA DINAKAR MOHANTY)
Partner
Membership No: 059390

Place : New Delhi
Dated : 28th May 2019

(AMITAVA MUKHERJEE)
Director (Finance)

(A S PARDHA SARADHI)
Company Secretary

(N.BAIJENDRA KUMAR)
Chairman-cum -Managing Director

Statement of Profit and Loss

for the year ended 31st March 2019

Particulars	Note No.	₹ in crore	
		Figures as at the end of current reporting year 31-March-2019	Figures as at the end of previous reporting year 31-March-2018
I. Revenue from operations	2.18	12,152.67	11,614.91
II. Other Income	2.19	588.30	519.73
III. Total Income (I+II)		12,740.97	12,134.64
IV. Expenses :			
Consumption of raw materials	2.20	52.00	17.33
Excise duty		-	0.01
Consumption of stores & spares		264.97	270.30
Changes in inventories of finished goods/work in progress	2.21	(79.22)	(38.48)
Employee benefit expense	2.22	1,036.75	1,046.42
Power and electricity	2.23	109.39	99.20
Repairs & maintenance	2.24	159.11	144.66
Royalty & other levies		2,003.59	2,119.54
Selling expenses	2.25	368.18	639.68
Finance cost	2.26	40.32	37.10
Depreciation and amortization expense	2.1 & 2.3	278.89	256.04
Other expenses	2.27	1,307.93	1,507.48
Total expenses		5,541.91	6,099.28
V. Profit before exceptional items and tax (III-IV)		7,199.06	6,035.36
VI. Exceptional items (Income)/Expenditure	2.28	-	(144.30)
VII. Profit before tax (V-VI)		7,199.06	6,179.66
VIII. Tax expense :			
(1) Current year	2.29	2,752.70	2,141.62
(2) Earlier years (net)		0.85	164.06
(3) Deferred tax	2.29	(197.02)	67.66
		2,556.53	2,373.34
IX. Profit for the year from continuing operations (VII-VIII)		4,642.53	3,806.32
X. Loss from discontinued operations		(0.64)	(0.67)
XI. Tax expense of discontinued operations		(0.22)	(0.23)
XII. Net loss from discontinued operations(X-XI)		(0.42)	(0.44)
XIII Profit for the year (IX +XII)		4,642.11	3,805.88
Other Comprehensive Income			
(i) Item that will not be reclassified to profit or loss (Re-measurements of post-employment benefit obligations)		(0.20)	72.25
(ii) Income tax relating to these items		0.07	(25.01)
XIV Other Comprehensive income net of tax		(0.13)	47.24
Total Comprehensive income for the year (XIII + XIV)		4,641.98	3,853.12
Earnings per equity share (for continuing operation)			
i) Basic	2.32.6	14.70	12.03
ii) Diluted	2.32.6	14.70	12.03
Earnings per equity share (for discontinued operation)			
i) Basic	2.32.6	-	-
ii) Diluted	2.32.6	-	-
Earnings per equity share (for discontinued & continuing operation)			
i) Basic	2.32.6	14.70	12.03
ii) Diluted	2.32.6	14.70	12.03
Significant Accounting Policies and notes on accounts : 1 & 2			

Subject to our Report of even date

For and on behalf of the Board

For M/s Tej Raj & Pal,
Chartered Accountants
Firm Regn No: 304124E

(CA DINAKAR MOHANTY)
Partner
Membership No: 059390

Place : New Delhi
Dated : 28th May 2019

(AMITAVA MUKHERJEE)
Director (Finance)

(A S PARDHA SARADHI)
Company Secretary

(N.BAIJENDRA KUMAR)
Chairman-cum -Managing Director

Statement of Changes in Equity

for the year ended 31st March 2019

a) Equity Share Capital

₹ in crore

	Note.no.	Amount
Balance as at 1 st April 2017	2.12	316.39
Changes in Equity share capital		-
Balance as at 31 st March 2018	2.12	316.39
Changes in Equity share capital (*)		(10.20)
Balance as at 31 st March 2019		306.19

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

b) Other Equity

2.13

Particulars	General Reserve	Retained earnings	CRR	OCI	Total
Balance as at 1 st April 2017	21,973.79	238.35	80.08	(89.67)	22,202.55
Profit for the year		3,805.88			3,805.88
Other Comprehensive Income net of tax				47.24	47.24
Final dividends (2016-17)		(316.39)			(316.39)
DDT on final dividend (2016-17)		(64.41)			(64.41)
Interim dividend (2017-18)		(1,360.47)			(1,360.47)
DDT on Interim dividend (2017-18)		(276.96)			(276.96)
Transfer to General Reserve	1,000.00	(1,000.00)			-
Total	1,000.00	787.65	-	47.24	1,834.89
Balance as at 31 st March 2018	22,973.79	1,026.00	80.08	(42.43)	24,037.44
Balance as at 1 st April 2018	22,973.79	1,026.00	80.08	(42.43)	24,037.44
Profit for the year		4,642.11			4,642.11
Transfer to Capital Redemption Reserve (CRR)	(10.20)		10.20		-
Buyback of shares (including transaction charges)	(996.53)				(996.53)
Other Comprehensive Income net of tax				(0.13)	(0.13)
Interim dividend (2018-19)		(1,690.14)			(1,690.14)
DDT on Interim dividend (2018-19)		(347.41)			(347.41)
Transfer to General Reserve	2,000.00	(2,000.00)			-
Total	993.27	604.56	10.20	(0.13)	1,607.90
Balance as at 31 st March 2019	23,967.06	1,630.56	90.28	(42.56)	25,645.34

Subject to our Report of even date

For and on behalf of the Board

For M/s Tej Raj & Pal,
Chartered Accountants
Firm Regn No: 304124E(CA DINAKAR MOHANTY)
Partner
Membership No: 059390Place : New Delhi
Dated : 28th May 2019(AMITAVA MUKHERJEE)
Director (Finance)(A S PARDHA SARADHI)
Company Secretary(N.BAIJENDRA KUMAR)
Chairman-cum -Managing Director

Cash Flow Statement

for the year ended 31st March 2019

₹ in crore

Particulars	Figures as at the end of current reporting year 31 March 2019	Figures as at the end of previous reporting year 31 March 2018
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before income tax from		
Continued Operations	7,199.06	6,179.66
Discontinued Operations	(0.64)	(0.67)
Profit before income tax including discontinued operations	7,198.42	6,178.99
Adjustments for non cash/non operational expenses:		
Depreciation & amortisation expense	278.89	256.04
Loss on disposal of property, plant & equipment	(0.28)	(0.48)
Expenditure on enabling facilities	194.92	172.80
Provision for bad & doubtful advances	249.55	336.92
Interest Income classified as investing cash flow	(449.65)	(389.39)
Finance Costs	40.32	37.10
Operating Profits before working capital changes	7,512.17	6,591.98
Adjustments for working capital changes:		
(Increase)/Decrease in trade receivables	(201.32)	(766.14)
(Increase)/Decrease in inventories	(94.48)	(31.65)
(Increase)/Decrease in other financial assets	(11.21)	(258.70)
(Increase)/Decrease loans to employees and related parties	(2.42)	1.67
(Increase)/Decrease in other non current assets	(356.64)	(429.89)
(Increase)/Decrease in other current assets	(105.65)	(127.95)
(Increase)/Decrease in assets held for disposal	(0.10)	44.22
Increase/(Decrease) in trade payables	43.20	(39.24)
Increase/(Decrease) in provisions	53.96	103.64
Increase/(Decrease) employee benefit obligations	13.85	(232.30)
Increase/(Decrease) in other financial liabilities	(22.05)	738.62
Increase/(Decrease) in other current liabilities	(180.07)	130.16
Cash generated from operations	6,649.24	5,724.42
Income Taxes paid	(2,602.35)	(2,343.23)
Net Cash Flow from operating activities	4,046.89	3,381.19
CASH FLOW FROM INVESTING ACTIVITIES		
Expenditure on acquisition of tangible and intangible assets and towards capital work in progress (net of sale proceeds)	(1,997.20)	(2,052.39)
Purchase of investments	(152.87)	(59.47)
Interest received	492.46	436.04
Investment in term deposits with more than three months	918.93	(192.81)
Net Cash Flow from investing activities	(738.68)	(1,868.63)

Cash Flow Statement

for the year ended 31st March 2019

₹ in crore

Particulars	Figures as at the end of current reporting year 31 March 2019	Figures as at the end of previous reporting year 31 March 2018
CASH FLOW FROM FINANCING ACTIVITIES		
Amount paid on buyback of Shares (including transaction charges)	(1,006.73)	-
(Repayment)/Proceeds from borrowings	(135.94)	500.09
Deposits paid towards LCs and BGs (towards non fund based facilities)	19.02	372.11
Interest paid	(40.12)	(36.92)
Dividends paid (including tax thereon and net off balances for unpaid dividends)	(2,132.08)	(2,392.25)
Net Cash Flow from financing activities	(3,295.85)	(1,556.97)
Net increase (decrease) in cash and cash equivalent	12.36	(44.41)
Cash & Cash equivalents at the beginning of the year	25.97	70.38
Cash & Cash equivalents at the end of the year	38.33	25.97
Details of the Cash and Cash Equivalents(Note No. 2.8.2)		
Cash in hand	-	-
On Current Accounts	38.33	25.97
On Deposit Accounts (Original Maturity less than 3 months)	-	-
Total Cash & Cash equivalents at the end of the year	38.33	25.97
Restricted Cash Balance	-	-

Subject to our Report of even date

For and on behalf of the Board

For M/s Tej Raj & Pal,
Chartered Accountants
Firm Regn No: 304124E

(CA DINAKAR MOHANTY)
Partner
Membership No: 059390

Place : New Delhi
Dated : 28th May 2019

(AMITAVA MUKHERJEE)
Director (Finance)

(A S PARDHA SARADHI)
Company Secretary

(N.BAIJENDRA KUMAR)
Chairman-cum -Managing Director

Notes

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION

(a) Statement of compliance

The standalone financial statements has been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and 2017 and other relevant provisions of the Act.

(b) Basis of measurement

The standalone financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

- i) Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments);
- ii) Defined benefit and other long-term employee benefits.

(c) Functional and presentation currency

The standalone financial statements are presented in Indian rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the entity operates. All financial information presented in Indian rupees has been rounded to the nearest crore except share and per share data.

(d) Use of estimates and judgement

The preparation of standalone financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to

accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

1.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

i. Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which these entities operate (i.e. the "functional currency"). The standalone financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

ii. Foreign currency transactions and balances

Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit and loss and reported within foreign exchange gains/ (losses).

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction

iii. Investment in subsidiaries and joint venture

Investment in subsidiaries is measured at cost. Dividend income from subsidiaries is recognized when its right to receive the dividend is established.

iv. Financial instruments

All financial instruments are recognized initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial

Notes

assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognized on trade date. While, loans and borrowings and payable are recognized net of directly attributable transactions costs.

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: non-derivative financial assets comprising amortized cost; non derivative financial liabilities at amortized cost.

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

Financial instrument is derecognized only when the company has transferred its right to receive/extinguish its obligation to pay cash flow from such financial instruments.

a) **Non-derivative financial assets**

Financial assets at amortized cost

A financial asset shall be measured at amortized cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective

interest method, less any impairment loss.

Amortized cost is represented by security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.

Cash and cash equivalents comprise cash on hand and in banks and demand deposits with banks which can be withdrawn at any time without prior notice or penalty on the principal.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system.

b) **Non-derivative financial liabilities**

Financial liabilities at amortized cost

Financial liabilities at amortized cost represented by trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method.

v. **Property plant and equipment:**

a) **Recognition and measurement:**

Normally Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset. The Company has elected to apply the optional exemption to use this previous GAAP value as deemed cost at 1 April 2015, the date of transition.

Depreciation: Normally the Company depreciates property, plant and equipment over the estimated useful life of the assets as prescribed

in Schedule II of the Companies Act 2013 on a straight-line basis. Depreciation is charged on pro-rata monthly basis on additions / disposals of assets during the year taking the first day of the month for acquisition / commissioning and the last day of the month for disposals. Wherever the useful life is determined by technical assessment for certain assets, such assets are depreciated as per their assessed life. Assets acquired under finance lease and leasehold improvements are amortized over the lower of estimated useful life and related term. Depreciation methods, useful lives and residual values are reviewed at each reporting date

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the standalone financial statements upon sale or disposition of the asset and the resultant gains or losses are recognized in the statement of profit and loss.

Fixed Assets costing ₹ 5,000 or less are fully depreciated in the year of purchase

b) Treatment of Enabling Assets:

“Expenditure incurred on any facility, the ownership of which is not vested with the company, but the incurrence of which is essential in bringing an asset/projects of NMDC to the

location and condition necessary to be capable of operating in the manner intended by the management, shall be capitalized as a part of the overall cost of the said asset/project. Else the same shall be charged to revenue.”

vi. Intangible assets :

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset

vii. Inventory

- a) Raw materials, Stores and spares (including loose tools and implements), work in process and finished products are valued at lower of cost and net realizable value of the respective units.
- b) The basis of determining the cost is
Raw materials : Weighted average cost
Stores and spares : Weighted average cost
Stores in Transit : At cost
Work in process and finished goods :
Material cost plus appropriate share of labour, related overheads and levies.
- c) In case of identified Obsolete/Surplus/ Non-moving items necessary provision is made and charged to revenue.
- d) Stationery, Medical, Canteen, School Stores, Cotton Waste, Hospital Stores and Lab stores (excluding for R & D Lab) charged off to Revenue on procurement.
- e) No credit is taken in respect of stock of run of mine ore, embedded ore, Iron ore slimes.

Notes

viii. Impairment

a) Financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss.

- i) The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL

Lifetime ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original

EIR. When estimating the cash flows, an entity is required to consider:

- ii) All contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- iii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

Financial assets measured at amortised cost, contractual revenue receivable: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

b) Non-financial assets

The Company assesses at each reporting date whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in profit or loss and reflected in an allowance account. When the Company considers that there are

no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

ix. Employee benefits

a) Payments under Employees' Family Benefit Scheme:

Under the NMDC Employees' family benefit scheme, monthly payments are made till the normal date of retirement to the family members of those employees who are discharged from service due to medical reasons or death, on deposit of the amount envisaged in the scheme and liability for the payments are accounted for on the basis of actuarial valuation and the amount is administered by a separate Trust.

b) Gratuity & Provident fund:

Gratuity payable to eligible employees is administered by a separate Trust. Payments to the trust towards contributions and other demands are made on the basis of actuarial valuation.

c) The company's contribution to the provident fund is remitted to a separate trust based on a fixed percentage of the eligible employees' salary. Further, the company makes good the shortfall, if any, between the return from investments of trust and the notified rate of interest on actuarial valuation basis.

d) Pension Fund

Defined contributions to NMDC Employees' Contributory Pension Scheme are made on accrual basis at a rate as approved from time to time to a fund which is administered by a separate Trust.

e) Accrued Leave Salary:

Liability towards Accrued Leave Salary, as at the end of the year is recognized on the basis of actuarial valuation and the amount is administered by a separate trust.

f) Other Benefits :

Liability towards Long Service Award, Settlement Allowance and Post Retirement Medical Facilities to employees as at the end of the year is recognized on the basis of actuarial valuation. Such amounts towards Settlement Allowance and Post Retirement Medical Benefits are administered by a separate trust.

Actuarial gains or losses are recognized in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income.

Notes

Re-measurements comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

x) Provisions

All the provision are recognized as per Ind AS 37. Provisions (including mine closure) are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

xi) Revenue recognition:

Revenue from contracts with customers is recognized when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

All revenue from sale of goods is recognised at a point in time. Revenue from wind power and services is recognised over time.

The timing of transfer of control in case of sale of goods varies depending upon individual transfer terms of the contract.

Export sales: In Export sales control passes to the customer on the date of Bill of Lading.

Domestic sales: Control passes to the customer on the date of delivery which is generally the forwarding note (rail dispatches)/ lorry receipt/ delivery challan. However, in case of spot auction under electronic mode, control passes to the customer on conclusion of the auction and receipt of money.

Obsolete stores & scrap: Control passes to the customer on the date of realisation.

Contract asset

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that

is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liability

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

xii) Finance income and expense

Finance income consists of interest income on funds invested, dividend income and gains on the disposal of Fair value through profit and loss account financial assets. Interest income is recognized as it accrues in the statement of profit and loss, using the effective interest method.

Dividend income is recognized in the statement of profit and loss on the date that the Company's right to receive payment is established.

Finance expenses consist of interest expense on loans and borrowings. Borrowing costs are recognized in the statement of profit and loss using the effective interest method.

Foreign currency gains and losses are reported on a net basis. This includes changes in the fair value of foreign exchange derivative instruments, which are accounted at fair value through profit or loss.

xiii) Income tax

Tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

a) Deferred income tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction. Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred income tax liabilities are recognized for all taxable temporary differences. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled,

Notes

based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

xiv) Earnings per share

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

Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. Dilutive potential equity shares are determined independently for each year presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

xv) Borrowing costs

Borrowings costs directly attributable to acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which it occur. Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds.

xvi) Government grants

Grants from the government are recognised when there is reasonable assurance that:(i) the Company will comply with the conditions attached to them; and (ii) the grant will be received. Government grants related to revenue are recognised on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense. When the grant relates to an asset, it is recognized as income over the expected useful life of the asset. Where the Company receives non-monetary grants, the asset is accounted for on the basis of

its acquisition cost. In case a non-monetary asset is given free of cost it is recognised at a fair value. When loan or similar assistance are provided by government or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is recognized as government rate. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received.

Grant related to income are presented as part of profit or loss, as a deduction to the related expenses.

xvii) Exploration and Evaluation:

Exploration and evaluation expenditure comprises costs that are directly attributable to:

- researching and analysing existing exploration data;
- conducting geological studies, exploratory drilling and sampling;
- examining and testing extraction and treatment methods; and/or
- compiling pre-feasibility and feasibility studies.

Exploration expenditure relates to the initial search for deposits with economic potential.

Evaluation expenditure relates to a detailed assessment of deposits or other projects that have been identified as having economic potential. . All evaluation and exploration expenses till high degree of confidence is achieved are expensed.

Evaluation expenditure are capitalised as Intangible assets when there is a high degree of confidence that the Company will determine that a project is commercially viable, that is the project will provide a satisfactory return relative to its perceived risks, and therefore it is considered probable that future economic benefits will flow to the Company.

The carrying values of capitalized evaluation expenditure are reviewed for impairment every year by management.

xviii) Stripping cost:

Development stripping cost:

Overburden and other mine waste material removed during the initial development of a mine in order to access mineral deposit are capitalized as Intangible Asset. Amortization of the same is done based on the life estimated by the management.

Production stripping cost:

Overburden and other mine waste materials which are removed throughout the production phase of mine are charged entirely to profit and loss account as production cost.

xix) Prepaid Expenses:

Expenses are accounted under prepaid expenses only when the amount relating to the unexpired period exceeds rupees Two crore in each case.

xx) Restatement of earliest prior period financials on material error/omissions

The value of error and omissions is construed to be material for restating the opening balances of assets and liabilities and equity for the earliest prior period presented if the amount in each case of earlier period income/expenses exceeds 1.0% of the previous year turnover of the company.

Subject to our Report of even date

For and on behalf of the Board

For M/s Tej Raj & Pal,
Chartered Accountants
Firm Regn No: 304124E

(CA DINAKAR MOHANTY)
Partner
Membership No: 059390

Place : New Delhi
Dated : 28th May 2019

(AMITAVA MUKHERJEE)
Director (Finance)

(A S PARDHA SARADHI)
Company Secretary

(N.BAIJENDRA KUMAR)
Chairman-cum -Managing Director



NMDC signed MOA with Geological Survey of India for Raw Aero-Geophysical Data for Minerals Exploration

Notes

NOTE - 2.1 : PROPERTY, PLANT & EQUIPMENT

ASSETS	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK				
	As at 1 st April 2018	Additions during the year	Ded/Adj during the year	Transfer to/from Other units	As at 31 st March 2019	As at 1 st Apr, 2018	For the year	Deductions/ adjustments	Transfer to/from other units	Internal transfers	upto 31 st March 2019	As at 31 st March 2019	As at 31 st March 2018
A. General													
Land :													
- Free hold	271.72	-	-	-	271.72	-	-	-	-	-	-	271.72	271.72
- Lease hold	4.93	0.57	-	-	5.50	0.58	0.30	-	-	-	0.88	4.62	4.35
Buildings	300.89	6.45	-	-	307.34	19.30	11.36	-	-	-	30.66	276.68	281.59
Plant & Machinery	1,218.12	72.83	(17.60)	-	1,273.35	139.08	79.31	(17.58)	-	-	200.81	1,072.54	1,079.04
Heavy Mobile Equipmt.	433.04	102.23	(7.47)	-	527.80	192.91	62.55	(7.47)	-	-	247.99	279.81	240.13
Furniture & fittings	14.21	1.48	-	-	15.69	4.74	1.92	-	-	-	6.66	9.03	9.47
Vehicles	26.62	6.24	(0.28)	-	32.58	9.79	3.95	(0.14)	-	-	13.60	18.98	16.83
Office Equipment	45.08	6.38	(0.07)	(0.14)	51.25	19.86	7.88	(0.08)	(0.07)	-	27.59	23.66	25.22
Others :	-	-	-	-	-	-	-	-	-	-	-	-	-
Roads, bridges etc.	99.77	0.39	-	-	100.16	48.57	12.05	-	-	-	60.62	39.54	51.20
Dams, Wells & Pools	11.99	-	-	-	11.99	1.27	0.43	-	-	-	1.70	10.29	10.72
Railway sidings	34.34	-	-	-	34.34	11.21	2.92	-	-	-	14.13	20.21	23.13
Locomotives	11.18	26.21	-	-	37.39	1.31	1.47	-	-	-	2.78	34.61	9.87
Electrical Installations	259.00	9.14	(0.21)	-	267.93	45.75	26.28	(0.21)	-	-	71.82	196.11	213.25
Sanitary & W. S. Installations	32.26	-	-	-	32.26	2.88	1.15	-	-	-	4.03	28.23	29.38
TOTAL 'A'	2,763.15	231.92	(25.63)	(0.14)	2,969.30	497.25	211.57	(25.48)	(0.07)	-	683.27	2,286.03	2,265.90
Previous year 2017-18	1,819.85	968.91	(25.55)	(0.06)	2,763.15	325.30	197.32	(25.33)	(0.03)	(0.01)	497.25	2,265.90	1,494.55
B. Social Facilities													
Land :													
- Free hold	0.29	-	-	-	0.29	-	-	-	-	-	-	0.29	0.29
- Lease hold	-	-	-	-	-	-	-	-	-	-	-	-	-
Buildings	213.28	29.09	-	-	242.37	11.99	4.89	-	-	-	16.88	225.49	201.29
Plant & Machinery	0.13	5.31	-	-	5.44	0.03	0.22	-	-	-	0.25	5.19	0.10
Furniture & fittings	9.20	1.50	(0.36)	0.07	10.41	2.25	1.08	(0.07)	0.02	-	3.28	7.13	6.95
Vehicles	1.47	0.60	(0.13)	-	1.94	0.62	0.24	(0.06)	-	-	0.80	1.14	0.85

(₹ in crore)

ASSETS	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK			
	As at 1 st April 2018	Additions during the year	Ded/Adj during the year	Transfer to/from Other units	As at 31 st March 2019	For the year	Deductions/ adjustments	Transfer to/from other units	Internal transfers	upto 31 st March 2019	As at 31 st March 2019	As at 31 st March 2018
Office Equipment	24.15	2.77	(0.66)	0.07	26.33	5.08	(0.43)	0.05	-	14.50	11.83	14.35
Others :	-	-	-	-	-	-	-	-	-	-	-	-
Roads, bridges etc.	5.74	-	-	-	5.74	0.56	-	-	-	2.37	3.37	3.93
Cess fund quarters	6.57	-	-	-	6.57	0.17	-	-	-	0.68	5.89	6.06
Dams, Wells & Pools	0.32	-	-	-	0.32	0.01	-	-	-	0.02	0.30	0.31
Electrical Installn.	2.81	0.95	-	-	3.76	0.44	-	-	-	1.39	2.37	1.86
Sanitary & W.S.Instlns.	6.36	0.08	-	-	6.44	0.26	-	-	-	0.98	5.46	5.64
TOTAL 'B'	270.32	40.30	(1.15)	0.14	309.61	12.95	(0.56)	0.07	-	41.15	268.46	241.63
Previous year 2017-18	253.48	17.19	(0.41)	0.06	270.32	11.49	(0.11)	0.03	0.01	28.69	241.63	236.21
TOTAL 'A + B'	3,033.47	272.22	(26.78)	-	3,278.91	224.52	(26.04)	-	-	724.42	2,554.49	2,507.53
Previous Year 2017-18	2,073.33	986.10	(25.96)	-	3,033.47	208.81	(25.44)	-	-	525.94	2,507.53	1,730.76

Notes

NON-CURRENT ASSETS

NOTE: 2.2 CAPITAL WORK IN PROGRESS

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Construction work in progress	12,433.34	11,388.18
Construction Stores	1.86	1.46
Capital Assets in stores awaiting installation or in transit	53.22	56.76
Less : Provision	-	-
	53.22	56.76
Expenditure incidental to construction awaiting allocation (See note 2.2.2)	1,304.03	1,073.50
Total	13,792.45	12,519.90

NOTE - 2.2.1: MOVEMENT OF CAPITAL WORK IN PROGRESS

(₹ In Crore)

Particulars	Construction Work in Progress	Construction Stores	Capital asset in stores awaiting installation or in transit	Expenditure Incidental to construction awaiting allocation	Total
Year ended 31 March 2018					
Gross carrying amount	10787.53	1.36	58.10	984.37	11831.36
Additions	1434.90	4.10	85.94	207.45	1732.39
Disposals/Capitalisation to PPE	834.25	4.00	87.28	118.32	1043.85
Closing gross carrying amount	11388.18	1.46	56.76	1073.50	12519.90
Accumulated amortization					
Amortization charge during the year					
Closing accumulated amortization	0.00	0.00	0.00	0.00	0.00
Closing net carrying amount	11388.18	1.46	56.76	1073.50	12519.90
Year ended 31 March 2019					
Gross carrying amount					
Opening gross carrying amount	11388.18	1.46	56.76	1073.50	12519.90
Additions	1104.27	3.67	134.58	230.53	1473.05
Disposals/Capitalisation to PPE	59.11	3.27	138.12	0.00	200.50
Closing gross carrying amount	12433.34	1.86	53.22	1304.03	13792.45
Accumulated amortization					
Amortization charge during the year					
Closing accumulated amortization	0.00	0.00	0.00	0.00	0.00
Closing net carrying amount	12433.34	1.86	53.22	1304.03	13792.45

NOTE : 2.2.2 EXPENDITURE INCIDENTAL TO CONSTRUCTION AWAITING ALLOCATION

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
a. Opening balance	1,073.50	984.38
b. Net Expenditure incurred during the year		
Consumption of stores and spares	-	4.86
Employee Benefit expense :		
Salaries, Wages & Bonus	71.05	63.92
Contribution to Provident fund, EPS, DLI	4.70	3.74
Contribution to Pension Fund	-	0.04
Contribution to Gratuity fund	5.64	5.54
Staff Welfare expenses	8.90	6.53
	90.29	79.77
Power, Electricity & Water	32.44	16.23
Repairs and Maintenance	2.02	10.77
Depreciation and amortisation	11.01	12.78
Other expenses :		
Rent, Insurance, Rates and taxes	1.21	3.58
Raising and transportation	-	0.07
Payment to auditors : As auditors	0.04	0.04
Payment to auditors : For Other Services	0.03	0.03
Reimbursement of expenses	0.02	0.02
	1.30	3.74
Travelling and Conveyance expenses	2.10	1.57
Consultancy expenditure	73.25	40.80
Excise duty	-	(1.65)
CISF/Security expenditure	4.98	3.96
Change In inventory of Finished Goods	-	14.81
Environmental Development	-	0.22
Other expenditure	20.55	35.73
	237.94	223.59
Less : Recoveries/Income		
Interest Received	6.47	2.15
Other income	0.94	0.54
Stock of Finished Goods(Pellet)	-	-
Income from Sale of Pellets	-	12.04
Total (b)	230.53	208.86
Sub-total (a+b)	1,304.03	1,193.24
Less : Amount allocated to Fixed assets/ Capital W I P	-	119.74
Total	1,304.03	1,073.50

Notes

NOTE -2.3 : INTANGIBLE ASSETS

ASSETS	GROSS BLOCK				AMORTISATION BLOCK				NET BLOCK	
	As at 1 st Apr, 2018	Additions during the year	Ded/Adj during the year	As at 31 st March 2019	As at 1 st Apr 2018	For the year	Deductions/ adjustments	As at 31 st March 2019	As at 31 st March 2019	As at 31 st March 2018
GENERAL										
Computer software	5.63	1.26	-	6.89	3.60	1.08	-	4.68	2.21	2.03
Mining rights	329.43	66.15	-	395.58	167.29	64.30	-	231.59	163.99	162.14
Total	335.06	67.41	-	402.47	170.89	65.38	-	236.27	166.20	164.17
Previous Year 2017-18	332.93	2.13		335.06	110.88	60.01		170.89	164.17	222.05

ADDITIONAL NOTES TO 2.1 & 2.3 : PPE (PROPERTY PLANT AND EQUIPMENT) AND INTANGIBLE ASSETS

1. Lease hold land measuring 3021.35 sq.mtrs. (previous year 3021.35 sq.mtrs.) has been taken from Vizag Port Trust Authorities for construction of Regional Office building has been granted for the period of 30 years i.e. up to 01.01.2044. Action is on hand to renew the lease periods of the above lands. However, the rents have been accounted till 31.03.2019.

Lease hold land measuring 1431.32sq.mtrs. (Previous year 1431.32sq. mtrs.) has been taken from Vizag Port Trust Authorities for construction of screening plant at port area and the lease deed will be expired on 17.06.2020 and applied for extension.

2. The value of land of 155.55 hectares taken over from District Industries Centre, Jagdalpur for construction of Steel Plant near Nagarnar has not been brought into the books as the amount payable is not ascertainable in the absence of any demand from the concerned authorities.
3. Formal agreements / Transfer deeds remain to be executed in respect of the following:
 - (a) Renewal of Mining Leases at Deposit 10 (Float Ore) & Donimalai.

- (b) Lease deeds in respect of parts of land for township at Bachel Complex, Kirandul Complex and Panna Project.
- (c) Mining lease to the extent of 33.58 hectares (Mining area) and 19.42 hectares (Plant area) of Silica Sand Plant near Lalapur (Allahabad).
- (d) Lease in respect of a portion of the total land at R&D Center measuring 9.12 acres has expired during Feb 07 (6.66 acres) and the balance in Feb 2010 (2.46 acres). The process of renewal of the lease is under progress.
- (e) Only Provisional allotment letters issued for the land to the extent of 13.43 acres purchased from M/s APIIC at Industrial park, Paloncha. However, on physical survey found only 11.35 acres of land. No effect is given in books, pending confirmation from M/s APIIC.
- (f) Land to the extent of 26.39 acres purchased at Patancheru, Hyderabad from the Official Liquidator of Allwyn Watches Ltd. However, on physical survey found only 24.23 acres of land. No effect is given in books, pending confirmation from the Official Liquidator of Allwyn Watches Ltd.
- (g) Land at Raipur to the extent of 57,432.99 Sq. Ft. has been acquired from Chhattisgarh Housing Board, however as per the actual land measurement taken by surveyor the total land comes to 62,205.96 Sq. Ft. The registration formalities are in the process for the total land.

4. RECONCILIATION OF DEPRECIATION AND AMORTISATION AS PER STATEMENT OF PROFIT AND LOSS:

₹ In crore

Note no	Particulars	2018-19	2017-18
2.1	Depreciation on PPE	224.52	208.81
2.3	Amortisation of Intangible Assets	65.38	60.01
	Total	289.90	268.82
2.2.1	Transferred to IEDC	(-) 11.01	(-)12.78
	Depreciation and amortisation as per Statement of Profit and Loss	278.89	256.04

5. Mining Lease of Donimalai:

The Government of Karnataka, while renewing the lease of NMDC's Donimalai Iron Ore Mine, has imposed a new condition asking for a premium of 80% on the average sale value. As the demand of the State Govt. is against the spirit of the MMDR Act, the company requested the State Govt. to reconsider its decision. Since there was no response from the State Govt. the company had to suspend its operations from 4th November 2018 and move the Hon'ble High Court of Karnataka praying for a suitable direction in this matter. Subsequent to a series of hearings, the Company is eagerly awaiting the decision of the Hon'ble High Court.

6. During the year 2018-19 a review of residual and useful life of PPE was done and as per the review there is no change recommended. The Useful life of all the PPE is as per schedule II except for the following PPE whose life as given under is determined as per technical assessment.

Equipment	Capacity	Use life (in Years)
Dumper	85-100 T	10
	50-60 T	9
Water Sprinkler	28 KL	9
Rope Shovel	8-10 Cu m	20
Hydraulic Shovel	5-7.5 Cum	9
	>7.5 Cum	10
Blast Hole Drill	165mm Diesel	9
	165mm Electric	12
	250mm single pass	16
	250 mm multiple pass	10
Top Hammer Drill	<160mm	9
Front End Loader	< 300 HP to >600HP	10
Track Dozer	<500 HP to >500HP	10
Wheel Dozer	<500 HP	12
Grader	<200HP	12
Mobile Crane	<12 ton	9
	12 – 40 ton	12
	>40 ton	15
Boom Stacker	2000 – 3000 TPH	30
Reclaimer	2000-3000 TPH	30

Notes

NOTE : 2.4.1 INVESTMENTS

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
In Equity Shares:		
Investments in Subsidiary Companies carried at cost :		
Trade & Quoted at cost:		
i) 115,34,50,796 (Previous year 115,34,50,796) Equity shares fully paid up in Legacy Iron Ore Ltd. Australia , No face value in Australia	168.53	168.53
Unquoted at cost:		
i) 28,51,002 (previous Year 28,51,002) Equity shares of ₹100 each fully paid up in Subsidiary company J &K MDC Ltd., Jammu.	28.51	28.51
Less: Investment deration	28.51	28.51
	-	-
ii) 41,85,590 (previous Year 41,85,590) Equity shares of FMG 2500/- each fully paid up in wholly owned subsidiary company NMDC SARL, Madagaskar	7.20	7.20
Less: Investment deration	7.20	7.20
	-	-
iii) 5,50,000 (Previous Year 5,50,000) Equity shares of ₹10/- each fully paid up in NMDC Power Ltd.	0.55	0.55
iv) 1,00,000 (Previous Year 10,000) equity shares of ₹10/- each fully paid up in Karnataka Vijayanagar Steel Limited (KVSL)	0.10	0.01
v) 60,000 (previous year 10,000) equity shares of ₹10/- each fully paid up in NMDC Steel Limited (NSL)	0.06	0.01
vi) 60,000 (previous year 10,000) equity shares of ₹10/- each fully paid up in Jharkhand Kolhan Steel Limited (JKSL)	0.06	0.01
vii) 20,00,000 (previous year NIL) equity shares of 10 each in NMDC CSR Foundation (NCF)	2.00	
Investment in Joint Ventures :		
Unquoted at cost:		
i) 9,83,47,236 (Previous Year 9,83,47,236) Equity shares of ₹ 10/- each fully paid up in NMDC CMDC Ltd.	98.35	98.35
ii) 6,000 (Previous year 6,000) equity shares of ₹10/- each in Jharkhand National Mineral Development Corporation Ltd. (JNMDC)	0.01	0.01
iii) 15,26,74,600 (previous year 19,56,500) equity shares of ₹10/- each in Bastar Railway Pvt. Ltd. (BRPL)	152.67	1.96

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
iv) 50 (Previous year 50) equity shares of South african Rand 1/- each in Kopano-NMDC Minerals (Proprietary) Limited (₹ 324/- only)	-	-
v) 25,500 (previous year 25,500) equity shares of ₹10/- each in NMDC-SAIL Ltd.	0.03	0.03
Less: Investment deration	0.03	-
	-	-
Investments in Associates :		
<i>Unquoted at cost:</i>		
i) 1,05,000 (previous year 1,05,000) Equity shares of ₹ 10/- each fully paid up in Romelt SAIL India Ltd., New Delhi	0.11	0.11
Less: Investment deration	0.11	0.11
	-	-
ii) 37,63,57,143 (Previous year 37,63,57,143) Equity shares of ₹10/- each fully paid in International Coal Ventures (P) Ltd.	376.36	376.36
iii) 4,00,00,000 (P.Y 4,00,00,000) equity shares of ₹ 10/- each in fully paid up in Krishnapatnam Railway Co. Ltd.	40.00	40.00
iv) 7,47,99,878 (previous year 7,47,99,878) equity shares of ₹ 10/- each fully paid up in NINL, Bhubaneswar	100.60	100.60
v) 13,000 (previous year 13,000) equity shares of ₹10/- each fully paid up in Chhattisgarh Mega steel Ltd	0.01	0.01
<i>Unquoted shares in co-operative societies</i>		
i) 150 Shares (previous year 150 Shares) of ₹ 1,000/- each fully paid up in Whole-sale Consumers Co-operative Stores, Kirandul ₹ 1,50,000/- (Previous year ₹1,50,000/-)	0.02	0.02
ii) 500 Shares (previous year 500 Shares) of ₹ 10/- each fully paid up in NMDC Employees Co-operative Society Ltd, Bachelī ₹5,000/- (previous year ₹ 5,000/-)	-	-
iii) 25 Shares (previous year 25 Shares) of ₹100/- each fully paid up in NMDC Employees Co-operative Society Ltd, Donimalai ₹2,500/- (previous year ₹ 2,500/-)	-	-
	0.02	0.02
Total	939.32	786.45
1. Aggregate amount of Quoted Investments (Market value of quoted Investments)	168.53 16.96	168.53 42.17
2. Aggregate amount of Unquoted Investments	806.61	653.74
3. Aggregate amount of provision for diminution in value of investments:	35.85	35.82

Notes

NOTE: 2.4.2 : LOANS

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Loans to employees and outsiders	15.79	15.54
Loan to Subsidiaries	641.78	639.61
Deposit with Others	138.92	124.53
TOTAL	796.49	779.68
i) Considered Good, Secured	15.79	15.54
ii) Considered Good, Unsecured	780.70	764.14
iii) Which have significant increase in Credit risk	-	-
iv) Credit Impaired	-	-

Note: With respect to the accounting policy note no. 1. (b) ii, the long term Loans & advances to employees was to be measured at amortised cost. The same was carried out and considering the materiality, no effect has been made in the accounts.

NOTE: 2.5 DEFERRED TAX ASSETS (NET)

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
A. Deferred tax assets :		
1. Provision for bad & doubtful debt and advances	690.01	597.03
2. Asset retirement obligation and spares	6.03	5.88
3. Investments	12.51	12.39
4. Others	125.08	0.07
Total Deferred Tax Assets	833.63	615.37
B. Deferred tax liabilities :		
1. Related to PPE	(250.90)	(229.66)
Total Deferred Tax Liabilities	(250.90)	(229.66)
Net Deferred Tax Assets	582.73	385.71

NOTE 2.6 : OTHER NON-CURRENT ASSETS

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Capital Advances (*)	611.29	607.84
ITC Receivables	1,454.18	1,207.54
Mines Closure Fund with Life Insurance Corporation	747.70	628.97
Other Advances	173.15	181.88
Total	2,986.32	2,626.23

* Capital Advances includes an amount of ₹ 84.28 crore (PY ₹ 144.06 crore) towards doubling of railway lines between Jagdalpur and Ambagoan ,

NOTE:2.7 . INVENTORIES

(As Valued and Certified by the Management)

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Raw materials	0.76	0.93
Work-in-Process :		
Pellets	4.78	4.08
Diamonds	8.32	1.47
Sponge Iron	0.91	0.36
Total WIP	14.01	5.91
Finished Goods:		
Iron Ore	447.43	396.29
Sponge Iron	4.77	0.52
Pellets	12.80	8.94
Diamonds & Precious Stones	48.47	36.61
Total Finished Goods	513.47	442.36
Inventories are valued at cost or NRV whichever is lower.		
Total (A)	528.24	449.20

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Stores & Spares	137.75	122.24
Loose tools and Implements	0.18	0.25
Total (B)	137.93	122.49
G. Total (A+B)	666.17	571.69
1. Stores and Spares include:		
a) Stores-in-transit	9.40	37.19
b) Obsolete stores & spares valued at ₹ 1 per unit of their original value of ₹3.75 crore (previous year ₹3.79 crore)	0.02	0.02

Notes

NOTES: 2.8.1 TRADE RECEIVABLES

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Trade receivables outstanding for a period exceeding six months from the due date of payment	1,876.42	1,581.86
Other trade receivables	1,506.24	1,599.85
	3,382.66	3,181.71
Less: Provision for bad & doubtful trade receivables	23.75	23.75
Less: Provision for bad & doubtful (Monitoring Committee)	1,934.40	1,685.22
	1,958.15	1,708.97
TOTAL	1,424.51	1,472.74
Break-up security details :		
i) Considered good, Secured	0.00	0.15
ii) Considered good, Unsecured	1,424.51	1,472.59
iii) Which have significant increase in Credit Risk	-	-
iv) Credit impaired	1,958.15	1,708.97

Trade Receivables includes ₹ 2,655.54 crore_(Previous year ₹ 2418.99 crore) dues from Monitoring Committee.

NOTES: 2.8.2 CASH AND CASH EQUIVALENTS

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Cash in hand	-	-
Balance with Banks		
on current Accounts	38.33	25.97
On Deposit Accounts (Original Maturity less than 3 months)	-	-
Total	38.33	25.97

NOTES :2.8.3 BANK BALANCES OTHER THAN (II) ABOVE

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Balances with bank on 'Deposits accounts (Original maturity more than 3 months but less than 12 months)	4,084.52	5,003.46
Balances with banks for Unpaid Dividend	471.20	376.10
Bank deposits offered as security for Bank guarantees and letter of credit	13.67	32.69
Total	4,569.39	5,412.25

NOTE: 2.8.4 OTHER FINANCIAL ASSETS

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Related Parties		
Advances to Directors	0.02	-
Advances to Subsidiaries	62.74	71.24
Less: Provision	13.86	13.86
	48.88	57.38
Employees and outsiders		
Advances to Employees and outsiders	251.58	242.90
Interest Accrued		
Accrued interest on deposits with banks	66.11	111.95
Accrued interest on Other	6.38	3.35
Other Receivables	28.04	31.42
Total	401.01	447.00

NOTE: 2.9 CURRENT TAX ASSET (NET)

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Advance Income tax & TDS	7,250.17	6,388.10
Less : Provision	6,799.05	5,786.00
Total	451.12	602.10

Notes

NOTE: 2.10 OTHER CURRENT ASSETS

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Advances to Employee and outsiders	300.18	246.60
Less: Provision for bad and doubtful advances	2.60	2.28
	297.58	244.32
ITC Receivables	115.36	62.97
Total	412.94	307.29

NOTE: 2.11 ASSETS HELD FOR DISPOSAL

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Assets held for disposal	0.51	0.41
Total	0.51	0.41

NOTE: 2.12 EQUITY SHARE CAPITAL

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Authorised:		
400,00,00,000 Equity Shares of ₹ 1/- each (Previous year 400,00,00,000 Equity Shares of ₹1/- each)	400.00	400.00
Issued, Subscribed & Paid up:		
Opening Balance	316.39	316.39
3,16,38,90,474 (Previous year 3,16,38,90,474 Equity shares) of ₹1/- each fully paid up		
Add: issue of shares during the year	-	-
Less: Buyback of shares during the year		
10,20,40,815 (Previous year Nil Equity shares of ₹1/- each fully paid up)	10.20	-
3,06,18,49,659 Equity Shares of ₹1/- each fully paid up (Previous year 3,16,38,90,474 of ₹1/- each fully paid)	306.19	316.39
Total	306.19	316.39

Addl. Notes :

- 1) No new shares were issued, during the current year.
- 2) Board of Directors of the company in its meeting held on 8th January 2019 approved buyback of 10,20,40,815 equity shares @ ₹ 98/- for an aggregate consideration of ₹1,000.00 crore. The process of buyback was completed by 8th March 2019. The buyback offer was fully subscribed.

- 3) Terms/Rights attached to equity shares :
The company has only one class of equity shares having par value of ₹1/- each and each holder of equity shares is entitled to one vote per share."
- 4) The details of shares in the company held by each shareholder holding more than 5% shares :

Name of the Share holder	31-Mar-19		31-Mar-18	
	%of Holding	No. of Shares	%of Holding	No. of Shares
i) President of India	72.28	2,213,035,712	72.43	2,291,571,551
ii) LIC of India (incl all schemes)	12.89	394,591,074	12.47	394,591,074

Note : 2.13 Other Equity

₹ in crore

Particulars	General Reserve	Retained earnings	CRR	OCI	Total
Balance as at 1 st April 2017	21,973.79	238.35	80.08	(89.67)	22,202.55
Profit for the year		3,805.88			3,805.88
Other Comprehensive Income net of tax				47.24	47.24
Final dividends (2016-17)		(316.39)			(316.39)
DDT on final dividend (2016-17)		(64.41)			(64.41)
Interim dividend (2017-18)		(1,360.47)			(1,360.47)
DDT on Interim dividend (2017-18)		(276.96)			(276.96)
Transfer to General Reserve	1,000.00	(1,000.00)			-
Total	1,000.00	787.65	-	47.24	1,834.89
Balance as at 31 st March 2018	22,973.79	1,026.00	80.08	(42.43)	24,037.44
Balance as at 1 st April 2018	22,973.79	1,026.00	80.08	(42.43)	24,037.44
Profit for the year		4,642.11			4,642.11
Transfer to Capital Redemption Reserve (CRR)	(10.20)		10.20		-
Buyback of shares (including transaction charges)	(996.53)				(996.53)
Other Comprehensive Income net of tax				(0.13)	(0.13)
Interim dividend (2018-19)		(1,690.14)			(1,690.14)
DDT on Interim dividend (2018-19)		(347.41)			(347.41)
Transfer to General Reserve	2,000.00	(2,000.00)			-
Total	993.27	604.56	10.20	(0.13)	1,607.90
Balance as at 31st March 2019	23,967.06	1,630.56	90.28	(42.56)	25,645.34

Notes

NOTE 2.14 PROVISIONS(NON- CURRENT)

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Employee Benefits :		
Long Service Reward	19.64	19.33
Mine closure obligation	748.75	694.79
Total	768.39	714.12

NOTE: 2.15.1 BORROWINGS

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Loan against FDs	364.15	500.09
Total	364.15	500.09

NOTE: 2.15.2 TRADE PAYABLES

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Total outstanding dues of micro and small enterprises	10.19	6.63
Other than micro and small enterprises	192.55	152.91
Total	202.74	159.54

(₹ In Crore)

Disclosure Relating to Micro and Small Enterprises	31-Mar-19	31-Mar-18
i) (a). The principal amount remaining unpaid to the supplier as at the end of the year	10.19	6.63
ii) (b). The interest due on the above amount, remaining unpaid to the supplier as at the end of the year	Nil	Nil
iii) the amount of interest paid in terms of section 16, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
iv) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006;	Nil	Nil
(v) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
(vi) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

NOTE: 2.15.3 OTHER FINANCIAL LIABILITIES

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Unpaid Dividend	2.65	2.08
Deposits from Suppliers, Contractors and Others	134.29	81.57
Capital Creditors	491.67	690.35
Other financial Liabilities	1,038.54	1,113.31
Total	1,667.15	1,887.31

NOTE : 2.16 OTHER CURRENT LIABILITIES

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Contract Liabilities	216.53	100.84
Other Payables	417.58	431.26
(like withholding and other taxes payable, amounts payable to employees and others)		
Statutory Dues	152.65	434.73
Total	786.76	966.83

NOTE: 2.17 PROVISIONS

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Employee Benefits :		
i) Long Service Reward	2.03	2.05
ii) Provision for gratuity, leave salary, family benefit scheme and post employment medical benefits	36.90	23.21
Provisions for de-commissioning liability (ARO Obligation)	2.33	2.14
Total	41.26	27.40

Notes

NOTE: 2.18 REVENUE FROM OPERATIONS

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Sale of Products :		
a) Iron Ore		
i) Export through MMTC	545.65	1,069.93
ii) Domestic		
Basic price	9,427.62	8,534.85
Royalty	1,574.42	1,438.24
Development Cess	33.04	30.70
Forest Permit Fee	33.04	30.70
Forest development Fee	-	93.85
District Mineral Fund (DMF)	360.20	274.37
National Mineral Exploration Trust (NMET)	24.01	18.29
Total Domestic Sales	11,452.33	10,421.00
Total Iron Ore Sales	11,997.98	11,490.93
b) Sponge Iron	0.94	-
c) Diamonds	38.86	35.17
e) Sale of Power	5.51	6.50
f) Sale of Services	32.34	56.17
g) Sale of Pellets	76.52	25.40
h) Other operating revenue	0.52	0.74
Total	12,152.67	11,614.91

NOTE: 2.19 OTHER INCOME

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
a) Interest Income:		
i) Deposits with Banks	377.33	331.35
ii) Others	72.32	58.04
	449.65	389.39
b) Gain in Exchange	0.04	-
c) Profit on sale/adjustment of assets	0.79	0.84
d) Profit on sale of Current investments(MUF)	31.94	26.55
f) Other non operating income	105.88	102.95
Total	588.30	519.73

NOTE: 2.20 CONSUMPTION OF RAW MATERIALS

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Iron ore	49.13	16.72
Coal	1.48	-
Lime Stone	0.73	0.23
Internal handling of raw materials	0.66	0.38
Total	52.00	17.33

NOTE: 2.21 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Work-in-process:		
Balance as at the beginning of the Year	5.91	8.81
Less: Balance as at close of the Year	14.01	5.91
	(8.10)	2.90
Finished Goods:		
Balance as at the beginning of the Year	433.42	400.98
Less: Balance as at close of the Year	500.68	433.42
	(67.26)	(32.44)
Finished Goods: (Pellets)		
Balance as at the beginning of the Year	8.94	-
Less: Balance as at close of the Year	12.80	8.94
	(3.86)	(8.94)
Total	(79.22)	(38.48)

NOTE: 2.22 EMPLOYEE BENEFIT EXPENSE

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Salaries, Wages & Bonus	785.93	723.62
Contribution to Provident fund and other funds		
Provident Fund, FPS & DLI	52.91	43.81
Pension Fund	35.06	28.18
Group Gratuity Fund	27.99	38.44
Staff Welfare Expenses	134.86	212.37
Total	1,036.75	1,046.42

Notes

NOTE: 2.23 POWER, ELECTRICITY AND WATER CHARGES

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Power charges	90.89	80.71
Electricity charges	16.35	16.72
Water charges	2.15	1.77
Total	109.39	99.20

NOTE: 2.24 REPAIRS & MAINTENANCE

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Buildings	16.31	17.76
Plant and Machinery	77.25	58.27
Vehicles	0.67	0.91
Others	64.88	67.72
Total	159.11	144.66

NOTE: 2.25 SELLING EXPENSE

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Railway freight	155.47	263.86
Export duty	54.07	109.52
Infrastructure Development cess	17.49	17.02
Environmental Development cess	17.49	17.02
Other selling expenses	123.66	232.26
Total	368.18	639.68

NOTE: 2.26 FINANCE COST

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
i) Interest on Short term Borrowings	1.88	0.20
ii) Interest - Others	38.24	36.72
iii) Interest on deposit from contractors, suppliers & others	0.20	0.18
Total	40.32	37.10

Interest on short term borrowing is for meeting working capital requirement.

NOTE: 2.27 OTHER EXPENSES

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Rent	3.60	4.20
Insurance	3.66	10.72
Rates & Taxes	11.94	7.19
Directors' Travelling expenses	2.25	1.64
Directors' Sitting Fees	0.35	0.33
Payment to Auditors:		
As audit Fee	0.30	0.26
For taxation matters	0.02	0.02
For Management Services	0.01	0.01
For Other Services	0.25	0.21
For reimbursement of expenses	0.12	0.14
	0.70	0.64
Loss on sale/adjustment of Assets	0.51	0.36
Miscellaneous losses written off	0.10	0.34
Provision for doubtful debts/advances	249.55	336.92
Mine closure Obligation	53.95	103.64
Raising and Transportation	57.91	72.60
Local Area Development (Towards SPV in Karnataka)	249.17	335.21
Compensation paid to Statutory Agencies	10.12	-
Entertainment	1.88	1.22
Travelling & Conveyance	33.74	26.77
Advertisement & Publicity	20.15	13.76
Postage, Telephone & Telex	3.57	4.03
Stationery & Printing	3.93	3.14
Consultancy charges	15.37	11.23
CISF/Security guards	125.17	122.24
Safety expenses	1.66	1.24
Corporate Social Responsibility	167.24	169.37
Loss in Exchange variation (net)	1.21	0.11
Environmental Development	16.38	56.81
Other expenses	78.90	50.97
Expenditure on enabling facilities for the company	194.92	172.80
Total	1,307.93	1,507.48

Notes

NOTE: 2.28 EXCEPTIONAL ITEMS

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Expenditure		
NIL (P.Y, DMF Refund to Customers (12/01/2015 to 16/09/2015))	-	55.25
Less:		
Income		
NIL (P.Y DMF Liability to Govt. reversed (12/1/2015 to 16/09/2015))	-	199.55
Total Expenditure/(Income)	-	(144.30)

NOTE: 2.29 TAX EXPENSES

Reconciliation of Effective Tax rate and Statutory tax Rate as on 31st March 2019

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
CURRENT TAX		
Current Tax on profit for the year	2,752.40	2,166.40
Adj. of current tax for prior period	0.85	164.06
Total current tax expenses	2,753.25	2,330.46
DEFERRED TAX		
Decrease/(increase) in deferred tax assets	(272.14)	(20.92)
Decrease/(increase) in deferred tax liabilities	75.19	88.58
Total differed tax expenses/(benefit)	(196.95)	67.66
Total Expenditure	2,556.30	2,398.12

Particulars	Amount ₹ In crore	Tax - ₹ In crore	Tax %
Accounting profit before tax from continuing operations	7,199.06		
Profit/(loss) before tax from discontinued operations	(0.64)		
Total	7,198.42		
Accounting profit before income tax		2515.42	34.944
Income tax rate			
Tax at Income tax rate			
Tax effect of amount not deductible in calculating taxable income			
CSR exp.	167.24	58.44	0.812
Prov. For bad & doubtful exp.	249.55	87.20	1.211
Change in Depreciation	(39.82)	(13.91)	(0.193)
Weighted deduction on R & D exp.	(21.55)	(7.53)	(0.105)
Other items	322.77	112.78	1.565
Taxable income	7,876.61		
Current Tax on Profit for the year	2,752.40	2,725.40	38.236

NOTE 2.30 ADDITIONAL INFORMATION

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019		Figures as at the end of 31-March-2018	
2.30.1. Value of imports calculated on CIF basis:				
i. Components & Spare parts		5.71		10.52
ii. Capital Goods		50.88		170.97
2.30.2. Expenditure in foreign currency:				
i. Consultancy charges		-		-
ii. Others		1.27		6.22
2.30.3. Particulars of consumption of raw material				
Raw material	Value	Percentage	Value	Percentage
a) Imported	-	-	-	-
b) Indigenous	49.08	100.00	17.33	100.00
	49.08	100.00	17.33	100.00
2.30.4. Particulars of consumption of Stores & spares:				
Components & spare parts (including consumable stores)	Value	Percentage	Value	Percentage
a) Imported	8.00	3.02	13.68	5.06
b) Indigenous	256.97	96.98	256.62	94.94
	264.97	100.00	270.30	100.00
2.30.5. Foreign Exchange earnings :				
	-	-	-	-

2.31. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

A. Contingent liabilities

₹ in crore

Particulars	As at 31-Mar-18	Additions	Deletions	As at 31-Mar-19
1.1 Claims against the company not acknowledged as debts consisting of:				
A Disputed claims under Property tax, Export tax, Conservancy Tax, Sales tax, Service Tax, Income tax etc.,	1,910.22	439.99	1.34	2348.87
B Claims by contractors under arbitration				
On capital account	283.36	35.84	193.75	125.45
On revenue account	-	-	-	-
C Other claims on company not acknowledged as debts	91.62	6.81	0.56	97.87
Total	2285.20	482.64	195.65	2572.19
	31-Mar-2019		31-Mar-2018	
1.2 Contingent liability on bills discounted/ LCs/BG's	820.14		751.54	

The Company has issued letter of comfort in favour of International Coal Venture (P) Limited (ICVL) in furtherance for providing Corporate Guarantee of US\$ 30 Mn by them to EXIM Bank on behalf of Minas De Benga Limitada, Mozambique (Borrower), a downstream operating subsidiary of ICVL, New Delhi in respect of short term working capital loan. The said letter of comfort does not in any way constitute the guarantee or security by the Company of the duties of the borrower to meet its obligation under the said facility.

Notes

B. Commitments: (₹ in Cr.)

Particulars	₹ in crore	
	As at 31-Mar-19	As at 31-Mar-18
1.1 Estimated amount of contracts remaining to be executed on Capital account	6,346.72	6,774.36
1.2 Other commitments- commitments to subsidiaries and JV	Nil	144.22

1.3 Disputed Claims under Income Tax Act.

The Hon'ble ITAT has delivered the orders in favour of the company on the subject matter of alleged under invoicing pertaining to the Financial Years 2006-07 to 2009-10. The Department has filed appeals before the Hon'ble High Court and pending its decision, the amount of demands ₹1,207.14 Crore (Previous year ₹ 1,207.14 Crore including interest) is included under contingent liability.

1.4: Disputed claims under 'Karnataka Forest Act:

Government of Karnataka had introduced Forest Development Tax (FDT), to pay @ 12% on the sale value of iron ore with effect from 27.08.2008. NMDC preferred an appeal before Hon'ble High Court of Karnataka and the court passed an interim order directing the Company to pay 50% of FDT, consisting of 25% in cash and balance 25% in the form of Bank Guarantee. As against the total FDT demand of ₹487.27 Crore (from August 2008 to Sep-2011), the Company has deposited an amount of ₹ 121.84 Crore (25%) in cash which has been shown as amount recoverable and submitted a bank guarantee for similar amount. An amount of ₹ 365.43 Crore (balance 50% amount of ₹ 243.69 Crore plus 121.84 Crore paid and accounted as amount recoverable) is included under disputed claims at 1.1.A. The amount of ₹ 121.84 Crore for which BG was given is included under contingent liability on BGs' at 1.2.

Hon'ble High Court of Karnataka vide order dated 03.12.2015 has quashed the orders of Government of Karnataka levying the FDT and ordered refund of the tax collected within three months and accordingly the Company has lodged refund claims. However, Government of Karnataka has filed a Special Leave Petition with Hon'ble Supreme Court of India, challenging the orders of Hon'ble High Court of Karnataka. Hon'ble Supreme Court of India has accepted the same and imposed stay on refund of the FDT amount.

Meanwhile Karnataka State Govt. had enacted Karnataka Forest (Amendment) Act 2016 vide Gazette notification dated 27.07.2016. The amendment substituted the word 'Tax' in the principal act to 'Fee' w.e.f 16th day of Aug 2008. Based on this the Monitoring Committee had started billing the Forest Development Fee in its invoices. Meanwhile consumers in Karnataka had filed separate Writ Petitions in Hon'ble High Court of Karnataka on the above. Karnataka High Court vide its order dated 20th Sept. 2016, had ordered that State Govt may restrain from collecting FDF during the pendency of the writ petition, subject to the condition of furnishing bank guarantee in respect of 25% of the demand in relation to future transactions. Karnataka State Govt. had approached Hon'ble Supreme Court on this. Hon'ble Supreme Court vide its order dated 13.02.2017 modified the order of High Court of Karnataka and ordered for payment of 50% of the demanded amount and furnish Bond for balance amount.

The amount billed by the monitoring committee amounting to ₹93.85 crore towards FDF has been accounted under sales revenue during previous year. As, the Karnataka High Court vide its judgement dated 4th October 2017 has declared the Karnataka Forests (Amendment) Act, 2016 which was introduced for collection of Forest Development Fee (FDF) as unconstitutional, No FDF was collected nor paid with effect from 5th October 2017.

2.32 DISCLOSURES UNDER ACCOUNTING STANDARDS:**2.32.1 Employee Benefits as per Ind - AS-19****General Description of Defined/Contributory Benefit Plans :**

PLAN	DESCRIPTION
1. Provident fund	The company's contribution to the provident fund is remitted to a separate trust based on a fixed percentage of the eligible employees' salary. Further, the company makes good the shortfall, if any, between the return from investments of trust and the notified rate of interest on actuarial valuation basis.
2. Gratuity	Eligible amount is paid to the employees on separation by NMDC Group Gratuity Trust.
3. Accrued Leave Salary	Encashment of accumulated leave payable as per the rules of the Company to the employees on separation is made by NMDC Employees Superannuation Benefit Fund Trust.
4. Settlement Allowance	Employees are paid eligible amount at the time of retirement for their settlement by the NMDC Employees Superannuation Benefit Fund Trust.
5. Post Retirement Medical Facilities	Retired employees opting for the Post Retirement Medical Benefit Scheme on contribution of prescribed amount can avail medical benefits as per the Scheme and the liability is funded to NMDC Employees Superannuation Benefit Fund Trust.
6. Family Benefit Scheme	Monthly payments to disabled separated employees/legal heirs of deceased employees on deposit of prescribed amount, till the notional date of superannuation and the liability is funded to NMDC Employees Superannuation Benefit Fund Trust.
7. Long Service Award	Employees are presented with an award in kind on rendering prescribed length of service.
8. Contribution to Defined Contribution Pension scheme	The company's contribution to the defined contribution pension scheme is remitted to a separate trust based on a fixed percentage of the eligible employees' salary.

Other Disclosures :**i) Provident fund :**

The company has conducted Actuarial valuation of its PF trust and the trust do not have any deficit as on 31st March 2019.

ii) Other defined benefit plans :

(₹ in crore)

Particulars	Gratuity	Accrued Leave Salary	Settlement Allowance	Post retirement medical facilities	Family Benefit Scheme	Long Service Award
A.Changes in the present value of obligation as on						
31st March 2018						
Present value of obligation at the beginning of the year	321.65	153.68	16.51	410.85	31.30	22.05
Interest cost	23.64	11.30	-	30.20	-	-
Current service cost	31.37	0.34	-	24.54	-	-
Past service cost	-	-	-	-	-	-

Notes

(₹ in crore)

Particulars	Gratuity	Accrued Leave Salary	Settlement Allowance	Post retirement medical facilities	Family Benefit Scheme	Long Service Award
Benefits paid/payable	(16.70)	(5.43)	(0.26)	(26.26)	(6.39)	(2.41)
Actuarial gain/loss on obligation	(44.48)	(5.87)	(3.38)	(28.42)	14.01	1.74
Present value of obligation at the end of the period	315.48	154.02	12.87	410.91	38.92	21.38
31st March 2019						
Present value of obligation at the beginning of the year	315.48	154.02	12.87	410.91	38.92	21.38
Interest cost	24.42	11.92	-	31.80	-	-
Current service cost	31.38	10.21	-	27.23	-	-
Past service cost	-	-	-	-	-	-
Benefits paid/payable	(34.78)	(8.14)	(0.43)	(31.29)	(5.69)	(2.12)
Actuarial gain/loss on obligation	(10.74)	2.95	(0.37)	21.02	12.93	2.41
Present value of obligation at the end of the period	325.76	170.96	12.07	459.67	46.16	21.67
B. Changes in the fair value of the Plan Assets as on						
31st March 2018						
Fair value of plan assets at the beginning of the year	181.59	113.05	34.57	300.05	27.88	-
Expected return on plan assets	13.35	8.31	2.82	25.36	2.47	-
Contributions	140.06	40.63	-	110.80	-	-
Benefits paid/payable	(16.70)	(2.66)	(0.26)	(26.26)	(6.39)	-
Actuarial gain/loss on plan assets	8.87	2.33	-	2.71	0.01	-
Fair value of plan assets at the end of the period	327.17	161.66	37.13	412.66	23.97	-
31st March 2019						
Fair value of plan assets at the beginning of the year	327.17	161.66	37.13	412.66	23.97	-
Expected return on plan assets	25.25	12.48	2.81	34.03	3.23	-
Contributions	0.30	0.00	-	-	14.95	-
Benefits paid/payable	(34.78)	(4.73)	(0.43)	(30.10)	(5.69)	-
Actuarial gain/loss on plan assets	(2.05)	(0.37)	-	27.68	(0.01)	-
Fair value of plan assets at the end of the period	315.89	169.04	39.51	444.27	36.45	-
C. Amounts recognised in the Balance sheet as on						
31st March 2018						
Present value of the obligations at the end of the year	315.48	154.02	12.87	410.91	38.92	21.38
Fair value of plan assets at the end of the year	327.17	161.66	37.13	412.66	23.97	-

(₹ in crore)

Particulars	Gratuity	Accrued Leave Salary	Settlement Allowance	Post retirement medical facilities	Family Benefit Scheme	Long Service Award
Liability(+)/Asset (-) recognised in the balance sheet	(11.69)	(7.64)	(24.26)	(1.75)	14.95	21.38
31st March 2019						
Present value of the obligations at the end of the year	325.76	170.96	12.07	459.67	46.16	21.67
Fair value of plan assets at the end of the year	315.89	169.04	39.51	444.27	36.45	-
Liability(+)/Asset (-) recognised in the balance sheet	9.87	1.92	(27.44)	15.40	9.71	21.67
D.Amounts recognised in the Statement of P&L for the period ended						
31st March 2018						
Current service cost	31.37	0.34	-	24.54	-	-
Past service cost	-	-	-	-	-	-
Interest cost	23.64	11.30	-	30.20	-	-
Expected return on plan assets	(13.35)	(8.31)	(2.82)	(25.36)	(2.47)	-
Net actuarial gain/loss recognised in the year (OCI)	(53.35)	(8.20)	(3.38)	(31.13)	14.00	1.74
Total	(11.69)	(4.87)	(6.20)	(1.75)	11.53	1.74
31st March 2019						
Current service cost	31.38	10.21	-	27.23	-	-
Past service cost	-	-	-	-	-	-
Interest cost	24.42	11.92	-	31.80	-	-
Expected return on plan assets	(25.25)	(12.48)	(2.81)	(34.03)	(3.23)	-
Net actuarial gain/loss recognised in the year (OCI)	(8.69)	3.32	(0.37)	(6.66)	12.94	2.41
Total	21.86	12.97	(3.18)	18.34	9.71	2.41

E. Principal Actuarial Assumptions :

₹ in crore

Description	2018-19	2017-18	2016-17
i. Discount Rate	7.65%	7.74%	7.35%
ii. Mortality Rate	LIC 1994-96 ultimate	LIC 1994-96 ultimate	LIC 1994-96 ultimate
iii. Medical Cost Trend rates	5%	5%	4%
iv. Withdrawal rate	1% to 3%	1% to 3%	1% to 3%
iv. Future salary increase	6.50%	6.50%	6.50%

- i) The discount rate adopted above is based on market yields at the balance sheet date on government bonds.
- ii) In line with the report of the 3rd Pay Revision Committee, the ceiling of gratuity enhanced from ₹10 lakhs to ₹20 lakhs for provision of gratuity

Notes

F. Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumption is :

a) Gratuity

₹ in crore

Description	1% Increase	1% Decrease	1% Increase	1% Decrease
	31/3/ 2019	31/3/ 2019	31/3/ 2018	31/3/ 2018
A Effect of 1% Change in the Assumed Discount Rate	303.38	351.50	294.08	340.08
1. Effect on DBO	(6.87)	7.90	(6.78)	7.80
A Effect of 1% Change in the Assumed Salary Rate	343.49	307.35	333.55	296.79
2. Effect on DBO	5.44	(5.65)	5.73	(5.92)
A Effect of 1% Change in the Assumed Attrition Rate	345.92	303.44	335.11	293.73
3. Effect on DBO	6.19	(6.85)	6.22	(6.89)

b) Accrued Leave Salary

Description	1% Increase	1% Decrease	1% Increase	1% Decrease
	31/3/ 2019	31/3/ 2019	31/3/ 2018	31/3/ 2018
A Effect of 1% Change in the Assumed Discount Rate	150.40	180.44	147.60	161.54
1. Effect on DBO	(8.43)	9.87	(4.17)	4.88
A Effect of 1% Change in the Assumed Salary Rate	186.09	145.84	164.23	145.44
2. Effect on DBO	13.31	(11.20)	6.63	(5.57)
A Effect of 1% Change in the Assumed Attrition Rate	179.48	147.19	161.27	145.92
3. Effect on DBO	9.29	(10.38)	4.71	(5.26)

c) Post Retirement Medical Facilities

₹ in crore

Description	1% Increase	1% Decrease	1% Increase	1% Decrease
	31/3/ 2019	31/3/ 2019	31/3/ 2018	31/3/ 2018
A Effect of 1% Change in the Assumed Discount Rate	419.28	507.33	375.11	453.08
1. Effect on DBO	(8.79)	10.37	(8.71)	10.27
A Effect of 1% Change in the Assumed Salary Rate	509.47	417.95	454.91	373.95
2. Effect on DBO	10.84	(9.08)	10.71	(8.99)

(G) Defined benefit liability

'The weighted average duration of the defined benefit obligation is 12.98 years for Leave encashment benefit, 9.95 years for gratuity scheme as on 31 March 2019. The expected maturity analysis of gratuity and compensated absences is as under :

₹ in crore

Description	Less than a year	Between 2 - 5 years	between 5 -10 years	Over 10 years	Total
31 March 2019					
Gratuity scheme	28.03	88.09	75.14	134.50	325.76
Accrued leave salary	8.72	30.13	34.07	91.30	164.22
Post retirement medical benefits	30.06	108.00	106.90	214.70	459.66
Total	66.81	226.22	216.11	440.50	949.64

'The weighted average duration of the defined benefit obligation is 12.89 years for Leave encashment benefit, 9.89 years for gratuity scheme as on 31 March 2018. The expected maturity analysis of gratuity and compensated absences is as under :

₹ in crore

Description	Less than a year	Between 2 - 5 years	between 5 -10 years	Over 10 years	Total
31 March 2018					
Gratuity scheme	8.47	27.84	32.50	85.21	154.02
Accrued leave salary	28.35	82.70	74.85	129.58	315.48
Post retirement medical benefits	27.04	96.96	95.60	191.29	410.89
Total	63.86	207.50	202.95	406.08	880.39

2.32.2. Segment Reporting as per Ind - AS-108**A. Basis for segmentation**

An operating segment is a component of the company that engages in business activities from which it may earn revenues and incur expenses and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Board of Directors to make decisions about resources to be allocated to the segments and assess their performance.

The company has two reportable segments, as described below, which are the company's strategic business units. These business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the business units, the company's Board reviews internal management reports on a periodic basis.

The following summary describes the operations in each of the company's reportable segments:

B. Information about reportable segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), segment revenue and segment capital employed as included in the internal management reports that are reviewed by the board of directors. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

Notes

Reportable Segments

Business Segments

₹ in crore

	Iron Ore		Pellets , Other Minerals & Services		Other reconciliation items		Grand Total	
	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year
1. REVENUE								
External Sales	11,997.98	11,490.93	154.42	123.98	0.27	-	12,152.67	11,614.91
Inter-Segment Sales	3.83	-	-	-	(3.83)	-	-	-
Total Revenue	12,001.81	11,490.93	154.42	123.98	(3.56)	-	12,152.67	11,614.91
2. RESULT								
Segment Result	7,156.93	6,209.64	(129.60)	(106.12)	7.94	(77.05)	7,035.27	6,026.47
Unallocated Corporate Exps							(246.18)	(199.77)
Operating Profit							6,789.09	5,826.70
Finance Cost							(40.32)	(37.10)
Interest Income							449.65	389.39
Income Taxes							(2,556.31)	(2,373.11)
Net Profit							4,642.11	3,805.88
3. OTHER INFORMATION								
Segment Assets	4,904.88	4,641.05	663.88	666.68	23,630.49	22,915.68	29,199.25	28,223.41
Segment Liabilities	1,421.66	1,633.80	38.77	37.87	2,370.02	2,583.62	3,830.45	4,255.29
Additions to assets during the year :								
Tangible Assets	222.42	398.00	0.71	574.62	49.09	13.48	272.22	986.10
Intangible Assets	65.97	0.10	0.19	-	1.26	2.03	67.42	2.13
Depreciation and Amortisation expenses during the year	228.55	211.57	37.49	32.47	12.84	12.00	278.89	256.04
Impairment reversal/ provided	-	-	-	-	-	-	-	-
Non-Cash expenses other than Depreciation & amortization	249.62	337.04	0.02	0.00	0.01	0.22	249.65	337.26

Geographical Segments

Sales Revenue by location of Customers:

₹ in crore

	Curr. Year	Prev. Year
Revenue from External customers		
- Domestic	11,607.02	10,544.98
- Export : Through MMTC	545.65	1,069.93
Total	12,152.67	11,614.91

Assets by Geographical Location:

₹ in crore

Location	Carrying amount of		Additions to Tangible and	
	Segment Assets		Intangible Assets	
	Curr. Year	Prev. Year	Curr. Year	Prev. Year
Chattisgarh	18,615.08	16,875.89	271.09	88.32
Telangana & Andhra Pradesh	8,109.49	8,920.86	8.73	9.12
Others	2,474.68	2,426.66	59.82	890.79
Total	29,199.25	28,223.41	339.64	988.23

Note No. 2.32.3 Disclosures – Revenue (Ind AS 115)

a) Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contract with customers

Segment	Curr. Year	Prev. Year
	31-Mar-19	31-Mar-18
	₹ crores	₹ crores
Type of goods or service		
Sale of goods		
- Iron ore	11,997.98	11,490.93
- Sponge iron	0.94	-
- Diamonds	38.86	35.17
- Sale of pellets	76.52	25.40
- Sale of power	5.51	6.50
Sale of services		
- Sale of services	32.34	56.17
Others		
Other operating revenue	0.52	0.74

Notes

Segment	Curr. Year	Prev. Year
	31-Mar-19	31-Mar-18
	₹ crores	₹ crores
Total revenue from contracts with customers	12,152.67	11,614.91
India	11,607.02	10,544.98
Outside India	545.65	1,069.93
Total revenue from contracts with customers	12,152.67	11,614.91
Timing of revenue recognition		
Goods transferred at a point in time	12,120.33	11,558.74
Services transferred over time	32.34	56.17
Total revenue from contracts with customers	12,152.67	11,614.91

Set out below, is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment reporting

₹ in crore

Location	31-Mar-19		31-Mar-18	
	Sale of goods	Sale of services	Sale of goods	Sale of services
Revenue				
External customer	12,120.33	32.34	11,558.74	56.17
Inter-segment	2.54	0	0	0
Inter-segment adjustment and elimination	2.54			
Total revenue from contracts with customers	12,120.33	32.34	11,558.74	56.17

From 1 July 2017 onwards the excise duty and most indirect taxes in India have been replaced by Goods and Service Tax (GST). The group collects GST on behalf of the Government. Hence, GST is not included in Revenue from operations. In view of the aforesaid change in indirect taxes, Revenue from operations year ended 31 March 2019 is not comparable 31 March 2018.

(b) Contract Balances :-

₹ in crore

Description	31-Mar-19	31 March 2018 (Restated)	01 April 2018 (Restated)
	₹ crores	₹ crores	₹ crores
Trade receivables	1,424.51	1,472.74	0
Contract assets	-	0	0
Contract liabilities	216.53	100.84	0

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days. In March 2019, ₹ 1,958.15 crore (March 2018: ₹ 1,708.97 crore) was recognised as provision for expected credit losses on trade receivables.

Contract assets are generally recognised in case of supply of services only when the receipt of money is conditional on milestone even after satisfaction of performance obligation. In case of sale of goods, directly receivable is recognised as company has unconditional right to payment from the moment performance obligation is satisfied.

Contract liabilities includes advance received from customer which will be adjusted towards supply of goods or services.

2.32.4: Accounting policies, change in Accounting Estimates and Errors (As per Ind-AS 8):

I. Review of Accounting Policies

a. Revenue Recognition: (Accounting policy No. 1(1.2)(xi)):

Ind AS 115 recognises revenue on transfer of the control of goods or services, either over a period of time or at a point in time, at an amount that the entity expects to be entitled in exchange for those goods or services. In order to align with Ind AS 115, the Accounting policy on revenue recognition was reviewed and revised.

The said revision has nil impact on the financials of the company as the company was recognising and accounting revenue in line with the Ind AS 115.

b. Property Plant and Equipment: Depreciation (Accounting Policy No. 1(1.2)(v)(a))

Depreciation is charged on pro-rata monthly basis on additions / disposals of assets during the year taking the first day of the month for acquisition / commissioning and the last day of the month for disposals. To reflect the existing practice of the Company, policy was revised.

The said revision has nil impact on the financials of the company.

c. Stripping Cost: (Accounting Policy No.1(1.2)(xviii))

Overburden and other mine waste materials which are removed throughout the production phase of mine are charged entirely to profit and loss account as production cost. To reflect the existing practice of the Company, policy was revised.

The said revision has nil impact on the financials of the company.

II. Ind AS issued and not yet effective:

Ind AS 116 Leases :

Ministry of Corporate Affairs has notified 'The Companies (Indian Accounting Standards) Amendment Rules, 2019 dated March 30, 2019 which inter alia includes the new standard on Leases Ind AS 116 replacing the existing standard Ind AS 17, to be effective from the 1st April 2019. The impact of the same is yet to be assessed. The Company is proposing to use the Modified Retrospective Approach for transitioning to Ind AS 116.

2.32.5 : Related Party Disclosures (IndAS-24):-

i) List of related parties

	Country of incorporation	No. of Shares Hold	Holding as at	
			March 31, 2019	March 31, 2018
A. Subsidiaries				
Legacy Iron Ore Limited	Australia	115,34,50,796	78.56%	78.56%
J & K Mineral Development Corporation Limited	India	28,51,002	95.86%	95.86%
NMDC Power Limited	India	5,50,000	100%	100%
Karnataka Vijaynagar Steel Limited	India	1,00,000	100%	100%
NMDC Steel Limited	India	60,000	100%	100%
Jharkhand Kolhan Steel Limited	India	60,000	100%	100%

Notes

A. Subsidiaries	Country of incorporation	No. of Shares Hold	Holding as at	
			March 31, 2019	March 31, 2018
NMDC-SARL, Madagascar (Under closure)	Africa	41,85,590	100%	100%
NMDC-CSR Foundation	India	20,00,000	100%	-
B. Joint Ventures				
Kopano-NMDC Minerals(Proprietary) Limited	South Africa	50	50%	50%
Jharkhand National Mineral Development Corporation Ltd.	India	6,000	60%	60%
NMDC-CMDC Ltd., Raipur	India	9,83,47,236	51%	51%
NMDC-SAIL Ltd.	India	25,500	51%	51%
Bastar Railway Pvt. Ltd.	India	15,26,74,600	52%	54.27%
C. Associates				
Romelt-Sail(India) Limited	Africa	1,05,000	25%	25%
International Coal Ventures (Pvt.) Ltd.	India	37,63,57,143	25.94%	25.94%
Krishnapatnam Railway Company Ltd.	India	4,00,00,000	6.40%	14.82%
Neelachall Ispat Nigam Ltd	India	7,47,99,878	12.87%	12.87%
Chhattisgarh Mega Steel Ltd.	India	13,000	26%	26%

D. Key Management Personnel: (Directors) as on 31/03/2019**Directors :**

- | | |
|---------------------------|---|
| 1. Shri N.Baijendra Kumar | CMD |
| 2. Dr. Narendra K Nanda | Director(Technical) |
| 3. Dr T R K Rao | Director(Commercial) |
| 4. Shri P K Satpathy | Director(Production) |
| 5. Shri D S Ahluwalia | Director(Finance) up to 30 th April 2018 |
| 6. Shri Sandeep Tula | Director(Personnel) |
| 7. Shri Amitava Mukherjee | Director(Finance) from 20 th Nov. 2018 |

Company Secretary :

Sri A.S Pardha Saradhi

ii. Related Party Ransactions:

INVESTMENTS IN SUBSIDIARIES:	OB 1.4.2018	Additions	Deletions	CB 31.3.2019
Legacy Iron Ore Limited	168.53	-	-	168.53
J&K Mineral Development Corporation	28.51	-	-	28.51
NMDC Power Limited	0.55	-	-	0.55
Karnataka Vijaynagar Steel Limited	0.01	0.09	-	0.10
NMDC Steel Limited	0.01	0.05	-	0.06
Jharkhand Kolhan Steel Limited	0.01	0.05	-	0.06
NMDC-SARL Madagascar (under closure)#	7.20	-	-	7.20
NMDC-CSR Foundation	-	2.00	-	2.00
Sub total	204.82	2.19	-	207.01
Investment Deration- J&K MDC	28.51	-	-	28.51
Investment Deration- NMDC- SARL	7.20	-	-	7.20

LOANS AND ADVANCES IN SUBSIDIARIES:	OB 1.4.2018	Additions	Deletions	CB 31.3.2019
Legacy Iron Ore Limited	-	-	-	-
J&K Mineral Development Corporation	18.33	-	1.88	16.45
NMDC Power Limited	0.09	-	0.09	-
Karnataka Vijaynagar Steel Limited	639.63	2.15	-	641.78
NMDC Steel Limited	0.02	-	0.02	-
Jharkhand Kolhan Steel Limited	0.03	-	-	0.03
NMDC-SARL Madagaskar (under closure)#	-	-	-	-
Sub total	658.10	2.15	1.99	658.26
Advances Deration- J&K MDC	13.86	-	-	13.86

INVESTMENTS IN JOINT VENTURE COMPANIES (including advance against equity)	OB 1.4.2018	Additions	Deletions	CB 31.3.2019
Kopano-NMDC Minerals (Proprietary) Limited (₹ 324/-)				
Jharkhand National Mineral Development Corporation Ltd	0.01	-	-	0.01
NMDC-CMDC Ltd, Raipur	98.35	-	-	98.35
NMDC-SAIL Ltd	0.03	-	-	0.03
Bastar Railway Pvt Ltd	1.96	150.71	-	152.67
Sub total	100.35	150.71	-	251.06
Investment Deration- NMDC-SAIL Ltd		-	0.03	0.03

LOANS AND ADVANCES TO JOINT VENTURES:	OB 1.4.2018	Additions	Deletions	CB 31.3.2019
Kopano-NMDC Minerals (Proprietary) Limited (₹ 324/-)	0.10	-	-	0.10
Jharkhand National Mineral Development Corporation Ltd	0.04	0.01	-	0.05
NMDC-CMDC Ltd, Raipur	46.10	-	-	46.10
NMDC-SAIL Ltd	-	-	-	-
Bastar Railway Pvt Ltd	6.50	-	6.50	0
Sub total	52.74	0.01	6.50	46.25

INVESTMENT IN ASSOCIATE COMPANIES:(including advance against equity):	OB 1.4.2018	Additions	Deletions	CB 31.3.2019
Romelt-SAIL (India) Limited	0.11	-	-	0.11
International Coal Ventures (Pvt) Ltd	376.36	-	-	376.36
Krishnapatnam Railway Company Ltd	40.00	-	-	40.00
Chhattisgarh Mega Steel Ltd	0.01	-	-	0.01
Neelachal Ispat Nigam Ltd	100.60	-	-	100.60
Sub total	517.08	-	-	517.08
Investment Deration- Romelt-SAIL Ltd	0.11	-	-	0.11

Notes

Aggregate amount of unquoted investments Gross ₹806.61 crore and net ₹770.79 crore(Previous year Gross ₹653.74 crore and net ₹617.92 crore)

₹ in Crore

Particulars	Year ended	
	As at March 31, 2019	As at March 31, 2018
Key Management Personnel:		
Key Managerial Personnel Remuneration	5.62	4.24

The Company has so far deposited an amount of ₹639.61 Crore (previous year 639.61 crore) with Karnataka Industrial Area Development Board (KIADB) for acquisition of land for setting up of Steel plant at Karnataka and an amount of ₹ 2.17 Cr was spent for fencing the land during the current year. The amount of ₹ 641.78 Crore is included under Advances to Subsidiaries under the note 2.4.2.

Board in its meeting held on 28/11/2014 deliberated that the land purchased in respect of Karnataka Steel plant shall be purchased in the name of new subsidiary company to be floated for the purpose of setting up of Steel Plant. Subsequent to the incorporation of wholly owned subsidiary Karnataka Vijayanagar Steel Limited, (KVSL) based on request, the Government of Karnataka vide its order no. CI 264 SPI 2009, Bengaluru dated 10/07/2015 has approved the proposal of the Company to transfer the Project in favour of Karnataka Vijayanagar Steel Limited (KVSL) a wholly owned subsidiary of the Company.

KIADB has vide its letter dated KIADB/BALLARI/DO/PC/714/2017-18 dated 11.01.2018 handed over the possession of land measuring 2,857.54 acres to KVSL. Earlier KIADB had not considered the extent of land utilised for the widening work of existing NH-63 by concerned authority which is passing through few survey numbers of our acquired private land. However, during the year the same is rectified and the revised possession certificate dated 01.08.2018 for land admeasuring 2,843.985 acres is obtained from KIADB. The execution of agreement and registration of private land is pending. Pending execution, the land is capitalised in the books of KVSL.

2.32.6 Earnings per share (IND AS-33):- The details are as under:

₹ in Crore

Particulars	Year ended	
	As at March 31, 2019	As at March 31, 2018
1. Profit after Tax (₹ Crore)	4,641.98	3,805.88
2. No of Equity shares	306,18,49,659	316,38,90,474
3. Nominal value per Equity share (₹)	1	1
4. Basic and Diluted Earnings per share (₹)	14.70	12.03

Note:*The earnings per share (EPS) have been adjusted on account of buyback.

2.32.7 Accounting for Deferred Taxes on income (Ind-As-12) : Necessary details have been disclosed in note no: 2.5.

2.32.8 Discontinuing Operations (IndAS-105) :

On 25/02/2008 the Board of directors had announced a plan to dispose-off the plant and machinery of Silica Sand Project, Lalapur which is included in the segment of "Other minerals and services." Pending disposal, the unit is kept under care & maintenance.

₹ in Crore

Particulars	For the year ended 31-Mar-2019	For the year ended 31-Mar-2018
Silica Sand Project, Lalapur		
Carrying value of Assets	0.29	0.29
Carrying value of liabilities	0.73	0.76

The following statement shows the revenue and expenses of discontinued operations:

₹ in Crore

Particulars	For the year ended 31-Mar-2019	For the year ended 31-Mar-2018
A. Revenue		
Revenue from operations		
Other income	0.00	0.00
Total Revenue	0.00	0.00
B. Expenses		
Power, Electricity and Water	0.29	0.25
Repairs and Maintenance	0.00	0.01
Other expenses	0.35	0.41
Total Expenses	0.64	0.67
C. Profit (+)/Loss(-) from discontinued operations before tax (A-B)	(0.64)	(0.67)

2.32.9 Intangible Assets (IndAS-38) : R&D

The Research & Development expenditure, charged to Statement of Profit & Loss during the year is ₹23.81 crore (previous year ₹22.03 crore), including expenditure of ₹0.35 crore (previous year ₹0.83 crore) on feasibility studies.

The amount of revenue expenditure incurred at Research & Development unit, Hyderabad is as under:

₹ in Crore

Particulars	2018-19	2017-18
Consumption of Stores and Spares	0.25	0.15
Power, Electricity & Water	0.61	0.58
Employee benefit expense	14.13	13.16
Repairs and Maintenance	0.82	0.52
Other expenditure	4.76	4.57
Depreciation & Amortisation	3.97	3.59
Total expenditure	24.54	22.57
Less : Other income	1.08	1.37
Total net R&D expenditure	23.46	21.20

Notes

During the year, at R&D unit, the additions to tangible assets (except land and buildings) are ₹7.50 crore. (Previous year ₹3.10 crore).

2.32.10 Joint Ventures (IndAS- 28) Jointly Controlled entities:

Sl no	Name of the Joint Venture	Country of Incorporation	Proportion of ownership 2018-19	Proportion of ownership 2017-18
1	Kopano-NMDC Minerals (Proprietary) Limited	South Africa	50%	50%
2	NMDC CMDC Limited, Raipur	India	51%	51%
3	Jharkhand National Mineral Development Corporation Limited, Ranchi	India	60%	60%
4	NMDC SAIL Ltd	India	51%	51%
5	Bastar Railway Pvt Ltd	India	52%	54.27%

2.32.11 Impairment of Assets (IndAS – 36):

The impairment of assets has been reviewed during the year in respect of the following cash generating units, included under the segment 'Other Minerals and Services' and decided to maintain same status:

₹ in Crore

Unit	Year of impairment	Impaired Amount as on 01-04-18	Adjustments during 2018-19			Impaired Amount as on 31-03-19
			Reversal	Deletion	Addition	
SSP, Lalapur	2005-06	12.54	--	-	--	12.54
SAF Plant at Sponge Iron Unit	2004-05	15.48	-	-	-	15.48

1. The Recoverable amount of the assets of SSP, Lalapur unit has been arrived at considering the 'value in use'. Since the value in use has resulted in negative cash flows, the recoverable amount has been taken as nil without applying any discount rate.
2. In the case of SAF plant at the Sponge Iron Unit, the impairment is based on net selling price as assessed by the approved Valuer.
3. The validity of the forest clearance of Panna Supplementary mining lease is up to 30-06-2015. As per the provisions of Mines and Mineral (Development and Regulation) Amendment Act 2015 and circular dated 01-04-2015 issued by MoEFCC the above mining lease shall be deemed to have been extended up to 30-06-2020 and accordingly the operations of the project are continued beyond 30-06-2015.

2.32.12 Provisions, Contingent Liabilities and Contingent Assets (IndAS-37) :

Necessary details in regard to provisions have been disclosed in notes 2.14,2.17& 2.31.

2.33: Disclosure as required under Regulation 34(3) and 53(f) of SEBI (LODR) Regulations, 2015

2.33.1 Loans and advances in the nature of loans to Subsidiaries/Jvs' where there is no repayment schedule or no interest :

₹ in crore

Name of the Subsidiary	Maximum Balance outstanding	
	As at 31-Mar-19	As at 31-Mar-18
J&K Mineral Development Corporation Limited, Jammu (*)	16.45	18.33
NMDC Power Ltd, Hyderabad	-	0.09
Jharkhand Kolhan Steel Limited	0.03	0.03
Karnataka Vijayanagar Steel Limited	641.78	639.63
NMDC Steel Limited	-	0.02
Total	658.26	658.10
* Advances derated / Provision made during the year	13.86	13.86

₹ in crore

Name of the Joint Venture	Maximum Balance outstanding	
	As at 31-Mar-19	As at 31-Mar-18
Kopano-NMDC Minerals(Proprietary) Limited	0.10	0.10
Jharkhand National Mineral Development Corporation Ltd.	0.05	0.04
NMDC-CMDC Ltd., Raipur	46.10	46.10
Bastar Railway Pvt. Ltd.	-	6.50
Total	46.25	52.74

2.33.2 There are no Investments by the loanees as mentioned in 2.36.1 in the shares of NMDC Ltd.

2.33.3 No Loans and Advances were given to the Associate Companies.

2.33.4 There are no loans and advances in the nature of loans to firms/companies in which directors are interested except as stated above

2.34. Others:**2.34.1 Service tax on Royalty:**

The Central Govt vide circular dated 13th April 2016 (SI no 9) clarified the applicability of service tax payable on Royalty wef 1.4.2016. The company has contended before the Hon'ble High Courts of Karnataka ,Chhattisgarh & Madhya Pradesh. The Chhattisgarh High Court has permitted NMDC to withdraw the case with liberty to pursue the matter before the concerned authority by filing a reply. The Madhya Pradesh High court has granted stay. The Karnataka High Court, initially granted stay but subsequently vacated the stay and dismissed the petition.

Considering the stay given by Supreme court in one of the cases on similar matter, the company has filed fresh 'Writs' in the High Courts of Chhattisgarh & Karnataka. The company has also filed transfer petitions before Hon' Supreme Court seeking transfer of the cases with Chhattisgarh High Court & Madhya Pradesh High Court. Hon'ble Supreme Court has not admitted the transfer petition with respect to the case with Chhattisgarh High Court. However with regard to case with Madhya Pradesh High Court, Hon'ble Supreme Court has granted permission to withdraw the transfer petition with liberty to draw the attention of the High Court to the pendency of similar matter(s) before the Hon'ble Supreme Court.

Pending the outcome of above actions, the company has provided for the liability on service tax and interest thereon. The amount as on 31.3.2019 towards liability is ₹ 211.85 cr and interest is ₹ 69.62 cr. (previous year ₹211.85 and ₹ 37.97 cr respectively).

Notes

2.34.2 Enabling Facilities:

The Company is funding the schemes 'Doubling of Railway line between Kirandul and Jagdalpur' and 'between Jagdalpur and Ambagaon' both owned by Indian Railways which helps the company in augmenting of evacuation facility of Bailadila Sector. During the year an amount of ₹ 75 Crore has been paid for the work 'Doubling of Line between Kirandul and Jagdalpur'. An amount of ₹ 167.74 Crore utilised for the above purpose during the year 2018-19 (Previous year ₹ 172.80 Crore) has been inter-alia included in 'Other expenses'

2.34.3 Disinvestment of NISP:

The Govt of India has accorded 'in principle' approval for strategic disinvestment of Nagarnar Steel Plant of NMDC Limited on 27.10.2016. Transaction Advisor (TA), Legal Advisor (LA) and Asset Valuer (AV) are appointed. However, the process of disinvestment has been deferred.

2.34.4 Property, Plant & Equipment (PPE)

As per Ind AS 16 items such as spare parts, stand by equipment and service equipment are to be capitalized when they meet the definition of PPE and are expected to be used for more than one accounting year. After review of the inventory values and its consumption patterns in the major production Units, Company based on materiality has fixed a threshold limit of ₹ 20 Lakhs for such spare parts, stand by equipment and service equipment meeting the definition of PPE. On issue of said PPE, the WDV is allowed to be depreciated over the life of the main asset or the life of the equipment whichever is less.

2.34.5 NMET:

As per the Gazette Notification dated 27th March 2015 enacting the Mines and Minerals (Development and Regulation) (Amendment) Act, 2015 and subsequent notifications dated 14th Aug 2015 for contribution of National Mineral Exploration Trust (NMET), the Company was required to pay 2% of royalty towards NMET with effect from 12th Jan 2015 respectively.

The Hon'ble High Court of Bilaspur in its judgement dated 24.11.2017 clarified that contribution towards NMET shall be payable w.e.f. 14.8.2015, the date of promulgation of NMET Rules plus constitution of NMET Trust.

With regard to NMET, Company has made the payment w.e.f 12.01.2015. As per the Hight Court judgement the units in state of Chattisgarh the payments made from 12.01.2015 till 13.08.2015 are recognised under Amount Recoverable to be adjusted from future payments to State Government.

2.34.6 Mining issues at Donimalai complex in Karnataka:

The monitoring Committee has retained 10% of sale proceeds for the period from 04/10/2011 to 31/03/2019 amounting to ₹1,934.39 crore (previous year ₹ 1,685.22 Crore) pending finalisation of R&R plan. The amount is included under "Trade Receivables".

The Rehabilitation and Reclamation (R&R) plan prepared by ICFRE and submitted to Central Empowered Committee appointed by the Hon'ble Supreme Court of India was considered and approved. However the Monitoring Committee has not yet released the balance payment as the issue is still pending with the Hon'ble supreme court of India.

Based on the subsequent events, Company has reviewed the reasonability of realization of the 10% of the sales proceeds considered under the trade receivables from Monitoring Committee and under Ind AS 109, has provided for 100% of the said amount.

2.34.7 GST issue on Sales through Monitoring Committee

Post GST 1st July 2017, for sales through Monitoring Committee (MC), GST invoices were raised by Donimalai unit on MC as per the requirement of the GST Act. It was expected that MC shall raise GST invoices on the customers and utilize the input tax credit of the GST billed by NMDC and payback the GST to NMDC. However, for the period

from 1st July 2017 to 30th Sept 2017 MC has not acknowledged the invoices raised by NMDC and has paid the GST of ₹45.73 Crore collected from customers to the Exchequer without utilizing the input tax credit of GST billed by NMDC. Thereafter, from 1st October 2017 Donimalai has been raising GST invoice directly on the customers as per the Hon'ble Supreme Court's direction.

As efforts for recovery were being made, no provision was made in the accounts for FY 2017-18. With persistent efforts made by the company, the amount has been recovered during the current FY 2018-19.

2.34.8 Show cause notice of Dantewada:

The Company has been legally advised that there is no impact of the Hon'ble Supreme Court of India judgement with reference to the writ petition (Civil) no. 114 of 2014 dated 2nd August 2017 on NMDC. However, in case it is found applicable to NMDC at a later date, it may impact the profits of the company.

Subsequently, the Bailadila Projects of NMDC have received Show Cause Notices dated 31.7.2018 from District Collector, South Bastar, Dantewada as to why NMDC should not be asked to deposit an amount of ₹ 7241.35 cr as compensation as calculated by the Collector based on the above judgement. The Company has contested the Show Cause Notices with District Collector, South Bastar Dantewada.

2.34.9 Mining Lease of Donimalai:

The Government of Karnataka, while renewing the lease of NMDC's Donimalai Iron Ore Mine, has imposed a new condition asking for a premium of 80% on the average sale value. As the demand of the State Govt. is against the spirit of the MMDR Act, the company requested the State Govt. to reconsider its decision. Since there was no response from the State Govt. the company had to suspended its operations from 4th November 2018 and move the Hon'ble High Court of Karnataka praying for a suitable direction in this matter. Subsequent to a series of hearings, the Company is eagerly awaiting the decision of the Hon'ble High Court.

2.34.10 Closure of SPV's:

Ministry of Steel vide its record note of discussion dated 23.4.2018 has taken the decision 'not to pursue the SPV's – NMDC Power Limited and NMDC-SAIL Limited. NMDC Board has approved for closure of the companies. Accordingly an amount of ₹ 2.50 Lakhs investment in NMDC_SAIL Limited has been derated as application for striking off the name has been filed with ROC on 3rd April 2019. Status quo is maintained with regard to Investment in NMDC- Power Limited as action for closure is yet to be initiated.

2.34.11 CSR Expenditure :

- a) Gross amount required to be spent by the company during the year is ₹ 97.09 crore (2% of the last three years average PBT ₹ 4,854.64 crore).(Previous Year ₹ 121.02 crore (2% of the last three years average PBT ₹ 6,050.93 crore).
- b) Amount spent during the year on account of CSR activities is ₹ 167.24 crore.(Previous Year ₹169.37 crore)

₹ In crore

Particular	In Cash	Yet to be paid in Cash	Total
1. Construction/acquisition of any assets	-	-	-
2. On purpose other than (1) above	167.24	-	167.24

2.34.12 General:

- i. The company owns certain office space at New Delhi. It is not the company's intention to hold the property for a long term for capital appreciation nor for rental purpose. Hence the same is not treated as Investment Property and included under PPE.

Notes

- ii. Some of the balances appearing under Trade receivables, Trade payables, advances, Security deposits and other payables are subject to confirmations.
- iii. Figures for the previous year have been regrouped/ rearranged wherever considered necessary so as to confirm to the classification of the current year.

Note. No. 2.34.13 : Fair Value Measurement

Financial instruments by category

₹ In crore

	As at March 19			As at March 18		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets						
Investments			-			-
Trade receivables			1,424.51			1,472.74
Cash and cash equivalents			38.33			25.97
Other bank balances			4,569.39			5,412.25
Loans			796.49			779.68
Other financial assets			401.01			447.00
Total	-	-	7,229.73	-	-	8,137.64
Financial liabilities						
Borrowings			364.15			500.09
Trade payables			202.74			159.54
Other financial liabilities			1,667.15			1,887.31
Total	-	-	2,234.04	-	-	2,546.94

- (1) Assets that are not financial assets (such as receivables from statutory authorities, prepaid expenses, advances paid and certain other receivables) as of 31 March 2019, and 1 April 2018, respectively, are not included.
- (2) Other liabilities that are not financial liabilities (such as statutory dues payable, advances from customers and certain other accruals) as of 31 March 2019, and 1 April 2018, respectively, are not included.

The carrying amounts of above financial assets and liabilities are considered to be same as their fair values, due to their short-term nature.

Note No: 2.34.14 Financial Risk Management

a) Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the Board of Directors on its activities

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors monitors the compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The Company has exposure to the following risks arising from financial instruments:

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, loans	Ageing analysis and Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of deposits with differing maturities & committed borrowing facilities to facilitate the day to day working capital requirements.
Market risk- currency risk	Imports giving rise to foreign currency payables*	-	-

A. Credit risk

Credit risk is the risk that counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and deposits with banks.

(a) Trade receivables

"The Company sales are generally based on advance payments and through LC's. The trade receivables in the books are mainly on account of credit sales to M/s RINL Limited, CPSE under the Ministry of Steel and the Sales of Iron Ore in the State of Karantaka which is through Montoring Committee (MC) appointed by Hon'ble Supreme Court of India."

Expected credit loss for trade receivables under simplified approach is detailed as per the below tables

Year ended 31 March 2019

₹ In crore

Ageing	< 6 months	6-12 months	>12 months	Total
Gross carrying amount	1,506.24	155.81	1,720.61	3,382.66
Expected loss rate	9.69%	66.25%	99.32%	57.89%
Expected credit losses (loss allowance provision)	145.95	103.22	1,708.98	1,958.15
Carrying amount of trade receivables (net of impairment)	1,360.29	52.59	11.63	1,424.51

Year ended 31 March 2018

₹ In crore

Ageing	< 6 months	6-12 months	>12 months	Total
Gross carrying amount	1,600.64	207.93	1,373.14	3,181.71
Expected loss rate	11.34%	74.20%	100.00%	53.71%
Expected credit losses (loss allowance provision)	181.56	154.28	1,373.14	1,708.98
Carrying amount of trade receivables (net of impairment)	1,419.08	53.65	-	1,472.73

Notes

iii. Reconciliation of loss allowance provision - trade receivables

Loss allowance on 1 April 2017	1,372.72
Changes in loss allowance	336.26
Loss allowance on 31 March 2018	1,708.98
Changes in loss allowance	249.17
Loss allowance on 31 March 2019	1,958.15

The impairment provisions for trade receivables disclosed above are based on assumptions about risk of default and expected loss rates.

(b) *Financial instruments and cash deposits*

Credit risk from balances with banks is managed by the Company's treasury department in accordance with DPE guidelines & Company's policy. Investments of surplus funds are made only with scheduled commercial banks having a minimum net worth of ₹ 500 Crore within limits assigned to each bank and Debt based mutual funds of public sector AMCs. The limits are reviewed by the Company's Board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counter party's potential failure to make payments.

B. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. In addition, the Company has taken fund based limits with banks to meet its short term financial obligations.

i. *Financing arrangements*

The Company has access to the following undrawn borrowing facilities at the end of reporting period

	₹ in crore	
Flexible rate	31 March 2019	31 March 2018
Expiring within one year (bank overdraft and other facilities)	136	100
Working capital Limits with Banks	130	100

ii. Maturities of financial liabilities

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Year ended 31 March 2019	On demand	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
Borrowings	-	364.15	-	-	-	-	364.15
Trade payables	68.97	133.77	-	-	-	-	202.74
Other financial liabilities	888.46	521.70	232.90	24.02	-	-	1,667.08
	957.43	1,019.62	232.90	24.02	-	-	2,233.97

"Year ended 31 March 2018"	On demand	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
Borrowings	-	500.09	-	-	-	-	500.09
Trade payables	84.06	75.48	-	-	-	-	159.54
Other financial liabilities	1,110.34	721.81	32.04	23.12	-	-	1,887.31
	1,194.40	1,297.38	32.04	23.12	-	-	2,546.94

C. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Foreign currency risk

Since majority of the company's operations are being carried out in India and since all the material balances are denominated in its functional currency, the company does not carry any material exposure to currency fluctuation risk.

The Company's exposure to foreign currencies is minimal and hence no sensitivity analysis is presented.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company quite often bridges its short term cash flow mismatch by availing working capital loans from banks against its fixed deposits. Such loans have a very short tenure and the interest rate on such loans is based upon the rates offered by banks on fixed deposits, increased by a few basis points. Since the interest rates on fixed deposits are fixed, the company does not have any interest rate risk on such loans availed on a loan to loan basis.

The Company's exposure to interest rate risk is minimal and hence no sensitivity analysis is presented.

Notes

Note No. : 2.34.15 Capital Management

a) Risk management

The primary objective of the Company's capital management is to maximise the shareholder value. The Company's objectives when managing the capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders.

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors and senior management monitors the return on capital, which the Company defines as result from operating activities divided by total shareholders' equity.

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders the company has no external borrowings as on 31st March 2019.

b) Dividends

	₹ in crore	
	31 March 2019	31 March 2018
(i) Equity shares		
Final dividend for the year ended 31 March 2019 of ₹ NIL (31 March 2018: NIL) per equity share.	-	-
Interim dividend for the year ended 31 March 2019 of ₹ 5.52 (31 March 2018: ₹ 4.30) per fully paid share	1,690.14	1,360.47

	₹ in crore	
Particulars	31 st - March 2019	31 st - March 2018
Net Debt (excluding short term)	-	-
Total equity	25,951.53	24,353.83
Net debt to equity ratio	0%	0%



NMDC signs MoA for implementation of Sports Education Programme in Government Schools of Chhattisgarh

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF NMDC LIMITED FOR THE YEAR ENDED 31 MARCH 2019

The preparation of consolidated financial statements of NMDC Limited for the year ended on 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) read with Section 129(4) of the Act are responsible for expressing opinion on these financial statements under Section 143 read with Section 129(4) of the Act based on the independent audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 28 May 2019.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of NMDC Limited for the year ended on 31 March 2019 under Section 143(6)(a) read with Section 129(4) of the Act. We conducted a supplementary audit of the financial statements of NMDC Limited, subsidiaries, associate companies and jointly controlled entities listed in Annexure-I, but did not conduct supplementary audit of the financial statements of subsidiaries, associate companies and jointly controlled entities listed in Annexure-II for the year ended on that date. Further, section 139(5) and 143(6)(b) of the Act are not applicable to the subsidiary Legacy Iron Ore Limited, Perth, Australia and joint venture Kopano-NMDC Minerals (Proprietary) Limited, South Africa being private entities incorporated in Foreign countries under the respective laws, for appointment of their Statutory Auditors nor for conduct of supplementary audit. Accordingly, C&AG has neither appointed Statutory Auditors nor conducted the supplementary audit of these companies. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditor and Company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report under section 143(6)(b).

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



**(M. S. Subrahmanyam)
Director General of Commercial Audit &
Ex-Officio Member, Audit Board,
Hyderabad**

**Place: Hyderabad
Date: 30 July 2019**

Annexure I**Subsidiaries**

NMDC CSR Foundation

Associate Companies

1. International Coal Ventures (Pvt) Limited, New Delhi
2. Nilachal Ispat Nigam Limited, Bhubaneswar

Annexure II**Subsidiaries**

1. NMDC Power Limited, Hyderabad
2. NMDC Steel Limited, Hyderabad
3. Karnataka Vijaynagar Steel Limited, Bangalore
4. J&K Mineral Development Corporation Limited, Jammu
5. Jharkhand Kolhan Steel Limited, Ranchi

Joint Ventures

1. Bastar Railways Private Limited
2. NMDC SAIL Limited
3. NMDC CMDC Limited, Raipur
4. Jharkhand National Mineral Development Corporation Limited, Ranchi

Associate Companies

1. Krishnapatnam Railway Company Limited, Secunderabad
2. Chhatishgarh Mega Steel Limited

Independent Auditor's Report

To the Members
NMDC Limited
Hyderabad.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of NMDC Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and jointly controlled entities, which comprise the consolidated Balance Sheet as at March 31, 2019, and the consolidated statement of Profit and Loss, (including Other Comprehensive income), the consolidated statement of changes in Equity and the consolidated cash flows Statement for the year then ended on that date and notes to the consolidated financial statements including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India (Ind AS), of the consolidated state of affairs of the Group as at March 31, 2019, the consolidated profit and consolidated total Comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

We draw your attention without modifying our opinion in respect of the following matters:

1. Note No. 2.12(2) of the financial statements, regarding buy back of 10,20,40,815 numbers of equity shares at ₹ 98/- per share during the year for an aggregate consideration of ₹ 1000 crores.
2. Note No. 2.35.8 of the financial statements, regarding show cause notice having been served on Bailadila project of NMDC by District Collector (South Bastar, Dantewada) pursuant to judgment of Honorable Supreme Court of India with reference to writ petition (Civil No- 114 of 2014, dated 2nd August, 2017).
3. Note No 2.35.9 of financial statements, regarding suspension of operations at Donimalai Iron Ore Mines owing to imposition of condition by Govt. of Karnataka asking for a premium of 80% on average sales value which is challenged before Honorable High court of Karnataka.

Key Audit Matters

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

Independent Auditor's Report

Sr. No.	Branch	Key Audit Matter	Auditor's Response
1.	NISP	<p>Capital Work In Progress</p> <p>The Capital Work In Progress (CWIP) for the financial year ended 31.03.2019 in the unit is ₹ 13292.19 crores. Since the amount involved is substantial, and these projects takes significant period of time to get ready for intended use, this is considered to be a key audit matter.</p> <p>(Ref. Note No. 2.2 of financial statements)</p>	<p>We obtained a view of the management and examined the process of capitalization. We have relied on the management expertise regarding commissioning of the plant.</p>
2.	Donimalai	<p>Trade Receivable</p> <p>As at 31st March 2019, current asset in respect of trade receivable includes receivables from monitoring committee amounting to ₹ 1934.39 crores which are pending adjudication. Since it is a area of higher assessed risk of material misstatement, this is considered to be a key audit matter.</p> <p>(Ref. Note No. 2.35.6 of financial statements)</p>	<p>We have involved our internal experts to review the nature of the amounts recoverable, the sustainability and the likelihood of recoverability upon final resolution.</p>
3.	HO	<p>Mine Closure Obligation(MCO):</p> <p>The company creates Mine closure obligation liability based on the present cost of closure of mining project of the latest mine. The rate of closure arrived at based on such cost is uniformly applied to other mines for arriving at the total MCO liability.</p> <p>The matter was considered to be a key audit matter because there is estimate involved as per management's policy.</p>	<p>We have involved our internal expertise to review the estimates of the rate of MCO considered by the company and whether any change was required to management's position on these matters.</p>
4.	HO	<p>Income tax</p> <p>The company has uncertain tax position including matters under dispute which involve significant judgment relating to the possible outcome of these disputes in estimation of the provision of income tax. In view of this, the area has been considered as a Key Audit Matter.</p> <p>(Ref. Note No. 2.29 of financial statements)</p>	<p>Our audit procedures include obtaining details of completed tax assessments and outstanding demands as at the year ended March 31, 2019 from management. We involve our internal experts to discuss with the management regarding estimates used to ascertain the tax provisions of the disputed cases. Our internal experts also consider legal precedence and other rulings in evaluating management's position on these disputed cases.</p>
5.	HO	<p>Investment in Subsidiary, Joint Ventures and Associates</p> <p>Investment in Subsidiary, Joint Ventures and Associates are valued at cost and adjusted for impairment losses after carrying out impairment testing. Since judgment of the management is required to determine if there is any indication of possible impairment, we have considered it to be a key audit matter.</p> <p>(Ref. Note No. 2.4.1)</p>	<p>Our audit procedure comprise of identification and understanding of the reasonableness of the principle assumptions used by the management to judge the need for impairment testing.</p>

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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its Associates and Jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for assessing the ability of the Group and of its associates and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and jointly controlled entities to continue as a going concern. If

Independent Auditor's Report

we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and jointly controlled entities to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and jointly controlled entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- (a) We did not audit the financial statements / financial information of three subsidiaries, whose financial statements / financial information reflect total assets of ₹ 674.19 crores as at 31st March, 2019, total revenues of ₹ 0.33 crores and net cash flows amounting to ₹ 2.26 crores (Outflow) for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit/(loss) of ₹ (29.63) crores for the year ended 31st March, 2019, as considered in the consolidated financial statements, in respect of One associate (and no jointly controlled entity), whose financial statement / financial information has not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors.
- (b) We did not audit the financial statements / financial information of three subsidiaries whose financial statements / financial information reflect total assets of ₹ 66.01 crores as at 31st March, 2019, total revenues of ₹ 0.33 crores and net cash flows amounting to ₹ 8.63 crores (Outflow) for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit/(loss) of ₹ 10.51 crores for the year ended 31st March, 2019, as considered in the consolidated financial statements, in respect of Four associates and Five jointly controlled entities, whose financial statements / financial information have not been audited by us. These financial statements / financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and

disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements / financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled companies incorporated in India is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure. 1
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities– Refer Note 2.32 to the consolidated financial statements.
 - ii) The Group, its associates and jointly controlled entities did not have any material foreseeable losses on long-term contracts including derivative contracts
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and jointly controlled companies incorporated in India.

For **Tej Raj & Pal**
Chartered Accountants
(FRN.304124E)

(**CA Dinakar Mohanty**)
Partner
(Membership No. 059390)

New Delhi
Date: 28/05/2019

Independent Auditor's Report

ANNEXURE "1" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (h) under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the Financial Statements of the Company for the year ended March 31, 2019.)

Report on the Internal Financial Controls Over Financial Reporting under Clause

(i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of NMDC Ltd ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, 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.

As per our attached report of even date.

For TEJ Raj & Pal
Chartered Accountants
(FRN. 304124E)

(CA. Dinakar Mohanty)
Partner
Membership No-059390

New Delhi
28th May, 2019



Consolidated Balance Sheet

as at 31st March 2019

Particulars	Note No.	₹ in crore	
		Figures as at the end of current reporting year 31-March-2019	Figures as at the end of previous reporting year 31-March -2018
ASSETS			
Non-Current Assets			
a) Property, plant & equipment	2.1	3,198.51	3,149.61
b) Capital work-in- progress	2.2	13,818.90	12,545.06
c) Goodwill		93.89	93.89
d) Other intangible assets	2.3	220.01	213.71
e) Financial assets			
i) Investments	2.4.1	858.87	672.73
ii) Loans	2.4.2	154.71	140.07
f) Deferred tax assets (Net)	2.5	582.73	385.71
g) Other non-current assets	2.6	2,986.32	2,626.23
Total non-current assets		21,913.94	19,827.01
Current Assets :			
a) Inventories	2.7	666.17	571.69
b) Financial assets			
i) Trade receivables	2.8.1	1,424.51	1,472.74
ii) Cash and cash equivalents	2.8.2	45.67	34.39
iii) Bank balances other than (ii) above	2.8.3	4,573.72	5,426.59
iv) Other financial assets	2.8.4	398.44	443.09
c) Current tax assets (Net)	2.9	451.20	602.20
d) Other current assets	2.10	417.07	313.20
e) Assets held for disposal	2.11	0.51	0.41
Total current assets		7,977.29	8,864.31
Total Assets		29,891.23	28,691.32
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	2.12	306.19	316.39
b) Other Equity	2.13	25,737.81	24,101.02
Equity attributable to owners of NMDC Ltd		26,044.00	24,417.41
Non-controlling interest		13.89	14.89
Total equity		26,057.89	24,432.30
Liabilities			
Non-current liabilities			
a) Financial liabilities			
a) Provisions	2.14	768.52	714.12
Total non-current liabilities		768.52	714.12
Current liabilities			
a) Financial liabilities			
i) Borrowings	2.15.1	364.15	500.09
ii) Trade payables			
a) Total Outstanding dues of Micro Enterprises and Small Enterprises		10.19	6.63
b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises"		192.60	153.01
iii) Other financial liabilities	2.15.3	1,668.07	1,889.32
b) Other current liabilities	2.16	788.36	968.24
c) Provisions	2.17	41.45	27.61
Total current liabilities		3,064.82	3,544.90
Total liabilities		3,833.34	4,259.02
Total equity and liabilities		29,891.23	28,691.32
Significant Accounting Policies and notes on accounts: 1 & 2			

Subject to our Report of even date

For and on behalf of the Board

For M/s Tej Raj & Pal,
Chartered Accountants
Firm Regn No: 304124E

(CA DINAKAR MOHANTY)
Partner
Membership No: 059390

Place : New Delhi
Dated : 28th May 2019

(AMITAVA MUKHERJEE)
Director (Finance)

(A S PARDHA SARADHI)
Company Secretary

(N. BAIJENDRA KUMAR)
Chairman-cum -Managing Director

Consolidated Statement of Profit and Loss

for the year ended 31st March 2019

₹ in crore

Particulars	Note No.	Figures as at the end of current reporting year 31-March-2019	Figures as at the end of previous reporting year 31-March -2018
I. Revenue from operations	2.18	12,152.67	11,614.91
II. Other Income	2.19	588.96	523.22
III. Total Income (I+II)		12,741.63	12,138.13
IV. Expenses :			
Consumption of raw materials	2.20	52.00	17.33
Excise Duty		-	0.01
Consumption of Stores & Spares		264.97	270.30
Changes in inventories of finished goods/Work in progress	2.21	(79.22)	(38.48)
Employee benefit expense	2.22	1,039.40	1,049.23
Power and electricity	2.23	109.45	99.27
Repairs & maintenance	2.24	159.18	144.80
Royalty & other Levies		2,003.78	2,119.73
Selling Expenses	2.25	368.18	639.68
Finance cost	2.26	40.32	37.10
Depreciation and amortisation expense	2.1 & 2.3	279.04	256.63
Other expenses	2.27	1,310.51	1,510.26
Total expenses		5,547.61	6,105.86
V. Profit before exceptional items and tax (III-IV)		7,194.02	6,032.27
VI. Exceptional items (Income)/Expenditure	2.28	-	(144.30)
VII. Profit before tax (V-VI)		7,194.02	6,176.57
VIII. Tax expense :			
(1) Current year	2.29	2,752.70	2,141.62
(2) Earlier years (net)		0.85	164.06
(3) Deferred tax	2.29	(197.02)	67.66
		2,556.53	2,373.34
IX. Profit for the year from continuing operations (VII-VIII)		4,637.49	3,803.23
X. Loss from discontinued operations		(0.64)	(0.67)
XI. Tax expense of discontinued operations		(0.22)	(0.23)
XII. Loss from discontinued operations(X-XI)		(0.42)	(0.44)
XIII Profit for the year (IX +XII)		4,637.07	3,802.79
XIV. Share of non controlling interest (Loss)		(0.89)	(0.94)
XV. Share of Profit /(Losses) of Associates		(19.12)	4.73
XVI. Profit after adjusting minority interest and share of loss of Associates (XIII+XIV+XV)		4,618.84	3,808.46
Other Comprehensive Income			
Item that will not be reclassified to profit or loss Re-measurements of post-employment benefit obligations		52.37	73.49
Income tax relating to these items		0.07	(25.01)
XVII. Other Comprehensive income (Net of tax)		52.44	48.48
XVIII. Total Comprehensive income for the year (XVI-XVII)		4,671.28	3,856.94
Profit is attributable to :			
Owners of the parent		4,617.95	3,807.52
Non Controlling Interest		(0.89)	(0.94)
		4,618.84	3,808.46
Other Comprehensive Income/(Expenses) attributable to:			
Owners of the parent		52.44	48.48
Non Controlling Interest		-	-
		52.44	48.48
Total Comprehensive attributable to:			
Owners of the parent		4,670.39	3,856.00
Non Controlling Interest		(0.89)	(0.94)
		4,671.28	3,856.94
Earnings per equity share (for continuing operation)			
i) Basic	2.33.5	14.69	12.04
ii) Diluted	2.33.5	14.69	12.04
Earnings per equity share (for discontinued operation)			
i) Basic	2.33.5		
ii) Diluted	2.33.5		
Earnings per equity share (for discontinued & continuing operation)			
i) Basic	2.33.5	14.69	12.04
ii) Diluted	2.33.5	14.69	12.04

Significant Accounting Policies and notes on accounts : 1 & 2

Subject to our Report of even date

For and on behalf of the Board

For M/s Tej Raj & Pal,
Chartered Accountants
Firm Regn No: 304124E(CA DINAKAR MOHANTY)
Partner
Membership No: 059390Place : New Delhi
Dated : 28th May 2019(AMITAVA MUKHERJEE)
Director (Finance)(A S PARDHA SARADHI)
Company Secretary(N. BAIJENDRA KUMAR)
Chairman-cum -Managing Director

Consolidated Statement of Changes in Equity

for the year ended 31st March 2019

a) Equity Share Capital

	Note.no.	₹ in crore Amount
Balance as at 1 st April 2017	2.12	316.39
Changes in Equity share capital		-
Balance as at 31 st March 2018	2.12	316.39
Changes in Equity share capital (*)		(10.20)
Balance as at 31 st March 2019		306.19

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

b) Other Equity

Particulars	General Reserve	Retained earnings	CRR	OCI	Capital Reserve	Total Owners Equity	Non-controlling interest
Balance as at 1 st April 2017	21,973.79	25.80	80.08	(57.10)	243.25	22,265.82	15.39
Profit for the year		3,808.46				3,808.46	(0.94)
Capital Reserve					(5.01)	(5.01)	
Other Comprehensive Income net of tax				48.48		48.48	
Final dividends (2016-17)		(316.39)				(316.39)	
DDT -Final dividends (2016-17)		(64.41)				(64.41)	
Interim Dividends (2017-18)		(1,360.47)				(1,360.47)	
DDT -Interim Dividends (2017-18)		(276.96)				(276.96)	
Foreign Exchange Translation Reserve (OCI)				1.50		1.50	0.44
Transfer to General Reserve	1,000.00	(1,000.00)				-	
Total	1,000.00	790.23	-	49.98	(5.01)	1,835.20	(0.50)
Balance as at 31 st March 2018	22,973.79	816.03	80.08	(7.12)	238.24	24,101.02	14.89
Balance as at 1 st April 2018	22,973.79	816.03	80.08	(7.12)	238.24	24,101.02	14.89
Profit for the year		4,618.84				4,618.84	(0.89)
Other Comprehensive Income net of tax				52.44		52.44	
Transfer to Capital Redemption Reserve (CRR)	(10.20)		10.20			-	
Buyback of shares (including transaction charges)	(996.53)					(996.53)	
Interim Dividends (2017-18)		(1,690.14)				(1,690.14)	
DDT -Interim Dividends (2017-18)		(347.41)				(347.41)	
Foreign Exchange Translation Reserve (OCI)				(0.41)		(0.41)	(0.11)
Transfer to General Reserve	2,000.00	(2,000.00)				-	
Total	993.27	581.29	10.20	52.03	-	1,636.79	(1.00)
Balance as at 31 st March 2019	23,967.06	1,397.32	90.28	44.91	238.24	25,737.81	13.89

Subject to our Report of even date

For and on behalf of the Board

For M/s Tej Raj & Pal,
Chartered Accountants
Firm Regn No: 304124E

(CA DINAKAR MOHANTY)
Partner
Membership No: 059390

Place : New Delhi
Dated : 28th May 2019

(AMITAVA MUKHERJEE)
Director (Finance)

(A S PARDHA SARADHI)
Company Secretary

(N. BAIJENDRA KUMAR)
Chairman-cum -Managing Director

Consolidated Cash Flow Statement

for the year ended 31st March 2019

₹ in crore

Particulars	Figures as at the end of current reporting year 31 March 2019	Figures as at the end of previous reporting year 31 March 2018
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before income tax from		
Continued Operations	7,194.02	6,176.57
Discontinued Operations	(0.64)	(0.67)
Profit before income tax including discontinued operations	7,193.38	6,175.90
Adjustments for non cash / non operational expenses:		
Depreciation & amortisation expense	279.04	256.63
(Profit)/Loss on disposal of property, plant & equipment	(0.28)	(0.65)
Expenditure on enabling facilities	194.92	172.80
Liabilities no longer required, written back		
Provision for bad & doubtful advances	249.55	336.92
Interest Income classified as investing cash flow	(450.27)	(390.31)
Finance Costs	40.32	37.10
Operating Profits before working capital changes	7,506.66	6,588.39
Adjustments for working capital changes:		
(Increase)/ Decrease in trade receivables	(201.32)	(766.14)
(Increase)/Decrease in inventories	(94.48)	(31.65)
(Increase)/Decrease in other financial assets	(12.75)	(258.35)
(Increase)/Decrease loans to employees and related parties	(0.25)	2.64
(Increase)/Decrease in other non current assets	(356.64)	(429.89)
(Increase)/Decrease in other current assets	(103.87)	(131.96)
(Increase)/Decrease in assets held for disposal	(0.10)	44.22
Increase/(Decrease) in trade payables	43.15	(39.26)
Increase/(Decrease) in provisions	53.96	103.64
Increase/(Decrease) employee benefit obligations	66.46	(205.99)
Increase/(Decrease) in other financial liabilities	(22.03)	738.10
Increase/(Decrease) in other current liabilities	(179.88)	130.82
Cash generated from operations	6,698.91	5,744.57
Income Taxes paid	(2,602.27)	(2,368.29)
Net Cash Flow from operating activities	4,096.64	3,376.28
CASH FLOW FROM INVESTING ACTIVITIES		
Expenditure on acquisition of tangible and intangible assets and towards capital work in progress (net of sale proceeds)	(2,005.96)	(2,057.80)
Purchase of investments	(205.58)	(58.58)
Interest received	493.28	437.21
Investment in term deposits with more than three months	929.03	(185.71)

Consolidated Cash Flow Statement

for the year ended 31st March 2019

₹ in crore

Particulars	Figures as at the end of current reporting year 31 March 2019	Figures as at the end of previous reporting year 31 March 2018
Net Cash Flow from investing activities	(789.23)	(1,864.88)
CASH FLOW FROM FINANCING ACTIVITIES		
Amount paid on buyback of Shares (including transaction charges)	(1,006.73)	-
(Repayment)/Proceeds from borrowings*	(135.94)	500.09
Deposits paid towards LCs and BGs (towards non fund based facilities)	18.94	372.09
Interest paid	(40.32)	(37.10)
Dividends paid (including tax thereon and net off balances for unpaid dividends)	(2,132.08)	(2,392.25)
Net Cash Flow from financing activities	(3,296.13)	(1,557.17)
Net increase (decrease) in cash and cash equivalent	11.28	(45.78)
Cash & Cash equivalents at the beginning of the year	34.39	80.17
Cash & Cash equivalents at the end of the year	45.67	34.39
Details of the Cash and Cash Equivalents (Note no. 2.82.2)		
Cash in hand	-	-
On Current Accounts	39.59	27.41
On Deposit Accounts (Original Maturity less than 3 months)	6.08	6.98
Total Cash & Cash equivalents at the end of the year	45.67	34.39
Restricted Cash Balance	-	-

Subject to our Report of even date

For and on behalf of the Board

For M/s Tej Raj & Pal,
Chartered Accountants
Firm Regn No: 304124E

(CA DINAKAR MOHANTY)
Partner
Membership No: 059390

Place : New Delhi
Dated : 28th May 2019

(AMITAVA MUKHERJEE)
Director (Finance)

(A S PARDHA SARADHI)
Company Secretary

(N. BAIJENDRA KUMAR)
Chairman-cum -Managing Director

Notes

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and other relevant provisions of the Act.

(b) Basis of measurement

The consolidated financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

- i) Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments);
- ii) Defined benefit and other long-term employee benefits.

(c) Functional and presentation currency

The consolidated financial statements are presented in Indian rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the entity operates. All financial information presented in Indian rupees has been rounded to the nearest crore except share and per share data.

(d) Use of estimates and judgement

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

(e) Principles of Consolidation

The consolidated Financial Statements have been prepared on the following basis:

- i) The consolidated financial statements are prepared to the extent possible by using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements except as otherwise stated.
- ii) The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses as specified in Indian Accounting Standard 110 – "Consolidated Financial Statements".
- iii) Investments in Associates/ Joint Ventures are accounted for using equity method as per Indian Accounting Standard 28 – "Investments in Associates and Joint Ventures".
- iv) Investments in Joint Operations are accounted for using the proportionate consolidate method as per Ind AS 111 'Joint Arrangements'.
- v) The difference between the cost of investment in the subsidiaries, joint ventures, and associates and the Company's share of net assets at the time of acquisition of shares in the subsidiaries, joint ventures and associates is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.
- vi) Non controlling interest in net profit/ loss of the subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to the shareholders of the company
- vii) Non controlling interest in the net assets of consolidated subsidiaries is identified and presented in the consolidated balance sheet separately from liabilities and equity of the Company's shareholders.

Notes

- viii) The financial statements of Legacy Iron Ore Ltd, Australia have been prepared in accordance with Australian Accounting Standards and the relevant Australian Laws and also on accrual basis and according to the historical cost basis assuming the company is a going concern and converted in Indian Rupees considering as non-integral operation as per Indian Accounting Standard 21 - "The Effects of Changes in Foreign Exchange Rates" for the purpose of Consolidated Financial Statements.

1.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

i. Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which these entities operate (i.e. the "functional currency"). The consolidated financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

ii) Foreign currency transactions and balances

Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit and loss and reported within foreign exchange gains/ (losses).

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction

iii) Investment in subsidiaries and joint venture

Investment in subsidiaries is measured at cost. Dividend income from subsidiaries is recognized when its right to receive the dividend is established.

iv. Financial instruments

All financial instruments are recognized initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognized on trade date. While, loans and borrowings and payable are recognized net of directly attributable transactions costs.

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: non-derivative financial assets comprising amortized cost; non derivative financial liabilities at amortized cost.

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

Financial instrument is derecognized only when the company has transferred its right to receive/extinguish its obligation to pay cash flow from such financial instruments.

a) Non-derivative financial assets

Financial assets at amortized cost

A financial asset shall be measured at amortized cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

They are presented as current assets, except for those maturing later than 12 months after the reporting date which

are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.

Amortized cost is represented by security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.

Cash and cash equivalents comprise cash on hand and in banks and demand deposits with banks which can be withdrawn at any time without prior notice or penalty on the principal.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system.

b) Non-derivative financial liabilities

Financial liabilities at amortized cost

Financial liabilities at amortized cost represented by trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method.

v) Property plant and equipment:

a) Recognition and measurement:

Normally Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset. The Company has elected to apply the optional exemption to use this previous GAAP value as deemed cost at 1 April 2015, the date of transition.

Depreciation: Normally the Company depreciates property, plant and equipment over the estimated

useful life of the assets as prescribed in Schedule II of the Companies Act 2013 on a straight-line basis. Depreciation is charged on pro-rata monthly basis on additions / disposals of assets during the year taking the first day of the month for acquisition / commissioning and the last day of the month for disposals. Wherever the useful life is determined by technical assessment for certain assets, such assets are depreciated as per their assessed life. Assets acquired under finance lease and leasehold improvements are amortized over the lower of estimated useful life and related term. Depreciation methods, useful lives and residual values are reviewed at each reporting date.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the consolidated financial statements upon sale or disposition of the asset and the resultant gains or losses are recognized in the statement of profit and loss.

Fixed Assets costing ₹ 5,000 or less are fully depreciated in the year of purchase

b) Treatment of Enabling Assets:

"Expenditure incurred on any facility, the ownership of which is not vested with the company, but the incurrence of which is essential in bringing an asset/projects of NMDC to the location and condition necessary to be capable of operating in the manner intended by the management, shall be capitalized as a part of the overall

Notes

cost of the said asset/project. Else the same shall be charged to revenue.”

vi. Intangible assets :

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset

vii. Inventory

- a) Raw materials, Stores and spares (including loose tools and implements), work in process and finished products are valued at lower of cost and net realizable value of the respective units.
- b) The basis of determining the cost is
Raw materials : Weighted average cost
Stores and spares : Weighted average cost
Stores in Transit : At cost
Work in process and finished goods :
Material cost plus appropriate share of labour, related overheads and levies
- c) In case of identified Obsolete /Surplus / Non-moving items necessary provision is made and charged to revenue.
- d) Stationery, Medical, Canteen, School Stores, Cotton Waste, Hospital Stores and Lab stores (excluding for R & D Lab) charged off to Revenue on procurement.
- e) No credit is taken in respect of stock of run of mine ore, embedded ore, Iron ore slimes.

viii. Impairment

a) Financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The

Company follows ‘simplified approach’ for recognition of impairment loss allowance on trade receivable.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL

Lifetime ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- i) All contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

- ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

Financial assets measured at amortised cost, contractual revenue receivable: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

b) Non-financial assets

The Company assesses at each reporting date whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in profit or loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax

discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

ix. Employee benefits

a) Payments under Employees' Family Benefit Scheme:

Under the NMDC Employees' family benefit scheme, monthly payments are made till the normal date of retirement to the family members of those employees who are discharged from service due to medical reasons or death, on deposit of the amount envisaged in the scheme and liability for the payments are accounted for on the basis of actuarial valuation and the amount is administered by a separate Trust.

b) Gratuity & Provident fund:

Gratuity payable to eligible employees is administered by a separate Trust. Payments to the trust towards contributions and other demands are made on the basis of actuarial valuation.

- c) The company's contribution to the provident fund is remitted to a separate trust based on a fixed percentage of the eligible employees' salary. Further, the company makes good the shortfall, if any, between the return from investments of trust and the notified rate of interest on actuarial valuation basis.

d) Pension Fund

Defined contributions to NMDC Employees' Contributory Pension Scheme are made on accrual basis at a rate as approved from time to time to a fund which is administered by a separate Trust.

Notes

e) **Accrued Leave Salary:**

Liability towards Accrued Leave Salary, as at the end of the year is recognized on the basis of actuarial valuation and the amount is administered by a separate trust.

f) **Other Benefits :**

Liability towards Long Service Award, Settlement Allowance and Post Retirement Medical Facilities to employees as at the end of the year is recognized on the basis of actuarial valuation. Such amounts towards Settlement Allowance and Post Retirement Medical Benefits are administered by a separate trust.

Actuarial gains or losses are recognized in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income.

Remeasurements comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

x) **Provisions**

All the provision are recognized as per Ind AS 37. Provisions (including mine closure) are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation

at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

xi) **Revenue recognition:**

Revenue from contracts with customers is recognized when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

All revenue from sale of goods is recognised at a point in time. Revenue from wind power and services is recognised over time.

The timing of transfer of control in case of sale of goods varies depending upon individual transfer terms of the contract

Export sales: In Export sales control passes to the customer on the date of Bill of Lading.

Domestic sales: Control passes to the customer on the date of delivery which is generally the forwarding note (rail dispatches)/ lorry receipt/ delivery challan. However, in case of spot auction under electronic mode, control passes to the customer on conclusion of the auction and receipt of money.

Obsolete stores & scrap: Control passes to the customer on the date of realisation.

Contract asset

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liability

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

xii) Finance income and expense

Finance income consists of interest income on funds invested, dividend income and gains on the disposal of Fair value through profit and loss account financial assets. Interest income is recognized as it accrues in the statement of profit and loss, using the effective interest method.

Dividend income is recognized in the statement of profit and loss on the date that the Company's right to receive payment is established.

Finance expenses consist of interest expense on loans and borrowings. Borrowing costs are recognized in the statement of profit and loss using the effective interest method.

Foreign currency gains and losses are reported on a net basis. This includes changes in the fair value of foreign exchange derivative instruments, which are accounted at fair value through profit or loss.

xiii) Income tax

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

a) Deferred income tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or

Notes

an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction. Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred income tax liabilities are recognized for all taxable temporary differences. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

xiv) Earnings per share

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

Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. Dilutive potential equity shares are determined independently for each year presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

xv) Borrowing costs

Borrowings costs directly attributable to acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost

of the asset. All other borrowing costs are expensed in the period in which it occur. Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds.

xvi) Government grants

Grants from the government are recognised when there is reasonable assurance that:(i) the Company will comply with the conditions attached to them; and (ii) the grant will be received. Government grants related to revenue are recognised on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense. When the grant relates to an asset, it is recognized as income over the expected useful life of the asset. Where the Company receives non-monetary grants, the asset is accounted for on the basis of its acquisition cost. In case a non-monetary asset is given free of cost it is recognised at a fair value. When loan or similar assistance are provided by government or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is recognized as government rate. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received.

Grant related to income are presented as part of profit or loss, as a deduction to the related expenses.

xvii) Exploration and Evaluation:

Exploration and evaluation expenditure comprises costs that are directly attributable to:

- researching and analysing existing exploration data;
- conducting geological studies, exploratory drilling and sampling;
- examining and testing extraction and treatment methods; and/or
- compiling pre-feasibility and feasibility studies.

Exploration expenditure relates to the initial search for deposits with economic potential.

Evaluation expenditure relates to a detailed assessment of deposits or other projects that have been identified as having economic potential. All evaluation and exploration expenses till high degree of confidence is achieved are expensed.

Evaluation expenditure are capitalised as Intangible assets when there is a high degree of confidence that the Company will determine that a project is commercially viable, that is the project will provide a satisfactory return relative to its perceived risks, and therefore it is considered probable that future economic benefits will flow to the Company.

The carrying values of capitalized evaluation expenditure are reviewed for impairment every year by management.

In respect of legacy Iron Ore Ltd.

Mineral tenements are carried at cost, less accumulated impairment loss. Mineral exploration and evaluation is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area of interest or sale of that area of interest, or exploration and evaluation activities have not reached a stage of that area of interest or exploration and evaluation activities have not reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active or significant operations on or in relation to, the area of interest are continuing.

Accumulated costs in relation to an abandoned area of interest are written off in full against profit in the year in which the decision to abandon that area is made. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

xviii) Stripping cost:

Development stripping cost:

Overburden and other mine waste material removed during the initial development of a mine in order to access mineral deposit are capitalized as Intangible Asset. Amortization of the same is done based on the life estimated by the management.

Production stripping cost:

Overburden and other mine waste materials which are removed throughout the production phase of mine are charged entirely to profit and loss account as production cost.

xix) Prepaid Expenses:

Expenses are accounted under prepaid expenses only when the amount relating to the unexpired period exceeds rupees Two crore in each case.

xx) Restatement of earliest prior period financials on material error/omissions

The value of error and omissions is construed to be material for restating the opening balances of assets and liabilities and equity for the earliest prior period presented if the amount in each case of earlier period income/expenses exceeds 1.0% of the previous year turnover of the company

Subject to our Report of even date

For and on behalf of the Board

For M/s Tej Raj & Pal,
Chartered Accountants
Firm Regn No: 304124E

(CA DINAKAR MOHANTY)
Partner
Membership No: 059390

Place : New Delhi
Dated : 28th May 2019

(AMITAVA MUKHERJEE)
Director (Finance)

(A S PARDHA SARADHI)
Company Secretary

(N. BAIJENDRA KUMAR)
Chairman-cum -Managing Director

Notes

NOTE - 2.1 : PROPERTY, PLANT & EQUIPMENT

ASSETS	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK				
	As at 1 st April 2018	Additions during the year	Ded/Adj during the year	Internal transfer	As at 31 st March 2019	Upto 1 st Apr-18	For the year	Deductions/ adjustments	Transfer to/from	Internal transfers	Upto 31 st March 2019	NET BLOCK As at 31 st March 2019	NET BLOCK As at 31 st March 2018
A. General													
Land :													
- Free hold	913.73	-	-	-	913.73	-	-	0.06	-	-	0.06	913.67	913.73
- Lease hold	4.93	0.57	-	-	5.50	0.58	0.30	-	-	-	0.88	4.62	4.35
Buildings	300.89	6.45	-	-	307.34	19.30	11.36	-	-	-	30.66	276.68	281.59
Plant & Machinery	1,218.12	72.83	(17.60)	-	1,273.35	139.07	79.31	(17.58)	-	-	200.80	1,072.55	1,079.05
Heavy Mobile Equip.	433.04	102.23	(7.47)	-	527.80	192.90	62.55	(7.47)	-	-	247.98	279.82	240.14
Furniture & fittings	14.78	1.48	(0.40)	-	15.86	5.29	1.93	(0.40)	-	-	6.82	9.04	9.49
Vehicles	26.61	6.24	(0.28)	-	32.57	9.79	3.95	(0.14)	-	-	13.60	18.97	16.82
Office Equipment	45.69	6.38	(0.07)	-	52.00	20.40	7.91	(0.08)	(0.07)	-	28.23	23.77	25.29
Others:													
Roads, bridges etc.	99.77	2.56	-	-	102.33	48.57	12.16	-	-	-	60.73	41.60	51.20
Dams, Wells & Pools	11.99	-	-	-	11.99	1.27	0.43	-	-	-	1.70	10.29	10.72
Railway sidings	34.34	-	-	-	34.34	11.21	2.92	-	-	-	14.13	20.21	23.13
Locomotives	11.18	26.21	-	-	37.39	1.31	1.47	-	-	-	2.78	34.61	9.87
Electrical Installations	259.00	9.14	(0.21)	-	267.93	45.75	26.28	(0.21)	-	-	71.82	196.11	213.25
Sanitary & W. S. Installations	32.26	-	-	-	32.26	2.88	1.15	-	-	-	4.03	28.23	29.38
TOTAL 'A'	3,406.33	234.09	(26.03)	-	3,614.39	498.32	211.72	(25.82)	(0.07)	-	684.22	2,930.17	2,908.01
Previous Year - 2017-18	1,822.90	1,608.56	(25.13)	0.06	3,406.33	325.72	197.48	(24.88)	(0.03)	(0.01)	498.31	2,908.02	1,497.18

(₹ in crore)

ASSETS	GROSS BLOCK				DEPRECIATION BLOCK				NET BLOCK				
	As at 1 st April 2018	Additions during the year	Deed/Adj during the year	Internal transfer	As at 31 st March 2019	Upto 1 st Apr-18	For the year	Deductions/ adjustments	Transfer to/from	Internal transfers	Upto 31 st March 2019	NET BLOCK As at 31 st March 2019	NET BLOCK As at 31 st March 2018
B. Social Facilities													
Land :													
- Free hold	0.29	-	-	-	0.29	-	-	-	-	-	-	0.29	0.29
- Lease hold	-	-	-	-	-	-	-	-	-	-	-	-	-
Buildings	213.28	29.09	-	-	242.37	11.99	4.89	-	-	-	16.88	225.49	201.29
Plant & Machinery	0.13	5.31	-	-	5.44	0.03	0.22	-	-	-	0.25	5.19	0.10
Furniture & fittings	9.18	1.50	(0.36)	-	10.32	2.25	1.08	(0.06)	0.02	-	3.27	7.05	6.93
Vehicles	1.47	0.60	(0.13)	-	1.94	0.62	0.24	(0.05)	-	-	0.81	1.13	0.85
Office Equipment	24.11	2.77	(0.66)	-	26.22	9.77	5.08	(0.43)	0.05	-	14.42	11.80	14.34
Others :													
Roads, bridges etc.	5.74	-	-	-	5.74	1.81	0.56	-	-	-	2.37	3.37	3.93
Cess fund quarters	6.57	-	-	-	6.57	0.51	0.17	-	-	-	0.68	5.89	6.06
Dams, Wells & Pools	0.32	-	-	-	0.32	0.01	0.01	-	-	-	0.02	0.30	0.31
Electrical Instalh.	2.81	0.95	-	-	3.76	0.95	0.44	-	-	-	1.39	2.37	1.86
Sanitary & W.S. Instlns.	6.36	0.08	-	-	6.44	0.72	0.26	-	-	-	0.98	5.46	5.64
TOTAL 'B'	270.26	40.30	(1.15)	-	309.41	28.66	12.95	(0.54)	0.07	-	41.07	268.34	241.60
Previous Year 2017-18	253.48	17.19	(0.41)	(0.06)	270.26	17.27	11.49	(0.11)	0.03	0.01	28.66	241.60	236.21
TOTAL 'A + B'	3,676.59	274.39	(27.18)	-	3,923.80	526.98	224.67	(26.36)	-	-	725.29	3,198.51	3,149.61
Previous Year 2017-18	2,076.38	1,625.75	(25.54)	-	3,676.59	342.99	208.97	(24.99)	-	-	526.97	3,149.62	1,733.39

Notes

NON-CURRENT ASSETS

NOTE: 2.2 CAPITAL WORK IN PROGRESS

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Construction work in progress	12,459.79	11,413.34
Add : Impairment reversed/ (provided)	-	-
Construction Stores	1.86	1.46
Capital Assets in stores awaiting installation or in transit	53.22	56.76
Less : Provision	-	-
	53.22	56.76
Expenditure incidental to construction awaiting allocation (See note 2.2.2)	1,304.03	1,073.50
Total	13,818.90	12,545.06

NOTE - 2.2.1 : MOVEMENT OF CAPITAL WORK IN PROGRESS

(₹ In Crore)

Particulars	Construction Work in Progress	Construction Stores	Capital asset in stores awaiting installation or in transit	Expenditure Incidental to construction awaiting allocation	Total
Year ended 31 March 2018					
Opening gross carrying amount	10811.62	1.36	58.10	984.37	11855.45
Additions	1435.97	4.10	85.94	207.45	1733.46
Disposals/Capitalisation to PPE	834.25	4.00	87.28	118.32	1043.85
Closing gross carrying amount	11413.34	1.46	56.76	1073.50	12545.06
Year ended 31 March 2019					
Opening gross carrying amount	11413.34	1.46	56.76	1073.50	12545.06
Additions	1105.56	3.67	134.58	230.53	1474.34
Disposals/Capitalisation to PPE	59.11	3.27	138.12	0.00	200.50
Closing gross carrying amount	12459.79	1.86	53.22	1304.03	13818.90

NOTE : 2.2.2 EXPENDITURE INCIDENTAL TO CONSTRUCTION AWAITING ALLOCATION

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
a. Opening balance	1,073.50	984.38
b. Net Expenditure incurred during the year		
Consumption of stores and spares	-	4.86
Employee Benefit expense :		
Salaries, Wages & Bonus	71.05	63.92
Contribution to Provident fund, EPS, DLI	4.70	3.74
Contribution to Pension Fund	-	0.04
Contribution to Gratuity fund	5.64	5.54
Staff Welfare expenses	8.90	6.53
	90.29	79.77
Power, Electricity & Water	32.44	16.23
Repairs and Maintenance	2.02	10.77
Depreciation and amortisation	11.01	12.78
Other expenses :		
Rent, Insurance, Rates and taxes	1.21	3.58
Raising and transportation	-	0.07
Payment to auditors : As auditors	0.04	0.04
Payment to auditors : For Other Services	0.03	0.03
Reimbursement of expenses	0.02	0.02
	1.30	3.74
Travelling and Conveyance expenses	2.10	1.57
Consultancy expenditure	73.25	40.80
Excise duty	-	(1.65)
CISF/Security expenditure	4.98	3.96
Change In inventories of Finished Goods	-	14.81
Environmental Development	-	0.22
Other expenditure	20.55	35.73
	237.94	223.59
Less : Recoveries/Income		
Interest received	6.47	2.15
Other income	0.94	0.54
Income from Sale of Pellets	-	12.04
Total (b)	230.53	208.86
Sub-total (a+b)	1,304.03	1,193.24
Less : Amount allocated to Fixed assets/ Capital W I P	-	119.74
Total	1,304.03	1,073.50

Notes

NOTE -2.3 : INTANGIBLE ASSETS

ASSETS	GROSS BLOCK				AMORTISATION BLOCK				NET BLOCK	
	As at 1 st April 2018	Additions during the year	Ded/Adj during the year	As at 31 st March 2019	As at 1 st April 2018	For the year	Deductions/ adjustments	Upto 31 st March 2019	As at 31 st March 2019	As at 31 st March 2018
Goodwill	93.89	-	-	93.89	-	-	-	-	93.89	93.89
Total	93.89	-	-	93.89	-	-	-	-	93.89	93.89
Previous Year 2017-18	93.89			93.89	-	-	-	-	93.89	93.89
GENERAL										
Computer software	5.62	1.26	0.01	6.89	3.60	1.08	-	4.68	2.21	2.02
Mining rights	380.89	70.97	(2.47)	449.39	169.20	64.30	(1.91)	231.59	217.80	211.69
Total	386.51	72.23	(2.46)	456.28	172.80	65.38	(1.91)	236.27	220.01	213.71
Previous Year 2017-18	380.21	2.13	4.17	386.51	112.36	60.44		172.80	213.71	307.60
Total	480.40	72.23	(2.46)	550.17	172.80	65.38	(1.91)	236.27	313.90	307.60
Previous Year 2017-18	474.10	2.13	4.17	480.40	112.36	60.44	-	172.80	307.60	361.74

ADDITIONAL NOTES TO 2.1 & 2.3 : PPE (PROPERTY PLANT AND EQUIPMENT) AND INTANGIBLE ASSETS

1. Lease hold land measuring 3021.35 sq. mtrs. (previous year 3021.35 sq. mtrs.) has been taken from Vizag Port Trust Authorities for construction of Regional Office building. Lease as now being extended for a period of 30 years i.e. up to 01.01.2044.

Lease hold land measuring 1431.32 sq. mtrs. (Previous year 1431.32 sq. mtrs.) has been taken from Vizag Port Trust Authorities for construction of screening plant at port area and the lease deed has been extended up to 17th June, 2020 and applied for extension.

2. The value of land of 155.55 hectares taken over from District Industries Centre, Jagdalpur for construction of Steel Plant near Nagarnar has not been brought into the books as the amount payable is not ascertainable in the absence of any demand from the concerned authorities.
3. Formal agreements / Transfer deeds remain to be executed in respect of the following:
 - (a) Renewal of Mining Leases at Deposit 10 (Float Ore) & Donimalai.

- (b) Lease deeds in respect of parts of land for township at Bachel Complex, Kirandul Complex and Panna Project.
- (c) Mining lease to the extent of 33.58 hectares (Mining area) and 19.42 hectares (Plant area) of Silica Sand Plant near Lalapur (Allahabad).
- (d) Lease in respect of a portion of the total land at R&D Center measuring 9.12 acres has expired during Feb 07 (6.66 acres) and the balance in Feb 2010 (2.46 acres). The process of renewal of the lease is under progress.
- (e) Only Provisional allotment letters issued for the land to the extent of 13.43 acres purchased from M/s APIIC at Industrial park, Paloncha. However, on physical survey found only 11.35 acres of land. No effect is given in books, pending confirmation from M/s APIIC.
- (f) Land to the extent of 26.39 acres purchased at Patancheru, Hyderabad from the Official Liquidator of Allwyn Watches Ltd. However, on physical survey found only 24.23 acres of land. No effect is given in books, pending confirmation from the Official Liquidator of Allwyn Watches Ltd.

- (g) Land at Raipur to the extent of 57,432.99 Sq. Ft. has been acquired from Chhattisgarh Housing Board, however as per the actual land measurement taken by surveyor the total land comes to 62,205.96 Sq. Ft. The registration formalities are in the process for the total land.

6. During the year 2018-19 a review of residual and useful life of PPE was done and as per the review there is no change recommended. The Useful life of all the PPE is as per schedule II except for the following PPE whose life as given under is determined as per technical assessment adopted.

4. RECONCILIATION OF DEPRECIATION AND AMORTISATION AS PER STATEMENT OF PROFIT AND LOSS:

₹ In crore			
Note no	Particulars	2018-19	2017-18
2.1	Depreciation on PPE	224.67	208.97
2.3	Amortisation of Intangible Assets	65.38	60.44
	Total	290.05	269.41
2.2.1	Transferred to IEDC	(-)11.01	(-)12.78
	Depreciation and amortisation as per Statement of Profit and Loss	279.04	256.63

5. Mining Lease of Donimalai:

The Government of Karnataka, while renewing the lease of NMDC's Donimalai Iron Ore Mine, has imposed a new condition asking for a premium of 80% on the average sale value. As the demand of the State Govt. is against the spirit of the MMDR Act, the company requested the State Govt. to reconsider its decision. Since there was no response from the State Govt. the company had to suspended its operations from 4th November 2018 and move the Hon'ble High Court of Karnataka praying for a suitable direction in this matter. Subsequent to a series of hearings, the Company is eagerly awaiting the decision of the Hon'ble High Court.

Equipment	Capacity	Use life (in Years)
Dumper	85-100 T	10
	50-60 T	9
Water Sprinkler	28 KL	9
Rope Shovel	8-10 Cu m	20
Hydraulic Shovel	5-7.5 Cum	9
	>7.5 Cum	10
Blast Hole Drill	165 mm Diesel	9
	165 mm Electric	12
	250 mm single pass	16
	250 mm multiple pass	10
Top Hammer Drill	<160 mm	9
Front End Loader	< 300 HP to >600 HP	10
Track Dozer	<500 HP to > 500 HP	10
Wheel Dozer	<500 HP	12
Grader	<200 HP	12
Mobile Crane	<12 ton	9
	12 – 40 ton	12
	>40 ton	15
Boom Stacker	2000 – 3000 TPH	30
Reclaimer	2000-3000 TPH	30

Notes

NOTE : 2.4.1 INVESTMENTS

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
i) 41,85,590 (previous Year 41,85,590) Equity shares of FMG 2500/each fully paid up in wholly owned subsidiary company NMDC SARL, Madagaskar	7.20	7.20
Less: Investment deration	7.20	7.20
	-	-
ii) 20,00,000 (previous year NIL) equity shares of 10 each in NMDC CSR Foundation (NMDC CSR)	2.00	-
Investment in Joint Ventures :		
Unquoted at cost:		
i) 50 (Previous year 50) equity shares of South african Rand 1/- each in Kopano-NMDC Minerals (Proprietary) Limited (₹ 324/- only)	-	-
ii) 9,83,47,236 (Previous Year 9,83,47,236) Equity shares of ₹ 10/- each fully paid up in NMDC CMDC Ltd.	96.94	94.57
iii) 15,26,74,600 (previous year 19,56,500) equity shares of ₹ 10/- each fully paid up in Bastar Railway Pvt. Ltd. (BRPL)	152.23	0.60
iv) 25,500 (previous year 25,500) equity shares of ₹ 10/- each fully paid up in NMDC-SAIL Ltd.	0.03	0.02
Less: Investment deration	0.03	
	-	
v) 6,000 (Previous year 6,000) equity shares of ₹ 10/- each fully paid up in Jharkhand National Mineral Development Corporation Ltd.	-	-
Investments in Associates :		
Unquoted at cost:		
i) 105,000 (previous year 105,000) Equity shares of ₹ 10/- each fully paid up in Romelt SAIL India Ltd., New Delhi	0.11	0.11
Less: Investment deration	0.11	0.11
	-	-
ii) 37,63,57,143 (Previous year 33,63,57,143) Equity shares of ₹ 10/- each fully paid in International Coal Ventures (P) Ltd.	559.38	536.44
iii) 4,00,00,000 (P.Y 4,00,00,000) equity shares of ₹ 10/- each in Krishnapatnam Railway Co. Ltd fully paid	48.29	41.07
iv) 7,47,99,878 (previous year 7,47,99,878) equity shares of ₹ 10/- each fully paid up in NINL, Bhubaneswar	-	-
v) 13,000 (previous year Nil) equity shares of ₹ 10/- each in Chhatishgarh Mega steel Ltd	0.01	0.01

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Non-trade and unquoted shares in co-operative societies		
i) 150 Shares (previous year 150 Shares) of ₹ 1,000/- each fully paid up in Whole-sale Consumers Co-operative Stores, Kirandul ₹ 1,50,000 (Previous year ₹ 1,50,000)	0.02	0.02
ii) 500 Shares (previous year 500 Shares) of ₹ 10/- each fully paid up in NMDC Employees Co-operative Society Ltd, Bachelī ₹ 5,000 (previous year ₹ 5,000)	-	-
iii) 25 Shares (previous year 25 Shares) of ₹ 100 each fully paid up in NMDC Employees Co-operative Society Ltd, Donimalai ₹ 2,500 (previous year ₹ 2,500)	-	-
	-	-
	0.02	0.02
Total	858.87	672.73
1. Aggregate amount of Quoted investments (Market value of quoted Investments)"	-	-
2. Aggregate amount of Unquoted Investments	864.20	680.04
3. Aggregate amount of provision for diminution in value investments	7.34	7.31

NOTE: 2.4.2 : LOANS

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Loans to employees & outsiders	15.79	15.54
Deposit with Others	138.92	124.53
TOTAL	154.71	140.07
i) Considered Good, Secured	15.79	15.54
ii) Considered Good, Unsecured	-	-
iii) Which have significant increase in Credit risk	138.92	124.53
iv) Credit Impaired	-	-

Note: With respect to the accounting policy note no. 1. (b) ii, the long term Loans & advances to employees was to be measured at amortised cost. The same was carried out and considering the materiality, no effect has been made in the accounts.

Notes

NOTE: 2.5 DEFERRED TAX ASSETS (NET)

(₹ In Crore)

Particulars	Figures as at the end of 31- March -2019	Figures as at the end of 31- March -2018
A. Deferred tax assets :		
1. Provision for bad & doubtful debts	690.01	597.03
2. Asset retirement obligation and spares	6.03	5.88
3. Investments	12.51	12.39
4. Others	125.08	0.07
Total Deferred Tax Assets	833.63	615.37
B. Deferred tax liability :		
1. Related to PPE	(250.90)	(229.66)
Total Deferred Tax Liability	(250.90)	(229.66)
Net Deferred Tax Assets	582.73	385.71

NOTE 2.6 : OTHER NON-CURRENT ASSETS

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Capital Advances (*)	611.29	607.84
ITC Receivables	1,454.18	1,207.54
Mines Closure Fund with Life insurance Corporation	747.70	628.97
Other Advances	173.15	181.88
Total	2,986.32	2,626.23

* Capital Advances includes an amount of ₹ 84.28 crore (P.Y ₹ 144.06 crore) towards doubling of railway lines between Jagdalpur and Ambagoan ,

NOTE:2.7 . INVENTORIES

(As Valued and Certified by the Management)

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Raw materials	0.76	0.93
Work-in-Process :		
Pellets	4.78	4.08
Diamonds	8.32	1.47
Sponge Iron	0.91	0.36
	14.01	5.91

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Finished Goods:		
Iron Ore	447.43	396.29
Sponge Iron	4.77	0.52
Pellets	12.80	8.94
Diamonds & Precious Stones	48.47	36.61
Total Finished Goods	513.47	442.36
Total	528.24	449.20
Stores & Spares	137.75	122.24
Loose tools and Implements	0.18	0.25
Total	137.93	122.49
G. Total	666.17	571.69
Inventories are valued at cost or NRV whichever is lower.		
1. Stores and Spares include:		
a) Stores-in-transit	9.40	37.19
b) Obsolete stores & spares valued at ₹1 per unit of their original value of ₹ 3.75 crore (previous year ₹ 3.79 crore)	0.02	0.02

NOTES: 2.8.1 TRADE RECEIVABLES

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Trade receivables outstanding for a period exceeding six months from the due date of payment	1,876.42	1,581.86
Other trade receivables	1,506.24	1,599.85
	3,382.66	3,181.71
Less: Provision for bad & doubtful trade receivables	23.75	23.75
Less: Provision for bad & doubtful (Monitoring Committee)	1,934.40	1,685.22
	1,958.15	1,708.97
TOTAL	1,424.51	1,472.74
Break-up security details		
i) Considered good, Secured	-	0.15
ii) Considered good, Unsecured	1,424.51	1,472.59
iii) Which have significant increase in Credit Risk	-	-
iv) Credit impaired	1,958.15	1,708.97

Trade Receivables includes ₹ 2,655.54 crore (Previous year ₹ 2418.99 crore) dues from Monitoring Committee.

Notes**NOTES: 2.8.2 CASH AND CASH EQUIVALENTS**

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Cash in hand	-	-
Balance with Banks		
On current Accounts	39.59	27.41
On Deposit accounts (Original maturity less than 3 months)	6.08	6.98
Total	45.67	34.39

NOTES :2.8.3 BANK BALANCES OTHER THAN (II) ABOVE

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Balance with bank on 'Deposits Accounts (original maturity more than 3 months but less than 12 months	4,088.75	5,017.78
Balance with bank for Unpaid Dividend	471.20	376.10
Bank deposits offered as security for Bank guarantees and letter of credit	13.77	32.71
Total	4,573.72	5,426.59

NOTE: 2.8.4 OTHER FINANCIAL ASSETS

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Related Parties		
Advances to Directors	0.02	-
Advances to Subsidiaries/ Jv's / Associates	46.26	52.75
Less: Prov. Made	-	-
	46.26	52.75
Employees and outsiders		
Advances to Employees and outsiders	251.58	243.37
Interest Accrued		
Accrued interest on deposits with banks	66.14	112.18
Accrued interest on Other	6.38	3.35
Other Receivables		
	28.06	31.44
Total	398.44	443.09

NOTE: 2.9 CURRENT TAX ASSET (NET)

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Advance Income tax & TDS	7,250.25	6,388.20
Less : Provision	6,799.05	5,786.00
Total	451.20	602.20

NOTE: 2.10 OTHER CURRENT ASSETS

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Advances to suppliers, contractors and prepaid expenses	300.61	248.98
Less: Provision	2.60	2.28
Net	298.01	246.70
Current Investments	3.66	3.51
ITC Receivables	115.40	62.99
Total	417.07	313.20

NOTE: 2.11 ASSETS HELD FOR DISPOSAL

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Assets held for disposal	0.51	0.41
Total	0.51	0.41

NOTE: 2.12 EQUITY SHARE CAPITAL

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Authorised:		
400,00,00,000 Equity Shares of ₹ 1/- each		
(Previous year 400,00,00,000 Equity Shares of ₹ 1/- each)	400.00	400.00
Issued, Subscribed & Paid up:		
3,16,38,90,474 Equity Shares of ₹ 1/- each fully paid up (Previous year 3,16,38,90,474 of ₹ 1/- each fully paid)	316.39	316.39

Notes

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Less : Buyback of 10,20,40,815 Equity Shares (Previous year Nil Equity shares of ₹ 1/- each fully paid up)	10.20	-
3,06,18,49,659 Equity Shares of ₹ 1/- each fully paid up (Previous year 3,16,38,90,474 of ₹ 1/- each fully paid)	306.19	316.39

Addl. Notes :

- No new shares were issued, during the current year.
- Board of Directors of the company in its meeting held on 8th January 2019 approved buyback of 10,20,40,815 equity shares @ ₹ 98/- for an aggregate consideration of ₹ 1,000.00 crore. The process of buyback was completed by 8th March 2019. The buyback offer was fully subscribed.
- Terms/Rights attached to equity shares :
The company has only one class of equity shares having par value of ₹ 1/- each and each holder of equity shares is entitled to one vote per share.
- The details of shares in the company held by each shareholder holding more than 5% shares :

Name of the Share holder	31-Mar-19		31-Mar-18	
	%of Holding	No. of Shares	%of Holding	No. of Shares
i) President of India	72.28	2,213,035,712	72.43	2,291,571,551
ii) LIC of India (incl all schemes)	12.89	394,591,074	12.47	394,591,074

Note 2.13 Other Equity

₹ in crore

Particulars	General Reserve	Retained earnings	CRR	OCI	Capital Reserve	Total Owners Equity	Non-controlling interest
Balance as at 1 st April 2017	21,973.79	25.80	80.08	(57.10)	243.25	22,265.82	15.39
Profit for the year		3,808.46				3,808.46	(0.94)
Capital Reserve					(5.01)	(5.01)	
Other Comprehensive Income net of tax				48.48		48.48	
Final dividends (2016-17)		(316.39)				(316.39)	
DDT -Final dividends (2016-17)		(64.41)				(64.41)	
Interim Dividends (2017-18)		(1,360.47)				(1,360.47)	
DDT -Interim Dividends (2017-18)		(276.96)				(276.96)	
Foreign Exchange Translation Reserve (OCI)				1.50		1.50	0.44
Transfer to General Reserve	1,000.00	(1,000.00)				-	
Total	1,000.00	790.23	-	49.98	(5.01)	1,835.20	(0.50)
Balance as at 31 st March 2018	22,973.79	816.03	80.08	(7.12)	238.24	24,101.02	14.89
Balance as at 1 st April 2018	22,973.79	816.03	80.08	(7.12)	238.24	24,101.02	14.89
Profit for the year		4,618.84				4,618.84	(0.89)

₹ in crore

Particulars	General Reserve	Retained earnings	CRR	OCI	Capital Reserve	Total Owners Equity	Non-controlling interest
Other Comprehensive Income net of tax				52.44		52.44	
Transfer to Capital Redemption Reserve (CRR)	(10.20)		10.20			-	
Buyback of shares (including transaction charges)	(996.53)					(996.53)	
Interim Dividends (2017-18)		(1,690.14)				(1,690.14)	
DDT -Interim Dividends (2017-18)		(347.41)				(347.41)	
Foreign Exchange Translation Reserve (OCI)				(0.41)		(0.41)	(0.11)
Transfer to General Reserve	2,000.00	(2,000.00)				-	
Total	993.27	581.29	10.20	52.03	-	1,636.79	(1.00)
Balance as at 31st March 2019	23,967.06	1,397.32	90.28	44.91	238.24	25,737.81	13.89

NOTE 2.14 PROVISIONS(NON- CURRENT)

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Employee Benefits :		
Gratuity	0.13	-
Long Service Reward	19.64	19.33
Mine closure Liability	748.75	694.79
Total	768.52	714.12

NOTE: 2.15.1 BORROWINGS

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Loan against FDs	364.15	500.09
Total	364.15	500.09

Notes

NOTE: 2.15.2 TRADE PAYABLES

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Total outstanding dues of micro and small enterprises	10.19	6.63
Other than micro and small enterprises	192.60	153.01
Total	202.79	159.64

(₹ In Crore)

DISCLOSURE RELATING TO MICRO AND SMALL ENTERPRISES		
i) (a). The principal amount remaining unpaid to the supplier as at the end of the year	10.19	6.63
i) (b). The interest due on the above amount, remaining unpaid to the supplier as at the end of the year	Nil	Nil
ii) the amount of interest paid in terms of section 16, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
iii) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006;	Nil	Nil
(iv) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
(v) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

NOTE: 2.15.3 OTHER FINANCIAL LIABILITIES

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Unpaid Dividend	2.65	2.08
Deposits from Suppliers, Contractors	134.29	81.57
Capital Creditors	492.55	692.34
Other financial Liabilities	1,038.58	1,113.33
Total	1,668.07	1,889.32

NOTE : 2.16 OTHER CURRENT LIABILITIES

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Contract Liabilities	216.53	100.84
Other Payables	418.11	431.80
(like withholding and other taxes payable, amounts payable to employees and others)		
Statutory Dues	153.72	435.60
Total	788.36	968.24

NOTE: 2.17 PROVISIONS

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Employee Benefits :		
Accrued leave	-	0.11
Long service reward	2.22	2.05
Others		
Provision for gratuity, leave salary, family benefit scheme and post employment medical benefits	36.90	23.31
Provisions for de-commissioning liability (ARO Obligation)	2.33	2.14
Total	41.45	27.61

NOTE: 2.18 REVENUE FROM OPERATIONS

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Sale of Products :		
Iron ore :		
Export through MMTC	545.65	1,069.93
Domestic		
Basic price	9,427.62	8,534.85
Royalty	1,574.42	1,438.24
Development Cess	33.04	30.70
Forest Permit Fee	33.04	30.70
Forest Development Fee	-	93.85
District Mineral Fund (DMF)	360.20	274.37
National Mineral Exploration Trust (NMET)	24.01	18.29
Total Domestic	11,452.33	10,421.00

Notes

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Total Iron Ore Sales	11,997.98	11,490.93
Sponge Iron	0.94	-
Diamonds	38.86	35.17
Sale of Power	5.51	6.50
Sale of Services	32.34	56.17
Sales of Pellets	76.52	25.40
Other operating revenue	0.52	0.74
Total	12,152.67	11,614.91

NOTE: 2.19 OTHER INCOME

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Interest Income:		
On Deposits with Banks	377.95	331.88
Others	72.32	58.43
	450.27	390.31
Gain in Exchange	0.04	-
Profit on sale/adjustment of assets	0.79	1.01
Profit on sale of Current investments(MUF)	31.94	26.55
Other non operating income	105.92	105.35
Total	588.96	523.22

NOTE: 2.20 CONSUMPTION OF RAW MATERIALS

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Iron ore	49.13	16.72
Coal	1.48	-
Lime Stone	0.73	0.23
Internal handling of raw materials	0.66	0.38
Total	52.00	17.33

NOTE: 2.21 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Work-in-process:		
Balance as at the beginning of the Year	5.91	8.81
Less: Balance as at close of the Year	14.01	5.91
	(8.10)	2.90
Finished Goods:		
Balance as at the beginning of the Year	433.42	400.98
Less: Balance as at close of the Year	500.68	433.42
	(67.26)	(32.44)
Finished Goods: (Pellets)		
Balance as at the beginning of the Year	8.94	-
Less: Balance as at close of the Year	12.80	8.94
	(3.86)	(8.94)
Total	(79.22)	(38.48)

NOTE: 2.22 EMPLOYEE BENEFIT EXPENSE

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Salaries, Wages & Bonus	788.16	725.59
Contribution to Provident fund and other funds		
Provident Fund, FPS & DLI	53.15	44.01
Pension Fund	35.06	28.18
Group Gratuity Fund	27.99	38.44
Staff Welfare Expenses	135.04	213.01
Total	1,039.40	1,049.23

NOTE: 2.23 POWER, ELECTRICITY AND WATER CHARGES

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Power charges	90.89	80.71
Electricity charges	16.41	16.79
Water charges	2.15	1.77
Total	109.45	99.27

Notes**NOTE: 2.24 REPAIRS & MAINTENANCE**

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Buildings	16.31	17.76
Plant and Machinery	77.25	58.27
Vehicles	0.67	0.94
Others	64.95	67.83
Total	159.18	144.80

NOTE: 2.25 SELLING EXPENSE

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Railway freight	155.47	263.86
Export duty	54.07	109.52
Infrastructure Development cess	17.49	17.02
Environmental Development cess	17.49	17.02
Other selling expenses	123.66	232.26
Total	368.18	639.68

NOTE: 2.26 FINANCE COST

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
i) Interest on Short term Borrowings	1.88	0.20
ii) Interest - Others	38.24	36.72
iii) Interest on deposit from contractors, suppliers & others	0.20	0.18
Total	40.32	37.10

NOTE: 2.27 OTHER EXPENSES

(₹ In Crore)

Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Rent	4.29	4.90
Insurance	3.83	10.88
Rates & Taxes	11.94	7.19
Directors' Travelling expenses	2.28	1.72
Directors, Sitting Fees	0.58	0.71
Payment to Auditors:		
As audit Fee	0.46	0.41
For taxation matters	0.02	0.02
For Management Services	0.01	0.01
For Other Services	0.25	0.21
For reimbursement of expenses	0.12	0.14
	0.86	0.79
Loss on sale/adjustment of Assets	0.51	0.36
Miscellaneous losses written off	0.10	0.34
Provision for doubtful debts/advances	249.55	336.92
Mine closure Obligation	53.95	103.64
Raising and Transportation	57.91	72.60
Local Area Development (Towards SPV in Karnataka)	249.17	335.21
Compensation paid to Statutory Agencies	10.12	-
Entertainment	1.88	1.24
Travelling & Conveyance	33.90	26.96
Advertisement & Publicity	20.15	13.76
Postage, Telephone & Telex	3.63	4.10
Stationery & Printing	3.94	3.15
Consultancy charges	15.87	11.74
CISF/Security guards	125.30	122.35
Safety expenses	1.66	1.24
Corporate Social Responsibility	167.24	169.37
Loss in Exchange variation (net)	1.21	0.11
Environmental Development	16.38	56.81
Other expenses	79.34	51.38
Exp. On Enabling Assets for the Company	194.92	172.80
Total	1,310.51	1,510.26

Notes

NOTE: 2.28 EXCEPTIONAL ITEMS

Particulars	(₹ In Crore)	
	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Current Year Nil (P.Y DMF Refund to Customers (12/01/2015 to 16/09/2015))	-	55.25
Less:		
Current Year NIL (P. Y. DMF Liability to Govt. Reversed (12/1/2015 to 16/09/2015))	-	199.55
Total Expenditure	-	(144.30)

NOTE: 2.29 TAX EXPENSES

Reconciliation of Effective Tax rate and Statutory tax Rate as on 31st March 2019

Particulars	(₹ In Crore)	
	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
	Income	Expenditure
CURRENT TAX		
Current Tax on profit for the year	2,752.40	2,166.40
Adj. of current tax for prior period	0.85	164.06
Total current tax expenses	2,753.25	2,330.46
DEFERRED TAX		
Decrease/(increase) in deferred tax assets	(272.14)	(20.92)
Decrease/(increase) in deferred tax liabilities	- 75.12	88.58
Total deferred tax expenses/(benefit)	- (197.02)	67.66
Total Expenditure	2,556.23	2,398.12

Particulars	Amount ₹ In crore	Tax - ₹ In crore	Tax - ₹ In crore
Accounting profit before tax from continuing operations	7,199.06		
Profit/(loss) before tax from discontinued operations	(0.64)		
Total	7,198.42		
Accounting profit before income tax		2515.42	34.944
Income tax rate			
Tax at Income tax rate			
Tax effect of amount not deductible in calculating taxable income			
CSR exp.	167.24	58.44	0.812
Prov. For bad & doubtful exp.	249.55	87.20	1.211
Change in Depreciation	(39.82)	(13.91)	(0.193)
Provision for deration of inv. and advance	(21.55)	(7.53)	(0.105)
Other items	322.77	112.78	1.567
Taxable income	7,876.61		
Current Tax on Profit for the year	2,752.40	2,752.40	38.24

2.31.1 :RELATED PARTY DISCLOSURES (INDAS-24):-**i) List of related parties**

	Country of incorporation	No. of Shares Held	Holding as at	
			March 31, 2019	March 31, 2018
A. Subsidiaries				
Legacy Iron Ore Limited	Australia	115,34,50,796	78.56%	78.56%
J & K Mineral Development Corporation Limited	India	28,51,002	95.86%	95.86%
NMDC Power Limited	India	5,50,000	100%	100%
Karnataka Vijaynagar Steel Limited	India	1,00,000	100%	100%
NMDC Steel Limited	India	60,000	100%	100%
Jharkhand Kolhan Steel Limited	India	60,000	100%	100%
NMDC-SARL, Madagaskar(Under closure)	Africa	41,85,590	100%	100%
NMDC CSR Foundation	India	20,00,000	100%	-
B. Joint Ventures				
Kopano-NMDC Minerals(Proprietary) Limited	South Africa	50	50%	50%
Jharkhand National Mineral Development Corporation Ltd.	India	6,000	60%	60%
NMDC-CMDC Ltd., Raipur	India	9,83,47,236	51%	51%
NMDC-SAIL Ltd.	India	25,500	51%	51%
Bastar Railway Pvt. Ltd.	India	15,26,74,600	52%	54.27%
C. Associates				
Romelt-Sail(India) Limited*	Africa	1,05,000	25%	25%
International Coal Ventures (Pvt.) Ltd.	India	37,63,57,143	25.94%	25.94%
Krishnapatnam Railway Company Ltd.	India	4,00,00,000	6.40%	14.82%
Neelachal Ispat Nigam Ltd	India	7,47,99,878	12.87%	12.87%
Chhattisgarh Mega Steel Ltd.	India	13,000	26%	26%

D: Key Management Personnel: (Directors) as on 31/03/2019**Directors :**

- | | | |
|----|------------------------|---|
| 1. | Shri N.Baijendra Kumar | CMD |
| 2. | Dr. Narendra K Nanda | Director(Technical) |
| 3. | Dr T R K Rao | Director(Commercial) |
| 4. | Shri P K Satpathy | Director(Production) |
| 5. | Shri D S Ahluwalia | Director(Finance) up to 30 th April 2018 |
| 6. | Shri Sandeep Tula | Director(Personnel) |
| 7. | Shri Amitava Mukherjee | Director (Finance) wef 20 th Nov 2018 |

Company Secretary :

Sri A.S Pardha Saradhi

- i) The consolidated financial statements are drawn by considering audited financial statements of the above mentioned subsidiaries for the year ended 31/03/2019 except NMDC Power Limited, NMDC Steel Limited and Legacy Iron Ore Limited.

Notes

- ii) In respect of Associate companies, the consolidated financial statements are drawn by considering the unaudited financial statements for the period ending 31/03/2019 except ICVL (P) Ltd. .
- iii) In respect of Joint Venture i.e. Kopano - NMDC Minerals (Proprietary) Limited, South Africa, the consolidated financial statements are drawn by considering the latest available unaudited financial statements up to 28th Feb 2018. There are no significant transaction during 2019 for adjustment. In respect of other joint ventures companies, the consolidated financial statements are drawn by considering the unaudited financial statements for the period ending 31/03/2019.
- iv) NMDC has infused ₹ 10.00 crore in the month of June 2018, ₹ 1.55 crore in the month of July 2018 in NMDC CSR Foundation (NCF) a not-for-profit company. NMDC CSR Foundation is a Not-for-Profit company incorporated under Sec 7 (2) of Companies Act, 2013. The company is not being considered for consolidation in preparation of Consolidated Financial statements as per Ind-AS 110.

2.31.2 The following subsidiary/JV/Associate companies are not consolidated for the following reasons:

- a) The accounts of the subsidiary company i.e. NMDC SARL, Madagaskar as the company is under closure and in the process of winding up. .
- b) The accounts of the associate Company Romelt-SAIL (India) Limited, New Delhi as the company is in the process of winding up and suffers from significant impairment in its ability to transfer funds to the investor.

ii. Related Party Transactions

Investment in Joint Venture Companies (including advance against equity)

	OB 1.4.2018	Additions	Deletions	CB 31.3.2019
Kopano-NMDC Minerals (Proprietary) Limited (₹ 324/-)	-	-	-	-
Jharkhand National Mineral Development Corporation Ltd	0.01	-	-	0.01
NMDC-CMDC Ltd, Raipur	98.35	-	-	98.35
NMDC-SAIL Ltd	0.03	-	-	0.03
Bastar Railway Pvt Ltd	1.96	150.71	-	152.67
Sub total	100.35	150.71	-	251.06
Investment Deration- NMDC-SAIL Ltd	-	-	0.03	0.03

Loans and Advances to Joint Ventures:

	OB 1.4.2018	Additions	Deletions	CB 31.3.2019
Kopano-NMDC Minerals (Proprietary) Limited (₹ 324/-)	0.10	-	-	0.10
Jharkhand National Mineral Development Corporation Ltd	0.04	0.01	-	0.05
NMDC-CMDC Ltd, Raipur	46.10	-	-	46.10
NMDC-SAIL Ltd	-	-	-	-
Bastar Railway Pvt Ltd	6.50	-	6.50	0
Sub total	52.74	.01	6.50	46.25

2.31.1 (V) Additional Information as Required by Schedule III of Companies Act 2013

Sl. No.	Name of the entity (% of Share)	Proportion of ownership interest as on 31 st March 2019	Net Assets (i.e Total assets minus Total liabilities)		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
			As % of consolidated net assets	"Amount (₹ crore)"	As % of consolidated Profit & Loss	"Amount (₹ crore)"	As % of consolidated	"Amount (₹ crore)"	As % of total comprehensive income	"Amount (₹ Crore)"
1	NMDC Limited (Equity Holder as Parent)		99.59%	25,951.53	100.50%	4,642.11	-0.25%	(0.13)	99.37%	4641.98
2	Subsidiaries									
A)	Indian									
i)	JK Mineral Development Corporation Limited, Jammu	95.86	0.053%	13.881	-0.02%	(0.74)	-	-	-0.02%	(0.736)
ii)	NMDC Power Ltd, Hyderabad	100	0.002%	0.453	0.00%	0.02	-	-	0.00%	0.023
iii)	Karnataka Vijaynagar Steel Limited	100	0.000%	(0.052)	0.00%	(0.12)	-	-	0.00%	(0.119)
iv)	NMDC Steel Limited	100	0.000%	0.015	0.00%	(0.01)	-	-	0.00%	(0.011)
v)	Jharkhand Kolhan Steel Limited	100	0.000%	(0.028)	0.00%	(0.04)	-	-	0.00%	(0.043)
B)	Foreign									
i)	NMDC SARL, Madagaskar	100								
ii)	Legacy Iron Ore Ltd, Perth, Australia	78.56	0.249%	64.768	(0.09)	(4.16)	-	-	-0.09%	(4.162)
iii)	Non-controlling Interests in all subsidiaries		0.053%	13.890	0.02	0.890	-	-	0.02%	0.890
4	Associates (Investment as per the equity method)									
A)	Indian									
i)	Romeit-Sail (India) Limited, New Delhi.	25	Equity Method	Equity Method						
ii)	International Coal Ventures.	25.94	Equity Method	Equity Method	(0.64)	(29.620)	100.25%	52.570	0.49%	22.950
iii)	Nilachal Ispat Nigam Ltd, Bhubaneswar.	12.87	Equity Method	Equity Method	-	-	-	-	-	-
iv)	Krishnapatnam Railway Co. Ltd, Secunderabad.	6.4	Equity Method	Equity Method	0.16	7.220	-	-	0.15%	7.220
v)	Chattisgarh Mega Steel Ltd.	26	Equity Method	Equity Method	-	-	-	-	-	-

Notes

Sl. No.	Name of the entity (% of Share)	Proportion of ownership interest as on 31 st March 2019	Net Assets (i.e Total assets minus Total liabilities)		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income
			As % of consolidated net assets	"Amount (₹ crore)"	As % of consolidated Profit & Loss	"Amount (₹ crore)"	As % of consolidated comprehensive income	"Amount (₹ Crore)"	
5 Join Ventures (Investment as per the equity method)									
A) Indian									
i)	Jharkhand National Mineral Development Corporation Ltd, Ranchi	60	Equity Method	Equity Method	-	-	0	-	-
ii)	NMDC-CMDC Ltd., Raipur	51	Equity Method	Equity Method	0.05	2.37	0	0.05%	2.37
iii)	NMDC SAIL Ltd	51	Equity Method	Equity Method	-	-	0	-	-
iv)	Bastar Railway Pvt Ltd (BRPL)	52	Equity Method	Equity Method	0.02	0.92	0	0.02%	0.92
B) Foreign									
i)	Kopano-NMDC Minerals (Proprietary) Limited, Johannesburg, South Africa	50	Equity Method	Equity Method					
Consolidated Adjustment			0.105%	27.32					
Total				26,057.89		4,618.84		52.44	4,671.28

Investment in Associate Companies: (including advance against equity):

	₹ In crore			
	OB 1.4.2018	Additions	Deletions	CB 31.3.2019
Romelt-SAIL (India) Limited	0.11	-	-	0.11
International Coal Ventures (Pvt) Ltd	376.36	-	-	376.36
Krishnapatnam Railway Company Ltd	40.00	-	-	40.00
Chhattisgarh Mega Steel Ltd	0.01	-	-	0.01
Neelachal Ispat Nigam Ltd	100.60	-	-	100.60
Sub total	517.08	-	-	517.08
Investment Deration- Romelt-SAIL Ltd	0.11	-	-	0.11

Aggregate amount of unquoted investments Gross ₹ 806.61 crore and net ₹ 770.79 crore (Previous year Gross ₹ 653.74 crore and net ₹ 617.92 crore).

	(₹ In Crore)	
Particulars	Figures as at the end of 31-March-2019	Figures as at the end of 31-March-2018
Key Management Personnel:		
Key Managerial Personnel Remuneration	5.62	4.24

2.32. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)**A. Contingent liabilities**

Particulars	As at 31-Mar-18	Additions	Deletions	As at 31-Mar-19
1.1 Claims against the company not acknowledged as debts consisting of:				
A Disputed claims under Property tax, Export tax, Conservancy Tax, Sales tax, Service Tax, Income tax etc.,	1,912.82	441.54	1.34	2353.02
B Claims by contractors under arbitration				
On capital account	283.36	35.84	193.75	125.45
On revenue account	-	-	-	-
C Other claims on company not acknowledged as debts	136.50	21.19	1.56	156.13
Total	2,332.68	498.57	196.65	2,634.60

	31-Mar-2019	31-Mar-2018
1.2 Contingent liability on bills discounted/ LCs / BG's	820.24	751.54
1.3 a. Corporate Guarantee of USD 30 million submitted to EXIM bank on behalf of ICVL Maruritus in respect of short term working capital loan	54.04	51.73
b. Corporate Guarantee by NINL to MMTC Ltd for ₹ 945 crore- (Company share 12.87%)	-	NIL

The Company has issued letter of comfort in favour of International Coal Venture (P) Limited (ICVL) in furtherance for

Notes

providing Corporate Guarantee of US\$ 30 Mn by them to EXIM Bank on behalf of Minas De Benga Limitada, Mozambique (Borrower), a downstream operating subsidiary of ICVL, New Delhi in respect of short term working capital loan. The said letter of comfort does not in any way constitute the guarantee or security by the Company of the duties of the borrower to meet its obligation under the said facility.

B. Commitments:

		(₹ in Cr.)	
		As at 31- Mar-19	As at 31- Mar-19
1.1	Estimated amount of contracts remaining to be executed on Capital account	6370.33	3790.31
1.2	Other commitments to subsidiaries and JV	Nil	144.22

1.3 Disputed Claims under Income Tax Act.

The Hon'ble ITAT has delivered the orders in favour of the company on the subject matter of alleged under invoicing pertaining to the Financial Years 2006-07 to 2009-10. The Department has filed appeals before the Hon'ble High Court and pending its decision, the amount of demands ₹ 1,207.14 Crore (Previous year ₹ 1,207.14 Crore including interest) is included under contingent liability.

1.4: Disputed claims under 'Karnataka Forest Act:

Government of Karnataka had introduced Forest Development Tax (FDT), to pay @ 12% on the sale value of iron ore with effect from 27.08.2008. NMDC preferred an appeal before Hon'ble High Court of Karnataka and the court passed an interim order directing the Company to pay 50% of FDT, consisting of 25% in cash and balance 25% in the form of Bank Guarantee. As against the total FDT demand of ₹ 487.27 Crore (from August 2008 to Sep-2011), the Company has deposited an amount of ₹ 121.84 Crore (25%) in cash which has been shown as amount recoverable and submitted a bank guarantee for similar amount. An amount of ₹ 365.43 Crore (balance 50% amount of ₹ 243.69 Crore plus 121.84 Crore paid and accounted as amount recoverable) is included under disputed claims at 1.1.A. The amount of ₹ 121.84 Crore for which BG was given is included under contingent liability on BGs' at 1.2.

Hon'ble High Court of Karnataka vide order dated 03.12.2015 has quashed the orders of Government of Karnataka levying the FDT and ordered refund of the tax collected within three months and accordingly the Company has lodged refund claims. However, Government of Karnataka has filed a Special Leave Petition with Hon'ble Supreme Court of India, challenging the orders of Hon'ble High Court of Karnataka. Hon'ble Supreme Court of India has accepted the same and imposed stay on refund of the FDT amount.

Meanwhile Karnataka State Govt. had enacted Karnataka Forest (Amendment) Act 2016 vide Gazette notification dated 27.07.2016. The amendment substituted the word 'Tax' in the principal act to 'Fee' w.e.f 16th day of Aug 2008. Based on this the Monitoring Committee had started billing the Forest Development Fee in its invoices. Meanwhile consumers in Karnataka had filed separate Writ Petitions in Hon'ble High Court of Karnataka on the above. Karnataka High Court vide its order dated 20th Sept. 2016, had ordered that State Govt. may restrain from collecting FDF during the pendency of the writ petition, subject to the condition of furnishing bank guarantee in respect of 25% of the demand in relation to future transactions. Karnataka State Govt. had approached Hon'ble Supreme Court on this. Hon'ble Supreme Court vide its order dated 13.02.2017 modified the order of High Court of Karnataka and ordered for payment of 50% of the demanded amount and furnish Bond for balance amount.

The amount billed by the monitoring committee amounting to ₹ 93.85 crore towards FDF has been accounted under sales revenue during previous year. As, the Karnataka High Court vide its judgement dated 4th October 2017 has declared the Karnataka Forests (Amendment) Act, 2016 which was introduced for collection of Forest Development Fee (FDF) as unconstitutional, No FDF was collected nor paid with effect from 5th October 2017.

2.33 DISCLOSURES UNDER ACCOUNTING STANDARDS:**2.33.1 EMPLOYEE BENEFITS as per Ind - AS-19****GENERAL DESCRIPTION OF DEFINED/CONTRIBUTORY BENEFIT PLANS :**

PLAN	DESCRIPTION
1. Provident fund	The company's contribution to the provident fund is remitted to a separate trust based on a fixed percentage of the eligible employees' salary. Further, the company makes good the shortfall, if any, between the return from investments of trust and the notified rate of interest on actuarial valuation basis.
2. Gratuity	Eligible amount is paid to the employees on separation by NMDC Group Gratuity Trust.
3. Accrued Leave Salary	Encashment of accumulated leave payable as per the rules of the Company to the employees on separation is made by NMDC Employees Superannuation Benefit Fund Trust.
4. Settlement Allowance	Employees are paid eligible amount at the time of retirement for their settlement by the NMDC Employees Superannuation Benefit Fund Trust.
5. Post Retirement Medical Facilities	Retired employees opting for the Post Retirement Medical Benefit Scheme on contribution of prescribed amount can avail medical benefits as per the Scheme and the liability is funded to NMDC Employees Superannuation Benefit Fund Trust.
6. Family Benefit Scheme	Monthly payments to disabled separated employees/legal heirs of deceased employees on deposit of prescribed amount, till the notional date of superannuation and the liability is funded to NMDC Employees Superannuation Benefit Fund Trust.
7. Long Service Award	Employees are presented with an award in kind on rendering prescribed length of service.
8. Contribution to Defined Contribution Pension scheme	The company's contribution to the defined contribution pension scheme is remitted to a separate trust based on a fixed percentage of the eligible employees' salary.

Other Disclosures :**i) Provident fund :**

The company has conducted Actuarial valuation of its PF trust and the trust do not have any deficit as on 31st March 2019.

ii) Other defined benefit plans :

(₹ in crore)

Particulars	Gratuity	Accrued Leave Salary	Settlement Allowance	Post retirement medical facilities	Family Benefit Scheme	Long Service Award
A. Changes in the present value of obligation as on						
31st March 2018						
Present value of obligation at the beginning of the year	321.65	153.68	16.51	410.85	31.30	22.05
Interest cost	23.64	11.30	-	30.20	-	-
Current service cost	31.37	0.34	-	24.54	-	-
Past service cost	-	-	-	-	-	-

Notes

(₹ in crore)

Particulars	Gratuity	Accrued Leave Salary	Settlement Allowance	Post retirement medical facilities	Family Benefit Scheme	Long Service Award
Benefits paid/payable	(16.70)	(5.43)	(0.26)	(26.26)	(6.39)	(2.41)
Actuarial gain/loss on obligation	(44.48)	(5.87)	(3.38)	(28.42)	14.01	1.74
Present value of obligation at the end of the period	315.48	154.02	12.87	410.91	38.92	21.38
31st March 2019						
Present value of obligation at the beginning of the year	315.48	154.02	12.87	410.91	38.92	21.38
Interest cost	24.42	11.92	-	31.80	-	-
Current service cost	31.38	10.21	-	27.23	-	-
Past service cost	-	-	-	-	-	-
Benefits paid/payable	(34.78)	(8.14)	(0.43)	(31.29)	(5.69)	(2.12)
Actuarial gain/loss on obligation	(10.74)	2.95	(0.37)	21.02	12.93	2.41
Present value of obligation at the end of the period	325.76	170.96	12.07	459.67	46.16	21.67
B. Changes in the fair value of the Plan Assets as on						
31st March 2018						
Fair value of plan assets at the beginning of the year	181.59	113.05	34.57	300.05	27.88	-
Expected return on plan assets	13.35	8.31	2.82	25.36	2.47	-
Contributions	140.06	40.63	-	110.80	-	-
Benefits paid/payable	(16.70)	(2.66)	(0.26)	(26.26)	(6.39)	-
Actuarial gain/loss on plan assets	8.87	2.33	-	2.71	0.01	-
Fair value of plan assets at the end of the period	327.17	161.66	37.13	412.66	23.97	-
31st March 2019						
Fair value of plan assets at the beginning of the year	327.17	161.66	37.13	412.66	23.97	-
Expected return on plan assets	25.25	12.48	2.81	34.03	3.23	-
Contributions	0.30	0.00	-	-	14.95	-
Benefits paid/payable	(34.78)	(4.73)	(0.43)	(30.10)	(5.69)	-
Actuarial gain/loss on plan assets	(2.05)	(0.37)	-	27.68	(0.01)	-
Fair value of plan assets at the end of the period	315.89	169.04	39.51	444.27	36.45	-

(₹ in crore)

Particulars	Gratuity	Accrued Leave Salary	Settlement Allowance	Post retirement medical facilities	Family Benefit Scheme	Long Service Award
C. Amounts recognised in the Balance sheet as on						
31st March 2018						
Present value of the obligations at the end of the year	315.48	154.02	12.87	410.91	38.92	21.38
Fair value of plan assets at the end of the year	327.17	161.66	37.13	412.66	23.97	-
Liability(+)/Asset (-) recognised in the balance sheet	(11.69)	(7.64)	(24.26)	(1.75)	14.95	21.38
31st March 2019						
Present value of the obligations at the end of the year	325.76	170.96	12.07	459.67	46.16	21.67
Fair value of plan assets at the end of the year	315.89	169.04	39.51	444.27	36.45	-
Liability(+)/Asset (-) recognised in the balance sheet	9.87	1.92	(27.44)	15.40	9.71	21.67
D. Amounts recognised in the Statement of P&L for the period ended						
31st March 2018						
Current service cost	31.37	0.34	-	24.54	-	-
Past service cost	-	-	-	-	-	-
Interest cost	23.64	11.30	-	30.20	-	-
Expected return on plan assets	(13.35)	(8.31)	(2.82)	(25.36)	(2.47)	-
Net actuarial gain/loss recognised in the year (OCI)	(53.35)	(8.20)	(3.38)	(31.13)	14.00	1.74
Total	(11.69)	(4.87)	(6.20)	(1.75)	11.53	1.74
31st March 2019						
Current service cost	31.38	10.21	-	27.23	-	-
Past service cost	-	-	-	-	-	-
Interest cost	24.42	11.92	-	31.80	-	-
Expected return on plan assets	(25.25)	(12.48)	(2.81)	(34.03)	(3.23)	-
Net actuarial gain/loss recognised in the year (OCI)	(8.69)	3.32	(0.37)	(6.66)	12.94	2.41
Total	21.86	12.97	(3.18)	18.34	9.71	2.41

Notes

E. Principal Actuarial Assumptions :

₹ in crore

Description	2018-19	2017-18	2016-17
i. Discount Rate	7.65%	7.74%	7.35%
ii. Mortality Rate	LIC 1994-96 ultimate	LIC 1994-96 ultimate	LIC 1994-96 ultimate
iii. Medical Cost Trend rates	5%	5%	4%
iv. Withdrawal rate	1% to 3%	1% to 3%	1% to 3%
iv. Future salary increase	6.50%	6.50%	6.50%

- i) The discount rate adopted above is based on market yields at the balance sheet date on government bonds.
ii) In line with the report of the 3rd Pay Revision Committee, the ceiling of gratuity enhanced from ₹10 lakhs to ₹ 20 lakhs for provision of gratuity

F. Sensitivity analysis

'The sensitivity of the defined benefit obligation to changes in the weighted principal assumption is :

a) Gratuity

₹ in crore

Description	1% Increase	1% Decrease	1% Increase	1% Decrease
	31/3/ 2019	31/3/ 2019	31/3/ 2018	31/3/ 2018
A Effect of 1% Change in the Assumed Discount Rate	303.38	351.50	294.08	340.08
1. Effect on DBO	(6.87)	7.90	(6.78)	7.80
A Effect of 1% Change in the Assumed Salary Rate	343.49	307.35	333.55	296.79
2. Effect on DBO	5.44	(5.65)	5.73	(5.92)
A Effect of 1% Change in the Assumed Attrition Rate	345.92	303.44	335.11	293.73
3. Effect on DBO	6.19	(6.85)	6.22	(6.89)

b) Accrued Leave Salary

Description	1% Increase	1% Decrease	1% Increase	1% Decrease
	31/3/ 2019	31/3/ 2019	31/3/ 2018	31/3/ 2018
A Effect of 1% Change in the Assumed Discount Rate	150.40	180.44	147.60	161.54
1. Effect on DBO	(8.43)	9.87	(4.17)	4.88
A Effect of 1% Change in the Assumed Salary Rate	186.09	145.84	164.23	145.44
2. Effect on DBO	13.31	(11.20)	6.63	(5.57)
A Effect of 1% Change in the Assumed Attrition Rate	179.48	147.19	161.27	145.92
3. Effect on DBO	9.29	(10.38)	4.71	(5.26)

c) Post Retirement Medical Facilities

₹ in crore

Description	1% Increase	1% Decrease	1% Increase	1% Decrease
	31/3/ 2019	31/3/ 2019	31/3/ 2018	31/3/ 2018
A Effect of 1% Change in the Assumed Discount Rate	419.28	507.33	375.11	453.08
1. Effect on DBO	(8.79)	10.37	(8.71)	10.27
A Effect of 1% Change in the Assumed Salary Rate	509.47	417.95	454.91	373.95
2. Effect on DBO	10.84	(9.08)	10.71	(8.99)

(G) Defined benefit liability

The weighted average duration of the defined benefit obligation is 12.98 years for Leave encashment benefit , 9.95 years for gratuity scheme as on 31 March 2019 .The expected maturity analysis of gratuity and compensated absences is as under :

₹ in crore

Description	Less than a year	Between 2 - 5 years	between 5 -10 years	Over 10 years	Total
31 March 2019					
Gratuity scheme	28.03	88.09	75.14	134.50	325.76
Accrued leave salary	8.72	30.13	34.07	91.30	164.22
Post retirement medical benefits	30.06	108.00	106.90	214.70	459.66
Total	66.81	226.22	216.11	440.50	949.64

The weighted average duration of the defined benefit obligation is 12.89 years for Leave encashment benefit , 9.89 years for gratuity scheme as on 31 March 2018 .The expected maturity analysis of gratuity and compensated absences is as under :

₹ in crore

Description	Less than a year	Between 2 - 5 years	between 5 -10 years	Over 10 years	Total
31 March 2018					
Gratuity scheme	8.47	27.84	32.50	85.21	154.02
Accrued leave salary	28.35	82.70	74.85	129.58	315.48
Post retirement medical benefits	27.04	96.96	95.60	191.29	410.89
Total	63.86	207.50	202.95	406.08	880.39

2.33.2. Segment Reporting as per Ind - AS-108

A. Basis for segmentation

An operating segment is a component of the company that engages in business activities from which it may earn revenues and incur expenses and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Board of Directors to make decisions about resources to be allocated to the segments and assess their performance.

The company has two reportable segments, as described below, which are the company's strategic business units. These business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the business units, the company's Board reviews internal management reports on a periodic basis.

Notes

The following summary describes the operations in each of the company's reportable segments:

B. Information about reportable segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), segment revenue and segment capital employed as included in the internal management reports that are reviewed by the board of directors. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

Reportable Segments

Business Segments

₹ in crore

Current year	Iron Ore		Other Minerals & Services		Other reconciliation items		Grand Total	
	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year
1. REVENUE								
External Sales	11,997.98	11,490.93	154.42	123.98	0.27	-	12,152.67	11,614.91
Inter-Segment Sales	3.83	-	-	-	(3.83)	-	-	-
Total Revenue	12,001.81	11,490.93	154.42	123.98	(3.56)	-	12,152.67	11,614.91
2. RESULT								
Segment Result	7,152.78	6,205.24	(130.34)	(104.71)	7.79	(77.17)	7,030.23	6,023.36
Unallocated Corporate Exps							(246.18)	(199.78)
Operating Profit							6,784.05	5,823.58
Finance Cost							(40.32)	(37.07)
Interest Income							449.65	389.39
Income Taxes							(2,556.31)	(2,373.11)
Non-controlling Interest							0.89	0.94
Share of associates							(19.12)	4.73
Net Profit							4,618.84	3,808.46
3. OTHER INFORMATION								
Segment Assets	4,895.79	4,636.60	651.38	655.79	23,761.33	23,013.22	29,308.50	28,305.61
Segment Liabilities	1,422.41	1,634.51	40.89	40.87	2,370.04	2,583.64	3,833.34	4,259.02
Additions to assets during the year :								
Tangible Assets	222.43	398.04	0.71	574.62	51.25	653.09	274.39	1,625.75
Intangible Assets	70.78	0.10	0.19	-	1.26	2.03	72.23	2.13
Depreciation and Amortisation expenses during the year	228.60	211.74	37.49	32.89	12.95	12.00	279.04	256.63
Impairment reversal/ provided	-	-	-	-	-	-	-	-
Non-Cash expenses other than Depreciation & amortization	249.62	337.04	0.02	0.00	0.01	0.22	249.65	337.26

Geographical Segments

Sales Revenue by location of Customers:

₹ in crore

	Curr. Year	Prev. Year
Revenue from External customers		
- Domestic	11,452.33	10,421.00
- Export : Through MMTC	545.65	1,069.93
Total	12,152.67	11,614.91

Assets by Geographical Location:

₹ in crore

Location	Carrying amount of		Additions to Tangible and	
	Segment Assets		Intangible Assets	
	Curr. Year	Prev. Year	Curr. Year	Prev. Year
Chattisgarh	18,605.99	16,875.89	271.09	88.32
Telangana & Andhra Pradesh	8,227.83	9,003.79	8.73	9.12
Others	2,474.68	2,425.93	66.80	1,530.44
Total	29,308.50	28,305.61	346.63	1,627.88

Note No. 2.32.3 Disclosures – Revenue (Ind AS 115)

a) Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contract with customers

₹ in crore

Segment	Curr. Year	Prev. Year
	31-Mar-19	31-Mar-18
	₹ crores	₹ crores
Type of goods or service		
Sale of goods		
-Iron ore	11,997.98	11,490.93
-Sponge iron	0.94	-
-Diamonds	38.86	35.17
-Sale of pellets	76.52	25.40
-Sale of power	5.51	6.50
Sale of services		
-Sale of services	32.34	56.17
Others		
Other operating revenue	0.52	0.74
Total revenue from contracts with customers	12,152.67	11,614.91
India	11,607.02	10,544.98
Outside India	545.65	1,069.93
Total revenue from contracts with customers	12,152.67	11,614.91

Notes

₹ in crore

Segment	₹ in crore	
	Curr. Year	Prev. Year
	31-Mar-19	31-Mar-18
	₹ crores	₹ crores
Timing of revenue recognition		
Goods transferred at a point in time	12,120.33	11,558.74
Services transferred over time	32.34	56.17
Total revenue from contracts with customers	12,152.67	11,614.91

Set out below, is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment reporting

₹ in crore

Location	31-Mar-19		31-Mar-18	
	Sale of goods	Sale of services	Sale of goods	Sale of services
Revenue				
External customer	12,120.33	32.34	11,558.74	56.17
Inter-segment	2.54	0	0	0
Inter-segment adjustment and elimination	2.54	0	0	0
Total revenue from contracts with customers	12,120.33	32.34	11,558.74	56.17

From 1 July 2017 onwards the excise duty and most indirect taxes in India have been replaced by Goods and Service Tax (GST). The group collects GST on behalf of the Government. Hence, GST is not included in Revenue from operations. In view of the aforesaid change in indirect taxes, Revenue from operations year ended 31 March 2019 is not comparable 31 March 2018.

b) Contract balances

₹ in crore

Description	31-Mar-19	31 March 2018 (Restated)	01 April 2018 (Restated)
	₹ crores	₹ crores	₹ crores
Trade receivables	1,424.51	1,472.74	0
Contract assets	-	0	0
Contract liabilities	216.53	100.84	0

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days. In March 2019, ₹ 1,958.15 crore (March 2018: ₹ 1,708.97 crore) was recognised as provision for expected credit losses on trade receivables.

Contract assets are generally recognised in case of supply of services only when the receipt of money is conditional on milestone even after satisfaction of performance obligation. In case of sale of goods, directly receivable is recognised as company has unconditional right to payment from the moment performance obligation is satisfied.

Contract liabilities includes advance received from customer which will be adjusted towards supply of goods or services.

2.33.4: Accounting policies, change in Accounting Estimates and Errors (As per Ind-AS 8):**I. Review of Accounting Policies****a. Revenue Recognition: (Accounting policy No. 1(1.2)(xi)):**

Ind AS 115 recognises revenue on transfer of the control of goods or services, either over a period of time or at a point in time, at an amount that the entity expects to be entitled in exchange for those goods or services. In order to align with Ind AS 115, the Accounting policy on revenue recognition was reviewed and revised.

The said revision has nil impact on the financials of the company as the company was recognising and accounting revenue in line with the Ind AS 115.

b. Property Plant and Equipment: Depreciation (Accounting Policy No. 1(1.2)(v)(a))

Depreciation is charged on pro-rata monthly basis on additions / disposals of assets during the year taking the first day of the month for acquisition / commissioning and the last day of the month for disposals. To reflect the existing practice of the Company, policy was revised.

The said revision has nil impact on the financials of the company.

c. Stripping Cost: (Accounting Policy No. 1(1.2)(xviii))

Overburden and other mine waste materials which are removed throughout the production phase of mine are charged entirely to profit and loss account as production cost. To reflect the existing practice of the Company, policy was revised.

The said revision has nil impact on the financials of the company.

II. Ind AS issued and not yet effective:**Ind AS 116 Leases :**

Ministry of Corporate Affairs has notified The Companies (Indian Accounting Standards) Amendment Rules, 2019 dated March 30, 2019 which inter alia includes the new standard on Leases Ind AS 116 replacing the existing standard Ind AS 17, to be effective from the 1st April 2019. The impact of the same is yet to be assessed. The Company is proposing to use the Modified Retrospective Approach for transitioning to Ind AS 116.

2.33.5 Earnings per share (IND AS-33):- The details are as under:

Particulars	Year ended	
	31-MAR-19	31-MAR-18
1. Profit after Tax (₹ Crore)	4,618.84	3808.46
2. No of Equity shares	306,18,49,659	316,38,90,474
3. Nominal value per Equity share (₹)	1	1
4. Basic and Diluted Earnings per share (₹)	14.69	12.03

Note:* The earnings per share (EPS) have been adjusted on account of buyback.

2.33.6 Accounting for Deferred Taxes on income (Ind-As-12) : Necessary details have been disclosed in note no: 2.5.**2.33.7 Discontinuing Operations (IndAS-105) :**

On 25/02/2008 the Board of directors had announced a plan to dispose-off the plant and machinery of Silica Sand Project, Lalapur which is included in the segment of "Other minerals and services." Pending disposal, the unit is kept under care & maintenance.

Notes

₹ In crore

Particulars	As at 31-Mar-2019	As at 31-Mar-2018
Silica Sand Project, Lalapur		
Carrying value of Assets	0.29	0.29
Carrying value of liabilities	0.73	0.76

The following statement shows the revenue and expenses of discontinued operations:

₹ In crore

Particulars	For the year ended 31-Mar-2019	For the year ended 31-Mar-2018
A. Revenue		
Revenue from operations		
Other income	0.00	0.00
Total Revenue	0.00	0.00
B. Expenses		
Power, Electricity and Water	0.29	0.25
Repairs and Maintenance	0.00	0.01
Other expenses	0.35	0.41
Total Expenses	0.64	0.67
C. Profit(+)/Loss(-) from discontinued operations before tax (A-B)	(0.64)	(0.67)

2.33.8 Intangible Assets (IndAS-38) : R&D

The Research & Development expenditure, charged to Statement of Profit & Loss during the year is ₹ 23.81 crore (previous year ₹ 22.03 crore), including expenditure of ₹ 0.35 crore (previous year ₹ 0.83 crore) on feasibility studies.

The amount of revenue expenditure incurred at Research & Development unit, Hyderabad is as under:

₹ In crore

Head of account	2018-19	2017-18
Consumption of Stores and Spares	0.25	0.15
Power, Electricity & Water	0.61	0.58
Employee benefit expense	14.13	13.16
Repairs and Maintenance	0.82	0.52
Other expenditure	4.76	4.57
Depreciation & Amortisation	3.97	3.59
Total expenditure	24.54	22.57
Less : Other income	1.08	1.37
Total net R&D expenditure	23.46	21.20

During the year, at R&D unit, the additions to tangible assets (except land and buildings) are ₹ 7.50 crore. (Previous year ₹ 3.10 crore).

2.33.9 Joint Ventures (IndAS-28) Jointly Controlled entities:

Sl no	Name of the Joint Venture	Country of Incorporation	Proportion of ownership 2018-19	Proportion of ownership 2017-18
1	Kopano-NMDC Minerals (Proprietary) Limited	South Africa	50%	50%
2	NMDC CMDC Limited, Raipur	India	51%	51%
3	Jharkhand National Mineral Development Corporation Limited, Ranchi	India	60%	60%
4	NMDC SAIL Ltd	India	51%	51%
5	Bastar Railway Pvt Ltd	India	52%	54.27%

2.33.10 Impairment of Assets (IndAS – 36):

The impairment of assets has been reviewed during the year in respect of the following cash generating units, included under the segment 'Other Minerals and Services' and decided to maintain same status:

Unit	Year of impairment	Impaired Amount as on 01-04-18	Adjustments during 2018-19			Impaired Amount as on 31-03-19
			Reversal	Deletion	Addition	
SSP, Lalapur	2005-06	12.54	--	-	--	12.54
SAF Plant at Sponge Iron Unit	2004-05	15.48	-	-	-	15.48

₹ in crore

1. The Recoverable amount of the assets of SSP, Lalapur unit has been arrived at considering the 'value in use'. Since the value in use has resulted in negative cash flows, the recoverable amount has been taken as nil without applying any discount rate.
2. In the case of SAF plant at the Sponge Iron Unit, the impairment is based on net selling price as assessed by the approved Valuer.
3. The validity of the forest clearance of Panna Supplementary mining lease is up to 30-06-2015. As per the provisions of Mines and Mineral (Development and Regulation) Amendment Act 2015 and circular dated 01-04-2015 issued by MoEFCC the above mining lease shall be deemed to have been extended up to 30-06-2020 and accordingly the operations of the project are continued beyond 30-06-2015.

2.33.11 Provisions, Contingent Liabilities and Contingent Assets (IndAS-37) :

Necessary details in regard to provisions have been disclosed in notes 2.14,2.17& 2.31.

Notes

2.34 :DISCLOSURE AS REQUIRED UNDER REGULATION 34(3) AND 53(F) OF SEBI (LODR) REGULATIONS, 2015

2.34.1 Loans and advances in the nature of loans to Subsidiaries/Jvs' where there is no repayment schedule or no interest :

₹ In crore

Name of the Subsidiary	Maximum Balance outstanding	
	As at 31-Mar-19	As at 31-Mar-18
J&K Mineral Development Corporation Limited, Jammu (*)	16.45	18.33
NMDC Power Ltd, Hyderabad	-	0.09
Jharkhand Kolhan steel Limited	0.03	0.03
Karnataka Vijayanagar Steel Limited	641.78	639.63
NMDC Steel Limited	-	0.02
Total	658.26	658.10
* Advances derated /Provision made during the year	13.86	13.86

₹ In crore

Name of the Joint Venture	Maximum Balance outstanding	
	As at 31-Mar-19	As at 31-Mar-18
Kopano-NMDC Minerals(Proprietary) Limited	0.10	0.10
Jharkhand National Mineral Development Corporation Ltd.	0.05	0.04
NMDC-CMDC Ltd., Raipur	46.10	46.10
Bastar Railway Pvt. Ltd.	-	6.50
Total	46.25	52.74

2.34.2 There are no Investments by the loanees as mentioned in 2.36.1 in the shares of NMDC Ltd.

2.34.3 No Loans and Advances were given to the Associate Companies.

2.34.4 There are no loans and advances in the nature of loans to firms/companies in which directors are interested except as stated above.

2.35. Others:

2.35.1 Service tax on Royalty:

The Central Govt vide circular dated 13th April 2016 (SI no 9) clarified the applicability of service tax payable on Royalty wef 1.4.2016. The company has contended before the Hon'ble High Courts of Karnataka, Chhattisgarh & Madhya Pradesh. The Chhattisgarh High Court has permitted NMDC to withdraw the case with liberty to pursue the matter before the concerned authority by filing a reply. The Madhya Pradesh High court has granted stay. The Karnataka High Court, initially granted stay but subsequently vacated the stay and dismissed the petition.

Considering the stay given by Supreme court in one of the cases on similar matter, the company has filed fresh 'Writs' in the High Courts of Chhattisgarh & Karnataka. The company has also filed transfer petitions before Hon' Supreme Court seeking transfer of the cases with Chhattisgarh High Court & Madhya Pradesh High Court. Hon'ble Supreme Court has not admitted the transfer petition with respect to the case with Chhattisgarh High Court. However with regard to case with Madhya Pradesh High Court, Hon'ble Supreme Court has granted permission to withdraw the transfer petition with liberty to draw the attention of the High Court to the pendency of similar matter(s) before the Hon'ble Supreme Court.

Pending the outcome of above actions, the company has provided for the liability on service tax and interest thereon. The amount as on 31.3.2019 towards liability is ₹ 211.85 cr and interest is ₹ 69.62 cr. (previous year ₹ 211.85 and ₹ 37.97 cr respectively).

2.35.2 Enabling Facilities:

The Company is funding the schemes 'Doubling of Railway line between Kirandul and Jagdalpur' and 'between Jagdalpur and Ambagaon' both owned by Indian Railways which helps the company in augmenting of evacuation facility of Bailadila Sector. During the year an amount of ₹ 75 Crore has been paid for the work 'Doubling of Line between Kirandul and Jagdalpur'. An amount of ₹ 167.74 Crore utilised for the above purpose during the year 2018-19 (Previous year ₹ 172.80 Crore) has been inter-alia included in 'Other expenses'

2.35.3 Disinvestment of NISP:

The Govt of India has accorded 'in principle' approval for strategic disinvestment of Nagarnar Steel Plant of NMDC Limited on 27.10.2016. Transaction Advisor (TA), Legal Advisor (LA) and Asset Valuer (AV) are appointed. However, the process of disinvestment has been deferred.

2.35.4 Property, Plant & Equipment (PPE)

As per Ind AS 16 items such as spare parts, stand by equipment and service equipment are to be capitalized when they meet the definition of PPE and are expected to be used for more than one accounting year. After review of the inventory values and its consumption patterns in the major production Units, Company based on materiality has fixed a threshold limit of ₹ 20 Lakhs for such spare parts, stand by equipment and service equipment meeting the definition of PPE. On issue of said PPE, the WDV is allowed to be depreciated over the life of the main asset or the life of the equipment whichever is less.

2.35.5 NMET:

As per the Gazette Notification dated 27th March 2015 enacting the Mines and Minerals (Development and Regulation) (Amendment) Act, 2015 and subsequent notifications dated 14th Aug 2015 for contribution of National Mineral Exploration Trust (NMET), the Company was required to pay 2% of royalty towards NMET with effect from 12th Jan 2015 respectively.

The Hon'ble High Court of Bilaspur in its judgement dated 24.11.2017 clarified that contribution towards NMET shall be payable w.e.f. 14.8.2015, the date of promulgation of NMET Rules plus constitution of NMET Trust.

With regard to NMET, Company has made the payment w.e.f 12.01.2015. As per the High Court judgement the units in state of Chattisgarh the payments made from 12.01.2015 till 13.08.2015 are recognised under Amount Recoverable to be adjusted from future payments to State Government.

2.35.6 Mining issues at Donimalai complex in Karnataka:

The monitoring Committee has retained 10% of sale proceeds for the period from 04/10/2011 to 31/03/2019 amounting to ₹ 1,934.39 crore (previous year ₹ 1,685.22 Crore) pending finalisation of R&R plan. The amount is included under "Trade Receivables".

The Rehabilitation and Reclamation (R&R) plan prepared by ICFRE and submitted to Central Empowered Committee appointed by the Hon'ble Supreme Court of India was considered and approved. However the Monitoring Committee has not yet released the balance payment as the issue is still pending with the Hon'ble supreme court of India.

Based on the subsequent events, Company has reviewed the reasonability of realization of the 10% of the sales proceeds considered under the trade receivables from Monitoring Committee and under Ind AS 109, has provided for 100% of the said amount.

Notes

2.35.7 GST issue on Sales through Monitoring Committee

Post GST 1st July 2017, for sales through Monitoring Committee (MC), GST invoices were raised by Donimalai unit on MC as per the requirement of the GST Act. It was expected that MC shall raise GST invoices on the customers and utilize the input tax credit of the GST billed by NMDC and payback the GST to NMDC. However, for the period from 1st July 2017 to 30th Sept 2017 MC has not acknowledged the invoices raised by NMDC and has paid the GST of ₹ 45.73 Crore collected from customers to the Exchequer without utilizing the input tax credit of GST billed by NMDC. Thereafter, from 1st October 2017 Donimalai has been raising GST invoice directly on the customers as per the Hon'ble Supreme Court's direction.

As efforts for recovery were being made, no provision was made in the accounts for FY 2017-18. With persistent efforts made by the company, the amount has been recovered during the current FY 2018-19.

2.35.8 Show cause notice of Dantewada:

The Company has been legally advised that there is no impact of the Hon'ble Supreme Court of India judgement with reference to the writ petition (Civil) no. 114 of 2014 dated 2nd August 2017 on NMDC. However, in case it is found applicable to NMDC at a later date, it may impact the profits of the company.

Subsequently, the Bailadila Projects of NMDC have received Show Cause Notices dated 31.7.2018 from District Collector, South Bastar, Dantewada as to why NMDC should not be asked to deposit an amount of ₹ 7241.35 cr as compensation as calculated by the Collector based on the above judgement. The Company has contested the Show Cause Notices with District Collector, South Bastar Dantewada.

2.35.9 Mining Lease of Donimalai:

The Government of Karnataka, while renewing the lease of NMDC's Donimalai Iron Ore Mine, has imposed a new condition asking for a premium of 80% on the average sale value. As the demand of the State Govt. is against the spirit of the MMDR Act, the company requested the State Govt. to reconsider its decision. Since there was no response from the State Govt. the company had to suspended its operations from 4th November 2018 and move the Hon'ble High Court of Karnataka praying for a suitable direction in this matter. Subsequent to a series of hearings, the Company is eagerly awaiting the decision of the Hon'ble High Court.

2.35.10 Closure of SPV's:

Ministry of Steel vide its record note of discussion dated 23.4.2018 has taken the decision 'not to pursue the SPV's – NMDC Power Limited and NMDC-SAIL Limited. NMDC Board has approved for closure of the companies. Accordingly an amount of ₹ 2.50 Lakhs investment in NMDC_SAIL Limited has been derated as application for striking off the name has been filed with ROCE on 3rd April 2019. Status quo is maintained with regard to Investment in NMDC- Power Limited as action for closure is yet to be initiated.

2.35.11 CSR Expenditure :

- Gross amount required to be spent by the company during the year is ₹ 97.09 crore (2% of the last three years average PBT ₹ 4,854.64 crore). (Previous Year ₹ 121.02 crore (2% of the last three years average PBT ₹ 6,050.93 crore).
- Amount spent during the year on account of CSR activities is ₹ 167.24 crore. (Previous Year ₹ 169.37 crore)

₹ in crore

Particular	In Cash	Yet to be paid in Cash	Total
Construction/acquisition of any assets	-	-	-
On purpose other than (1) above	167.24	-	167.24

2.35.12 General:

- i. The company owns certain office space at New Delhi. It is not the company's intention to hold the property for a long term for capital appreciation nor for rental purpose. Hence the same is not treated as Investment Property and included under PPE.
- ii. The goodwill of ₹ 93.89 Crore is tested for impairment and concluded that as the project is still in exploration stage, it is too early to consider impairment loss on goodwill.
- iii. Some of the balances appearing under Trade receivables, Trade payables, advances, Security deposits and other payables are subject to confirmations.
- iv. Figures for the previous year have been regrouped/ rearranged wherever considered necessary so as to confirm to the classification of the current year.

Note. No. 2.35.13 : Fair Value Measurement**Financial instruments by category**

₹ In crore

	As at March 19			As at March 18		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
Financial assets						
Investments						
Trade receivables			1,424.51			1,472.74
Cash and cash equivalents			45.67			34.39
Other bank balances			4,573.72			5,426.59
Loans			154.71			140.07
Other financial assets			398.44			443.09
Total	-	-	6,597.05	-	-	7,516.88
Financial liabilities						
Borrowings			364.15			500.09
Trade payables			202.79			159.64
Other financial liabilities			1,668.07			1,889.32
Total	-	-	2,235.01	-	-	2,549.05

(1) Assets that are not financial assets (such as receivables from statutory authorities, prepaid expenses, advances paid and certain other receivables) as of 31 March 2019, and 31 March 2018, respectively, are not included.

(2) Other liabilities that are not financial liabilities (such as statutory dues payable, advances from customers and certain other accruals) as of 31 March 2019, and 31 March 2018, respectively, are not included.

The carrying amounts of above financial assets and liabilities are considered to be same as their fair values, due to their short-term nature.

Note No: 2.35.14 Financial Risk Management**a) Risk management framework**

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the Board of Directors on its activities.

Notes

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors monitors the compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The Company has exposure to the following risks arising from financial instruments:

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, loans	Ageing analysis and Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of deposits with differing maturities & committed borrowing facilities to facilitate the day to day working capital requirements.
Market risk- currency risk	Imports giving rise to foreign currency payables	-	-

A. Credit risk

Credit risk is the risk that counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and deposits with banks.

(a) Trade receivables

The Company sales are generally based on advance payments and through LC's. The trade receivables in the books are mainly on account of credit sales to M/s RINL Limited, CPSE under the Ministry of Steel and the Sales of Iron Ore in the State of Karantaka which is through Monitoring Committee (MC) appointed by Hon'ble Supreme Court of India.

Expected credit loss for trade receivables under simplified approach is detailed as per the below tables

Year ended 31 March 2019

₹ In crore

Ageing	< 6 months	6-12 months	>12 months	Total
Gross carrying amount	1,506.24	155.81	1,720.61	3,382.66
Expected loss rate	9.69%	66.25%	99.32%	57.89%
Expected credit losses (loss allowance provision)	145.95	103.23	1,708.98	1,958.15
Carrying amount of trade receivables (net of impairment)	1,360.29	52.58	11.63	1,424.51

Year ended 31 March 2018

₹ In crore

Ageing	< 6 months	6-12 months	>12 months	Total
Gross carrying amount	1,600.64	207.93	1,373.14	3,181.71
Expected loss rate	11.34%	74.20%	100.00%	53.71%
Expected credit losses (loss allowance provision)	181.56	154.28	1,373.14	1,708.97
Carrying amount of trade receivables (net of impairment)	1,419.08	53.65	-	1,472.74

iii. Reconciliation of loss allowance provision - trade receivables

Loss allowance on 1 April 2017	1,372.71
Changes in loss allowance	336.26
Loss allowance on 31 March 2018	1,708.97
Changes in loss allowance	249.18
Loss allowance on 31 March 2019	1,958.15

The impairment provisions for trade receivables disclosed above are based on assumptions about risk of default and expected loss rates.

(b) Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Company's treasury department in accordance with DPE guidelines & Company's policy. Investments of surplus funds are made only with scheduled commercial banks having a minimum net worth of ₹ 500 Crore within limits assigned to each bank and Debt based mutual funds of public sector AMCs. The limits are reviewed by the Company's Board of Directors on an annual basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counter party'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.

Notes

Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. In addition, the Company has taken fund based limits with banks to meet its short term financial obligations.

i. Financing arrangements

The Company has access to the following undrawn borrowing facilities at the end of reporting period

	₹ in crore	
Flexible rate	31 March 2019	31 March 2018
Expiring within one year (bank overdraft and other facilities)	136	100
Working capital Limits with Banks	130	100

ii. Maturities of financial liabilities

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Year ended 31 March 2019	On demand	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
Borrowings	-	364.15	-	-	-	-	364.15
Trade payables	75.27	127.52	-	-	-	-	202.79
Other financial liabilities	888.46	522.63	232.90	24.02	-	-	1,668.01
	963.73	1,014.30	232.90	24.02	-	-	2,234.95

Year ended 31 March 2018	On demand	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
Borrowings	-	500.09	-	-	-	-	500.09
Trade payables	84.06	75.58	-	-	-	-	159.64
Other financial liabilities	1,110.34	723.82	32.04	23.12	-	-	1,889.32
	1,194.40	1,299.49	32.04	23.12	-	-	2,549.05

C. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Foreign currency risk

Since majority of the company's operations are being carried out in India and since all the material balances are denominated in its functional currency, the company does not carry any material exposure to currency fluctuation risk.

The Company's exposure to foreign currencies is minimal and hence no sensitivity analysis is presented.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company quite often bridges its short term cash flow mismatch by availing working capital loans from banks against its fixed deposits. Such loans have a very short tenure and the interest rate on such loans is based upon the rates offered by banks on fixed deposits, increased by a few basis points. Since the interest rates on fixed deposits are fixed, the company does not have any interest rate risk on such loans availed on a loan to loan basis.

The Company's exposure to interest rate risk is minimal and hence no sensitivity analysis is presented.

Note No. : 2.35.15 Capital Management**a) Risk management**

The primary objective of the Company's capital management is to maximise the shareholder value. The Company's objectives when managing the capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders.

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors and senior management monitors the return on capital, which the Company defines as result from operating activities divided by total shareholders' equity.

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders the company has no external borrowings as on 31st March 2018.

b) Dividends

	₹ in crore	
	31 March 2019	31 March 2018
(i) Equity shares		
Final dividend for the year ended 31 March 2019 of ₹ Nil (31 March 2018: NIL) per equity share.	-	-
Interim dividend for the year ended 31 March 2019 of ₹ 5.52 (31 March 2018: ₹ 4.30) per fully paid share	1,690.14	1,360.47

	₹ in crore	
Particulars	31 st - March 2019	31 st - March 2018
Net Debt (excluding short term)	-	-
Total equity	26,057.89	24,432.30
Net debt to equity ratio	0%	0%

Notice

NOTICE IS HEREBY GIVEN TO THE MEMBERS OF NMDC LIMITED THAT THE 61ST ANNUAL GENERAL MEETING (AGM) OF THE COMPANY WILL BE HELD ON FRIDAY THE 30TH AUGUST 2019 AT 1130 HOURS AT TRILLION BALL ROOM, THE PARK HOTEL, 22, RAJ BHAVAN ROAD, SOMAJIGUDA, HYDERABAD – 500082, TELANGANA TO TRANSACT THE FOLLOWING BUSINESS:

A. ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (Standalone and Consolidated) of the Company for the financial year ended 31st March 2019 and the reports of the Board of Directors, Statutory Auditor and Comptroller and Auditor General of India thereon.
2. To confirm the payment of Interim dividend of ₹ 5.52 ps per equity share of ₹ 1.00 each for the financial year 2018-19.
3. To appoint a Director in place of Shri Sandeep Tula (DIN: 07261884), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Saraswati Prasad, (DIN: 07729788), who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Shri Bajendra Kumar Nair, (DIN: 03289526), who retires by rotation and being eligible, offers himself for re-appointment.
6. To fix remuneration of Statutory Auditors for the financial year 2019-20

In terms of the Section 142 of the Companies Act, 2013, the remuneration of Auditors of Government Companies, appointed by Comptroller and Auditor-General of India, shall be fixed by the Company in General Meeting or in such manner as the Company in General Meeting may determine. Hence, it is proposed that the Members may authorize the Board to fix the remuneration of the Statutory Auditors of the Company for the financial year 2019-20, as may be deemed fit.

B. SPECIAL BUSINESS:

7. To appoint CA Arun Kumar Srivastava (DIN: 01940109) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

“RESOLVED THAT CA Arun Kumar Srivastava (DIN: 01940109), who was appointed as an Additional Director of the Company by the Board of Directors in terms of Section 161 of the Companies Act, 2013 (the Act) and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member signifying his intention to propose CA Arun Kumar Srivastava as a candidate for the office of Director and who meets the criteria of independence as provided under Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Act and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Securities and



Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, to hold office for a period of one year from the date of completion of his existing tenure (i.e., on 12th November 2018) or until further orders of Govt. of India, whichever is earlier in terms of Ministry of Steel Order F. No. 1/10/2015-BLA (Vol-III) (Pt.) dated 19th November 2018, and is not liable to retire by rotation."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all acts, deeds, things, matters and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

8. To appoint Smt Bhagwati Mahesh Baldewa (DIN: 01537251) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** Smt Bhagwati Mahesh Baldewa (DIN: 01537251), who was appointed as an Additional Director of the Company by the Board of Directors in terms of Section 161 of the Companies Act, 2013 (the Act) and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member signifying his intention to propose Smt Bhagwati Mahesh Baldewa as a candidate for the office of Director and who meets the criteria of independence as provided under Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Act and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, to hold office for a period of one year from the date of completion of her existing tenure (i.e., on 12th November 2018) or until further orders of Govt. of India, whichever is earlier in terms of Ministry of Steel Order F. No. 1/10/2015-BLA (Vol-III) (Pt.) dated 19th November 2018, and is not liable to retire by rotation."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all acts, deeds, things, matters and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

9. To appoint Shri Pradip Bhargava (DIN: 01986827) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** Shri Pradip Bhargava (DIN: 01986827), who was appointed as an Additional Director of the Company by the Board of Directors in terms of Section 161 of the Companies Act, 2013 (the Act) and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member signifying his intention to propose Shri Pradip Bhargava as a candidate for the office of Director and who meets the criteria of independence as provided under Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Act and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, to hold office for a period of one year from the date of completion of his existing tenure (i.e., on 26th November 2018) or until further orders of Govt. of India, whichever is earlier in terms of Ministry of Steel Order F. No. 1/10/2015-BLA (Vol-III) (Pt.) dated 19th November 2018, and is not liable to retire by rotation."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all acts, deeds, things, matters and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

10. To appoint Dr. Syamal Kumar Sarkar (DIN: 07387840) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** Dr. Syamal Kumar Sarkar (DIN: 07387840), who was appointed as an Additional Director of the Company by the Board of Directors in terms of Section 161 of the Companies Act, 2013 (the Act) and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member signifying his intention to propose Dr. Syamal Kumar Sarkar as a candidate for the office of Director and who meets the criteria of independence as provided under Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Act and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, to hold office for a period

of one year from the date of completion of his existing tenure (i.e., on 26th November 2018) or until further orders of Govt. of India, whichever is earlier in terms of Ministry of Steel Order F. No. 1/10/2015-BLA (Vol-III) (Pt.) dated 19th November 2018, and is not liable to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts, deeds, things, matters and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

11. To appoint Shri Shyam Murari Nigam (DIN: 07355272) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT Shri Shyam Murari Nigam (DIN: 07355272), who was appointed as an Additional Director of the Company by the Board of Directors in terms of Section 161 of the Companies Act, 2013 (the Act) and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member signifying his intention to propose Shri Shyam Murari Nigam as a candidate for the office of Director and who meets the criteria of independence as provided under Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Act and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, to hold office for a period of one year from the date of completion of his existing tenure (i.e., on 26th November 2018) or until further orders of Govt. of India, whichever is earlier in terms of Ministry of Steel Order F. No. 1/10/2015-BLA (Vol-III) (Pt.) dated 19th November 2018, and is not liable to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts, deeds, things, matters and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

12. To appoint Shri Amitava Mukherjee (DIN: 08265207) as Director (Finance) and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT Shri Amitava Mukherjee (DIN: 08265207) who was appointed as an Additional Director of the Company by the Board of Directors in terms of Section 161 of the Companies Act, 2013 (the Act) and the Articles of Association of the Company and who holds office up to the date

of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member signifying his intention to propose Shri Amitava Mukherjee as a candidature for the office of Director, be and is hereby appointed as Director (Finance) of the Company, for a period of five years from the date of his assumption of charge of the post, or till the date of his superannuation, or until further orders, whichever is earliest in terms of Order No. 3(1)/2017-BLA dated 8th October 2018 issued by Government of India, Ministry of Steel, and is liable to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts, deeds, things, matters and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

13. To appoint Shri Alok Kumar Mehta (DIN: 07474850) as Director (Commercial) and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT Shri Alok Kumar Mehta (DIN: 07474850) who was appointed as an Additional Director of the Company by the Board of Directors in terms of Section 161 of the Companies Act, 2013 (the Act) and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member signifying his intention to propose Shri Alok Kumar Mehta as a candidature for the office of Director, be and is hereby appointed as Director (Commercial) of the Company, from the date of his assumption of charge of the post i.e., 1st June 2019, till the date of his superannuation (30.09.2021), or until further orders, whichever is earlier, in terms of Order No. 3(2)/2017-BLA dated 10th April 2019 issued by Government of India, Ministry of Steel, and is liable to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts, deeds, things, matters and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

14. To ratify the remuneration of the Cost Auditors of the Company for the financial year 2019-20 and in this regard to consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Company hereby ratifies the remuneration of ₹ 6.00 lakhs (excluding travelling,

out-of-pocket expenses plus GST) payable to M/s Tanmaya S. Pradhan & Co., Cost Accountants, having office at "SWASTHAN", Brooks Hill, Sambalpur, Odisha – 768001, appointed as the Cost Auditors by the Board of Directors of the Company for conducting the audit of the cost records of the Company and providing Cost Audit Report, and all such reports, annexures, records, documents etc., for the financial year 2019-20, that may be required to be prepared and submitted by the Cost Auditors under applicable statute."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, things, matters and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board

A.S. Pardha Saradhi
Company Secretary

Place: Hyderabad
Date: 16th July 2019

Copy to:

1. All Members
2. All Directors
3. Statutory Auditors
4. Secretarial Auditors

Enclosures:

1. Notes to Notice.
2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Special Business to be transacted at the Meeting.
3. Proxy Form and Attendance Slip.
4. A copy of the 61st Annual Report of the Company for the year 2018-19.



NMDC Limited awarded with 8th Annual Greentech HR Platinum Award 2018 under Training Excellence Category

NOTES TO NOTICE:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND, A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

THE INSTRUMENT APPOINTING THE PROXY, DULY COMPLETED, STAMPED AND SIGNED, SHOULD REACH THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT (48) HOURS BEFORE THE TIME OF THE ANNUAL GENERAL MEETING.

MEMBERS ARE REQUESTED TO NOTE THAT A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. IN CASE A PROXY IS PROPOSED TO BE APPOINTED BY A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS, THEN SUCH PROXY SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Special Business, as set out above is annexed hereto.
3. Brief resume of the Directors seeking appointment / re-appointment as mandated under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto and forms part of the Notice.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 24th August 2019 to 30th August 2019 (both days inclusive).
5. During the financial year, the Company declared interim dividend @ ₹ 5.52 ps per Equity Share of ₹ 1.00 each amounting to ₹ 1,690.14 crores.
6. Share transfer documents and all correspondence relating thereto, should be addressed to the Registrar and Share Transfer Agent of the Company M/s Aarathi Consultants Pvt Ltd., D.No. 1-2-285, Domalguda, Hyderabad - 500 029. Phone Nos. 040-27638111/27634445, Fax No. 040-27632184, Email: ims@nmdc.co.in, info@aarthiconsultants.com, Website: www.aarthiconsultants.com
7. Members are requested to address all correspondence relating to divestment of 33,22,43,200 equity shares of the Company made by Government of India in the month of March, 2010 to the Registrars to the Issue, M/s Karvy Computershare Pvt, Ltd., Karvy Selenium, Tower- B, Plot No. 31 & 32, Financial district, Nanakramguda, Serilingampally Mandal, Hyderabad - 500032, Telangana, Tel: 040- 67161500, Fax: 040-23001153, Email: nmdc.ipo@karvy.com/ einward.ris@karvy.com Website: www.karvycomputershare.com.
8. The Company has designated an exclusive e-mail ID called ims@nmdc.co.in for redressal of shareholders'/ investors' complaints/grievances. In case you have any queries/complaints or grievances, then please write to us at the above e-mail address.
9. Members holding shares in electronic form may please note that the bank account details and 9-digit MICR Code of their Bankers, as noted in the records of their depository, shall be used for the purpose of remittance of dividend through Electronic Clearing Service (ECS), or for printing on dividend warrants wherever applicable. Members are therefore requested to update their bank account particulars, change of address and other details with their respective Depository Participants for shares held in demat mode and to the Registrar and Share Transfer Agent for shares held in physical form.
10. Reserve Bank of India (RBI) is providing ECS facility for payment of dividend in select cities. Members holding shares in physical form are advised to submit particulars of their bank account, viz., names and address of the branch of bank, 9 digit MICR code of the branch, type of account and account number, to M/s Aarathi Consultants Private Ltd, the Registrar and Share Transfer Agent of the Company.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or to the Registrar and Share Transfer Agent.
12. In terms of Sections 101 and 136 of the Companies Act, 2013 read with relevant Rules made thereunder and Regulation 36(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or with the Depository Participant. As per the provisions of Section 20(2) of the Companies Act, 2013 read with Rules made thereunder, a document may be served on any member by sending it to him / her by post or by registered post or by speed post or by courier or by delivering at his /her office or address, or by such electronic or other mode as may be prescribed including facsimile telecommunication or to electronic mail which the member has provided from time to time for sending communications to his / her Depository Participant or the Company's Registrar and Share Transfer Agent. Members are requested to register their e-mail address and changes therein from time to time with his / her Depository Participant

or the Company's Registrar and Share Transfer Agent for service of documents, notices, annual reports etc. through registered e-mail. Other members, who have not registered their email addresses, the Annual Report has been sent at their registered postal address. If any member wishes to get a duly printed copy of the Annual Report, the Company will send the same, free of cost, upon receipt of request from the member.

13. Pursuant to Sections 124 and 125 of the Companies Act, 2013, dividends which had remained unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account of a company will have to be transferred to the 'Investor Education and Protection Fund' established by the Central Government. Shareholders who have not claimed their dividend/s so far for various years are requested to make their claim to M/s Aarhi Consultants Pvt. Limited, Hyderabad, Registrar and Share Transfer Agent of the Company. Shareholders are requested to note that no claims shall lie against the said Fund or the Company in respect of any amounts which were unclaimed and unpaid for a period of seven years from the dates that they first became due for payment and no payment shall be made in respect of any such claims. The unclaimed/ unpaid dividends declared up to financial years 2010-11 (Final), 2011-12 (1st Interim) & 2011-12 (2nd Interim) have been transferred to the Investor Education and Protection Fund. Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unclaimed/ unpaid amounts lying with the Company as on 26th September 2018 (date of previous AGM) on the website of the Company (www.nmdc.co.in) at the weblink: <https://www.nmdc.co.in/Dividends.aspx> and also on the website of the Ministry of Corporate Affairs, the information in respect of such unclaimed/ unpaid dividend.
14. Pursuant to the provisions of Sections 124(6) of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by the Company in the name of Investor Education and Protection Fund along with a statement containing such details as prescribed in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. Accordingly, your Company has transferred the shares in respect of which dividend has not been paid or claimed for seven consecutive years or more to Investor Education and Protection Fund. Any claimant of shares transferred above shall be entitled to claim the transfer of shares from Investor Education and Protection Fund in accordance with such procedure and on submission of such documents as be prescribed in the rules. The Company Secretary of the Company is the Nodal Officer for the purpose of coordination with IEPF Authority. Further details are available at the weblink: <https://www.nmdc.co.in/Docs/Investors/ruleshare.pdf>
15. In order to avoid the incidence of fraudulent encashment of dividend warrants, the Members holding shares in physical form are requested to provide their Bank Account Number, Name and Address of the Bank/Branch to M/s Aarhi Consultants Private Ltd or the Company to enable them to incorporate the same on the dividend warrant.
16. Members desirous of obtaining any information/ clarification(s) concerning the accounts and operations of the Company or intending to raise any query are requested to forward the same at least 10 days before the date of the Meeting to the Company Secretary at the Registered Office of the Company.
17. The Annual Accounts of the subsidiary companies and the related detailed information will be made available to the shareholders of the holding and subsidiary companies, desirous of seeking such information. Further, Annual Accounts of the subsidiary companies will also be kept for inspection, by any investor, at the Registered Office of the Company as well as at the Registered Office of the subsidiary companies, during its business hours.
18. Members who have not en-cashed their dividend warrants within its validity period may write to the Company, along with their Client ID and DP ID, to the Registered Office or M/s Aarhi Consultants Private Ltd, Share Transfer Agent of the Company, for revalidating the warrants or payment in lieu of such warrants in the form of demand draft.
19. In terms of provisions of the Companies Act, 2013 nomination facility is available to individual shareholders. Members holding shares in physical form may nominate a person in respect of all the shares held by them whether singly or jointly. Members who hold shares on individual name are advised to avail of the nomination facility Form SH-13 in their own interest. Blank form can be had from M/s Aarhi Consultants Private Ltd on request. Members holding shares in dematerialized form may contact their respective DPs for registration of nomination.
20. Members holding physical shares in multiple folios in identical names are requested to send their share certificates to Company's Registrar and Share Transfer Agent, M/s Aarhi Consultants Private Ltd., for consolidation.
21. SEBI vide its Gazette notification dated 8th June 2018 amended Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and has mandated that transfer of securities would be carried out in dematerialized form only, with effect from 5th December 2018. Accordingly, with effect from 5th December 2018, shares which are lodged for transfer shall be in dematerialized form only.

22. Pursuant to provisions of the Companies Act, 2013, the Auditors of a Government Company are appointed or re-appointed by the Comptroller and Auditor General (C&AG) of India and their remuneration is to be fixed by the Company in the Annual General Meeting. The Members at the General Meeting may authorize the Board to fix the appropriate remuneration of Auditors for the year 2018-19 after taking into consideration the increase in volume of work and pertaining inflation, etc.
23. Members are requested:
- (i) To bring their copy of Annual Report and Attendance Slip duly completed and signed to the meeting.
 - (ii) To quote their Folio/DP & Client Identification No. in all correspondence.
 - (iii) Not to bring brief case, bags, eatables, cell phone etc. as they are prohibited inside the Meeting Hall for security reasons.
 - (iv) To notify immediately any change of their address and bank particulars to the Company or its Share Transfer Agent, in case shares are held in physical form. In case their shares are held in dematerialized form, information should be submitted directly to their respective Depository Participant and not to the Company/ Share Transfer Agent, without any delay.
 - (v) To note that no gift/coupons will be distributed at the meeting.
24. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged with the Company, at any time during the business hours of the Company, provided that not less than three days' notice in writing of the intention to inspect is given to the Company.
25. The Register of Directors and Key Management Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection at the AGM and will be made accessible to any person attending the meeting.
26. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available at the AGM and will remain open and accessible during the continuance of the meeting to any person having the right to attend the meeting.
27. All the documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company on all working days (barring Saturday, Sunday and National Holiday), between 11.00 AM to 1.00 PM up to the date of AGM.
28. NMDC, being a Government Company, all the appointments to the Board and terms and conditions thereto are fixed by the Government of India.
29. The details of remuneration / sitting fees paid to Board Members have been given in Corporate Governance Report.
30. None of the Directors have any relationship with other Directors, Manager(s) and other Key Managerial Personnel of the Company.
31. Voting through electronic means
- I. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and its amendments, the Company has made arrangements for providing e-voting facility to the shareholders of the Company to exercise their right to vote on resolutions proposed to be passed at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
 - II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
 - III. The members who have cast their vote for this AGM by remote e-voting may also attend the AGM but shall not be entitled to cast their vote again.
 - IV. The remote e-voting period begins on 27th August 2019 (10.00 a.m. IST) and ends on 29th August 2019 (5.00 p.m. IST). The voting rights shall be proportionate to the shares held on 23rd August 2019. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd August 2019 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
 - V. The instructions for shareholders for remote e-voting are as under:

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

I. Details on Step 1 are mentioned below (Log-in to NSDL e-Voting website):

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?

- (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' (provided in the Ballot Form) is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

II. Details on Step 2 are given below (cast your vote electronically on NSDL e-Voting system):

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish

- to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
 7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
 8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- VI. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to dhr300@gmail.com with a copy marked to evoting@nsdl.co.in.
 - VII. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
 - VIII. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in
 - IX. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
 - X. Voting rights of members shall be reckoned on the paid-up value of equity shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e., 23rd August 2019.
 - XI. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the date of dispatch of Notice, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or to Company's Registrar and Transfer Agents, M/s Aarthi Consultants Private Ltd.
- option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- XII. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
 - XIII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
 - XIV. Shri D Hanumanta Raju, Practicing Company Secretary (Membership No. FCS: 4044), has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
 - XV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
 - XVI. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him/her in writing, who shall countersign the same and declare the result of the voting forthwith.
 - XVII. The results declared along with Scrutinizer's Report shall be placed on the Company's website www.nmdc.co.in and on the website of NSDL: <https://www.evoting.nsdl.com> immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be communicated to the BSE Limited (BSE), National Stock Exchange of India Limited (NSE), and other stock exchanges, where the shares of the Company are listed.
32. Members are informed that the Company will be providing a facility to view the live streaming of the AGM Webcast on NSDL website. Members may access the same at <https://www.evoting.nsdl.com> by using their remote e-voting credentials. The link will be available in shareholder login where the EVEN of Company will be displayed. The Webcast facility will be available from 1130 hours onwards on 30th August 2019.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password?" or "Physical User Reset Password?"

Information pursuant to Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on re-appointment of Directors

a) Brief Resume of the Directors			
Name	Shri Sandeep Tula	Shri Saraswati Prasad	Shri. N. Baijendra Kumar
Date of Birth & Age	16.08.1959 & 59 years	24.12.1960 & 58 years	25.07.1960 & 58 years
Date of Appointment	3 rd August 2016	8 th February 2017	6 th September 2017
Qualifications	i) Graduate from Kanpur University, ii) Post Graduate Diploma in Social Work from Kolkata University	Post Graduate in Physics	i) M.Sc from the University of Kerala ii) M.Phil degree in Environmental Biology from the University of Kerala
(b) Nature of expertise in specific functional areas	Shri Sandeep Tula started his career in the year 1983 in SAIL as Management Trainee and rose to the level of General Manager (P&A) in 2013 and was Head of Personnel Department of Durgapur Steel Plant of SAIL. Shri Tula joined NMDC Limited as General Manager (P&A) in 2013. Prior to his appointment as Director (Personnel), he was Executive Director (P&A). He has about 33 years of rich experience in all facets of Personnel Management in varied work situations in different units of SAIL and NMDC Limited.	Shri Saraswati Prasad is an IAS Officer of the Assam Meghalaya cadre belonging to 1985 batch. He has wide ranging expertise working for Central as well as State Government. He had worked in various sectors like Urban Development, Management of Environment & Forest and Industrial Development besides working as District Magistrate in two districts of Assam. He has worked earlier in the Ministry of Agriculture and Ministry of Heavy Industries in the Government of India. Before joining the Ministry of Steel as Additional Secretary & Financial Advisor with the additional charge of Ministry of Micro, Small and Medium Enterprises, he worked in the Ministry of Drinking Water & Sanitation for about four years at the level of Joint Secretary and Additional Secretary, looking after the Swachh Bharat Mission (Gramin). Shri Saraswati Prasad is also Director on the Boards of Rashtriya Ispat Nigam Limited, MECON Limited, KIOCL Limited, Steel Authority of India Limited.	Shri N. Baijendra Kumar, an IAS officer of 1985 batch of Chhattisgarh Cadre. Earlier, he was holding the post of Additional Chief Secretary to the Chief Minister, Chhattisgarh as well as Commerce & Industries and Energy Departments in the State Government of Chhattisgarh. He has, during his service tenure of over 32 years, held important positions such as Collector and District Magistrate of Districts in Madhya Pradesh, Secretary/Principal Secretary/ Additional Chief Secretary of various departments. He headed the Administration of the prestigious All India Institute of Medical Sciences (AIIMS) New Delhi. He was the Chairman of Naya Raipur Development Authority (NRDA) which is the 1 st greenfield capital smart city of 21 st Century with an area of 237 sq.kms and Chhattisgarh Housing Board (CGHB). He has worked extensively in the field of Forest & Environment, Housing, Urban Planning and Mining. He also has rich and varied experience in Administration, Public Relations, Information and Broadcasting both at Centre and at State Level. He had been instrumental in streamlining numerous projects of Chhattisgarh Government. He represented India in many International Conferences. He was Chairman / Managing Director of many Corporations including Chhattisgarh Mineral Development Corporation Limited, Chhattisgarh State Industrial Development Corporation Limited etc.
(c) Disclosure of relationships between Directors inter-se	There exists no relationship between Directors inter-se.	There exists no relationship between Directors inter-se.	There exists no relationship between Directors inter-se.
(d) Directorship held in other listed entities companies and the membership of Committees of the Board	NIL	1. KIOCL Limited 2. Steel Authority of India Limited	NIL
(e) No. of Equity Shares held in NMDC Limited	NIL	NIL	NIL

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**SPECIAL BUSINESS****Item No. 7: Appointment of CA Arun Kumar Srivastava (DIN: 01940109) as an Independent Director of the Company**

Pursuant to the order issued by the Ministry of Steel, Government of India F.No.1/10/2015-BLA (Vol-III) (Pt.) dated 19th November 2018, CA Arun Kumar Srivastava (DIN: 01940109), was appointed as an Additional Director on the Board of the Company by the Board of Directors with effect from 13th November 2018 subject to his re-appointment by the shareholders in the Annual General Meeting as an Independent Director of the Company, for a period of one year from the date of completion of existing tenure (tenure ended on 12th November 2018). In terms of Section 161 of the Companies Act, 2013 and Articles of Association of the Company, he would hold office up to the date of the ensuing Annual General Meeting. The notice under Section 160 of the said Act has been received from a member proposing the name of CA Arun Kumar Srivastava as a candidate for the office of Director of the Company.

The Brief Bio-Data of the above Director is given below: -

a) Brief Resume of the Directors	
Name	CA Arun Kumar Srivastava
Date of Birth & Age	21.06.1956 & 62 years
Date of Appointment	13 th November 2018
Qualifications	Chartered Accountant
(b) Nature of expertise in specific functional areas	CA Arun Kumar Srivastava, a Chartered Accountant started his career as a Lecturer of Commerce in the University of Lucknow in the year 1978 and later on shifted to Vidyant Hindu Degree College in 1981 and served as Lecturer upto 1985. He resigned as Lecturer in the year 1985 to join the Profession of Accountancy as Practicing Chartered Accountant. Since then he is in Practice based at Lucknow and Branch offices at Faizabad and Sitapur districts of Uttar Pradesh. As a Professional Accountant he has conducted Audit of the Accounts of PSUs' like National Thermal Power Corporation, Power Grid Corporation of India Limited, Tehri Hydro Power Corporation, PSU Banks etc. Since 1988 he is practicing as Senior Partner of M/s Kumar Swarup & Co., Chartered Accountants. The main areas of services being rendered by the Firm are in the area of Audit and Direct Taxes. CA Arun Kumar Srivastava is a former Independent Director on the Board of SAIL.
(c) Disclosure of relationships between Directors inter-se	There exists no relationship between Directors inter-se.
(d) Directorship held in other listed entities companies and the membership of Committees of the Board	NIL
(e) No. of Equity Shares held in NMDC Limited	NIL

CA Arun Kumar Srivastava submitted a declaration that he meets the criteria of independence under Section 149(7) of the Act. He is not liable to retire by rotation in terms of provision of Section 149(13) of the Companies Act, 2013.

CA Arun Kumar Srivastava is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as Director.

Save and except CA Arun Kumar Srivastava and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors/Key Managerial personnel of the Company/their relatives are, in any way, concerned or interested financially or otherwise, in the Resolution set out at Item No.7 of the Notice.

Board considers it desirable that the Company should continue to avail itself of his services as an Independent Director and recommend this Resolution for approval of the shareholders.

Item No. 8: Appointment of Smt. Bhagwati Mahesh Baldewa (DIN: 01537251) as an Independent Director of the Company

Pursuant to the order issued by the Ministry of Steel, Government of India F.No.1/10/2015-BLA (Vol-III) (Pt.) dated 19th November 2018, Smt Bhagwati Mahesh Baldewa (DIN: 01537251), was appointed as an Additional Director on the Board of the Company by the Board of Directors with effect from 13th November 2018 subject to her re-appointment by the shareholders in the Annual General Meeting as an Independent Director of the Company, for a period of one year from the date of completion of existing tenure (tenure ended on 12th November 2018). In terms of Section 161 of the Companies Act, 2013 and Articles of Association of the Company, she would hold office up to the date of the ensuing Annual General Meeting. The notice under Section 160 of the said Act has been received from a member proposing the name of Smt Bhagwati Mahesh Baldewa as a candidate for the office of Director of the Company.

The Brief Bio-Data of the above Director is given below: -

(a) Brief Resume of the Director	
Name	Smt. Bhagwati Mahesh Baldewa
Date of Birth & Age	16.04.1963 & 56 years
Date of Appointment	13 th November 2018
Qualifications	i) Bachelor of Commerce, Rajasthan University ii) Certificate Program in Management, S.P Jain School of Global Management
(b) Nature of expertise in specific functional areas	Smt. Bhagwati Mahesh Baldewa is accomplished in an unusually wide range of domains. She has been a successful entrepreneur, and has founded companies in sectors related to chemicals, ayurvedic herbs, hospitality and the import/export of commodities. She has been a prolific writer and influential orator, and has used her excellent communication and persuasion skills to mobilize thousands of people in social upliftment programs. Because of her professional maturity, interpersonal skills, cooperative attitude and quick learning, Smt. Baldewa excels at administration, leadership and maximizing productivity of whichever teams she is a part of. She is also passionate about social service and has been an ardent philanthropist with major impact in rural development and quality of life in the poor.
(c) Disclosure of relationships between Directors inter-se	There exists no relationship between Directors inter-se.
(d) Directorship held in other listed entities companies and the membership of Committees of the Board	NIL
(e) No. of Equity Shares held in NMDC Limited	NIL

Smt. Bhagwati Mahesh Baldewa submitted a declaration that she meets the criteria of independence under Section 149(7) of the Act. She is not liable to retire by rotation in terms of provision of Section 149(13) of the Companies Act, 2013.

Smt. Bhagwati Mahesh Baldewa is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given her consent to act as Director.

Save and except Smt. Bhagwati Mahesh Baldewa and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors/Key Managerial personnel of the Company/their relatives are, in any way, concerned or interested financially or otherwise, in the Resolution set out at Item No.8 of the Notice.

Board considers it desirable that the Company should continue to avail itself of her services as an Independent Director and recommend this Resolution for approval of the shareholders.

Item No. 9: Appointment of Shri Pradip Bhargava (DIN: 01986827) as an Independent Director of the Company

Pursuant to the order issued by the Ministry of Steel, Government of India F.No.1/10/2015-BLA (Vol-III) (Pt.) dated 19th November 2018, Shri Pradip Bhargava (DIN: 01986827), was appointed as an Additional Director on the Board of the Company by the Board of Directors with effect from 27th November 2018 subject to his re-appointment by the shareholders in the Annual General Meeting as an Independent Director of the Company, for a period of one year from the date of completion of existing tenure (tenure ended on 26th November 2018). In terms of Section 161 of the Companies Act, 2013 and Articles of Association of the Company, he would hold office up to the date of the ensuing Annual General Meeting. The notice under Section 160 of the said Act has been received from a member proposing the name of Shri Pradip Bhargava as a candidate for the office of Director of the Company.

The Brief Bio-Data of the above Director is given below: -

(a) Brief Resume of the Director	
Name	Shri Pradip Bhargava
Date of Birth & Age	17.06.1949 & 69 years
Date of Appointment	27 th November 2018
Qualifications	(i) Post Graduate in Mathematics from St. Stephens College, Delhi University (ii) M.Sc. Development Studies from Bath University, U.K
(b) Nature of expertise in specific functional areas	Shri Bhargava joined the Indian Administrative Service in July 1973 and held many assignments in the Government of Uttar Pradesh, Union Government in Delhi and the Government of Madhya Pradesh. The postings were mostly in the Departments dealing with Irrigation, Power, Rural Development, Health & Family Welfare, Taxation etc. Shri Bhargava retired from the Indian Administrative Service in June 2009.
(c) Disclosure of relationships between Directors inter-se	There exists no relationship between Directors inter-se.
(d) Directorship held in other listed entities companies and the membership of Committees of the Board	NIL
(e) No. of Equity Shares held in NMDC Limited	100

Shri Pradip Bhargava submitted a declaration that he meets the criteria of independence under Section 149(7) of the Act. He is not liable to retire by rotation in terms of provision of Section 149(13) of the Companies Act, 2013.

Shri Pradip Bhargava is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as Director.

Save and except Shri Pradip Bhargava and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors/Key Managerial personnel of the Company/their relatives are, in any way, concerned or interested financially or otherwise, in the Resolution set out at Item No.9 of the Notice.

Board considers it desirable that the Company should continue to avail itself of his services as an Independent Director and recommend this Resolution for approval of the shareholders.

Item No. 10: Appointment of Dr. Syamal K Sarkar (DIN: 07387840) as an Independent Director of the Company

Pursuant to the order issued by the Ministry of Steel, Government of India F.No.1/10/2015-BLA (Vol-III) (Pt.) dated 19th November 2018, Dr. Syamal K Sarkar (DIN: 07387840), was appointed as an Additional Director on the Board of the Company by the Board of Directors with effect from 27th November 2018 subject to his re-appointment by the shareholders in the Annual General Meeting as an Independent Director of the Company, for a period of one year from the date of completion of existing tenure (tenure ended on 26th November 2018). In terms of Section 161 of the Companies Act, 2013 and Articles of Association of the Company, he would hold office up to the date of the ensuing Annual General Meeting. The notice under Section 160 of the said Act has been received from a member proposing the name of Dr. Syamal K Sarkar as a candidate for the office of Director of the Company.

The Brief Bio-Data of the above Director is given below: -

(a) Brief Resume of the Director	
Name	Dr. Syamal K Sarkar
Date of Birth & Age	18.07.1954 & 64 years
Date of Appointment	27 th November 2018
Qualifications	(i) Doctor of Philosophy in Economics from State University of New York (SUNY), Stony Brook, New York, USA. (ii) Master of Arts from State University of New York (SUNY), Stony Brook, New York, USA.
(b) Nature of expertise in specific functional areas	Dr. Syamal K. Sarkar has more than 38 years of experience in administration and has held several senior positions in Government of West Bengal and in the Central Government. Dr. Sarkar retired as Secretary, Department of Personnel and Training, Ministry of Personnel, Public Grievances and Pensions, Government of India on 31.07.2014. Dr. Sarkar has published / edited many books on infrastructure regulation and is a regular contributor in national dailies and international journals. He also teaches in the TERI University, Delhi.
(c) Disclosure of relationships between Directors inter-se	There exists no relationship between Directors inter-se.
(d) Directorship held in other listed entities companies and the membership of Committees of the Board	NIL
(e) No. of Equity Shares held in NMDC Limited	NIL

Dr. Syamal K Sarkar submitted a declaration that he meets the criteria of independence under Section 149(7) of the Act. He is not liable to retire by rotation in terms of provision of Section 149(13) of the Companies Act, 2013.

Dr. Syamal K Sarkar is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as Director.

Save and except Dr. Syamal K Sarkar and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors/Key Managerial personnel of the Company/their relatives are, in any way, concerned or interested financially or otherwise, in the Resolution set out at Item No.10 of the Notice.

Board considers it desirable that the Company should continue to avail itself of his services as an Independent Director and recommend this Resolution for approval of the shareholders.

Item No. 11: Appointment of Shri Shyam Murari Nigam (DIN: 07355272) as an Independent Director of the Company

Pursuant to the order issued by the Ministry of Steel, Government of India F.No.1/10/2015-BLA (Vol-III) (Pt.) dated 19th November 2018, Shri Shyam Murari Nigam (DIN: 07355272), was appointed as an Additional Director on the Board of the Company by the Board of Directors with effect from 27th November 2018 subject to his re-appointment by the shareholders in the Annual General Meeting as an Independent Director of the Company, for a period of one year from the date of completion of existing tenure (tenure ended on 26th November 2018). In terms of Section 161 of the Companies Act, 2013 and Articles of Association of the Company, he would hold office up to the date of the ensuing Annual General Meeting. The notice under Section 160 of the said Act has been received from a member proposing the name of Shri Shyam Murari Nigam as a candidate for the office of Director of the Company.

The Brief Bio-Data of the above Director is given below: -

(a) Brief Resume of the Director	
Name	Shri Shyam Murari Nigam
Date of Birth & Age	26.06.1955 & 63 years
Date of Appointment	27 th November 2018
Qualifications	i) Master of Science (Physics) from Kanpur University ii) Master of Science (Mathematics) from Kanpur University iii) Bachelor of Law from Kanpur University
(b) Nature of expertise in specific functional areas	Shri S.M. Nigam started his career in the year 1977 as a Lecturer in the Department of Physics in a Post Graduate College. Shri Nigam has more than 37 years of experience in Income Tax in various positions and retired on 30.06.2015 as Member, Central Board of Direct Taxes (CBDT), Department of Revenue, Ministry of Finance and Special Secretary to the Government of India. Shri Nigam specializes in Finance, Legal, Taxation, Internal Vigilance, Administration and training.
(c) Disclosure of relationships between Directors inter-se	There exists no relationship between Directors inter-se.
(d) Directorship held in other listed entities companies and the membership of Committees of the Board	NIL
(e) No. of Equity Shares held in NMDC Limited	NIL

Shri Shyam Murari Nigam submitted a declaration that he meets the criteria of independence under Section 149(7) of the Act. He is not liable to retire by rotation in terms of provision of Section 149(13) of the Companies Act, 2013.

Shri Shyam Murari Nigam is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as Director.

Save and except Shri Shyam Murari Nigam and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors/Key Managerial personnel of the Company/their relatives are, in any way, concerned or interested financially or otherwise, in the Resolution set out at Item No.11 of the Notice.

Board considers it desirable that the Company should continue to avail itself of his services as an Independent Director and recommend this Resolution for approval of the shareholders.

Item No 12: Appointment of Shri Amitava Mukherjee (DIN: 08265207), as the Director of the Company

Shri Amitava Mukherjee (DIN: 08265207), was appointed as an Additional Director of the Company with effect from 20th November 2018 subject to his re-appointment by the shareholders in the Annual General Meeting and is liable to retire by rotation in terms of provisions of the Companies Act, 2013. In terms of Section 161 of the Companies Act, 2013 and Articles of Association of the Company, he would hold office up to the date of the ensuing Annual General Meeting. The notice under Section 160 of the said Act has been received from a member proposing the name of Shri Amitava Mukherjee as a candidate for the office of Director of the Company. Pursuant to the order issued by the Ministry of Steel, Government of India No. 3(1)/2017-BLA dated 8th October 2018, Shri Amitava Mukherjee was appointed as Director (Finance) for a period of five years from the date of his assumption of charge of the post, or till the date of his superannuation, or until further orders, whichever is earliest.

The Brief Bio-Data of the above Director is given below: -

(a) Brief Resume of the Director	
Name	Shri Amitava Mukherjee
Date of Birth & Age	19.02.1968 & 51 years
Date of Appointment	20 th November 2018
Qualifications	i) Cost Accountant ii) Master of Commerce Degree from Guru Ghasi Das University, Bilaspur
(b) Nature of expertise in specific functional areas	Shri Amitava Mukherjee belongs to the 1995 batch of Indian Railway Accounts Services (IRAS). Prior to joining NMDC, he was holding the post of General Manager (Finance) in Rail Vikas Nigam Limited (RVNL) for a period of around two and half years. During his service in IRAS, he has held various key positions in the Eastern Railways from 1997 to 2016 like head of Standing Core Committee on Service Tax, Traffic Accounts Office and the IT Department. Before joining IRAS, he has worked in Indian Oil Corporation Limited (IOCL) as Accounts Officer from 1994-1997. During his service period in Indian Railways, he has received National Award for outstanding services during the year 2006. He was also nominated by Railway Board to various Task Groups for Centralised Applications of Finance & Accounts department of Indian Railways for monitoring progress and to suggest improvements and enhancements to such applications and for Development of Traffic Accounts Management System. Shri Amitava Mukherjee has attended various international training programmes conducted by European School of Business at London & Paris; ICLIF at Kuala Lumpur, Malaysia; INSEAD at Singapore.
(c) Disclosure of relationships between Directors inter-se	There exists no relationship between Directors inter-se.
(d) Directorship held in other listed entities companies and the membership of Committees of the Board	NIL
(e) No. of Equity Shares held in NMDC Limited	NIL

Shri Amitava Mukherjee is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Save and except Shri Amitava Mukherjee and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors/Key Managerial personnel of the Company/their relatives are, in any way, concerned or interested financially or otherwise, in the Resolution set out at Item No.12 of the Notice.

Board considers it desirable that the Company should continue to avail itself of his services as Director and recommend this Resolution for approval of the shareholders.

Item No 13: Appointment of Shri Alok Kumar Mehta (DIN: 07474850), as the Director of the Company

Shri Alok Kumar Mehta (DIN: 07474850), was appointed as an Additional Director of the Company with effect from 1st June 2019 subject to his re-appointment by the shareholders in the Annual General Meeting and is liable to retire by rotation in terms of provisions of the Companies Act, 2013. In terms of Section 161 of the Companies Act, 2013 and Articles of Association of the Company, he would hold office up to the date of the ensuing Annual General Meeting. The notice under Section 160 of the said Act has been received from a member proposing the name of Shri Alok Kumar Mehta as a candidate for the office of Director of the Company. Pursuant to the order issued by the Ministry of Steel, Government of India No. 3(2)/2017-BLA dated 10th April 2019, Shri Alok Kumar Mehta was appointed as Director (Commercial) from the date of his assumption of charge of the post on 1st June 2019 till the date of his superannuation (30.09.2021), or until further orders, whichever is earliest.

The Brief Bio-Data of the above Director is given below: -

(a) Brief Resume of the Director	
Name	Shri Alok Kumar Mehta
Date of Birth & Age	21 st September 1961 & 57 years
Date of Appointment	1 st June 2019
Qualifications	Graduate in Mechanical Engineering from NIT Raipur
(b) Nature of expertise in specific functional areas	<p>Alok Kumar Mehta is having more than 35 years of experience in Iron ore mining, Iron & Steel Industry and Copper Industry in India and abroad. He started his career with Hindustan Copper Limited in July 1983 and later joined in Saurashtra Chemical, Porbander in 1993.</p> <p>He also worked for Aditya Birla group at Birla Copper Dahej and in 2003 he was given the responsibility of Mount Garden Plant situated in Queensland, Australia. He has distinction of handling construction of Plant at Mount Garden, Australia.</p> <p>In the year 2006 he joined NMDC Limited (a Navratna PSU) and given the responsibilities of bringing up 3.0 MTPA Steel Plant at Nagarnar. He successfully conceived the ₹15,525 Crore Steel Plant at Nagarnar with the cooperation of all stake holders.</p> <p>He has distinction of having exposure at both Private and Government Sector including overseas experience.</p> <p>Prior to joining as Director (Commercial), he was responsible for the execution of all the Engineering, Contracts and Projects activities of NMDC Limited from HO as Executive Director. He is also on the Board of three subsidiary companies and one joint venture company of NMDC Ltd.</p>
(c) Disclosure of relationships between Directors inter-se	There exists no relationship between Directors inter-se.
(d) Directorship held in other listed entities companies and the membership of Committees of the Board	NIL
(e) No. of Equity Shares held in NMDC Limited	NIL

Shri Alok Kumar Mehta is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Save and except Shri Alok Kumar Mehta and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors/Key Managerial personnel of the Company/their relatives are, in any way, concerned or interested financially or otherwise, in the Resolution set out at Item No.13 of the Notice.

Board considers it desirable that the Company should continue to avail itself of his services as Director and recommend this Resolution for approval of the shareholders.

Item No. 14: Ratification of the Remuneration of Cost Auditors of the Company for the financial year 2019-20

The Board at its meeting held on 16th July 2019 on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s Tanmaya S. Pradhan & Co., Cost Accountants as the Cost Auditors to conduct the audit of the cost records of the Company across various segments, for the financial year ending 31st March 2020 at a remuneration of ₹ 6.00 lakhs (excluding travelling, out-of-pocket expenses plus GST).

M/s Tanmaya S. Pradhan & Co., have furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 14 to the Notice for ratification of the Remuneration payable to Cost Auditors of the Company for the financial year ending 31st March 2020.

The Board recommends the Ordinary Resolution set out at item no. 14 of the notice for approval by the members.

None of the Directors and/or Key Management Personnel of the Company and/or their relatives are, in any way, concerned or interested financially or otherwise in the Resolution set out at Item No. 14 of the Notice.

By Order of the Board of Directors,
For and on behalf of NMDC Limited

(A.S. Pardha Saradhi)
Company Secretary

Place: Hyderabad
Date: 16th July 2019



NMDC celebrates International Yoga Day-2019



NMDC Limited

(CIN: L13100TG1958GOI001674)

Registered Office: Khanij Bhavan,

10-3-311/A, Castle Hills, Masab Tank, Hyderabad -500 028, Telangana, India

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and
Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s)			
Registered address			
Email ID			
Folio No./Client ID			
DP ID		No. of Shares	

I/We, being a member/members of above named Company, hereby appoint:

1. Name			
Address			
Email ID	Signature		
Or failing him/her			
2. Name			
Address			
Email ID	Signature		
Or failing him/her			
3. Name			
Address			
Email ID	Signature		

as my/our proxy to attend and vote (on a poll) for me /us and on my/our behalf at the 61st Annual General Meeting of the Company, to be held on Friday the 30th August 2019 at 1130 hrs. at Trillion Ball Room, The Park Hotel, 22, Raj Bhavan Road, Somajiguda, Hyderabad – 500082, Telangana and at any adjournment thereof in respect of such resolutions as are indicated below:-

Resolution No.	Resolutions	For*	Against*
	Ordinary Business		
1.	To receive, consider and adopt the Audited Financial Statements (Standalone and Consolidated) of the Company for the financial year ended 31 st March 2019 and the reports of the Board of Directors, Statutory Auditor and Comptroller and Auditor General of India thereon.		
2.	To confirm the payment of Interim dividend of ₹ 5.52 ps per equity share of ₹ 1.00 each for the financial year 2018-19.		
3.	To appoint a Director in place of Shri Sandeep Tula (DIN: 07261884), who retires by rotation and being eligible, offers himself for re-appointment.		
4.	To appoint a Director in place of Shri Saraswati Prasad, (DIN: 07729788), who retires by rotation and being eligible, offers himself for re-appointment.		
5.	To appoint a Director in place of Shri Bajendra Kumar Nair, (DIN: 03289526), who retires by rotation and being eligible, offers himself for re-appointment.		
6.	To fix remuneration of Statutory Auditors for the financial year 2019-20 In terms of the Section 142 of the Companies Act, 2013, the remuneration of Auditors of Government Companies, appointed by Comptroller and Auditor-General of India, shall be fixed by the Company in General Meeting or in such manner as the Company in General Meeting may determine. Hence, it is proposed that the Members may authorize the Board to fix the remuneration of the Statutory Auditors of the Company for the financial year 2019-20, as may be deemed fit.		
	Special Business		
7.	To appoint CA Arun Kumar Srivastava (DIN: 01940109) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution: “RESOLVED THAT CA Arun Kumar Srivastava (DIN: 01940109), who was appointed as an Additional Director of the Company by the Board of Directors in terms of Section 161 of the Companies Act, 2013 (the Act) and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member signifying his intention to propose CA Arun Kumar Srivastava as a candidate for the office of Director and who meets the criteria of independence as provided under Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Act and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, to hold office for a period of one year from the date of completion of his existing tenure (i.e., on 12 th November 2018) or until further orders of Govt. of India, whichever is earlier in terms of Ministry of Steel Order F. No. 1/10/2015-BLA (Vol-III) (Pt.) dated 19 th November 2018, and is not liable to retire by rotation.” “RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts, deeds, things, matters and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”		
8.	To appoint Smt Bhagwati Mahesh Baldewa (DIN: 01537251) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution: “RESOLVED THAT Smt Bhagwati Mahesh Baldewa (DIN: 01537251), who was appointed as an Additional Director of the Company by the Board of Directors in terms of Section 161 of the Companies Act, 2013 (the Act) and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member signifying his intention to propose Smt Bhagwati Mahesh Baldewa as a candidate for the office of Director and who meets the criteria of independence as provided under Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Act and the Rules framed thereunder (including any statutory modification(s)		

Resolution No.	Resolutions	For*	Against*
	<p>or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, to hold office for a period of one year from the date of completion of her existing tenure (i.e., on 12th November 2018) or until further orders of Govt. of India, whichever is earlier in terms of Ministry of Steel Order F. No. 1/10/2015-BLA (Vol-III) (Pt.) dated 19th November 2018, and is not liable to retire by rotation."</p> <p>"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts, deeds, things, matters and take all such steps as may be necessary, proper or expedient to give effect to this resolution."</p>		
9.	<p>To appoint Shri Pradip Bhargava (DIN: 01986827) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:</p> <p>"RESOLVED THAT Shri Pradip Bhargava (DIN: 01986827), who was appointed as an Additional Director of the Company by the Board of Directors in terms of Section 161 of the Companies Act, 2013 (the Act) and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member signifying his intention to propose Shri Pradip Bhargava as a candidate for the office of Director and who meets the criteria of independence as provided under Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Act and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, to hold office for a period of one year from the date of completion of his existing tenure (i.e., on 26th November 2018) or until further orders of Govt. of India, whichever is earlier in terms of Ministry of Steel Order F. No. 1/10/2015-BLA (Vol-III) (Pt.) dated 19th November 2018, and is not liable to retire by rotation."</p> <p>"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts, deeds, things, matters and take all such steps as may be necessary, proper or expedient to give effect to this resolution."</p>		
10.	<p>To appoint Dr. Syamal Kumar Sarkar (DIN: 07387840) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:</p> <p>"RESOLVED THAT Dr. Syamal Kumar Sarkar (DIN: 07387840), who was appointed as an Additional Director of the Company by the Board of Directors in terms of Section 161 of the Companies Act, 2013 (the Act) and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member signifying his intention to propose Dr. Syamal Kumar Sarkar as a candidate for the office of Director and who meets the criteria of independence as provided under Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Act and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, to hold office for a period of one year from the date of completion of his existing tenure (i.e., on 26th November 2018) or until further orders of Govt. of India, whichever is earlier in terms of Ministry of Steel Order F. No. 1/10/2015-BLA (Vol-III) (Pt.) dated 19th November 2018, and is not liable to retire by rotation."</p> <p>"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts, deeds, things, matters and take all such steps as may be necessary, proper or expedient to give effect to this resolution."</p>		

Resolution No.	Resolutions	For*	Against*
11.	<p>To appoint Shri Shyam Murari Nigam (DIN: 07355272) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:</p> <p>“RESOLVED THAT Shri Shyam Murari Nigam (DIN: 07355272), who was appointed as an Additional Director of the Company by the Board of Directors in terms of Section 161 of the Companies Act, 2013 (the Act) and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member signifying his intention to propose Shri Shyam Murari Nigam as a candidate for the office of Director and who meets the criteria of independence as provided under Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Act and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, to hold office for a period of one year from the date of completion of his existing tenure (i.e., on 26th November 2018) or until further orders of Govt. of India, whichever is earlier in terms of Ministry of Steel Order F. No. 1/10/2015-BLA (Vol-III) (Pt.) dated 19th November 2018, and is not liable to retire by rotation.”</p> <p>“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts, deeds, things, matters and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”</p>		
12.	<p>To appoint Shri Amitava Mukherjee (DIN: 08265207) as Director (Finance) and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:</p> <p>“RESOLVED THAT Shri Amitava Mukherjee (DIN: 08265207) who was appointed as an Additional Director of the Company by the Board of Directors in terms of Section 161 of the Companies Act, 2013 (the Act) and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member signifying his intention to propose Shri Amitava Mukherjee as a candidature for the office of Director, be and is hereby appointed as Director (Finance) of the Company, for a period of five years from the date of his assumption of charge of the post, or till the date of his superannuation, or until further orders, whichever is earliest in terms of Order No. 3(1)/2017-BLA dated 8th October 2018 issued by Government of India, Ministry of Steel, and is liable to retire by rotation.”</p> <p>“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts, deeds, things, matters and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”</p>		
13.	<p>To appoint Shri Alok Kumar Mehta (DIN: 07474850) as Director (Commercial) and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:</p> <p>“RESOLVED THAT Shri Alok Kumar Mehta (DIN: 07474850) who was appointed as an Additional Director of the Company by the Board of Directors in terms of Section 161 of the Companies Act, 2013 (the Act) and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member signifying his intention to propose Shri Alok Kumar Mehta as a candidature for the office of Director, be and is hereby appointed as Director (Commercial) of the Company, from the date of his assumption of charge of the post i.e., 1st June 2019, till the date of his superannuation (30.09.2021), or until further orders, whichever is earlier, in terms of Order No. 3(2)/2017-BLA dated 10th April 2019 issued by Government of India, Ministry of Steel, and is liable to retire by rotation.”</p> <p>“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts, deeds, things, matters and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”</p>		

Resolution No.	Resolutions	For*	Against*
14.	<p>To ratify the remuneration of the Cost Auditors of the Company for the financial year 2019-20 and in this regard to consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:</p> <p>"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Company hereby ratifies the remuneration of ₹ 6.00 lakhs (excluding travelling, out-of-pocket expenses plus GST) payable to M/s Tanmaya S. Pradhan & Co., Cost Accountants, having office at "SWASTHAN", Brooks Hill, Sambalpur, Odisha – 768001, appointed as the Cost Auditors by the Board of Directors of the Company for conducting the audit of the cost records of the Company and providing Cost Audit Report, and all such reports, annexures, records, documents etc., for the financial year 2019-20, that may be required to be prepared and submitted by the Cost Auditors under applicable statute."</p> <p>"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, things, matters and take all such steps as may be necessary, proper or expedient to give effect to this resolution."</p>		

Signed this _____ day of _____ 2019 Signature of Member _____

Affix a Revenue Stamp

Signature of Proxy _____

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A person can act as a proxy on behalf of Members, not exceeding fifty, and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. It is optional to put an 'X' in the appropriate column against the resolution indicated in the box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she deems appropriate.



NMDC Limited

(CIN: L13100TG1958GOI001674)

Registered Office: Khanij Bhavan,

10-3-311/A, Castle Hills, Masab Tank, Hyderabad -500 028, Telangana, India

ATTENDANCE SLIP 61st ANNUAL GENERAL MEETING

L.F./Demat A/c No. _____

No. of Shares held _____

Name(s) in Full

Name & Address as registered with the Company

1. _____
2. _____
3. _____

I hereby record my presence at the meeting of the 61st Annual General Meeting of Shareholders of NMDC Limited at 1130 hours on Friday the 30th August 2019 at Trillion Ball Room, The Park Hotel, 22, Raj Bhavan Road, Somajiguda, Hyderabad – 500082, Telangana.

Please tick in the Box

Equity Shareholder

Proxy

Equity Shareholder's Signature

Proxy's Signature

Notes:

1. Equity Shareholders/ Proxies are requested to bring this slip with them. Duplicate slips will not be issued at the entrance of the venue of the meeting.
2. Equity Shareholders attending the meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the venue of the meeting.



Hon'ble CM of Chhattisgarh presenting cheques to meritorious students under 'Choo Lo Aasman' CSR initiative of NMDC



CMD, NMDC handing over cheque for 'Kerala CM Distress Relief Fund' to Hon'ble CM of Kerala

एनएमडीसी



NMDC

NMDC Limited

(A Government of India Enterprise)

Khaniy Bhavan, 10-3-311/A, Castle Hills,
Masab Tank, Hyderabad -500 028, Telangana, India

[f @nmdclimited](#) | [@nmdclimited](#) | [www.nmdc.co.in](#)

