

एन एम डी सी



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)/2008- Sectt

26th May 2017

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: Corporate Investors Presentation on Performance in FY 2016-17 - Reg

Ref: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; Security ID: NMDC

Reference the captioned subject, kindly note that Corporate Investors Presentation on Performance in FY 2016-17 has been uploaded on NMDC website, a copy of which is enclosed herewith for kind reference.

Please take note of the above information.

Thanking you

Yours faithfully,
For **NMDC Limited**

A S Pardha Saradhi
Company Secretary

Encl: As above



NMDC Limited

Corporate Investors

Presentation

on Performance in

F/Y 2016-17

Disclaimer:

Cautionary Statement:

The statements contained in the Presentation may be 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, Govt. policies and other incidental factors that may arise. Readers are cautioned not to place undue reliance on the forward looking statements.



IND – AS APPLICABILITY FROM 01-04-2016

The financial results of the Company have been prepared in accordance with Indian Accounting standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules 2015 (as amended).

The Company adopted Ind AS from 1st April, 2016, and accordingly, these financial results (including for all the periods presented in accordance with Ind AS 101 First-time Adoption of Indian Accounting Standards) have been prepared in accordance with the recognition and measurement principles of Ind-AS, prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued there under and the other accounting principles generally accepted in India.



Performance Highlights of 2016-17 Vs 2015-16

Physical

- **Sales** increased to **356.21 LT** from **288.39 LT (24%)**
 - Export sales** increased to **27.29 LT** from **11.26 LT (142%)**
 - Domestic sales** increased to **328.92 LT** from **277.13 LT (19%)**

- **Production** increased to **340.05 LT** from **285.74 LT (19%)**

Financial

- **Turnover** increased to **Rs 8,830 crore** from **Rs 6,457 crore (37%)**

Analysis of Variance in Iron Ore Sales: (Rs. 2,381 Crore)

i) Increase due to export sales quantity	Rs. 515 crore
ii) Increase due to domestic sales quantity	Rs. 1,136 crore
iii) Increase due to increase in export prices	Rs. 37 crore
iv) Increase due to increase in domestic prices	Rs. 693 crore

Basic Domestic Iron Ore price increased to **Rs. 1,955** from **Rs. 1,829 (7%)**

- **Operating Profit** increased to **Rs 3,405 crore** from **Rs 2,533 crore (34%)**

- **Interest Income** decreased to **Rs 720 crore** from **Rs 1,602 crore (-55%)**

- **PAT** decreased to **Rs 2,589 crore** from **Rs 2,712 crore (-5%)**



Performance Highlights of Q4 (2016-17) Vs Q3 (2016-17)

Physical

- Sales decreased to **97.75 LT** from **100.55 LT (-3%)**
 - Export sales decreased to **6.75 LT** from **7.82 LT (-14%)**
 - Domestic sales decreased to **91.00 LT** from **92.73 LT (-2%)**

- Production increased to **103.79 LT** from **97.07 LT (7%)**

Financial

- Turnover increased to **Rs 2,872 crore** from **Rs 2,498 crore (15%)**

Analysis of Variance in Iron Ore Sales: (Rs. 362 Crore)

i) Decrease due to export sales quantity	Rs. 18 crore
ii) Decrease due to domestic sales quantity	Rs. 35 crore
iii) Increase due to increase in export prices	Rs. 8 crore
iv) Increase due to increase in domestic prices	Rs. 407 crore

Basic Domestic Iron Ore price increased to **Rs. 2,226** from **Rs. 1,990 (12%)**

- Operating Profit decreased to **Rs 901 crore** from **Rs 972 crore (-7%)**

- Interest Income increased to **Rs 110 crore** from **Rs 81 crore (35%)**

- PAT decreased to **Rs 512 crore** from **Rs 595 crore (-14%)**



Performance Highlights of Q4 (2016-17) Vs Q4 (2015-16)

Physical

- **Sales** increased to **97.75 LT** from **85.13 LT (15%)**
 - Export sales** decreased to **6.75 LT** from **7.46 LT (-10%)**
 - Domestic sales** increased to **91.00 LT** from **77.67 LT (17%)**
- **Production** increased to **103.79 LT** from **87.83 LT (18%)**

Financial

- **Turnover** increased to **Rs 2,872 crore** from **Rs 1,530 crore (88%)**

Analysis of Variance in Iron Ore Sales: (Rs. 1,347 Crore)

i) Decrease due to export sales quantity	Rs. 15 crore
ii) Increase due to domestic sales quantity	Rs. 178 crore
iii) Increase due to increase in export prices	Rs. 42 crore
iv) Increase due to increase in domestic prices	Rs. 1,142 crore

Basic Iron Ore price increased to **Rs. 2,226** from **Rs. 1,456 (53%)**

- **Operating Profit** increased to **Rs 901 crore** from **Rs 352 crore (156%)**
- **Interest Income** decreased to **Rs 110 crore** from **Rs 394 crore (-72%)**
- **PAT** increased to **Rs 512 crore** from **Rs 459 crore (12%)**

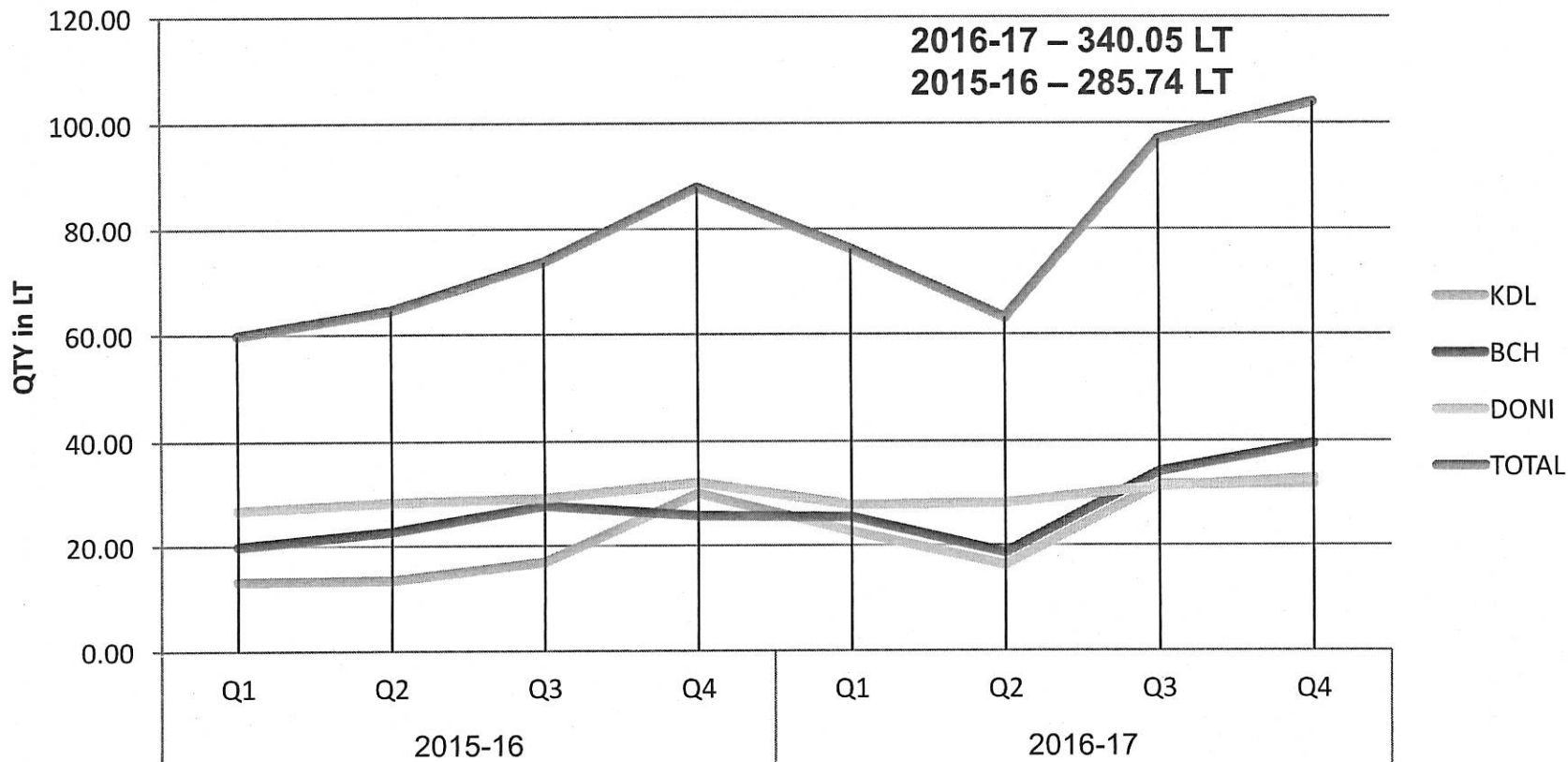


Significant Issues

1. **Service Tax on Royalty** : Service tax on royalty is effective from 01.04.2016. The company has contested the issue with Hon'ble High court of Karnataka and Hon'ble High Court of Madhya Pradesh and stay has been granted by both the courts. However, considering the expert opinion the liability of Rs.158.60 cr is provided.
2. **Mine Closure Obligation** : Rs.258.66 cr has been provided for during the period .
3. **Expected Credit Loss (ECL)** : An amount of Rs.256.94 cr pertaining to period up to review towards ECL on total trade receivables of Rs 2,416 Cr is provided for in current period and included in other expenses and the amount pertaining to previous period is considered through retained earnings on the transition date and the subsequent periods.
4. **Enabling Facilities**: As the ownership is with the Railways, the amount incurred up to period of review of Rs.176.72 cr has been charged during the current period and included in other expenses.



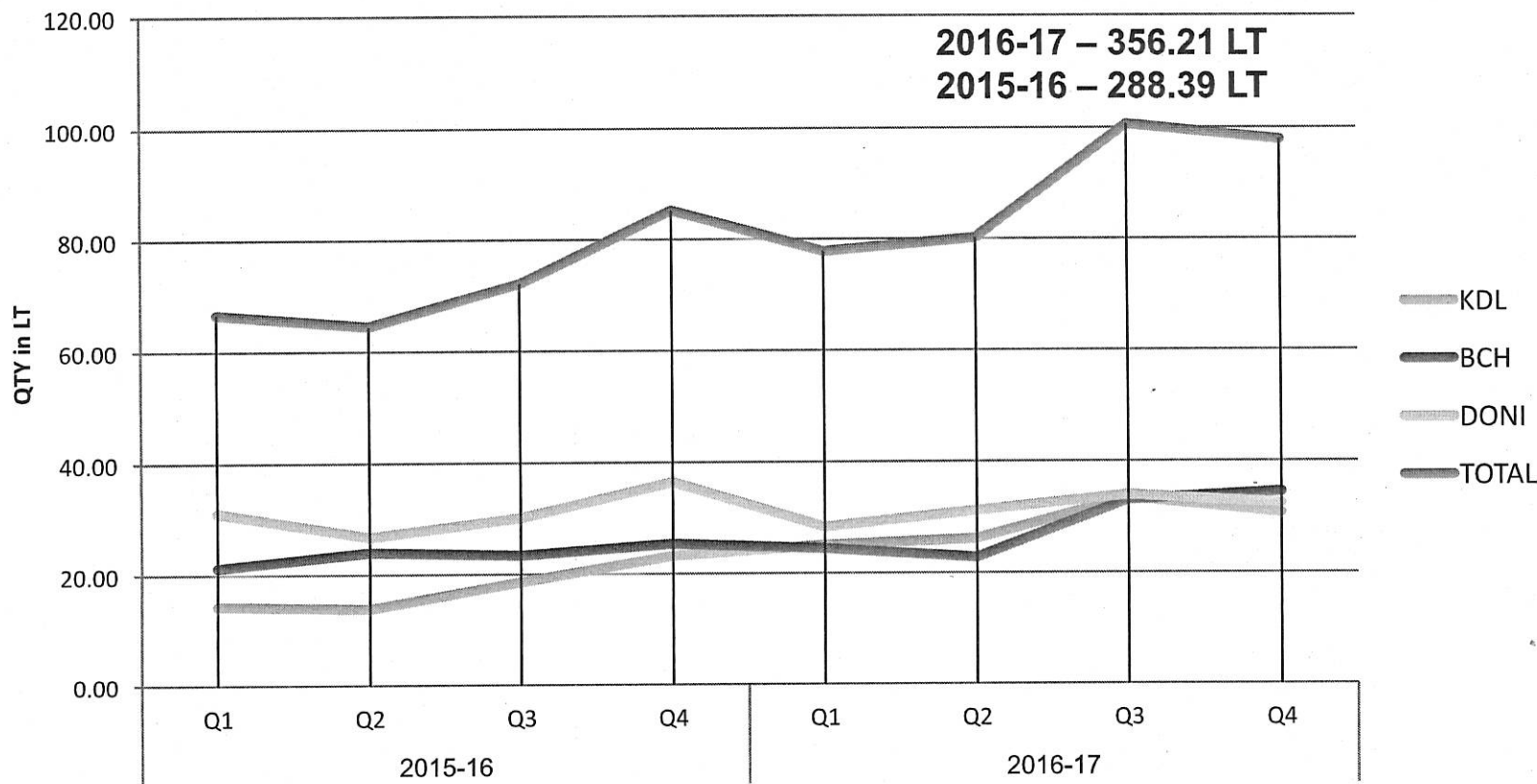
UNITWISE QUARTERLY PRODUCTION TREND OF IRON ORE (LT)



Qty in LT	2015-16				2016-17			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
KDL	13.16	13.39	16.89	30.08	22.80	16.33	31.53	31.74
BCH	19.88	22.76	27.69	25.70	25.42	18.63	34.20	39.43
DONI	26.79	28.30	29.05	32.05	27.87	28.14	31.34	32.62
TOTAL	59.83	64.45	73.63	87.83	76.09	63.10	97.07	103.79



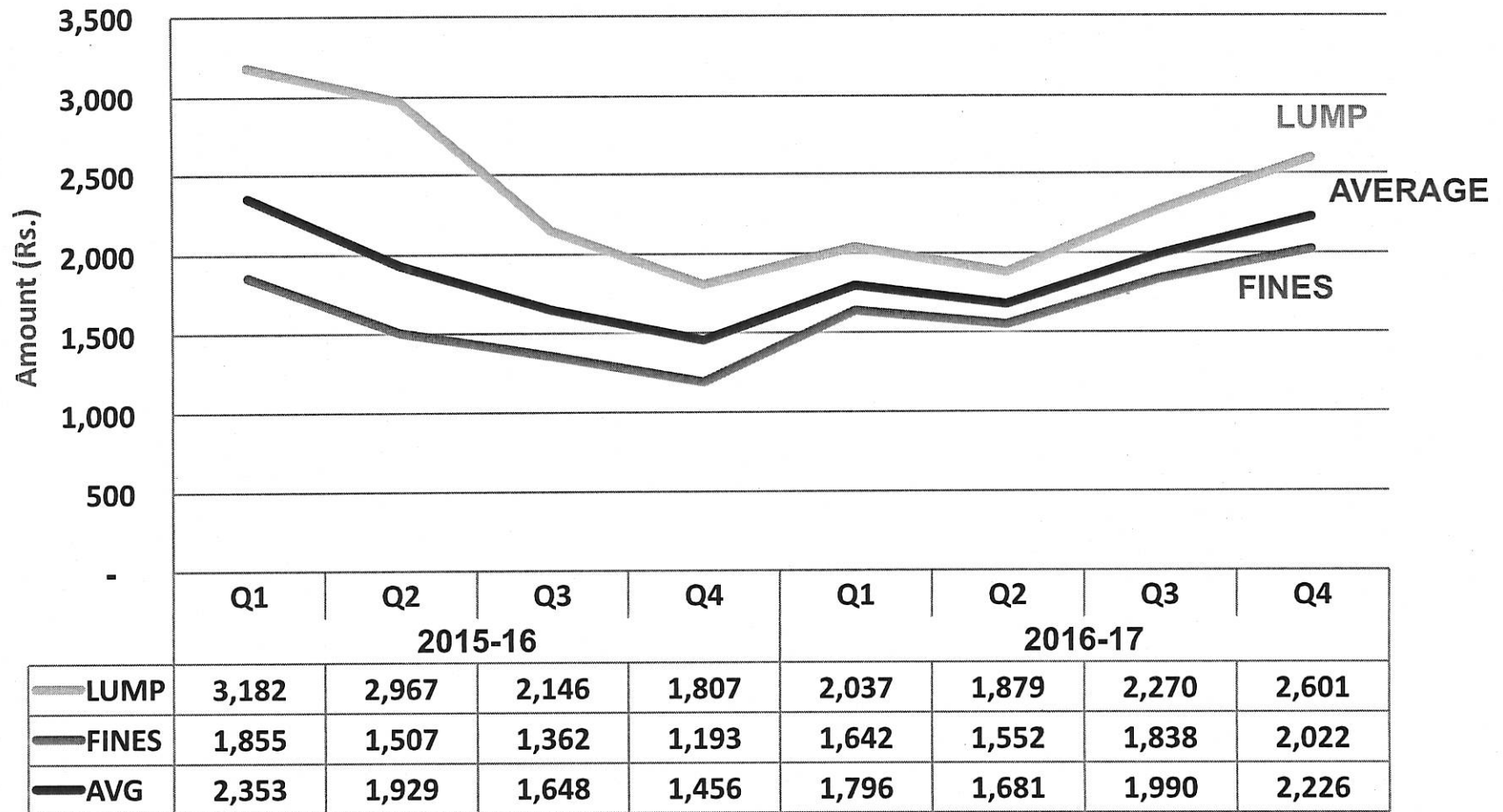
UNITWISE QUARTERLY SALES TREND OF IRON ORE (LT)



Qty in LT	2015-16				2016-17			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
KDL	14.32	13.82	18.59	23.23	25.04	26.09	33.44	30.72
BCH	21.22	23.94	23.43	25.44	24.38	22.82	33.05	34.53
DONI	31.08	26.70	30.16	36.46	28.36	31.22	34.06	32.51
TOTAL	66.62	64.46	72.18	85.13	77.78	80.13	100.55	97.76



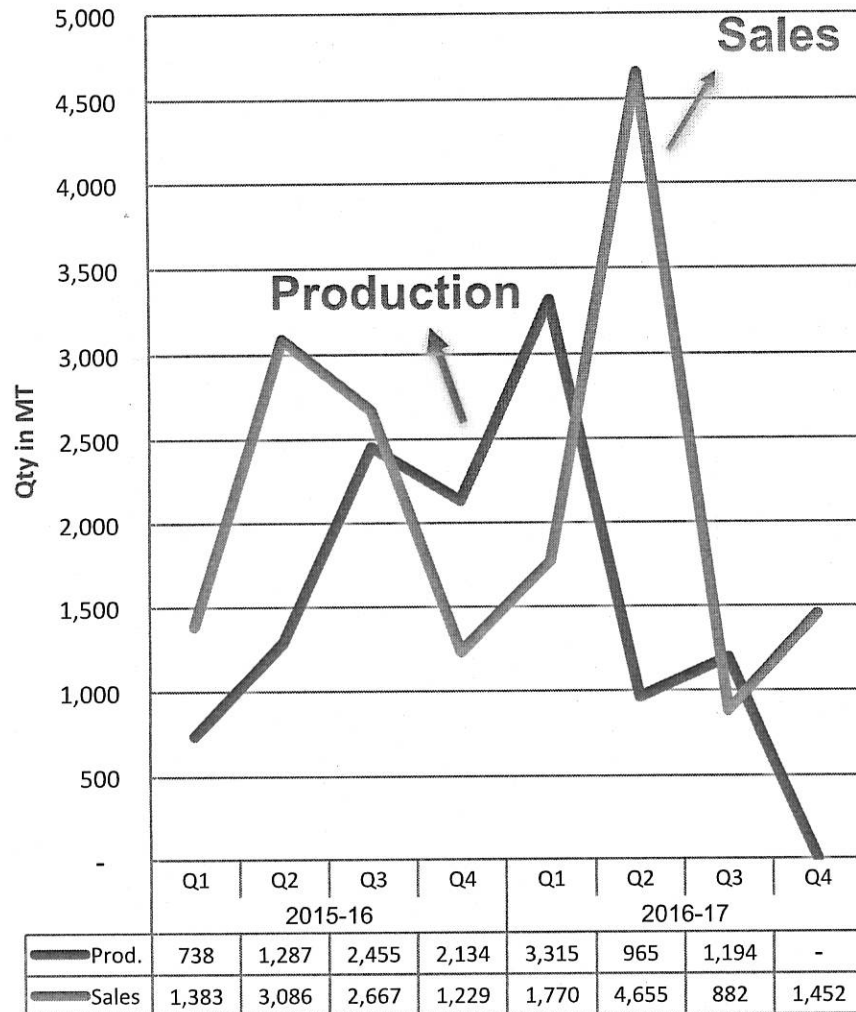
PRODUCT WISE DOMESTIC AVERAGE BASIC PRICES OF IRON ORE (EXCL STATUTORY LEVIES)



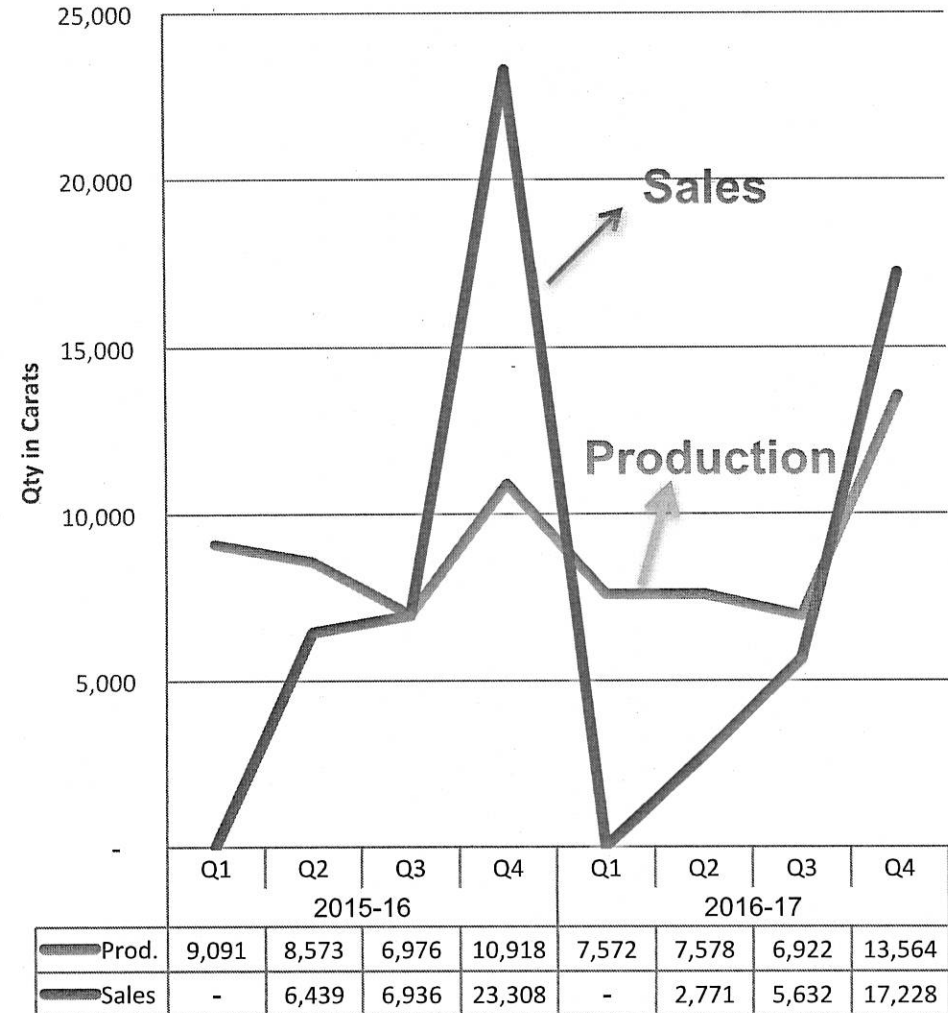


TRENDS OF PRODUCTION AND SALES OF SPONGE IRON AND DIAMONDS

Sponge Iron



Diamonds





Details of Top 25 shareholders as on 19th May 2017

Sl no	Holder	No of Shares	% holding
1	PRESIDENT OF INDIA	2,37,11,26,192	74.94%
2	LIFE INSURANCE CORPORATION OF INDIA	38,99,38,677	12.32%
3	LIC OF INDIA PENSION PLUS MIXED FUND	6,38,92,411	2.02%
4	ROBECO CAPITAL GROWTH FUNDS	1,39,66,188	0.44%
5	VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERIES OF VANGUARD INTERNATIONAL EQUITY INDEX FUND	1,36,30,520	0.43%
6	STATE BANK OF INDIA	1,18,44,746	0.37%
7	EDGBASTON ASIAN EQUITY TRUST	1,11,62,249	0.35%
8	CANARA BANK-MUMBAI	1,07,72,388	0.34%
9	VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	92,65,213	0.29%
10	THE NEW INDIA ASSURANCE COMPANY LIMITED	83,16,508	0.26%
11	NATIONAL INSURANCE COMPANY LTD	71,55,349	0.23%
12	UNITED INDIA INSURANCE COMPANY LIMITED	65,66,033	0.21%
13	EASTSPRING INVESTMENTS INDIA EQUITY OPEN LIMITED	62,64,907	0.20%
14	BNP PARIBAS ARBITRAGE	61,17,332	0.19%
15	MORGAN STANLEY MAURITIUS COMPANY LIMITED	47,04,531	0.15%
16	DRAGON PEACOCK INVESTMENTS LIMITED	45,76,103	0.14%
17	THE ORIENTAL INSURANCE COMPANY LIMITED	45,23,019	0.14%
18	GENERAL INSURANCE CORPORATION OF INDIA	40,25,000	0.13%
19	SOCIETE GENERALE	35,31,910	0.11%
20	NPS TRUST - A/C LIC PENSION FUND SCHEME - CORPORATE CG	35,09,143	0.11%
21	GMO IMPLEMENTATION FUND A SERIES OF GMO TRUST	33,49,383	0.11%
22	BANK OF INDIA	31,99,786	0.10%
23	PGGM WORLD EQUITY B. V. (GEPFEEM)	30,99,411	0.10%
24	WISDOMTREE INDIA INVESTMENT PORTFOLIO, INC.	29,88,915	0.09%
25	THE EDGBASTON ASIAN EQUITY (JERSEY) TRUST	28,11,904	0.09%
	Total:	2,97,03,37,818	93.88%



THANK YOU