

## NOTE NO. 1

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2021

## Corporate and General Information

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

## 1 Significant Accounting Policies

## 1.1 Basis of preparation of financial statements

## (a) Statement of compliance

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

## (b) Basis of measurement

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

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

## (c) Functional and presentation currency

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

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

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

## 1.2 Summary of Significant Accounting Policies

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

## 1.2.1 Accounting for assets

## (a) Property, Plant and equipment

## Recognition and measurement

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

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

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

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

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

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

**Intangible Asset includes-**

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

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

**(c) Depreciation and amortization**

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

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

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

**(e) Expenditure during construction period**

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

**(f) Interest during construction period**

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

**(g) Impairment of assets**

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

**1.2.2 Investments**

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

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

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

Inventories are valued on following basis.

**(A) Finished goods**

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

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

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

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

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

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

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

**1.2.4 Trade receivables**

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

**1.2.5 Cash and cash equivalents**

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

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

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

**1.2.7 Statement of cash flow**

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

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

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

**Production stripping cost**

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

**1.2.9 Income Tax**

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

**(a) Current income tax**

Current income tax for the current period is measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

**(b) Deferred income tax**

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or losses at the time of the transaction. Deferred income tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred income tax liabilities are recognized for all taxable temporary differences. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

**1.2.10 Government Grants**

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

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

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

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

intended to cover.

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

**1.2.11 Earnings per share**

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

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

**1.2.12 Exploration and evaluation**

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

**1.2.13 Revenue from operations – Sales**

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

**(A) Manganese ore sales**

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

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

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

**1.2.14 Other income**

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

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

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

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

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

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

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

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

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

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

**Electricity**

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

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

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

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

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

**(b) Post-employment benefits**

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

**(i) Defined benefit plans**

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

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

**(ii) Defined contribution plans**

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

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

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

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

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

**1.2.19 Accounting for subsidies from Welfare Commissioner****(a) Labour quarters**

The company has constructed/under construction some labour quarters, for which the company is receiving subsidy from the Welfare Commissioner. Since the land on which such quarters are constructed is surrendered to the Welfare Commissioner and the property (quarters constructed) vests with the Welfare Commissioner, the entire expenditure incurred by the company is charged to and the subsidy received is also credited to revenue in the year in which the expenditure is incurred/subsidy is received.

**NOTE NO. 1 (Contd..)****(b) Welfare assets**

Entire expenditure for acquisition of assets like school bus, ambulance, water supply scheme, etc., under welfare schemes is debited to relevant asset account in the year in which expenditure is incurred. Amount of subsidy received is credited to the same asset head in the year of receipt and depreciation is then charged on such reduced value of the asset from that year.

**1.2.20 Claims by the company**

Amount of claims lodged with insurance company/railways are accounted for on the basis of amount claimed during the year on assessing reasonable certainty of their realisation and the difference, if any, is adjusted on settlement of the claims.

**1.2.21 Pre-paid expenses**

Expenses are treated as prepaid only where amount exceed 5.00 lakh in each case.

**1.2.22 Provision for doubtful debts**

Provision for bad and doubtful debts is made based on a case to case review of sundry debtors outstanding for more than two years Debts outstanding from private parties for more than three years or balance dues on account of levy of penalty which are considered doubtful of recovery are invariably provided.

**1.2.23 Research and development expenditure**

Research and development expenditure is charged to statement of profit and loss in the year of incurrence. However, expenditure on fixed assets relating to research and development is treated in the same way as other fixed assets.

**1.2.24 Mine closure expenditure**

Financial implications towards final mine closure plans under relevant Acts and Rules are technically estimated, based on total available ore reserves of all mines. The same are provided in accounts, on year to year basis, after taking into consideration overall production of all mines.

**1.2.25 Net present value for diversion of forest land for non-forest purposes**

The liability is recognized on receipt of necessary permission from the concerned authorities.

**1.2.26 Materiality threshold limits in the preparation and presentation of financials statements**

The Company has adopted threshold limit value of Rs.5 crores for income/ expenditure in each case pertaining to prior year(s).



# Notes to Balance Sheet

## Note 2.1 - Property, Plant and Equipments

(₹ in lakhs)

Sr. No.	Description of assets	Gross block				Depreciation				Net block	
		As at 01.04.2020	Additions during the year	Deductions/ adjustments during the year	As at 31.03.2021	Up to 01.04.2020	For the year	Deductions/ adjustments during the year	Up to 31.03.2021	As at 31.03.2021	As at 31.03.2020
1	Freehold Land	2450.04	73.98	0.00	2524.02	0.00	0.00	0.00	0.00	2524.02	2450.04
2	Buildings	33727.55	8492.74	257.49	41962.80	10851.96	2264.38	214.83	12901.51	29061.29	22875.59
3	Plant and Equipments	76090.17	8388.78	1492.13	82986.82	44050.84	7186.37	1399.24	49837.97	33148.85	32039.33
4	Furniture and Fixtures	570.09	200.74	9.55	761.28	418.95	59.01	9.07	468.89	292.39	151.14
5	Vehicles	1307.09	118.42	16.62	1408.89	1069.90	72.12	15.79	1126.23	282.66	237.19
6	Office Equipments	984.07	148.29	1.96	1130.40	717.65	93.63	1.04	810.24	320.16	266.42
	<b>Total</b>	<b>115129.01</b>	<b>17422.95</b>	<b>1777.75</b>	<b>130774.21</b>	<b>57109.30</b>	<b>9675.51</b>	<b>1639.97</b>	<b>65144.84</b>	<b>65629.37</b>	<b>58019.71</b>

- Buildings also include land, wherever consideration for land is not paid separately by the Company
- Depreciation for the year includes depreciation on -

(₹ in lakhs)

Particulars	For 2020-21	For 2019-20
(a) Assets of manufacturing units	256.33	217.14
(b) Assets of power generating units	577.97	562.85

- There is no impairment loss as on the balance sheet date.

## Note 2.2 - Capital work in progress

(₹ in lakhs)

Sr. No.	Particulars	As at 31.03.2021	As at 31.03.2020
1	Capital assets under construction	20089.78	24016.20

## Note 2.3 - Other Intangible assets

(₹ in lakhs)

Sr. No.	Description of assets	Gross block				Depreciation				Net block	
		As at 01.04.2020	Additions during the year	Deductions/ adjustments during the year	As at 31.03.2021	Up to 01.04.2020	For the year	Deductions/ adjustments during the year	Up to 31.03.2021	As at 31.03.2021	As at 31.03.2020
1	Computer software	1669.36	68.62	1.01	1736.97	1411.86	141.59	0.95	1552.50	184.48	257.50
2	Mining Rights	2290.34	121.41	0.00	2411.75	1833.97	100.39	0.00	1934.36	477.39	456.37
	<b>Total</b>	<b>3959.70</b>	<b>190.03</b>	<b>1.01</b>	<b>4148.72</b>	<b>3245.83</b>	<b>241.98</b>	<b>0.95</b>	<b>3486.86</b>	<b>661.87</b>	<b>713.87</b>

## Note 2.4 - Intangible assets under development

(₹ in lakhs)

Sr. No.	Description of assets	Gross block				Depreciation				Net block	
		As at 01.04.2020	Additions during the year	Deductions/ adjustments during the year	As at 31.03.2021	Up to 01.04.2020	For the year	Deductions/ adjustments during the year	Up to 31.03.2021	As at 31.03.2021	As at 31.03.2020
1	Computer software									0.40	42.51
2	Mining Rights									166.45	144.72
	<b>Total</b>									<b>166.85</b>	<b>187.23</b>
	<b>Grand Total</b>	<b>119088.71</b>	<b>17612.98</b>	<b>1778.76</b>	<b>134922.93</b>	<b>60355.13</b>	<b>9917.49</b>	<b>1640.92</b>	<b>68631.70</b>	<b>86547.87</b>	<b>82937.01</b>



# Notes to Balance Sheet

## Financial Assets

### Note 2.5 In Equity shares

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Investment in joint ventures (Initial subscription) at cost :</b>		
<b>Traded &amp; unquoted at cost :</b>		
(a) 0 (100000) Equity shares of ₹ 10 each fully paid-up in SAIL & MOIL Ferro Alloys Pvt. Ltd.	0.00	10.00
(b) 0 (120000) Equity shares of ₹ 10 each fully paid-up in RINMOIL Ferro Alloys Pvt. Ltd.	0.00	12.00
	<b>0.00</b>	<b>22.00</b>
<b>Non-traded &amp; unquoted at cost :</b>		
<b>Fully paid-up shares of Co-operative Stores/ Societies at various mines :</b>		
(a) 500 (500) Equity Shares of ₹ 5 each of Co-operative Stores (unregistered)	0.03	0.03
(b) 1612 (1612) Equity Shares of ₹ 25 each of Co-operative Societies	0.40	0.40
(c) 8556 (8556) Equity Shares of ₹ 10 each of Co-operative Societies	0.86	0.86
	<b>1.29</b>	<b>1.29</b>
<b>Total</b>	<b>1.29</b>	<b>23.29</b>

### Note 2.6 Non-current loans

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Loans and advances to employees</b>		
(a) Considered good-Secured	127.79	105.37
(b) Considered good-Unsecured	0.68	1.21
(c) Which have significant increase in Credit Risk	0.00	0.00
(d) Credit impaired	0.00	0.00
<b>Total</b>	<b>128.47</b>	<b>106.58</b>

### Note 2.7 - Other Financial Asset

#### Bank deposits with remaining maturity of more than 12 months

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Term Deposit against BG with remaining maturity of more than 12 months		
<b>Total</b>	<b>2392.68</b>	<b>2347.30</b>

# Notes to Balance Sheet

## Note 2.8 Other non-current assets

Particulars	(₹ in lakhs)	
	As at 31st March, 2021	As at 31st March, 2020
(a) Capital advances	3755.91	4398.41
(b) Advance payment of income tax (Net)	7137.54	4189.47
(c) Advance to related party (Joint Venture Company)		
(i) Advance to SAIL & MOIL Ferro Alloys Pvt. Ltd.	0.00	400.00
(ii) Advance to RINMOIL Ferro Alloys Pvt. Ltd.	0.00	33.21
(iii) Advance to MOIL GMDC JVC( JVC yet to be incorporated) #	670.03	116.86
(d) Interest accrued but not due on fixed and other deposits	37.81	34.03
(e) Interest accrued but not due on loans to employees	38.41	43.18
(f) Deposit with railway, electricity boards and others (Unsecured)	2214.51	2263.06
(g) Prepaid expenditure	102.94	50.56
	<b>13957.15</b>	<b>11528.78</b>

## Current assets

### Note 2.9 Inventories [As valued and certified by the management]\*

Particulars	(₹ in lakhs)	
	As at 31st March, 2021	As at 31st March, 2020
(a) Raw materials **	120.24	167.27
(b) Work-in-process	17.89	5.15
(c) Finished goods	7794.73	14501.69
(d) Stores and spares	3075.30	3119.88
(-) Provision for obsolete stores and spares	0.00	1.09
	3075.30	3118.79
<b>Total</b>	<b>11008.16</b>	<b>17792.90</b>

\*Inventories are valued at Cost or Net realisable value whichever is less

# Refer Note No. 3.8

\*\* Inventory of raw materials includes stock of manganese ore of 3728.24 MT (4153.56 MT) valuing ₹ 33.41 lakhs (₹ 44.65 lakhs) lying in ferro manganese plant site on 31.03.2021.

## Financial assets

### Note 2.10 Investments

Particulars	(₹ in lakhs)	
	As at 31st March, 2021	As at 31st March, 2020
<b>Traded &amp; quoted at market value :</b>		
Current investment in liquid mutual fund *		
<b>Total</b>	<b>32452.13</b>	<b>702.17</b>

### Note 2.11 Trade receivables

Particulars	(₹ in lakhs)	
	As at 31st March, 2021	As at 31st March, 2020
(a) Considered good-Secured #	16350.19	9910.88
(b) Considered good-Unsecured	6304.86	3492.98
(c) Which have significant increase in Credit Risk	0.00	0.00
(d) Credit impaired	15.59	73.81
	22670.64	13477.67
(-) Provision for doubtful debts	15.59	73.81
<b>Total</b>	<b>22655.05</b>	<b>13403.86</b>

# Notes to Balance Sheet

## Note 2.12 Cash and cash equivalents

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Cash on hand	0.86	1.47
(b) Balance with banks :		
In term deposits (with original maturity of 3 months or less than 3 months)	0.00	16070.00
In current accounts	499.97	4428.16
<b>Total</b>	<b>500.83</b>	<b>20499.63</b>

## Note 2.13 Bank Balances (Other than above)

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) In term deposits (with original maturity of more than 3 months but less than 12 months)	30500.00	0.00
(b) In term deposits (with original maturity of 12 months)	126322.87	159386.68
(c) In term deposits (as margin money against bank guarantees/LCs)	57.63	23.28
(d) In term Deposit (against BG/LC with original maturity of 12 months)	455.13	344.36
(e) In dividend accounts pending encashment of warrants	218.51	214.13
<b>Total</b>	<b>157554.14</b>	<b>159968.45</b>

## Note 2.14 Current loans

(₹ in lakhs)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
<b>(i) Loans and advances to employees</b>				
(a) Considered good-Secured	105.70		109.18	
(b) Considered good-Unsecured	140.51		211.89	
(c) Which have significant increase in Credit Risk	0.00		0.00	
(d) Credit impaired	0.00	246.21	0.00	321.07
<b>(ii) Loans and advances to Others</b>				
Considered good-Unsecured				
(a) Advances for purchase of stores, spares etc	87.32		122.73	
(-) Provision for doubtful advances	29.17		5.25	
		58.15		117.48
(b) Advances to contractors and others	81.18		40.68	
(-) Provision for doubtful advances	23.78		23.78	
		57.40		16.90
(c) Claims receivable	0.53		0.53	
(-) Provision for doubtful claims	0.53		0.53	
		0.00		0.00
<b>Total</b>		<b>361.76</b>		<b>455.45</b>

## Note 2.15 Current tax assets (Net)

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Current tax assets (Net)	0.00	4069.93

# Notes to Balance Sheet

## Note 2.16 Other current assets

(₹ in lakhs)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
(a) Interest accrued on fixed and other deposits		2874.09		10367.09
(b) Sundry receivable	4634.62		3613.74	
(-) Provision for doubtful sundry receivable	20.94	4613.68	15.00	3598.74
(c) Prepaid expenses		2180.41		744.11
(d) Advances for short term investment		70.00		0.00
<b>Total</b>		<b>9738.18</b>		<b>14709.94</b>

\*Details of Current Investments

(₹ in lakhs)

Current Investment in liquid mutual fund	31.03.2021			31.03.2020		
	Name of Fund	No. of Units	NAV (₹) (₹ in lakhs)	No. of Units	NAV (₹) (₹ in lakhs)	(₹ in lakhs)
SBI liquid fund regular growth	507665.21	3203.0965	16261.01	12165.12	3093.6125	376.34
UTI liquid cash plan- direct growth plan	480379.33	3370.4873	16191.12	10020.93	3251.443	325.82
			<b>32452.13</b>			<b>702.17</b>

# The Trade receivables covered by LC/BGs, are considered as secured and good .

Provisions – Disclosure of particulars as per Ind AS 37 are as under.

(₹ in lakhs)

Particulars of provisions	Opening balance 01.04.2020	Provision	Provision written back/ used	Closing balance
Bad and doubtful debts and advances	103.37	39.51	73.81	69.07
	(111.20)	-	(7.83)	(103.37)

## Equity

### Note 2.17 Equity Share Capital

(₹ in lakhs)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
<b>Authorised</b>				
Equity shares :Number	300000000		300000000	
Face value in ₹		10.00		10.00
Amount		30000.00		30000.00
Issued, subscribed and fully paid-up				
Equity shares :Number	237327879		237327879	
Face value in ₹		10.00		10.00
Amount		23732.79		23732.79
<b>Reconciliation Statement</b>				
Number of shares at the beginning	237327879		257608888	
Less :Buy back of shares during the year	0		20281009	
Number of shares at the end	237327879		237327879	

#### Terms/rights attached to share :-

The company has only one class of shares as equity shares of ₹ 10 each with one voting right for one equity share and right to equal dividend proportionate to the shareholding. In the event of liquidation of the Company, the holders of equity will be entitled to receive the remaining assets in proportion to the number of equity shares held by the Shareholders.

# Notes to Balance Sheet

## Note 2.17 Equity Share Capital

Details of shareholding of each shareholder holding more than 5 % of shares :

(₹ in lakhs)

Name of the shareholder	No. of shares held	% of shareholding	No. of shares held	% of shareholding
President of India (on behalf of Government of India)	127783925	53.84	127783925	53.84
Governor of M.P. State ( on behalf of Government of Madhya Pradesh )	12813840	5.40	12813840	5.40
Governor of M.S. State ( on behalf of Government of Maharashtra )	12132134	5.11	12132134	5.11
Life Insurance Corporation of India	19291816	8.13	18324326	7.72

## Other Equity

## Note 2.18 Reserves and surplus

(₹ in lakhs)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
<b>General reserve</b>				
As per last balance sheet	241362.34		271592.82	
(-) Transfer to Capital redemption reserve	0.00		2028.10	
(-) Tax & expenses related to buy back	0.00		7403.35	
(-) Buy back of shares	0.00		28799.03	
(+) Transfer from surplus in profit and loss account	0.00		8000.00	
	<b>241362.34</b>		<b>241362.34</b>	
<b>Capital redemption reserve</b>				
As per last balance sheet	2904.77		876.67	
(+) addition during the year due to buy back	0.00	2904.77	2028.10	2904.77
<b>Surplus in profit and loss account</b>				
As per last balance sheet	8338.53		10040.96	
Add: Total comprehensive income from statement of profit and loss	18704.84		25355.70	
Amount available for appropriation	<b>27043.37</b>		<b>35396.66</b>	
Less : Appropriations -				
Interim Dividend @ 25% -FY 2020-21 (30% -FY 2019-20)	5933.32		7119.84	
Final dividend @ (30% - F.Y. 2019-20) (30% - F.Y.2018-19)	7119.84		7728.27	
Tax on interim dividend including surcharge and cess	0.00		1463.50	
Tax on final dividend including surcharge and cess	0.00		1588.57	
Previous years tax	0.00		1157.95	
Transfer to general reserve	0.00		8000.00	
	<b>13053.16</b>		<b>27058.13</b>	
<b>Balance carried forward</b>		<b>13990.21</b>		<b>8338.53</b>
<b>Total</b>		<b>258257.32</b>		<b>252605.64</b>

1 Interim dividend is recorded as a liability on the date of declaration by the Company's Board of Directors. The Board has recommended a final dividend ₹ 116,29.07 lakhs @ 4.90 per equity share for the financial year 2020-21. This payment is subject to the approval of shareholder in the Annual General meeting (AGM). The Company declared a interim dividend ₹ 71,19.84 lakhs @ 3.00 per equity share and final dividend ₹ 71,19.84 @ 3.00 per equity share for the financial year 2019-20.

# Notes to Balance Sheet

## Non-current Liabilities

### Financial Liabilities

#### Note 2.19 Non-current provisions

Particulars	(₹ in lakhs)	
	As at 31st March, 2021	As at 31st March, 2020
(1) Provision for employee benefits :		
Provision for post retirement medical benefit	4251.99	3822.87
(2) Others		
Provision for final mine closure expenses	1300.78	1227.82
<b>Total</b>	<b>5552.77</b>	<b>5050.69</b>

#### Note 2.20 Other non-current liabilities

Particulars	(₹ in lakhs)	
	As at 31st March, 2021	As at 31st March, 2020
(a) Security deposits from suppliers, contractors and others	481.53	648.51
(b) Liabilities for expenses/others	923.44	923.44
<b>Total</b>	<b>1404.97</b>	<b>1571.95</b>

## Current Liabilities

### Financial Liabilities

#### Note 2.21 Trade payables

Particulars	(₹ in lakhs)	
	As at 31st March, 2021	As at 31st March, 2020
(a) Total outstanding dues of MSMEs	470.59	545.10
(b) Total outstanding dues of others	2428.27	3134.37
<b>Total</b>	<b>2898.86</b>	<b>3679.47</b>

#### Note 2.22 Other financial liabilities

Particulars	(₹ in lakhs)	
	As at 31st March, 2021	As at 31st March, 2020
(a) Unclaimed dividend pending encashment of warrants	218.51	214.13
(b) Security deposits from suppliers, contractors and others	4740.45	5156.43
(c) Liabilities for capital expenditure #	5745.87	8650.31
<b>Total</b>	<b>10704.83</b>	<b>14020.87</b>

#### Note 2.23 Other current liabilities

Particulars	(₹ in lakhs)	
	As at 31st March, 2021	As at 31st March, 2020
(a) Credit balances of customers	2136.44	3046.41
(b) Liabilities for expenses *, ##	27026.78	19535.60
(c) Liability to Government/statutory dues	1494.42	2042.42
(d) Other liabilities	423.09	465.26
<b>Total</b>	<b>31080.73</b>	<b>25089.69</b>

# Notes to Balance Sheet

## Note 2.24 Provisions

(₹ in lakhs)

Particulars	As at 31st March, 2021		As at 31st March, 2020	
(1) Provision for employee benefits :				
(a) Provision for unavailed leave -				
Liability on balance sheet date	7059.80		6556.97	
(-) Fund with Life Insurance Corporation of India	6716.55		6686.62	
		343.25	-129.65	
(b) Provision for gratuity**	-1590.34			225.82
(c) Provision for pension fund		3711.94		3455.39
(2) Others				
Provision for loss on joint ventures		0.00		712.61
<b>Total</b>		<b>4055.19</b>		<b>4393.82</b>
<b>Note 2.25 Current tax liability (Net)</b>		<b>1344.62</b>		<b>0.00</b>

\* Refer Note No. 3.15

\* \*Excess of gratuity fund with Insurers over liability, clubbed under prepaid expenses [Note 2.16 (c)] Other current assets.

# Liability for capital expenditure includes amount payable to MSMEs ₹ 452.27 lakhs (₹384.05 lakhs).

## Liability for expenses includes amount payable to MSMEs ₹ 19.32 lakhs (₹8.99 lakhs).

### 1 Defined obligations - Disclosures as per Ind-AS19 : Employee benefits are as under

#### 1A Defined Contribution Plans :

- (a) Provident Fund : The Company pays fixed contribution at predetermined rates to Provident Fund Trust, which invests the funds in permitted securities.
- (b) Pension Fund : The Company pays fixed contribution to MOIL Group Superannuation Cash Accumulation Scheme (Defined Contribution) [MOIL GSCA (DC)] Trust which invests the funds in LIC of India.

#### 1B Defined Benefit Plans :

- (a) Gratuity : The Group Gratuity Cash Accumulation Scheme is funded by the Company and is managed by MOIL Gratuity Trust as per Payment of Gratuity Act, 1972. Liability for gratuity is recognised on the basis of actuarial valuation.
- (b) Post Retirement Medical Benefit : The benefit is available to retired employees and their spouse who have opted for the benefit. Liability for the same is recognised on the basis of actuarial valuation.

#### 1C Leave Benefits :

The accumulated earned leave, half pay leave/sick leave is payable on separation, subject to maximum permissible limit. The liability for the same is recognised on the basis of actuarial valuation.

(₹ in lakhs)

Particulars	Gratuity		Leave encashment	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Reconciliation of opening and closing balance of funded obligation, as assessed by an independent actuary				
<b>Present value of obligation at the beginning of the year</b>	<b>21027.06</b>	<b>20816.68</b>	<b>6556.97</b>	<b>6530.77</b>
Current service cost	981.35	1089.57	448.60	429.00
Interest cost	1429.84	1594.55	445.88	500.26
Actuarial (-)gain/loss	-1996.16	-1479.44	780.15	-98.98
Total Benefits paid	-1276.79	-994.30	-1171.80	-804.08
<b>Present value of obligation at the close of the year</b>	<b>20165.30</b>	<b>21027.06</b>	<b>7059.80</b>	<b>6556.97</b>
Reconciliation of opening/closing balance of fair value of plan assets				
<b>Fair value of plan assets at the beginning of the year</b>	<b>20801.24</b>	<b>18048.85</b>	<b>6686.62</b>	<b>5771.54</b>



# Notes to Balance Sheet

## 1 Defined obligations - Disclosures as per Ind-AS19 : Employee benefits are as under (Contd..)

(₹ in lakhs)

Particulars	Gratuity		Leave encashment	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Actual return on plan assets	2139.71	980.84	359.02	370.78
Fund management charges	-18.84	-18.37	-1.17	-1.13
Employer contribution	110.33	2784.22	0.03	759.27
Benefits paid (Fund)	-1276.79	-994.30	-327.95	-213.84
<b>At the close of the year</b>	<b>21755.65</b>	<b>20801.24</b>	<b>6716.55</b>	<b>6686.62</b>
Reconciliation of fair value of assets and funded obligations				
Present value of plan assets at the end of the year	21755.65	20801.24	6716.55	6686.62
Present value of obligation at the end of the year	20165.30	21027.06	7059.80	6556.97
<b>Liability/(-) prepaid expenses recognized in balance sheet</b>	<b>-1590.35</b>	<b>225.82</b>	<b>343.25</b>	<b>-129.65</b>
Expenses recognised in profit and loss account				
Current service cost	981.35	1089.57	448.60	429.00
Interest cost	1429.84	1594.55	445.88	500.26
Actual return on plan assets	-2139.71	-980.84	-359.02	-370.78
Actuarial (-)gain/loss	-1996.16	-1479.44	780.15	-98.98
Fund management charges	18.84	18.37	1.17	1.13
<b>Total expenses recognized in the statement profit &amp; loss and OCI</b>	<b>-1705.84</b>	<b>242.21</b>	<b>1316.78</b>	<b>460.63</b>
<b>Actuarial assumptions</b>				
Mortality Table	(2012-14) Ultimate	(2012-14) Ultimate	(2012-14) Ultimate	(2012-14) Ultimate
Discount rate (per annum)	6.70%	6.80%	6.70%	6.80%
Expected return on Plan assets (per annum)	6.00%	6.00%	6.00%	6.00%
Rate of escalation in salary (Per annum)	5.00%	5.50%	5.00%	5.50%

(₹ in lakhs)

Particulars	Post retirement medical benefit (PRMB)	
	31.03.2021	31.03.2020
Reconciliation of opening and closing balance of funded obligation, as assessed by an independent actuary :		
<b>Present value of obligation at the beginning of the year</b>	<b>3822.87</b>	<b>3386.69</b>
Current service cost	80.43	110.67
Interest cost	259.96	230.29
Actuarial (-)gain/loss	363.08	353.24
Benefits paid	-274.35	-258.02
<b>Present value of obligation at the close of the year</b>	<b>4251.99</b>	<b>3822.87</b>
Reconciliation of opening/closing balance of fair value of plan assets :		
<b>Fair value of plan assets at the beginning of the year</b>	<b>0.00</b>	<b>0.00</b>
Actual return on plan assets	0.00	0.00
Fund management charges	0.00	0.00
Employer contribution	0.00	0.00
Benefits paid (Fund)	0.00	0.00
<b>At the close of the year</b>	<b>0.00</b>	<b>0.00</b>
<b>Actuarial assumptions</b>		
Mortality Table	(2012-14) Ultimate	(2012-14) Ultimate
Discount rate (per annum)	6.70%	6.80%
Future medical cost increase	1.00%	1.00%

The company as per the office memorandum from Government of India (Ministry of Heavy Industries and Public Enterprises) is required to create a post retirement corpus fund for the medical benefits of employees. For the same, the company has provided a sum of ₹ 4251.99/- lakhs subsequently to be invested in a suitable scheme.

# Notes to Balance Sheet

## 2 Disclosures relating to micro, small and medium enterprises [MSME]

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
1 Principal amount remaining unpaid to MSMEs	942.18	938.14
2 Interest due on the above, remaining unpaid	Nil	Nil
3 Interest paid in terms of Section 16 of MSME Development Act [MSMEDA] along with payments made beyond the appointed day during the year	Nil	Nil
4 Interest due and payable for delay in making payment (paid but beyond the appointed day) but without adding the interest specified under MSMEDA	Nil	Nil
5 Interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
6 Further interest remaining due and payable in succeeding year (until such date by which the interest dues as above are actually paid to the small enterprises), for the purpose of disallowance as a deductible expenditure under Section 23 of MSMEDA	Nil	Nil

## 3. Provisions – Disclosure of particulars as per Ind AS 37 are as under.

(₹ in lakhs)

Particulars of provisions	As at 31st March, 2020	Provision	Provision written back/used	As at 31st March, 2021
(a) Final mine closure expenses	1,227.82	72.96	-	1,300.78
	(1,145.68)	(82.14)	-	(1,227.82)

In respect of provision for final mine closure expenses, cash outflow is expected at the time of closure of mines. Life of mine is assumed as continuous in nature (on going concern basis).

(₹ in lakhs)

Particulars of provisions	As at 31st March, 2020	Provision	Provision written back/used	As at 31st March, 2021
(b) Provision for arrears of pay revision non-executives and PR workers	14,822.86	8385.05	2222.35	20985.56
	(10,609.84)	(9,628.91)	(5,415.89)	(14,822.86)
(c) Provision for bad and doubtful debts and advances	103.37	39.51	73.81	69.07
	(111.20)	0.00	(7.83)	(103.37)

# Notes to Statement of Profit and Loss

## Note 2.26 Revenue from operations

(₹ in lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended on 31st March, 2020
<b>Sale of products</b>		
(a) Mining products	106773.80	96947.69
(b) Manufactured products	10292.47	6094.58
	117066.27	103042.27
<b>Other operating income</b>		
Sale of power	671.50	764.24
<b>Total</b>	<b>117737.77</b>	<b>103806.51</b>

## Note 2.27 Other income

(₹ in lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended on 31st March, 2020
<b>1 Other income</b>		
(a) Interest income		
(i) On fixed deposits with banks	6599.16	15463.74
(ii) Others	164.34	376.05
	6763.50	15839.79
(b) Dividend income	0.01	0.04
(c) Profit on redemption of mutual fund	781.87	729.62
(d) Recoveries from employees	14.14	10.00
(e) Sale of scrap	249.89	227.69
(f) Sales tax set-off/refund	0.98	14.55
(h) Miscellaneous income	1615.33	961.20
<b>2 Provisions written back</b>		
(a) Provisions no longer required	0.00	328.51
(b) Provision for doubtful debts/Liabilities	109.24	0.00
(c) Provision for loss of Joint Venture	712.61	0.00
<b>Total</b>	<b>10247.57</b>	<b>18111.40</b>

## Note 2.28 Cost of raw materials consumed

(₹ in lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended on 31st March, 2020
<b>Electrolytic manganese di-oxide plant</b>		
(a) Manganese ore	41.21	33.27
(b) Sulphuric acid	35.96	38.98
(c) Sodium carbonate	4.50	4.16
(d) Others	8.33	3.26
	90.00	79.67
<b>Ferro manganese plant</b>		
(a) Manganese ore	2030.62	2440.52
(b) Coke	823.70	1004.58
(c) Carbon paste	49.67	58.73
(d) Others	207.22	258.14
	3111.21	3761.97
<b>Total</b>	<b>3201.21</b>	<b>3841.64</b>
Inter unit transfer		
(-) Cost of manganese ore transferred to electrolytic manganese di-oxide and ferro manganese plants	1844.00	2195.44
<b>Total</b>	<b>1357.21</b>	<b>1646.20</b>

# Notes to Statement of Profit and Loss

## Note 2.29 Changes in inventories of finished goods, stock-in-trade and work-in-process

(₹ in lakhs)

Particulars	For the year ended 31st March, 2021		For the year ended on 31st March, 2020	
<b>(a) Mining products</b>				
Closing stock	6914.62		11513.07	
(-) Opening stock	11513.07		6612.88	
		<b>-4598.45</b>		<b>4900.19</b>
<b>(b) Manufactured products</b>				
Closing stock	880.68		2991.97	
(-) Opening stock	2991.97		1058.87	
		<b>-2111.29</b>		<b>1933.10</b>
<b>Net accretion/(-) decrement [a - b] Total</b>		<b>-6709.74</b>		<b>6833.29</b>

## Note 2.30 Employee benefits expenses

(₹ in lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended on 31st March, 2020
(a) Salaries, wages and bonus	35408.30	36773.79
(b) Contribution to provident fund and other funds	6504.20	6778.06
(c) Welfare expenses	2523.34	2708.84
<b>Total</b>	<b>44435.84</b>	<b>46260.69</b>

## Note 2.31 Selling Expenses

(₹ in lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended on 31st March, 2020
1 Royalty and cess *	6610.77	6002.39
2 Cash discount on sales	524.33	375.66
3 Partial freight compensation	667.81	159.61
4 Service charges on e-auctions	82.83	95.73
5 Sampling expenses	17.83	20.50
<b>Total</b>	<b>7903.57</b>	<b>6653.89</b>

\* Including district mineral fund and national mineral exploration trust contribution.

## Note 2.32 Other Expenses

(₹ in lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended on 31st March, 2020
1 Repairs and maintenance to buildings	707.21	740.39
2 Repairs and maintenance to plant and machinery	1559.51	1399.04
3 Repairs and maintenance to others	1157.08	966.06
	<b>3423.80</b>	<b>3105.49</b>
4 Rent	74.89	30.84
5 Rates and taxes	502.32	519.44
6 Insurance	191.94	115.12
7 Auditors' remuneration		
Audit fees	4.50	4.50
Tax Audit fees	1.35	1.35
Other services	2.45	2.95
	8.30	8.80
8 Cost Auditor remuneration	1.60	1.50
9 Internal Auditors' remuneration	16.00	16.34
10 Directors' sitting fees	8.60	14.80
11 Advertisements	110.62	133.38

# Notes to Statement of Profit and Loss

## Note 2.32 Other Expenses (Contd..)

(₹ in lakhs)

Particulars	For the year ended 31st March, 2021		For the year ended on 31st March, 2020	
12 Expenditure on corporate social responsibility and sustainable development		1318.12		1274.22
13 Miscellaneous expenses		1414.94		2419.47
14 Exploratory drilling at mines	323.24		308.47	
15 Expenditure on blasting/rock mechanics/stop design studies, etc.	297.83		239.55	
		<b>621.07</b>		<b>548.02</b>
16 Write off of discarded assets	136.79		156.12	
17 Write off of shortage of stores and spares	27.90		11.11	
18 Write off of bad debts	73.81		0.00	
19 Provision for doubtful debts and advances	15.59		0.00	
20 Loss on Joint Venture (RINMOIL & SAIL & MOIL)	369.16		0.00	
21 Provision for final mine closure expenses	72.96		82.14	
		<b>696.21</b>		<b>249.37</b>
<b>Total</b>		<b>8388.41</b>		<b>8436.79</b>



# Notes on Accounts for the year ended on 31st March, 2021

## NOTE 3 :

3.1 The standalone financial statements of the company for the year ended 31st March, 2021 are approved for issue by the Board of Directors on 4th June, 2021.

3.2 (i) Income tax deducted at source from interest and rent received by the company amounts to ₹ 495.25 lakhs (₹ 910.36 lakhs). Tax deduction certificates are awaited in some cases due to COVID-19 Pandemic.

(ii) The effective tax rate is 25.168% including surcharge and cess, availing the benefit of section 115BAA of the Income Tax Act, 1961.

3.3 **Deferred tax assets/liability** – Disclosures as per Ind AS12 : Income Taxes are as under.

		(₹ in lakhs)	
Sr No.	Particulars	2020-21/ 31st March, 2021	2019-20/ 31st March, 2020
<b>1</b>	<b>Deferred tax liability</b>		
	Related to depreciation	-1599.63	-1793.02
<b>2</b>	<b>Deferred tax assets</b>		
	Disallowances under the Income Tax Act	-134.74	193.39
	Net deferred tax liability/(-)asset	-1734.37	-1599.63
	Deferred tax for profit and loss account : Increase/(-)decrease in liability	134.74	-193.39

Income tax expense comprises of current and deferred income tax of current year in the statement of profit and loss. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

3.4 Letters for balance confirmation of trade receivables and trade payables have been sent to the parties. Out of total trade receivable outstanding of ₹ 22655.05 lakhs as on 31.03.2021, ₹ 14582.09 lakhs have been confirmed. Out of total trade payable of ₹ 2898.86 lakhs as on 31.03.2021, ₹ 608.05 lakhs have been confirmed. In respect of confirmations received, the company is in the process of scrutinizing and reconciling the balances.

3.5 **Other expenses (Note No. 2.32 ) include –**

		(₹ in lakhs)	
Sr No.	Particulars	31.03.2021	31.03.2020
<b>1</b>	<b>Travelling expenses of</b>		
	(a) Chairman-cum-Managing Director	2.89	11.41
	(b) Directors	17.30	105.66
	(c) Company Secretary	0.00	0.44
	<b>Total</b>	<b>20.19</b>	<b>117.51</b>
<b>2</b>	<b>Auditor's remuneration (statutory audit)</b>		
	(a) As auditor	4.50	4.50
	(b) For taxation matters	1.35	1.35
	(c) For other services	2.45	2.95
	<b>Total</b>	<b>8.30</b>	<b>8.80</b>

# Notes on Accounts for the year ended on 31st March, 2021

## NOTE 3 : (Contd..)

3.6 Transactions with related parties – Disclosures of transactions with related parties as per Ind AS 24/Companies Act, 2013 are as under.

(1) List of related parties and relationship

(a) Key managerial personnel	Designation
i Shri M. P. Chaudhari	Chairman-cum-Managing Director and CEO
ii Shri T. K. Pattnaik (upto 31.07.2020)	Director (Commercial)
iii Shri Dipankar Shome	Director (Production & Planning)
iv Shri Rakesh Tumane	Director (Finance) and CFO
v Smt. Usha Singh	Director (Human Resource)
vi Shri P.V.V. Patnaik (w.e.f. 01.08.2020)	Director (Commercial)
vii Shri N. D. Pandey	Company Secretary

(b) Joint venture companies

- i SAIL & MOIL Ferro Alloys Pvt. Ltd.
- ii RINMOIL Ferro Alloys Pvt. Ltd.

(c) Employees benefit trust

- i MOIL Group Superannuation Cash Accumulation Scheme (Defined Contribution) Fund (Superannuation fund)
- ii MOIL Group Gratuity cum Life Assurance Scheme (Gratuity Trust)

(2) Transactions during the year with related parties stated in (i) (a) above :

As per Ind AS 24 compensation to Key management personnel :

		(₹ in lakhs)	
Particulars		FY 2020-21	FY 2019-20
1	(a) Short term employee benefits	368.84	415.24
	(b) Post-employment benefits	18.77	15.47
	(c) Other long term benefits	0.00	0.00
	(d) Termination benefits	11.37	47.55
	(e) Share-based payment	0.00	0.00
<b>TOTAL</b>		<b>398.98</b>	<b>478.26</b>

2 Related party transactions during the period covered by the financial statement

		(₹ in lakhs)			
Particulars	Unsecured		Secured		
	31.03.2021	31.03.2020	31.03.2021	31.03.2020	
<b>A Company Secretary</b>					
(a)	The amount of the transactions	3.15	0.65	3.00	3.00
(b)	The amount of outstanding balances, including commitments and	1.16	0.65	0.08	0.53
(i)	Their terms and conditions, including whether they are secured, and nature of the consideration to be provided in settlement, and			Principal repayment in 80 instalments	
(ii)	Details of any guarantee given or received			Surety bond received	
(c)	Provisions for doubtful debts related to the amount of outstanding balances and	0.00	0.00	0.00	0.00



# Notes on Accounts for the year ended on 31st March, 2021

## NOTE 3 : (Contd..)

3.6 Transactions with related parties – Disclosures of transactions with related parties as per Ind AS 24/Companies Act, 2013 are as under. (Contd..)

2 Related party transactions during the period covered by the financial statement

(₹ in lakhs)

Particulars	Unsecured		Secured	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
(d) The expenses recognised during the period in respect of bad or doubtful debts due from related parties	0.00	0.00	0.00	0.00
<b>B Advances to Joint Venture Companies</b>	<b>OB</b>	<b>Received</b>	<b>Charged as</b>	<b>CB</b>
	<b>01.04.2020</b>		<b>loss</b>	<b>31.03.2021</b>
SAIL&MOIL Ferro Alloys Pvt Ltd	400.00	122.37	277.63	0.00
	<b>OB</b>	<b>Addition</b>	<b>Charged as</b>	<b>CB</b>
	<b>01.04.2020</b>		<b>loss</b>	<b>31.03.2021</b>
RINMOIL Ferro Alloys Pvt Ltd.	33.21	36.32	69.53	0.00
<b>C Investment in Joint Venture Companies</b>	<b>OB</b>	<b>Addition</b>	<b>Charged as</b>	<b>CB</b>
	<b>01.04.2020</b>		<b>loss</b>	<b>31.03.2021</b>
SAIL&MOIL Ferro Alloys Pvt Ltd	10.00	0.00	10.00	0.00
	<b>OB</b>	<b>Addition</b>	<b>Charged as</b>	<b>CB</b>
	<b>01.04.2020</b>		<b>loss</b>	<b>31.03.2021</b>
RINMOIL Ferro Alloys Pvt Ltd.	12.00	0.00	12.00	0.00
D Store Building received from RINMOIL Ferro Alloys Pvt Ltd has been capitalised on 09.03.2021 at carrying cost of ₹ 13.34 lakhs.				

3.7 Joint ventures - Disclosures as per Ind AS31 : Interests in joint ventures are as follows.

(a) Particulars about joint venture companies

(₹ in lakhs)

Name of joint venture company	Incorporation details		Proportion of ownership	Subscription for capital
	Country	Date		
SAIL&MOIL Ferro Alloys Pvt Ltd	India	31.07.2008	50%	0.00
RINMOIL Ferro Alloys Pvt Ltd.	India	29.07.2009	50%	0.00

"The joint venture companies has not commenced commercial and operating activities. There is no further development in the project during the year. During the year, as per decisions of Boards of the respective Companies to wind up joint venture companies, applications have been submitted with Registrar of Companies for striking off the names of the Company's joint ventures with Steel Authority of India Limited (SAIL & MOIL Ferro Alloys Private Limited) and Rashtriya Ispat Nigam Limited (RINMOIL Ferro Alloys Private Limited). The applications are under process, as substance over form is the principle on which the accounts under Ind-AS are prepared and the substance is that the joint venture partners are not interested in taking the projects under the JVCs and, hence, resolved for closure of the same. In view of this, only standalone financial statements are prepared, there being no activities in the joint venture companies. The accounts of the joint venture companies i.e. SAIL & MOIL Ferro Alloys Pvt. Ltd. and RINMOIL Ferro Alloys Pvt. Ltd. are not consolidated as the companies are under closure and are in the process of winding up.

(b) Financial particulars

(₹ in lakhs)

Sr No.	Particulars	Position as at	
		31.03.2021 (Unaudited)	31.03.2020 (Audited)
Aggregate amount of company's interest as per accounts of joint venture companies –			
<b>(i) SAIL &amp; MOIL Ferro Alloys Pvt. Ltd.</b>			
	Share capital	10.00	10.00
	Reserves and surplus	-10.00	-707.89
	Non-current liabilities	0.00	400.00
	Current liabilities	0.00	600.46
	Fixed assets (net) and capital work in progress	0.00	0.00

# Notes on Accounts for the year ended on 31st March, 2021

## NOTE 3 : (Contd..)

### 3.7 Joint ventures - Disclosures as per Ind AS31 : Interests in joint ventures are as follows. (Contd..)

#### (b) Financial particulars (Contd..)

(₹ in lakhs)

Sr No.	Particulars	Position as at	
		31.03.2021 (Unaudited)	31.03.2020 (Audited)
	Long term loans and advances	0.00	200.00
	Current assets	0.00	102.57
	Income	699.21	6.49
	Expenditure	1.32	0.97
	Contingent liabilities and capital commitments	0.00	0.00
	<b>RINMOIL Ferro Alloys Pvt. Ltd.</b>		
	Share capital	12.00	12.00
	Reserves and surplus	-12.00	-4.72
	Current liabilities	0.00	77.57
	Fixed assets (net) and capital work in progress	0.00	80.79
	Non-current assets	0.00	2.29
	Current assets	0.00	1.77
	Income	69.59	0.07
	Expenditure	76.88	0.80
	Contingent liabilities and capital commitments	0.00	0.00

**3.8 Advance to MOIL GMDC JVC( JVC yet to be incorporated):** Detailed MoU has been signed between MOIL Limited and Gujrat Mineral Development Corporation Limited (GMDC) on 01.10.2019 to explore the possibility of mining of manganese ore in the state of Gujrat. As per Clause (c) of Mutual detailed MoU agreed by and between them , the cost of exploration will be intially borne by MOIL and GMDC in equal proportion and it shall be treated as investment in JVC. MECL has completed exploratory work in 1st phase by geophysical prospecting and core drilling. MOIL Ltd. is now preparing Techno Economic Feasibility Report based on 1st phase report of MECL for underground mining operations. As the project seems to be viable , a Joint venture company is in process of incorporation between MOIL and GMDC with shareholding of 51% and 49% respectively, in terms of MoU already signed.

### 3.9 Contingent liabilities and Commitments :

#### (i) Contingent Liabilities

(a) Claims against the company not acknowledged as debts -

Disputed statutory demands (Income tax, entry tax, central sales tax and value added tax, service tax, central excise duty and employees' profession tax) ₹ 40,400.73 lakhs (₹ 147,71.26 lakhs).

(b) Other money for which the company is contingently liable

Other claims - legal cases, etc. ₹1815.59 lakhs (₹1407.33 lakhs).

#### (ii) Capital Commitment

Estimated amount of contracts remaining to be executed on capital account and not provided for is ₹ 507,58.29 lakhs (₹ 561,99.94 lakhs). Advance paid for contracts is ₹ 3755.91 lakhs (₹ 4398.41 lakhs).

**3.10 Bank guarantees** are issued to Mining office and Pollution Control Board for ₹ 2905.44 lakhs (₹ 2714.94 lakhs) towards mining plan/ lease and others activities. The bank guarantees are backed by equivalent amount of fixed deposits.

# Notes on Accounts for the year ended on 31st March, 2021

## NOTE 3 : (Contd..)

### 3.11 Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013 read with guidelines issued by Department of Public Enterprises, GOI, the Company is required to spend, in every financial year, at least 2% of the average net profit of the Company made during the 3 immediate preceding financial years in accordance with its CSR policy. The details of CSR expenses for the year are as under :

Particulars	(₹ in lakhs)	
	31.03.2021	31.03.2020
a. Gross amount required to be spent during the year	1138.78	1219.72
b. Amount approved by the Board to be spent during the year	1250.00	1250.00
c. Amount spent during the year on :		
(i) Construction/acquisition of any assets	0.00	0.00
(ii) On purpose other than (i) above	1318.12	1274.22
d. Details of related party transactions :		
Contribution to MOIL Foundation	0.00	0.00

#### Break-up of the CSR expenses under major heads is as under :

Particulars	(₹ in lakhs)	
	31.03.2021	31.03.2020
1. Promoting education & skill development	904.58	836.98
2. Rural development project	249.93	106.25
3. Promoting healthcare including preventive healthcare, sanitation and making available safe drinking water	163.61	95.43
4. Culture and sports	0.00	1.96
5. Contribution to PM Cares Fund	0.00	233.60
<b>Total</b>	<b>1318.12</b>	<b>1274.22</b>

**3.12** Revenue is recognized on the basis of energy injected by wind turbine generator of 15.2MW capacity into grid for sale, at tariff rate agreed in power purchase agreement.

**3.13** Power generated at 4.8MW wind turbine generator units and are capively consumed at mine/plant.

**3.14** Power generated by solar power generating panels are used for captive consumption in head office, Munsar, Tirodi, Ukwa and Balaghat.

**3.15** Long term wage agreement in respect of non-executive employees and workers effective from 01.08.2017 is underway. As per provisional estimate, an amount of ₹ 209,85.56 lakhs (₹ 148,22.86 lakhs) has been provided after adjustment of interim relief @ 12% paid upto 31.03.2021.

**3.16** (i) Company has contributed ₹ 45,00.00 lakhs to PM Cares Fund & ₹ 5,00.00 lakhs to Chief Minister Relief Fund and have been treated as exceptional items.

**3.17** Land at Bobbili : The land at Bobbili was purchased by MOIL from APIIC for setting up of Ferro/Silico Manganese plant. A Joint Venture Company was formed with RINL. Techno economic feasibility report (TEFR) was prepared by MECON in 2009. Based on the viability of project as suggested in the TEFR certain initial formalities such as environmental clearances, soil testing etc were carried out and global tenders were floated for supply of main furnace and equipments. The tenders could not be finalized due to technical reasons and in the interim period the tariff of electricity units was increased from ₹ 2.50/Kwh to ₹ 5.00/Kwh by the A.P Electricity Board. In view of the above, revised TEFR was prepared by MECON in 2013 which indicated that the project was not be viable in view of the power tariff increase and the reduction in market prices of the Ferro/Silico Manganese. The abnormal increase in power tariff caused the delay in implementation of the project for such a long time. Management has made sincere efforts to implement the project. However, the project could not be materialized.

The Boards of RINL and MOIL have taken decision to close the Joint Venture Company and accordingly closure application submitted to Registrar of Companies (ROC). The management is exploring the possibility to use the land for alternative purpose such as opening of ware house facility depending on viability.

# Notes on Accounts for the year ended on 31st March, 2021

## NOTE 3 : (Contd..)

3.18 EPS as on 31.03.2021 is calculated on weighted average paid-up share capital and EPS as on 31.03.2020 was calculated on weighted average paid-up share capital (due to buy-back of shares on 16.01.2020).

Earning per share has been calculated as under

		(₹ in lakhs)	
Particulars		31.03.2021	31.03.2020
Net Profit/(loss) from continuing operations (₹ in lakhs)	(A)	17663.07	24822.02
Shares outstanding at the beginning of the year		237327879	257608888
Shares bought back during the year		0	20281009
Shares outstanding at the end of the year		237327879	237327879
Weighted average number of shares	(B)	237327879	253397531
Basic EPS	(A)/(B) (₹)	7.44	9.80
Diluted EPS*	(A)/(B) (₹)	7.44	9.80

\* The Company does not have any potentially dilutive equity.

## 3.19 Fair Value measurement

### Financial instruments by category

Particulars	As at 31st March 2021			As at 31st March 2021		
	FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised cost
<b>Financial assets</b>						
i Investments			32452.13			702.17
ii Trade receivables			22655.05			13403.86
iii Cash and cash equivalents			500.83			20499.63
iv Bank balances other than (iii) above			157554.14			159968.45
v Loans			490.23			562.03
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>213652.38</b>	<b>0.00</b>	<b>0.00</b>	<b>195136.14</b>
<b>Financial liabilities</b>						
i Trade payables			2898.86			3679.47
ii Other financial liabilities			10704.83			14020.87
<b>Total</b>	<b>0.00</b>	<b>0.00</b>	<b>13603.69</b>	<b>0.00</b>	<b>0.00</b>	<b>17700.34</b>

The carrying amounts of above financial assets and liabilities are considered to be same as their fair values, due to their short-term nature.

## 3.20 Financial Risk Management

### Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established the Risk Management framework for developing and monitoring the Company's risk management policies. The Risk management committee regularly reports its activities to the Board of Directors through Audit Committee on.

The Company's risk management framework is established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management framework and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors through Audit Committee monitors the compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

# Notes on Accounts for the year ended on 31st March, 2021

## NOTE 3 : (Contd..)

### 3.20 Financial Risk Management (Contd..)

#### Risk management framework (Contd..)

The Company has exposure to the following risks arising from financial instruments:

				(₹ in lakhs)
Risk	Exposure arising from	Measurement	Management	
A Credit risk	Cash and cash equivalents, trade receivables, loans	Ageing analysis and Credit rating.Sales on letters of credit and Bank guarantee	Diversification of bank deposits/Liquid mutual fund, credit limits , letters of credit and Bank guarantee.	
B Liquidity risk	Other Financing liabilities	Rolling cash flow forecasts. Debt based- Liquid cash plan	Availability of deposits/ Liquid mutual fund with differing maturities to facilitate the day to day working capital requirements.	
C Market risk	Not applicable	Nil	Nil	
- Interest rate risk				
- currency risk				

#### A Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and deposits with banks.

##### (a) Trade receivables

The Company sales are generally based on advance payments and through letters of credit/ Bank guarantees. The trade receivables in the books are mainly on account of credit sales to M/s SAIL MEL Limited (Chandrapur),SAIL Bhilai Steel Plant and Salem Steel, CPSEs under the Ministry of Steel

Credit loss for trade receivables under simplified approach is detailed as per the below tables

#### Year ended 31st March 2021

					(₹ in lakhs)
Ageing	< 6 months	6-12 months	>12 months	Total	
Gross carrying amount	22655.05	0.00	15.59	22670.64	
Expected loss rate (%)	0%		100%	0.07%	
Expected credit losses (Provision for doubtful debts)		0.00	15.59	15.59	
<b>Carrying amount of trade receivables (net of impairment)</b>	<b>22655.05</b>	<b>0.00</b>	<b>0.00</b>	<b>22655.05</b>	

#### Year ended 31st March 2020

					(₹ in lakhs)
Ageing	< 6 months	6-12 months	>12 months	Total	
Gross carrying amount	13243.77	144.50	89.40	13477.67	
Expected loss rate	0%	0%	83%	0.55%	
Expected credit losses (Provision for doubtful debts)			73.81	73.81	
<b>Carrying amount of trade receivables (net of impairment)</b>	<b>13243.77</b>	<b>144.50</b>	<b>15.59</b>	<b>13403.86</b>	

# Notes on Accounts for the year ended on 31st March, 2021

## NOTE 3 : (Contd..)

### 3.20 Financial Risk Management (Contd..)

#### Risk management framework (Contd..)

#### A Credit risk (Contd..)

##### (a) Trade receivables (Contd..)

Reconciliation of expected credit losses (provision for doubtful debts)- trade receivables

(₹ in lakhs)

Expected credit losses (Provision for doubtful debts) on 31st March 2019	75.14
Changes in provision	1.33
Expected credit losses (Provision for doubtful debts) on 31st March 2020	73.81
Changes in provision	58.22
Expected credit losses (Provision for doubtful debts) on 31st March 2021	15.59

The impairment provisions for trade receivables disclosed above are based on assumptions about risk of default and expected loss rates.

##### (b) Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Company's treasury department in accordance with DPE guidelines & Company's policy. Investments of surplus funds in term deposits are made only with scheduled commercial banks having a minimum net worth of ₹ 500 Crore and will not exceed 5% of the networth of the bank as per the latest financial information available. Similarly, investment in term deposit in any one bank will not exceed 25% of surplus funds and limits have been assigned to each bank as per the credit rating of the bank. Investment in mutual funds will be only in liquid debt based mutual funds of public sector AMCs not exceeding 30% of the surplus fund available.. The limits are reviewed by the Company's Board of Directors through Audit Committee on regular basis. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

#### B. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Typically the Company ensures that it has sufficient cash on demand to meet the current and the expected operational expenses, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

Maturities of financial liabilities :

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Year ended 31st March 2021

(₹ in lakhs)

Particulars	On demand	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years
Trade payables	0.00	2894.28	8.57	0.00		2902.85
Other financial liabilities	4332.45	2916.66	764.75	2994.27		11008.13



# Notes on Accounts for the year ended on 31st March, 2021

## NOTE 3 : (Contd..)

### 3.20 Financial Risk Management (Contd..)

#### Risk management framework (Contd..)

#### B. Liquidity risk (Contd..)

Year ended 31st March 2020

Particulars	(₹ in lakhs)					
	On demand	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years
Trade payables	0.00	3677.84	1.62	0.00		3679.46
Other financial liabilities	5150.27	2813.55	5210.57	846.47		14020.86

#### C. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

##### (i) Foreign currency risk :

Since majority of the company's operations are being carried in India and since all the material balances are denominated in its functional currency, the company does not carry any material exposure to currency fluctuation risk.

##### (ii) Interest rate risk :

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since the interest rates on fixed deposits are fixed, the company does not have any interest rate risk. Further as the Company does not have any borrowings. Hence, there is no interest rate risk.

**3.21** Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

**3.22** In accordance with paragraph 117 of Ind AS 1 Presentation of Financial Statements, we have made disclosures regarding significant accounting policies, the measurement basis in Accounting policy No.1.1 (b) used in preparing the financial statements and the other accounting policies used that are relevant to an understanding of the financial statements.

**3.23** Hedge accounting is not applicable.

### 3.24 Capital Management

#### (a) Risk management

The primary objective of the Company's capital management is to maximise the shareholder value. The Company's objectives when managing the capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders.

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors and senior management monitors the return on capital, which the Company defines as result from operating activities divided by total shareholders' equity.

For the purpose of the Company's capital management, capital(Equity) includes issued equity share capital and other equity attributable to the equity holders. The company has no external borrowings as on 31st March 2021.



# Notes on Accounts for the year ended on 31st March, 2021

## NOTE 3 : (Contd..)

### 3.24 Capital Management (Contd..)

#### (b) Dividends

Particulars	(₹ in lakhs)	
	Year ended 31st March 2021	Year ended 31st March 2020
Final dividend paid for the year ended 31st March 2020 of ₹ 3.00 (31st March 2019: ₹3.00 per equity share).	7119.84	7728.27
Interim dividend for the year ended 31st March 2021 of ₹ 2.50 (31st March 2020: ₹ 3.00) per equity share	5933.32	7119.84
Proposed final dividend for the year ended 31st March 2021 of ₹ 4.90 per equity share	11629.07	

#### (c) Borrowings

Particulars	(₹ in lakhs)	
	31st March 2021	31st March 2020
Net Debt (excluding short term)	0.00	0.00
Total equity	281990.11	276338.43
Net debt to equity ratio	0.00	0.00

### 3.25 Information about business segments

Company has identified three business segments, viz., mining, manufacturing and power generation as per Accounting Standard Ind AS-108 on Segment Reporting

Sr. No.	Particulars	(₹ in lakhs)									
		Mining		Manufacturing		Power generation		Eliminations		Consolidated	
		2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
<b>1 Revenue</b>											
(a) External sales	106773.80	96947.70	10292.47	6094.57	671.50	764.24	0.00	0.00	117737.77	103806.51	
(b) Inter-segment sales	1844.00	2195.44	0.00	0.00	972.16	1154.95	-2816.16	-3350.39	0.00	0.00	
(c) Total revenue	108617.80	99143.14	10292.47	6094.57	1643.66	1919.19	-2816.16	-3350.39	117737.77	103806.51	
<b>2 Results</b>											
(a) Segment result	16885.61	14712.90	1085.28	64.94	792.97	1159.91	0.00	0.00	18763.86	15937.75	
(b) Other income (incl. write back)	10191.11	18039.63	52.25	61.14	4.21	10.63	0.00	0.00	10247.57	18111.40	
(c) Total segment result	27076.72	32752.53	1137.53	126.08	797.18	1170.54	0.00	0.00	29011.43	34049.15	
(d) Less : Exceptional items									5000.00	0.00	
(e) Profit before tax									24011.43	34049.15	
(f) Provision for income tax									6483.10	9033.74	
(g) Deferred tax liability/ asset									-134.74	193.39	
(h) Profit after tax									17663.07	24822.02	
<b>3 Other information</b>											
(a) Segment assets	113480.57	105475.97	4198.37	5860.50	8214.16	8778.76	213138.98	210082.48	339032.08	330197.71	
(b) Segment liabilities	34194.84	31991.56	1744.12	1581.56	1323.21	1321.30	19779.80	19888.30	57041.97	54782.72	
(c) Capital employed [(a)-(b)]	79285.73	73484.41	2454.25	4278.94	6890.95	7457.46	193359.18	190194.18	281990.11	275414.99	
(d) Capital expenditure	12792.67	15758.15	286.84	559.06	0.00	2828.50	586.67	841.19	13666.18	19986.90	
(e) Depreciation for the period ended....	9083.18	8836.15	256.34	217.15	577.97	562.85	0.00	0.00	9917.49	9616.15	

Note : In respect of power generated at wind turbine generators and solar power plants, electricity charges of consuming units are grossed up by the amount of credit given by Madhya Pradesh Electricity Distribution Company Ltd. and Maharashtra Electricity Distribution Company Ltd., in power bills on account of electricity units credited and the same is recognised as inter-segment revenue of power generating unit so as to arrive at the segment revenue.

# Includes unallocated capital expenditure, corporate assets and corporate liabilities

# Notes on Accounts for the year ended on 31st March, 2021

## NOTE 3 : (Contd..)

**3.26** Information about major Customers : The total revenue for the year ended 31st March 2021 have sales from one single customer, which accounts for 16% of total sale of products from mining activity.

**3.27** Coronavirus (COVID-19 Pandemic) Impact on Financial Reporting : The current "second wave" of COVID-19 pandemic has significantly increased in India. The Government of Maharashtra has ruled out lockdown for now, with regional lockdowns implemented in areas with a significant number of COVID-19 pandemic cases. The Company has considered the possible effects that may result from COVID-19 pandemic in the preparation of these Standalone financial statements, The impact of the same is not much as the recoverability of receivables is secured by Bank Guarantee and do not have material impact on financial statements. Based on the current year performance with increase in steel demand and prices all over the globe and estimates arrived at using internal and external sources of information, the company does not expect material impact on any carrying values. The company does not have any major liabilities and the same are of normal business transactions, hence would not be affected due to COVID-19 pandemic. The management believes that there will be no material effect on the company as whole considering all the aforesaid factors. There is no major impact of the COVID-19 pandemic on the company's financial statement, and it will be closely monitored for any material changes in future economic conditions. Salary and wages have been paid in full for the lockdown period. Expenditure pertaining to this period is clubbed in normal expenditure heads in the statement of profit and loss. Various projects have been delayed due to lockdown and its after effects of COVID-19 pandemic.

**3.28** Corresponding figures for previous year have been shown in brackets and regrouped/rearranged wherever necessary, to make them comparable.

Note No. 1 to 3.28 forms an integral part of financial statements.

For and on behalf of the Board of Directors

For M/s Demble Ramani & Co.

*Chartered Accountants*

Firm's Registration Number : 102259 W

**Mukund P.Chaudhari**

*Chairman-cum- Managing Director*

DIN : 05339308

**CA Ashok Ramani**

*Partner*

Membership Number : 030537

Place : Nagpur

Date : 4th June,2021

**Rakesh Tumane**

*Director (Finance)*

DIN : 06639859

**Neeraj Pandey**

*Company Secretary*

M.No. F5632