

Board's Report to Shareholders

Dear Shareholders,

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

(1) FINANCIAL AND PHYSICAL PERFORMANCE

(A) Key Financials

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

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

Key financial ratios

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

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

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

(B) Dividend

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

(C) Sales:

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

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

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

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

(D) Production and Productivity

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

(E) Closing Stock

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

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

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

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

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

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

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

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

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

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

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

(A) Capex

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

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

(B) Mine Expansion Projects**(i) Projects completed during 2020-21**

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

(ii) Projects under implementation

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

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

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

(C) Acquisition of mines in and outside the Country

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

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

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

(4) RESEARCH AND DEVELOPMENT (R&D)

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

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

Significance of the R&D projects in MOIL

- **Mine ventilation**

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

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

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

- **Mineral conservation**

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

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

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

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

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

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

- **Space technology – Remote sensing**

MOIL has identified manganese bearing areas in terms of an MoU with National Remote Sensing Centre (NRSC), Hyderabad for remote sensing studies of four districts of Madhya Pradesh, namely Balaghat, Chhindwada, Jabalpur and Jhabua. On the basis of the report, MOIL has carried out field survey and applied for permission for core drilling from Govt. of Madhya Pradesh in potential zones of these four districts. Recently, Govt. of Madhya Pradesh has reserved 850 Km² and 487 Km² areas in Balaghat and Chhindwara districts respectively, to carry out exploration work. This will enable MOIL to take up exploration project in the reserved areas of Balaghat and Chhindwara districts. Applications for other two districts, i.e., Jabalpur and Jhabua, are in process. After completion of the exploration work and its analysis, a Techno Economic Feasibility Report (TEFR) will be prepared. Based on the TEFR and ascertaining viability, a Joint Venture Company, will be formed between MOIL and MPSMCL with shareholding of 51% for MOIL and 49% for MPSMCL

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

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

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

• **Remote sensing and petrological lab**

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

• **R&D labs**

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

• **R&D expenditure**

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

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

(A) Energy conservation

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

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

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

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

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

(B) Wind power generation

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

(C) Environmental protection and renewable energy

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

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

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

(D) Safety and occupational health

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

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

(6) MINING LEASES AND EXPLORATION

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

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

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

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

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

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

- **ISO 9001-2015 Certification**

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

- **Inspections**

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

- **Complaint handling**

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

- **Scrutiny of procedures and systems**

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

- **Mobile App 'Vigilance MOIL'**

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

- **Toll free number**

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

- **E-procurement**

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

- **Structure meetings of vigilance**

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

- **Leveraging technology**

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

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

- **Updation of manuals**

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

- **Training programs**

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

- **Job rotation**

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

- **System improvement**

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

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

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

• **Vigilance awareness week**

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

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

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

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

* At present, all pending cases are disposed off

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

(8) HUMAN RESOURCE AND PERSONNEL

(A) Training programmes and skill development

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

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

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

(B) Welfare schemes and facilities

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

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

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

(C) Welfare measures taken for SC/ST

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

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

(D) Empowerment of women

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

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

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

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

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

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

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

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

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

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

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

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

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

(F) Manpower

Manpower as on 31st March, 2021 of the Company is given below:

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

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

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

(G) Citizen's charter and grievance redressal mechanism

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

Status of public/staff grievances during FY 2020-21

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

(H) Progressive use of Hindi

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

(I) Right to information

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

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

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

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

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

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

(J) Industrial relations

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

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

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

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

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

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

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

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

(10) DIRECTORS AND KMP

(A) Change in Directors and KMP

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

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

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

(B) Declaration by Independent Directors

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

(C) Appointment, performance evaluation and remuneration policy

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

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

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

(D) Directors' Responsibility Statement

Your Directors state that -

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

(11) DEVELOPMENT OF INFORMATION TECHNOLOGY AND USAGE

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

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

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

(12) POLICY AND DISCLOSURES

(A) Risk Management Policy

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

(B) Vigil Mechanism

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

(C) Corporate Governance

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

(D) Management Discussion and Analysis and Business Responsibility Report

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

(E) Related Party Transactions

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

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

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

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

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

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

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

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

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

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

(13) AUDITS AND AUDITORS

(A) Statutory Auditors and CAG

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

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

(B) Secretarial auditors

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

(C) Cost audit

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

(14) OTHER DISCLOSURES:

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

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

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

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

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

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

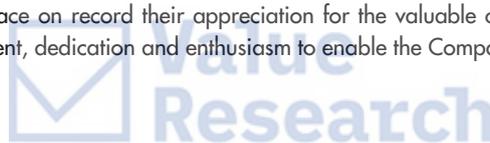
Details of the resultant benefits (i.e. Dividend) arising out of shares already transferred to the IEPF account are as under.

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

ACKNOWLEDGEMENT

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

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



On behalf of the Board of Directors

Place : Nagpur
Date : 24.08.2021

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