

एनएमडीसी



NMDC

# एन एम डी सी लिमिटेड NMDC Limited

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

पंजीकृत कार्यालय : 'खनिज भवन', 10-3-311/ए, कैसल हिल्स, मासाब टैंक, हैदराबाद - 500 028.

Regd. Office : 'Khanij Bhavan' 10-3-311/A, Castle Hills, Masab Tank, Hyderabad - 500 028.

नैगम पहचान संख्या / Corporate Identity Number : L13100TG1958 GOI 001674

No. 18(1)/2021-Sectt

22<sup>nd</sup> June 2021

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

Dear Sir / Madam,

**Sub: Audited Financial Results (Standalone and Consolidated) for the quarter and financial year ended 31<sup>st</sup> March 2021**

**Ref: Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; Security ID: NMDC**

The Board of Directors of the Company at their meeting held on 22<sup>nd</sup> June 2021, inter-alia, have considered, approved and taken on record the Audited Financial Results (Standalone and Consolidated) of the Company for the quarter and financial year ended 31<sup>st</sup> March 2021.

A copy of the following is enclosed pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

1. Audited Standalone Financial Results of the Company for the quarter and financial year ended 31<sup>st</sup> March 2021 along with segment information and Statement of Assets and Liabilities.
2. Audited Consolidated Financial Results of the Company for the quarter and financial year ended 31<sup>st</sup> March 2021 along with segment information and Statement of Assets and Liabilities.
3. Audit Reports of the Statutory Auditors on the Audited Financial Results (Standalone & Consolidated) of the Company for the period ended 31<sup>st</sup> March 2021.
4. Declaration on audit reports with unmodified opinion on the Annual Audited Financial Results for the financial year ended 31<sup>st</sup> March 2021.

The Board Meeting commenced at 3.00 p.m. and concluded at 7.30 p.m.

Please take the above information on record.

Thanking you

Yours faithfully,  
For NMDC Limited



*A S Pardha Saradhi*  
A S Pardha Saradhi  
Company Secretary

Encl: As above



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## NMDC Limited

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नैगम पहचान संख्या / Corporate Identity Number : L13100TG1958 GOI 001674

## Statement of Audited Standalone Financial Results for the Quarter and Year ended 31st March 2021

INR in crore

Particulars	Quarter Ended			Year Ended	
	31-Mar-21	31-Dec-20	31-Mar-20	31-Mar-21	31-Mar-20
	Audited	Un-audited	Audited	Audited	Audited
I. Revenue from operations	6,847.57	4,355.10	3,187.34	15,370.06	11,699.22
II. Other Income	84.98	104.83	133.25	349.88	513.79
<b>III. Total income (I+II)</b>	<b>6,932.55</b>	<b>4,459.93</b>	<b>3,320.59</b>	<b>15,719.94</b>	<b>12,213.01</b>
<b>IV. Expenses</b>					
(a) Consumption of raw materials	25.18	7.23	5.00	42.01	36.48
(b) Consumption of stores & spares	85.00	69.86	73.42	257.41	243.15
(c) Changes in inventories of finished goods and work-in-progress	(184.57)	32.14	(40.95)	(161.81)	(53.83)
(d) Employee benefit expense	289.10	271.87	289.87	1,081.81	1,046.83
(e) Royalty and other levies	1,545.98	622.25	584.08	2,969.38	2,096.29
(f) Selling exps incl. freight	226.71	223.89	203.18	695.27	702.43
(g) Depreciation and amortisation	56.67	60.48	67.47	227.83	294.38
(h) Finance cost	4.13	1.64	(21.33)	16.81	9.88
(i) Other expenses	617.92	359.30	580.80	1,690.13	1,617.48
<b>Total expenses</b>	<b>2,666.12</b>	<b>1,648.66</b>	<b>1,741.54</b>	<b>6,818.84</b>	<b>5,993.09</b>
V. Profit from ordinary activities before exceptional items and Tax (III-IV)	4,266.43	2,811.27	1,579.05	8,901.10	6,219.92
VI. Exceptional items - Expenses/(Income)	-	-	96.44	-	96.44
<b>VII. Profit before tax (V-VI)</b>	<b>4,266.43</b>	<b>2,811.27</b>	<b>1,482.61</b>	<b>8,901.10</b>	<b>6,123.48</b>
VIII. Tax expense					
a) Current Tax	1,089.04	718.82	336.05	2,316.46	1,555.59
b) Earlier Year Tax (Net)	343.20	-	771.32	343.20	771.32
c) Deferred Tax	(1.67)	(16.81)	23.70	(11.21)	185.66
Total tax expense	1,430.57	702.01	1,131.07	2,648.45	2,512.57
<b>IX. Net Profit for the period from continuing operations (VII-VIII)</b>	<b>2,835.86</b>	<b>2,109.26</b>	<b>351.54</b>	<b>6,252.65</b>	<b>3,610.91</b>
X. Profit/(Loss) from discontinued operations	2.30	(0.47)	(0.43)	0.53	(1.05)
XI. Tax Expenses of discontinued operations	0.58	(0.12)	(0.10)	0.13	(0.26)
XII. Profit/(Loss) from Discontinued operations (after tax)	1.72	(0.35)	(0.33)	0.40	(0.79)
<b>XIII. Profit for the period (IX+XII) :</b>	<b>2,837.58</b>	<b>2,108.91</b>	<b>351.21</b>	<b>6,253.05</b>	<b>3,610.12</b>
XIV. Other Comprehensive income/(expenses): Item that will not be reclassified to profit or loss (net of income tax)	0.21	(18.77)	(76.57)	(56.09)	(75.04)
<b>XV. Total Comprehensive Income for the period (XIII+XIV)</b>	<b>2,837.79</b>	<b>2,090.14</b>	<b>274.64</b>	<b>6,196.96</b>	<b>3,535.08</b>
XVI. Paid-up Equity Share Capital	293.07	306.19	306.19	293.07	306.19
XVII. Borrowings (#)				523.80	-
XVIII. Total Interest on Borrowings				22.63	-
XIX. Other equity excluding revaluation reserve as per balance sheet				29,463.07	27,227.76
XX. Net Worth				29,756.14	27,533.95
XXI. Debenture redemption reserve				-	-
XXII. Face value per share (Re)	1	1	1	1	1
XXIII. EPS for the period (Rs.)-basic and diluted before and after extraordinary items (*)	9.64	6.89	1.15	20.62	11.79
(*adjusted on account of buyback)	(*)			(*)	-
XXIV. Debt equity ratio				0.02	-
XXV. Debt service coverage ratio (DSCR)				16.24	-
XXVI. Interest service coverage ratio (ISCO)				231.89	-
			Not Annualised	Annualised	
(#) Include Long Term Borrowings only					





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**Segment wise Standalone Revenue, Results and Capital Employed for the Quarter and Year ended 31st March 2021**

INR in crore

Particulars	Quarter Ended			Year Ended	
	31-Mar-21	31-Dec-20	31-Mar-20	31-Mar-21	31-Mar-20
	Audited	Un-audited	Audited	Audited	Audited
<b>1. Segment Revenue</b>					
(Sale /income from each segment)					
a) Iron Ore	6,807.44	4,311.45	3,166.70	15,233.71	11,568.90
b) Pellet ,Other Minerals & Services	40.13	43.65	20.64	136.35	130.21
<b>Total</b>	<b>6,847.57</b>	<b>4,355.10</b>	<b>3,187.34</b>	<b>15,370.06</b>	<b>11,699.11</b>
Less: Inter segment revenue	-	-	-	-	(0.11)
<b>Sales / Income from Operations</b>	<b>6,847.57</b>	<b>4,355.10</b>	<b>3,187.34</b>	<b>15,370.06</b>	<b>11,699.22</b>
<b>2. Segment Results</b>					
(profit (+) / loss (-) before tax and interest from each segment)					
a) Iron Ore	4,366.35	2,824.21	1,599.88	9,261.86	6,135.20
b) Pellet, Other Minerals & Services	(47.99)	(21.28)	(141.38)	(131.46)	(131.73)
<b>Total</b>	<b>4,318.36</b>	<b>2,802.93</b>	<b>1,458.50</b>	<b>9,130.40</b>	<b>6,003.47</b>
Less: Finance Cost	4.13	1.64	(21.33)	16.81	9.88
Add : Other unallocable income net off unallocable expenditure	(45.50)	9.51	2.35	(211.96)	128.84
<b>Total Profit Before Tax (incl discontinued operations)</b>	<b>4,268.73</b>	<b>2,810.80</b>	<b>1,482.18</b>	<b>8,901.63</b>	<b>6,122.43</b>
<b>3. Segment Assets</b>					
a) Iron Ore	7,590.76	6,669.16	6,960.21	7,590.76	6,960.21
b) Pellet ,Other Minerals & Services	579.28	593.97	615.67	579.28	615.67
c) Unallocated	28,206.58	26,862.47	23,171.00	28,206.58	23,171.00
<b>Total</b>	<b>36,376.62</b>	<b>34,125.60</b>	<b>30,746.88</b>	<b>36,376.62</b>	<b>30,746.88</b>
<b>4. Segment Liabilities</b>					
a) Iron Ore	2,672.84	1,610.47	1,340.40	2,672.84	1,340.40
b) Pellet, Other Minerals & Services	39.27	29.65	35.17	39.27	35.17
c) Unallocated	4,316.65	1,998.96	2,234.42	4,316.65	2,234.42
<b>Total</b>	<b>7,028.76</b>	<b>3,639.08</b>	<b>3,609.99</b>	<b>7,028.76</b>	<b>3,609.99</b>
<b>5. Capital Employed</b>					
(Segment Assets-Segment Liabilities)					
a) Iron Ore	4,917.92	5,058.69	5,619.81	4,917.92	5,619.81
b) Pellet, Other Minerals & Services	540.01	564.32	580.50	540.01	580.50
c) Unallocated	23,889.93	24,863.51	20,936.58	23,889.93	20,936.58
<b>Total</b>	<b>29,347.86</b>	<b>30,486.52</b>	<b>27,136.89</b>	<b>29,347.86</b>	<b>27,136.89</b>

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STATEMENT OF STANDALONE ASSETS AND LIABILITIES AS AT 31ST MARCH 2021

INR in crore

Sl.No.	Particulars	As at current period end 31st March 2021 (Audited)	As at previous period end 31st March 2020 (Audited)
(A)	<b>ASSETS</b>		
	<b>1) Non-current assets</b>		
	a) Property, Plant and equipment	2,670.66	2,610.26
	b) Right- of -Use Assets	6.62	6.58
	c) Capital work-in-progress	17,076.68	15,471.56
	d) Intangible assets	441.17	399.89
	e) Intangible assets under development	51.42	29.64
	f) Financial assets		
	i) Investments	984.88	985.59
	ii) Loans	901.16	866.16
	g) Deferred tax assets (net)	408.28	397.06
	h) Other non-current assets	3,695.91	3,502.90
	<b>Total Non-current assets</b>	<b>26,236.78</b>	<b>24,269.64</b>
	<b>2) Current assets</b>		
	a) Inventories	921.72	723.51
	b) Financial assets		
	i) Trade receivables	2,139.89	2,223.71
	ii) Cash and cash equivalents	408.67	60.87
	iii) Bank balances other than (ii) above	5,397.34	2,331.47
	iv) Other Financial Assets	300.09	370.93
	c) Current Tax assets (Net)	257.04	429.15
	d) Other current assets	1,122.74	734.00
	e) Assets Held for disposal	0.63	0.66
	<b>Total Current assets</b>	<b>10,548.12</b>	<b>6,874.30</b>
	<b>TOTAL ASSETS</b>	<b>36,784.90</b>	<b>31,143.94</b>
(B)	<b>EQUITY AND LIABILITIES</b>		
	<b>1) Equity</b>		
	a) Equity Share Capital	293.07	306.19
	b) Other Equity	29,463.07	27,227.76
	<b>Total Equity</b>	<b>29,756.14</b>	<b>27,533.95</b>
	<b>2) Liabilities</b>		
	<b>i) Non-current Liabilities</b>		
	a) Borrowings	546.43	-
	b) Financial liabilities	4.57	5.51
	c) Provisions	945.16	827.88
	<b>Total Non-current liabilities</b>	<b>1,496.16</b>	<b>833.39</b>
	<b>ii) Current Liabilities</b>		
	a) Financial Liabilities		
	i) Borrowings	1,448.04	565.57
	ii) Trade Payables		
	a) Total outstanding dues of micro and small enterprises	12.66	15.25
	b) Total outstanding dues of other than micro and small enterprises	347.60	210.30
	iii) Other financial liabilities	1,775.39	1,219.34
	b) Other current liabilities	1,850.91	543.67
	c) Provisions	98.00	222.47
	<b>Total Current liabilities</b>	<b>5,532.60</b>	<b>2,776.60</b>
	<b>Total Liabilities</b>	<b>7,028.76</b>	<b>3,609.99</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>36,784.90</b>	<b>31,143.94</b>

Cont. .4





Audited Standalone Cash Flow Statement for the year ended 31st March 2021

INR in Crore

Particulars	Year Ended 31st March 2021	Year Ended 31st March 2020
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before income tax from		
Continued Operations	8,901.10	6,123.48
Discontinued Operations	0.53	(1.05)
<b>Profit before income tax including discontinued operations</b>	<b>8,901.63</b>	<b>6,122.43</b>
Adjustments for non cash/non operational expenses:		
Depreciation & Amortisation expense	227.83	294.38
Loss on disposal of property, plant & equipment	0.74	(0.02)
Expenditure on enabling facilities	147.79	229.91
Provision for bad & doubtful advances	234.47	211.78
Interest Income	(238.77)	(367.42)
Finance Costs	16.81	9.88
<b>Operating Profits before working capital changes</b>	<b>9,290.50</b>	<b>6,500.94</b>
Adjustments for working capital changes:		
(Increase)/Decrease in Short Term Investment	-	-
(Increase)/Decrease in Trade Receivables	(150.65)	(1,010.98)
(Increase)/Decrease in Inventories	(198.21)	(57.34)
(Increase)/Decrease in Other Receivables	(500.23)	(1,110.34)
Increase/(Decrease) in Trade payables	134.71	22.81
Increase/(Decrease) in Other Payable	1,242.09	12.53
<b>Cash generated from operations</b>	<b>9,818.21</b>	<b>4,357.62</b>
Income Taxes paid	(2,487.68)	(2,304.68)
<b>Net Cash Flow from operating activities</b>	<b>7,330.53</b>	<b>2,052.94</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Expenditure on acquisition of tangible and intangible assets and towards capital work in progress (net of sale proceeds)	(1,598.05)	(2,399.02)
Purchase of investments ( in Subsidiaries)	0.71	(46.27)
Interest received	241.24	406.22
Purchase of Investment (Term Deposits with more than three months)	(3,035.41)	1,761.80
<b>Net Cash Flow from investing activities</b>	<b>(4,391.51)</b>	<b>(277.27)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Amount paid on buyback of Shares (including transaction charges)	(1,700.62)	-
(Repayment)/Proceeds from borrowings- Current	1,428.90	201.42
Deposits paid towards LCs and BGs (towards non fund based facilities)	(29.59)	7.69
Interest paid	(16.63)	(9.70)
Dividends paid (including Dividend Distribution tax )	(2,273.28)	(1,952.54)
<b>Net Cash Flow from financing activities</b>	<b>(2,591.22)</b>	<b>(1,753.13)</b>
<b>Net increase (decrease) in Cash and Cash Equivalent</b>	<b>347.80</b>	<b>22.54</b>
Opening Balance of Cash & Cash equivalents	60.87	38.33
<b>Closing Balance of Cash &amp; Cash equivalents</b>	<b>408.67</b>	<b>60.87</b>

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**NOTES :**

1. The above results have been reviewed and approved by the Board of Directors in the meeting held on 22<sup>nd</sup> June 2021.
2. The financial results for the quarter and financial year ended 31st March 2021 have been audited by the Statutory Auditors as required under Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. An unqualified report has been issued by them there on.
3. The Audited Accounts are subject to Supplementary Audit by the Comptroller and Auditor General of India under Section 143(6) of the Companies Act, 2013.
4. The financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules 2015 (as amended). The Company adopted Ind AS from 1st April 2016 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles of Ind-AS, prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued there under and the other accounting principles generally accepted in India.
5. The figures of the last quarters are the balancing figures between the audited figures of the financial years and the published results up to the third quarter of the respective financial years.
6. Donimalai Iron Ore Mine of NMDC Ltd. at Karnataka has resumed mining operations w.e.f 18.02.2021 subsequent to extension of Mining lease by Govt. of Karnataka for a period of 20 years up to 03.11.2038.
7. Govt. of India has amended the MMDR Act-1957 on 28.03.2021 and as per amended provisions all such Government companies or corporations whose mining lease has been extended after the commencement of the MMDR Amendment Act, 2015, shall pay such additional amount as specified in the Fifth Schedule of the Act for the mineral produced after the commencement of the MMDR Amendment Act, 2021. For such Mining Leases of Iron Ore an additional amount equivalent to 150 percent of the royalty will be payable. The additional amount shall be in addition to royalty or payment to the District Mineral Foundation and National Mineral Exploration Trust or any other statutory payment.

The impact of this amendment on all the iron ore mines of NMDC except Kumaraswamy Mines at Karnataka is Rs. 149 crore for the current period and is included under Royalty and other levies.

8. An amount of Rs. 226.48 crore is provided towards Expected Credit Loss (ECL) for the year towards amount recoverable from monitoring committee and included in other expenses.
9. The Company had received Show Cause Notices dated 31.07.2018 from Dist. Collector, South Bastar Dantewada as to why NMDC should not be asked to deposit an amount of Rs.7,241.35 crore as compensation as calculated by Collector based on the Hon'ble Supreme Court Common Cause Judgement related to Orissa Iron ore mines ( Writ Petition Civil No 114 of 2014 dated 2<sup>nd</sup> August 2017). The Company had been contesting the Show Cause Notices with Dist. Collector, South Bastar Dantewada on the ground that the said Hon'ble Supreme Court judgement is not applicable to NMDC.

Meanwhile, revised show cause notices dated 26.09.2019 were received for a revised amount of Rs 1,623.44 Crore from Dist. Collector, South Bastar, Dantewada, to be replied within 21 days of notice. NMDC while reiterating the fact of non-applicability of the Hon'ble Supreme Court Judgement in the state of Chhattisgarh, has sought time for replying to the show cause notices.





Further to above, Dist. Collector, South Bastar, Dantewada had issued Demand notices dated 15/11/2019 for the amount of Rs 1,623.44 Crore (Bacheli- Rs 1,131.97 Cr & Kirandul Rs 491.47 Cr) asking to deposit the amount within 15 days. As the Mining Leases of the company in the State of Chhattisgarh were expiring on 31.3.2020 and due for renewal, the Company has paid an adhoc amount of Rs 600 Crore under protest and filed writ petitions in the Hon'ble High Court of Bilaspur, Chhattisgarh and a Revision application with Mines Tribunal, Ministry of mines, Government of India, New Delhi praying to set aside the demand notices.

The demand amount of Rs 1,623.44 crores has been shown under 'Contingent Liabilities'.

10. The Government of India has accorded in principle approval for strategic disinvestment of Nagarnar Steel Plant on 27<sup>th</sup> October 2016. Core Group of Secretaries for Disinvestment (CGD) in its meeting held on 3<sup>rd</sup> June 2019 and 28<sup>th</sup> November 2019 has approved to follow the demerger route for the strategic disinvestment of NISP.

The Board of Directors of the company at their meeting held on 27<sup>th</sup> August 2020, inter-alia, have accorded in-principal approval to the proposal of demerger of NMDC Iron & Steel Plant (NISP), Nagarnar, Chhattisgarh.

11. Figures for the previous period have been regrouped wherever considered necessary so as to conform to the classification of the current period.

For M/s Sagar and Associates  
Chartered Accountants  
FRN No. 003510S

(CA. D MANOHAR)

Partner

Membership No: 029644



UDIN: 21029644AAAAABT6081

Place : Hyderabad

Date : 22<sup>nd</sup> June 2021

For NMDC Limited,

(Amitava Mukherjee)

Director (Finance)

DIN- No: 08265207



**Independent Auditor's Report**

**To,**

**Board of Directors of NMDC Limited**

**Report on the Audit of Standalone Financial Results**

**Opinion**

1. We have audited the accompanying standalone annual financial results of **NMDC Limited** (the 'Company') for the year ended March 31, 2021, being submitted by the company pursuant to the requirement of Regulation 33, Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure requirement) Regulations 2015.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial results:
  - i. are presented in accordance with the requirements of regulation 33 ,regulation 52 read with regulation 63(2) of the SEBI (Listing Obligations and Disclosure requirement) Regulations 2015 and SEBI circular dated 5<sup>th</sup> July 2016 in these regards and
  - ii. give a true and fair view in conformity with the recognition and measurement principles laid down in applicable accounting standards prescribed under section 133 of the Companies Act,2013(the "Act") and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Company for the year ended March 31,2021 and the standalone statement of assets and liabilities and the standalone cash flow statement as at and for the year ended on that date.

**Basis for Opinion**

3. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in standalone financial Results. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the standalone financial Results. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.





## **Emphasis Of matter**

4. We draw your attention to the following matters;
- i. Note No: 9, regarding show cause notice having been served on Baildilla project by the District collector, South Bastar, Dantewada pursuant to judgment of Honorable Supreme court of India with the demand of Rs.1623.44 Crores against which company has paid an adhoc amount of Rs.600 Crores under protest and filed writ petition in the Hon'ble High court of Bilaspur, Chhattisgarh and a Revision application with Mines Tribunal, Ministry of mines, Government of India and disclosure of contingent liability as mentioned in the said note.
  - ii. Note No:10, regarding the demerger of NMDC Iron & Steel Plant (NISP) which is in progress.
  - iii. During the year, company has migrated from legacy system (oracle-based FAS) to SAP-ERP package in a phased manner. Pending completion of User Acceptance Testing (UAT) of the all the modules, the amount incurred towards the package is accounted under Intangible assets under development. The unaudited financial results as on 31-12-2020 were migrated into SAP and reconciled. As per the information and explanation provided by the management, migration audit will be conducted on completion of integration of all the modules.
  - iv. NMDC holds total exposure of Rs. 182.20 Crores in Neelachal Ispat Nigam Ltd (NINL) in the form of Equity investment of Rs. 100.60 Crores and a Loan of Rs. 81.60 Crores and interest thereon of Rs.6.87 Crore as on 31.03.2021. Cabinet Committee on Economic Affairs (CCEA) had accorded in principle approval for strategic disinvestment of 100% shareholding of NMDC and other Public Sector Undertakings (PSUs) along with transfer of Management control to a Strategic Buyer. As per the loan agreement dated 30<sup>th</sup> December 2019, the amount outstanding along with interest shall be paid back to NMDC as first charge from the disinvestment proceeds as per the applicable laws before payment of other liabilities of NINL. As such, management has felt no impairment of investment and Loan to NINL is necessary.

Our opinion is not modified in respect of these matters

## **Board of Directors' Responsibilities for the Standalone Financial Results**

5. These standalone financial results have been prepared on basis of standalone annual financial statements. The Company's Board of



Directors are responsible for the preparation and presentation of the standalone financial results that give true and fair view of the net profit and other comprehensive income and other financial information of the company and the standalone statement of assets and liabilities and the standalone cashflow statement in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with regulation 33 and regulation 52 of the Listing Regulations. The Board of directors of the company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgement and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of standalone financial statements that give true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the standalone financial results by the directors of the company, as aforesaid

6. In preparing the standalone financial results, the Board of directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibility for the Audit of the Standalone Financial Statements**

8. Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing (SA) will always detect a material misstatement when it exists. Misstatements can arise from



fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial results

9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.



10. We communicate with those charged with governance of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Other Matters**

11. The standalone financial Results include the results for the quarter ended March 31, 2021 being the balancing figures between audited figures in respect of the full financial year and the published year to date unaudited figures up to the third quarter of the current financial year which were subjected to limited review by us.

12. The standalone annual financial results dealt with by this report has been prepared for the express purpose of filling with Stock Exchanges. These results are based on standalone financial statements and should be read with the audited standalone financial statements of the company for the year ended March 31,2021 on which we issued an unmodified opinion vide our report dated 22<sup>nd</sup> June, 2021.

For Sagar & Associates,  
Chartered Accountants  
FRN: 003510S



CA D Manohar  
Partner

Membership No. 029644

UDIN: 21029644AAAABT6081



Place: Hyderabad

Date: 22.06.2021.

एन एम डी सी



NMDC

# एन एम डी सी लिमिटेड

## NMDC Limited

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

पंजीकृत कार्यालय : 'खनिज भवन', 10-3-311/ए, कैसल हिल्स, मासाब टैंक, हैदराबाद - 500 028.

Regd. Office : 'Khanij Bhavan' 10-3-311/A, Castle Hills, Masab Tank, Hyderabad - 500 028.

नैगम पहचान संख्या / Corporate Identity Number : L13100TG1958 GOI 001674

### Statement of Audited Consolidated Financial Results for the Quarter and Year ended 31st March 2021

INR in crore

Particulars	Quarter Ended			Year Ended	
	31-Mar-2021	31-Dec-2020	31-Mar-2020	31-Mar-2021	31-Mar-2020
	Audited	Un-audited	Audited	Audited	Audited
I. Revenue from operations	6,847.57	4,355.10	3,187.34	15,370.06	11,699.22
II. Other Income	85.18	105.87	133.61	351.60	514.36
<b>III. Total income (I+II)</b>	<b>6,932.75</b>	<b>4,460.97</b>	<b>3,320.95</b>	<b>15,721.66</b>	<b>12,213.58</b>
<b>IV. Expenses</b>					
(a) Consumption of raw materials	25.18	7.23	5.00	42.01	36.48
(b) Consumption of stores & spares	85.00	69.86	73.42	257.41	243.15
(c) Changes in inventories of finished goods and work-in-progress	(184.57)	32.14	(40.95)	(161.81)	(53.83)
(d) Employee benefit expense	290.09	272.72	290.56	1,085.24	1,049.36
(e) Royalty and other levies	1,545.98	622.25	584.08	2,969.38	2,096.29
(f) Selling exps incl. freight	226.71	223.89	203.18	695.27	702.43
(g) Depreciation and amortisation	56.93	60.59	67.68	228.54	294.93
(h) Finance cost	4.13	1.64	(21.33)	16.81	9.88
(i) Other expenses	618.91	360.24	584.32	1,693.29	1,623.42
<b>Total expenses</b>	<b>2,668.36</b>	<b>1,650.56</b>	<b>1,745.96</b>	<b>6,826.14</b>	<b>6,002.11</b>
<b>V. Profit from ordinary activities before exceptional items and Tax (III-IV)</b>	<b>4,264.39</b>	<b>2,810.41</b>	<b>1,574.99</b>	<b>8,895.52</b>	<b>6,211.47</b>
VI. Exceptional items - Expenses/(Income)	-	-	96.44	-	96.44
<b>VII. Profit before tax (V-VI)</b>	<b>4,264.39</b>	<b>2,810.41</b>	<b>1,478.55</b>	<b>8,895.52</b>	<b>6,115.03</b>
VIII. Tax expense					
a) Current Tax	1,089.04	718.82	336.05	2,316.46	1,555.59
b) Earlier Year Tax (Net)	343.20	-	771.47	343.20	771.47
c) Deferred Tax	(1.67)	(16.81)	23.70	(11.21)	185.66
Total tax expense	1,430.57	702.01	1,131.22	2,648.45	2,512.72
<b>IX. Profit for the period from continuing operations (VII-VIII)</b>	<b>2,833.82</b>	<b>2,108.40</b>	<b>347.33</b>	<b>6,247.07</b>	<b>3,602.31</b>
X. Profit/(Loss) from discontinued operations	2.30	(0.47)	(0.43)	0.53	(1.05)
XI. Tax Expenses of discontinued operations	0.58	(0.12)	(0.10)	0.13	(0.26)
XII. Profit/(Loss) from Discontinued operations (after tax)	1.72	(0.35)	(0.33)	0.40	(0.79)
<b>XIII. Profit for the period (IX+XII) :</b>	<b>2,835.54</b>	<b>2,108.05</b>	<b>347.00</b>	<b>6,247.47</b>	<b>3,601.52</b>
XIV Share of Loss of Associates/JVs	0.07	49.75	(31.18)	29.17	(28.56)
XV Non-Controlling Interest (Profit)/Loss	(0.21)	(0.01)	0.43	(0.37)	(0.33)
<b>XVI. Net Profit/loss after taxes, Non-Controlling Interest and share of profit /loss of Associates (XIII+XIV-XV) :</b>	<b>2,835.82</b>	<b>2,157.81</b>	<b>315.39</b>	<b>6,277.01</b>	<b>3,573.29</b>
XVII. Other Comprehensive income/(expenses) (net of income tax)	2.68	(43.37)	(14.78)	(121.08)	6.99
<b>XVIII. Total Comprehensive Income for the period (XVI+XVII)</b>	<b>2,838.50</b>	<b>2,114.44</b>	<b>300.61</b>	<b>6,155.93</b>	<b>3,580.28</b>
XIX. Paid-up Equity Share Capital	293.07	306.19	306.19	293.07	306.19
XX. Borrowings (#)				523.80	-
XXI. Total Interest on Borrowings				22.63	-
XXII. Other equity excluding revaluation reserve as per balance sheet				29,590.98	27,366.88
XXIII. Net Worth				29,897.59	27,681.12
XXIV. Debenture redemption reserve				-	-
XXV. Face value per share (Re)	1.00	1.00	1.00	1.00	1.00
XXVI. Other Equity excluding revaluation reserve				-	-
XXVII. EPS for the period (Rs.)-basic and diluted (*adjusted on account of buyback)	9.64	7.05	1.03	20.70	11.67
XXVIII. Debt equity ratio				0.02	-
XXIX. Debt service coverage ratio (DSCR)				16.23	-
XXX. Interest service coverage ratio (ISCO)				231.77	-
			Not Annualised		Annualised
(#) Include Long Term Borrowings Only.					



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-2-

Segment wise Consolidated Revenue, Results and Capital Employed for the Quarter and Year ended 31st March 2021

INR in crore

Particulars	Quarter Ended			Year Ended	
	31-Mar-2021	31-Dec-2020	31-Mar-2020	31-Mar-2021	31-Mar-2020
	Audited	Un-audited	Audited	Audited	Audited
<b>1. Segment Revenue</b>					
(Sale /income from each segment)					
a) Iron Ore	6,807.44	4,311.45	3,166.70	15,233.71	11,568.90
b) Pellet ,Other Minerals & Services	40.13	43.65	20.64	136.35	130.21
<b>Total</b>	<b>6,847.57</b>	<b>4,355.10</b>	<b>3,187.34</b>	<b>15,370.06</b>	<b>11,699.11</b>
Less: Inter segment revenue	-	-	-	-	(0.11)
<b>Sales / Income from Operations</b>	<b>6,847.57</b>	<b>4,355.10</b>	<b>3,187.34</b>	<b>15,370.06</b>	<b>11,699.22</b>
<b>2. Segment Results</b>					
(profit (+) / loss (-) before tax and interest from each segment)					
a) Iron Ore	4,364.78	2,824.04	1,599.14	9,258.16	6,130.89
b) Pellet, Other Minerals & Services	(48.28)	(21.84)	(144.53)	(132.81)	(135.38)
<b>Total</b>	<b>4,316.50</b>	<b>2,802.20</b>	<b>1,454.61</b>	<b>9,125.35</b>	<b>5,995.51</b>
Less: Finance Cost	4.13	1.64	(21.33)	16.81	9.88
Add : Other unallocable income net off unallocable expenditure	(45.68)	9.38	2.18	(212.49)	128.35
<b>Total Profit Before Tax (incl discontinued operations)</b>	<b>4,266.69</b>	<b>2,809.94</b>	<b>1,478.12</b>	<b>8,896.05</b>	<b>6,113.98</b>
<b>3. Segment Assets</b>					
a) Iron Ore	7,607.88	6,672.61	6,945.73	7,607.88	6,945.73
b) Pellet ,Other Minerals & Services	561.03	575.94	599.00	561.03	599.00
c) Unallocated	28,352.60	27,002.50	23,352.63	28,352.60	23,352.63
<b>Total</b>	<b>36,521.51</b>	<b>34,251.05</b>	<b>30,897.36</b>	<b>36,521.51</b>	<b>30,897.36</b>
<b>4. Segment Liabilities</b>					
a) Iron Ore	2,674.67	1,611.77	1,341.91	2,674.67	1,341.91
b) Pellet ,Other Minerals & Services	40.79	31.09	36.92	40.79	36.92
c) Unallocated	4,316.74	1,999.03	2,234.48	4,316.74	2,234.48
<b>Total</b>	<b>7,032.20</b>	<b>3,641.89</b>	<b>3,613.31</b>	<b>7,032.20</b>	<b>3,613.31</b>
<b>5. Capital Employed</b>					
(Segment assets-Segment Liabilities)					
a) Iron Ore	4,933.21	5,060.84	5,603.82	4,933.21	5,603.82
b) Pellet ,Other Minerals & Services	520.24	544.85	562.08	520.24	562.08
c) Unallocated	24,035.86	25,003.47	21,118.15	24,035.86	21,118.15
<b>Total</b>	<b>29,489.31</b>	<b>30,609.16</b>	<b>27,284.05</b>	<b>29,489.31</b>	<b>27,284.05</b>



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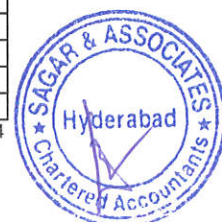


STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES AS AT 31ST MARCH, 2021

INR in crore

Sl.No.	Particulars	As at current period end 31st March 2021 (Audited)	As at previous period end 31st March 2020 (Audited)
(A)	<b>ASSETS</b>		
	<b>1) Non-current assets</b>		
	a) Property, Plant and equipment	3,313.92	3,253.87
	b) Right-of-Use Assets	7.02	7.08
	c) Capital work-in-progress	17,106.51	15,500.22
	d) Goodwill	93.89	93.89
	e) Intangible assets	518.57	454.66
	f) Intangible assets under development	51.42	29.64
	g) Financial assets		
	i) Investments	874.90	910.10
	ii) Loans	259.17	224.38
	h) Deferred tax assets (net)	408.28	397.07
	i) Other non-current assets	3,695.91	3,502.90
	<b>Total Non-current assets</b>	<b>26,329.59</b>	<b>24,373.81</b>
	<b>2) Current assets</b>		
	a) Inventories	921.72	723.51
	b) Financial assets		
	i) Trade receivables	2,139.89	2,223.71
	ii) Cash and cash equivalents	464.10	105.57
	iii) Bank balances other than (ii) above	5,397.72	2,331.89
	iv) Other Financial Assets	292.61	365.40
	c) Current Tax assets (Net)	257.05	429.24
	d) Other current assets	1,126.48	740.64
	e) Assets Held for disposal	0.63	0.66
	<b>Total Current assets</b>	<b>10,600.20</b>	<b>6,920.62</b>
	<b>TOTAL ASSETS</b>	<b>36,929.79</b>	<b>31,294.43</b>
(B)	<b>EQUITY AND LIABILITIES</b>		
	<b>1) Equity</b>		
	a) Equity Share Capital	293.07	306.19
	b) Other Equity	29,590.98	27,366.88
	c) Non-Controlling Interest	13.54	8.05
	<b>Total Equity</b>	<b>29,897.59</b>	<b>27,681.12</b>
	<b>2) Liabilities</b>		
	<b>i) Non-current Liabilities</b>		
	a) Financial liabilities	546.43	-
	b) Provisions	4.70	5.83
		945.41	827.96
	<b>Total Non-current liabilities</b>	<b>1,496.54</b>	<b>833.79</b>
	<b>ii) Current Liabilities</b>		
	a) Financial Liabilities		
	i) Borrowings	1,448.04	565.57
	ii) Trade Payables		
	a) Total Outstanding dues of Micro Enterprises and Small Enterprises	12.66	15.25
	b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	348.12	210.65
	iii) Other financial liabilities	1,776.04	1,220.02
	b) Other current liabilities	1,852.24	545.25
	c) Provisions	98.56	222.78
	<b>Total Current liabilities</b>	<b>5,535.66</b>	<b>2,779.52</b>
	<b>Total Liability</b>	<b>7,032.20</b>	<b>3,613.31</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>36,929.79</b>	<b>31,294.43</b>

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Audited Consolidated Cash Flow Statement for Year ended 31st March 2021

INR in Crore

Particulars	Year Ended 31st March 2021	Year Ended 31st March 2020
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before income tax from		
Continued Operations	8,895.52	6,115.03
Discontinued Operations	0.53	(1.05)
<b>Profit before income tax including discontinued operations</b>	<b>8,896.05</b>	<b>6,113.98</b>
Adjustments for non cash/non operational expenses:		
Depreciation & Amortisation expense	228.54	294.93
Loss on disposal of property, plant & equipment	0.74	(0.02)
Expenditure on enabling facilities	147.79	229.91
Provision for bad & doubtful advances	234.31	211.78
Interest Income	(239.14)	(367.72)
Finance Costs	16.81	9.88
<b>Operating Profits before working capital changes</b>	<b>9,285.10</b>	<b>6,492.74</b>
Adjustments for working capital changes:		
(Increase)/Decrease in Short Term Investment	-	-
(Increase)/Decrease in Trade Receivables	(150.49)	(1,010.98)
(Increase)/Decrease in Inventories	(198.21)	(57.34)
(Increase)/Decrease in Other Receivables	(495.25)	(1,109.82)
Increase/(Decrease) in Trade payables	134.88	23.11
Increase/(Decrease) in Other Payable	1,158.82	67.86
<b>Cash generated from operations</b>	<b>9,734.85</b>	<b>4,405.57</b>
Income Taxes paid	(2,468.74)	(2,279.60)
<b>Net Cash Flow from operating activities</b>	<b>7,266.11</b>	<b>2,125.97</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Expenditure on acquisition of tangible and intangible assets and towards capital work in progress (net of sale proceeds)	(1,622.11)	(2,403.49)
Purchase of investments ( in Subsidiaries)	99.61	(81.43)
Interest received	241.69	406.45
Purchase of Investment (Term Deposits with more than three months)	(3,035.47)	1,765.71
<b>Net Cash Flow from investing activities</b>	<b>(4,316.28)</b>	<b>(312.76)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Amount paid on buyback of Shares (including transaction charges)	(1,700.62)	-
(Repayment)/Proceeds from borrowings- Current	1,428.90	201.42
Deposits paid towards LCs and BGs (towards non fund based facilities)	(29.49)	7.69
Interest paid	(16.81)	(9.88)
Dividends paid (including Dividend Distribution tax )	(2,273.28)	(1,952.54)
<b>Net Cash Flow from financing activities</b>	<b>(2,591.30)</b>	<b>(1,753.31)</b>
<b>Net increase (decrease) in Cash and Cash Equivalent</b>	<b>358.53</b>	<b>59.90</b>
Opening Balance of Cash & Cash equivalents	105.57	45.67
<b>Closing Balance of Cash &amp; Cash equivalents</b>	<b>464.10</b>	<b>105.57</b>

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NOTES :

1. The above results have been reviewed and approved by the Board of Directors in the meeting held on 22<sup>nd</sup> June 2021.
2. Pursuant to the requirements of SEBI (LODR) Regulations, 2015 (as amended), the company has published Consolidated Results for quarter ended 31<sup>st</sup> March 2021 along with the preceding quarter ended 31<sup>st</sup> December 2020 and corresponding quarter ended 31<sup>st</sup> March 2020. The management has used prudent estimate and exercised necessary due-diligence to ensure that the financial results provide a true and fair view of its affairs.
3. The financial results for the quarter and financial year ended 31<sup>st</sup> March 2021 have been audited by the Statutory Auditors as required under Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. An unqualified report has been issued by them there on.
4. The Audited Accounts are subject to Supplementary Audit by the Comptroller and Auditor General of India under Section 143(6) of the Companies Act, 2013.
5. The financial results of the Company have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under the Companies (Indian Accounting Standards) Rules 2015 (as amended). The Company adopted Ind AS from 1<sup>st</sup> April 2016 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles of Ind-AS, prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued there under and the other accounting principles generally accepted in India.
6. The figures of the last quarters are the balancing figures between the audited figures of the financial years and the published results up to the third quarter of the respective financial years.
7. Donimalai Iron Ore Mine of NMDC Ltd. at Karnataka has resumed mining operations w.e.f 18.02.2021. subsequent to extension of Mining lease by Govt. of Karnataka for a period of 20 years up to 03.11.2038.
8. Govt. of India has amended the MMDR Act-1957 on 28.03.2021 and as per amended provisions all such Government companies or corporations whose mining lease has been extended after the commencement of the MMDR Amendment Act, 2015, shall pay such additional amount as specified in the Fifth Schedule of the Act for the mineral produced after the commencement of the MMDR Amendment Act, 2021. For such Mining Leases of Iron Ore an additional amount equivalent to 150 percent of the royalty will be payable. The additional amount shall be in addition to royalty or payment to the District Mineral Foundation and National Mineral Exploration Trust or any other statutory payment.  
  
The impact of this amendment on all the iron ore mines of NMDC except Kumaraswamy Mines at Karnataka is Rs. 149 crore for the current period and is included under Royalty and other levies.
9. An amount of Rs. 226.48 crore is provided towards Expected Credit Loss (ECL) for the year towards amount recoverable from monitoring committee and included in other expenses.
10. The Company had received Show Cause Notices dated 31.07.2018 from Dist. Collector, South Bastar Dantewada as to why NMDC should not be asked to deposit an amount of Rs.7,241.35 crore as compensation as calculated by Collector based on the Hon'ble Supreme Court Common Cause Judgement related to Orissa Iron ore mines ( Writ Petition Civil No 114 of 2014 dated 2<sup>nd</sup> August 2017). The Company had been contesting the Show Cause Notices with Dist. Collector, South Bastar Dantewada on the ground that the said Hon'ble Supreme Court judgement is not applicable to NMDC.



Meanwhile, revised show cause notices dated 26.09.2019 were received for a revised amount of Rs 1,623.44 Crore from Dist. Collector, South Bastar, Dantewada, to be replied within 21 days of notice. NMDC while reiterating the fact of non-applicability of the Hon'ble Supreme Court Judgement in the state of Chhattisgarh, has sought time for replying to the show cause notices.

Further to above, Dist. Collector, South Bastar, Dantewada had issued Demand notices dated 15/11/2019 for the amount of Rs 1,623.44 Crore (Bacheli- Rs 1,131.97 Cr & Kirandul Rs 491.47 Cr) asking to deposit the amount within 15 days. As the Mining Leases of the company in the State of Chhattisgarh were expiring on 31.3.2020 and due for renewal, the Company has paid an adhoc amount of Rs 600 Crore under protest and filed writ petitions in the Hon'ble High Court of Bilaspur, Chhattisgarh and a Revision application with Mines Tribunal, Ministry of mines, Government of India, New Delhi praying to set aside the demand notices.

The demand amount of Rs 1,623.44 crores has been shown under 'Contingent Liabilities'.

11. The Government of India has accorded in principle approval for strategic disinvestment of Nagarnar Steel Plant on 27<sup>th</sup> October 2016. Core Group of Secretaries for Disinvestment (CGD) in its meeting held on 3<sup>rd</sup> June 2019 and 28<sup>th</sup> November 2019 has approved to follow the demerger route for the strategic disinvestment of NISP.

The Board of Directors of the company at their meeting held on 27<sup>th</sup> August 2020, inter-alia, have accorded in-principal approval to the proposal of demerger of NMDC Iron & Steel Plant (NISP), Nagarnar, Chhattisgarh.

12. Figures for the previous period have been regrouped wherever considered necessary so as to conform to the classification of the current period.

For M/s Sagar and Associates  
Chartered Accountants  
FRN No. 003510S  
(CA. D Manohar)  
Partner  
Membership No: 029644



For NMDC Limited,

(Amitava Mukherjee)  
Director (Finance)  
DIN- No: 08265207

UDIN: 21029644 AAAA BU 7263  
Place : Hyderabad  
Date : 22<sup>nd</sup> June 2021

Our website : [www.nmdc.co.in](http://www.nmdc.co.in)



**Independent Auditor's Report**

To,

**Board of Directors of NMDC Limited**

**Report on the Audit of Consolidated Financial Results**

**Opinion**

1. We have audited the accompanying Consolidated Financial Results of **NMDC Limited** (the 'Company') for the year ended March 31, 2021 being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure requirement) Regulations 2015.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statements/special purpose financial information of the subsidiaries, associates and the jointly controlled entities, the aforesaid consolidated financial results:
  - i. Include the consolidated financial results of the NMDC Limited and the entities listed in Annexure A,
  - ii. have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure requirement) Regulations 2015; and
  - iii. give a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the profit, total comprehensive income and other financial information of the Group, its associates and jointly controlled entities for the year ended March 31, 2021 and the consolidated balance sheet and the consolidated cash flow statement as at and for the year ended on that date.

**Basis of Opinion**

3. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in consolidated financial results. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the consolidated financial Results. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



**Emphasis Of matter:**

4. We draw your attention to the following matters in the Notes to these financial results:
- i. Note No: 10, regarding show cause notice having been served on Baildilla project by the District collector, South Bastar, Dantewada pursuant to judgment of Honorable Supreme court of India with the demand of Rs.1623.44 Crores against which company has paid an adhoc amount of Rs.600 Crores under protest and filed writ petition in the Hon'ble High court of Bilaspur, Chattisgarh and a Revision application with Mines Tribunal, Ministry of mines, Government of India and disclosure of contingent liability as mentioned in the said note.
  - ii. Note No:11, regarding the demerger of NMDC Iron & Steel Plant (NISP) which is in progress.
  - iii. During the year, company has migrated from legacy system (oracle-based FAS) to SAP-ERP package in a phased manner. Pending completion of User Acceptance Testing (UAT) of the all the modules, the amount incurred towards the package is accounted under Intangible assets under development. The unaudited financial results as on 31-12-2020 were migrated into SAP and reconciled. As per the information and explanation provided to us by the management, migration audit will be conducted on completion of integration of all the modules.
  - iv. NMDC holds total exposure of Rs. 182.20 Crores in Neelachal Ispat Nigam Ltd (NINL) in the form of Equity investment of Rs. 100.60 Crores and a Loan of Rs. 81.60 Crores and interest thereon of Rs.6.87 Crore as on 31.03.2021. Cabinet Committee on Economic Affairs (CCEA) had accorded in principle approval for strategic disinvestment of 100% shareholding of NMDC and other Public Sector Undertakings (PSUs) along with transfer of Management control to a Strategic Buyer. As per the loan agreement dated 30<sup>th</sup> December 2019, the amount outstanding along with interest shall be paid back to NMDC as first charge from the disinvestment proceeds as per the applicable laws before payment of other liabilities of NINL. As such, management has felt no impairment of investment and Loan to NINL is necessary.

**Board of Directors' Responsibilities for the Consolidated Financial Results**

5. These consolidated financial results have been prepared on basis of consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give true and fair view of the net profit and other comprehensive income and other financial



information of the Group including its associates and Jointly controlled entities and the consolidated balance sheet and consolidated cash flow statement in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with regulation 33 and regulation 52 of the Listing Regulations. The respective Board of directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and jointly controlled entities for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgement and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of consolidated financial statements that give true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Directors of the holding company, as aforesaid

6. In preparing the consolidated financial results, the Board of directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for assessing the ability of the Group and its associates and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibility for the Audit of the Consolidated Financial Statements**

8. Our objectives are to obtain reasonable assurance about whether the consolidated financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing(SA) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial results.



9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.

10. We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



## Other matters

11. We did not audit the financial statements and other financial information of five subsidiaries included in the consolidated financial results, whose financial statements and other financial information reflect total assets of 811.20 crores as at 31<sup>st</sup> March 2021 and total profit/(loss) of (5.58) crores as considered in the consolidated financial results. These financial statements and other financial information have been audited by other auditors except four subsidiaries which have been certified by their management. The consolidated financial results also includes the Groups Share of net profit/(Loss) of 29.17 crores for the year ended 31<sup>st</sup> March 2021, as considered in financial results, in respect of three Associates and four Jointly controlled entities. These financial statements and other financial information of two associates and have been audited by other auditors, and others were unaudited whose financial statements have been certified by their management, whose report(s) have been furnished to us. Our opinion on the year to date consolidated financial results, to the extent they have been derived from such financial statements is based solely on the report of such other auditors and certification of management. Our Opinion is not modified in respect of this matter.
12. The consolidated financial results include the results for the quarter ended March 31, 2021 being the balancing figures between audited figures in respect of the full financial year and the published year to date unaudited figures up to the third quarter of the current financial year which were subject to limited review by us.
13. The consolidated financial results dealt with by this report has been prepared for the express purpose of filling with Stock Exchanges. These results are based on consolidated financial statements and should be read with the audited consolidated financial statements of the company for the year ended March 31,2021 on which we issued an unmodified opinion vide our report dated 22<sup>nd</sup> June 2021.

For Sagar& Associates,  
Chartered Accountants  
FRN: 003510S

  
CA D Manohar

Partner

Membership No. 029644

UDIN: 21029644AAAABU7263

Place: Hyderabad

Date: 22.06.2021.



**SUBSIDIARIES:**

<b>Sl. No.</b>	<b>Name of the entities</b>	<b>Country of incorporation</b>
1	Legacy Iron Ore Limited	Australia
2	J & K Mineral Development Corporation Limited	India
3	NMDC Power Limited (Closed and not considered for consolidation)	India
4	Karnataka Vijaynagar Steel Limited	India
5	NMDC Steel Limited	India
6	Jharkhand Kolhan Steel Limited	India
7	MDC SARL, Madagaskar (under Closure)	Africa
8	NMDC CSR Foundation (NCF) (Not-for-profit company, incorporated under Section-2(7) of companies Act,2013) – Not considered for consolidation.	India

**JOINT VENTURES:**

<b>Sl. No.</b>	<b>Name of the entities</b>	<b>Country of incorporation</b>
1	NMDC-CMDC Limited	India
2	Jharkhand National Mineral Development Corporation Limited	India
3	Kopano- NMDC Minerals (Proprietary) Limited, South Africa – Under Closure	South Africa
4	NMDC SAIL Limited – Under Closure	India
5	Bastar Railway Pvt. Limited	India

**ASSOCIATES:**

<b>Sl. No.</b>	<b>Name of the entities</b>	<b>Country of incorporation</b>
1	International Coal Venture Limited	India
2	Nilachal Ispat Nigam Limited-	India
3	Krishnapatnum Railway Company Limited	India
4	Chhattishgarh Mega Steel Limited	India
5	Romelt-Sail (India) Limited - Under Closure	Africa





एन एम डी सी



NMDC

# एन एम डी सी लिमिटेड NMDC Limited

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

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

नैगम पहचान संख्या / Corporate Identity Number : L13100TG1958 GOI 001674

## Declaration on audit reports with unmodified opinion on the Annual Audited Financial Results for the financial year ended 31st March 2021

This is with to SEBI(LODR) Regulations,2015 and amendments made thereto, we hereby declare that the Statutory Auditors of the Company, M/s Sagar And Associates, Chartered Accountants, firm Registration no. 003510S, vide their Auditors Reports dated 22<sup>nd</sup> June 2021 issued an unmodified opinion on the standalone and consolidated financial results of the Company for the financial year ended 31st March 2021.

For NMDC Limited,

(Amitava Mukherjee)  
Director (Finance)  
DIN- No: 08265207

Place: Hyderabad  
Dated : 22<sup>nd</sup> June 2021