

एन एम डी सी



NMDC

# एन एम डी सी लिमिटेड NMDC Limited

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

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

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

नैगम पहचान संख्या / Corporate Identity Number : L13100AP1958 GOI 001674

No. 18(1)/2019- Sectt

31<sup>st</sup> January 2019

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

Dear Sir / Madam,

**Sub: Corporate Investors Presentation on Company's Performance in the FY 2018-19 (9M) - Reg**

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

Reference the captioned subject, kindly note that Corporate Investors Presentation on Company's Performance in the FY 2018-19 (9M) has been uploaded on NMDC website, a copy of which is enclosed herewith for kind reference.

Please take note of the above information.

Thanking you

Yours faithfully,  
For **NMDC Limited**

**A S Pardha Saradhi**  
Company Secretary

Encl: As above



# NMDC Limited

## Corporate Investors Presentation on Performance in F/Y 2018-19 (9M)

**Disclaimer:**

**Cautionary Statement:**

*The statements contained in the Presentation may be forward looking statements and progressive within the meaning of applicable laws and regulations. Actual results may vary from those expressed or implied, depending upon economic conditions, Govt. policies and other incidental factors that may arise. Readers are cautioned not to place undue reliance on the forward looking statements.*



## Summary of Quarterly Performance

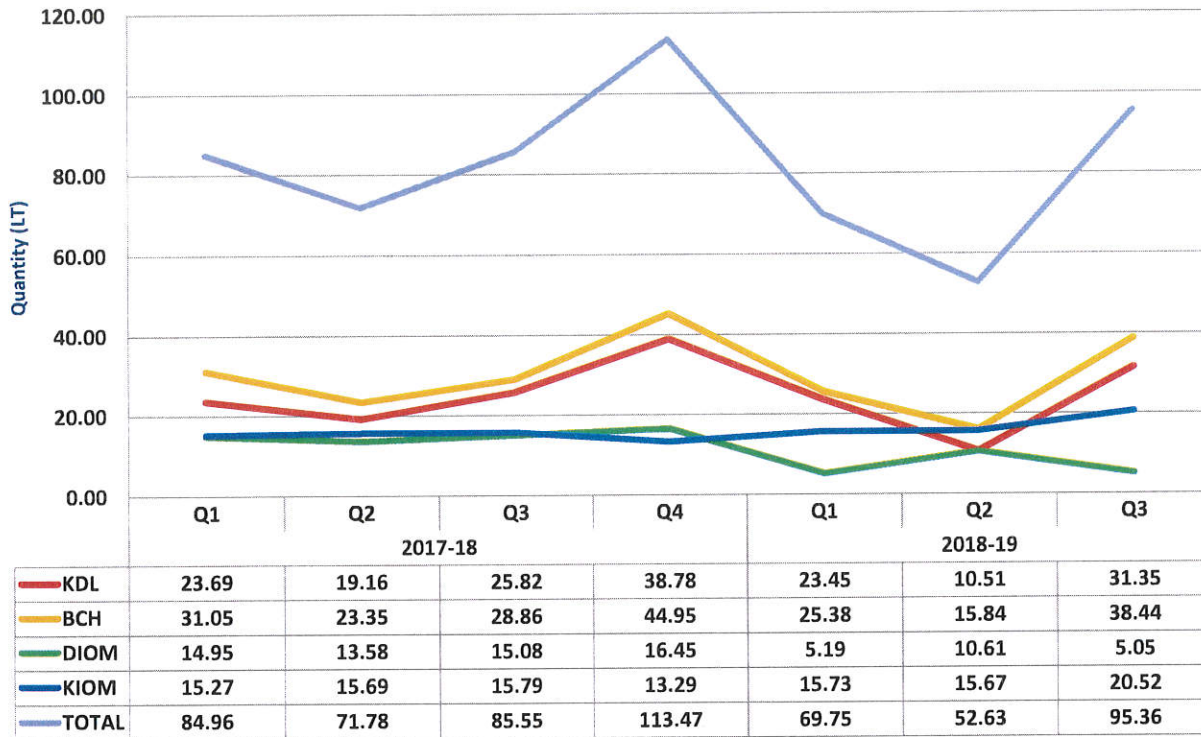
Particulars	Quarter Ended			Variance	
	30-Dec-18	30-Sep-18	30-Dec-17	Q3 Vs Q2	Q3 vs Q3
	Q3	Q2	Q3		
<b>Physical - Iron Ore (Qty in LT)</b>					
<b>Production</b>	<b>95.36</b>	<b>52.63</b>	<b>85.55</b>	<b>42.73</b>	<b>9.81</b>
Export Sales	6.59	-	5.25	6.59	1.34
Domestic Sales	80.44	67.06	75.33	13.38	5.11
<b>Total Sales</b>	<b>87.03</b>	<b>67.06</b>	<b>80.58</b>	<b>19.97</b>	<b>6.45</b>
<b>Financial Rs. In crore</b>					
1. Revenue from operations	3,649.44	2,437.92	2,469.03	1,211.52	1,180.41
%				50%	48%
2. Other Income	136.13	130.95	111.14	5.18	24.99
%				4%	22%
3. Total Income	3,785.57	2,568.87	2,580.17	1,216.70	1,205.40
%				47%	47%
4. Total Expenses	1,574.20	1,255.87	1,347.68	318.33	226.52
%				25%	17%
5. EBITDA	2,290.39	1,390.17	1,465.78	900.22	824.61
%				65%	56%
6. Profit before tax	2,211.37	1,313.00	1,377.43	898.37	833.94
%				68%	61%
7. Profit after tax	1,576.70	636.37	886.53	940.33	690.17
%				148%	78%



## UNITWISE AND QUARTERLY PHYSICAL TREND OF IRON ORE (LT)

### PRODUCTION

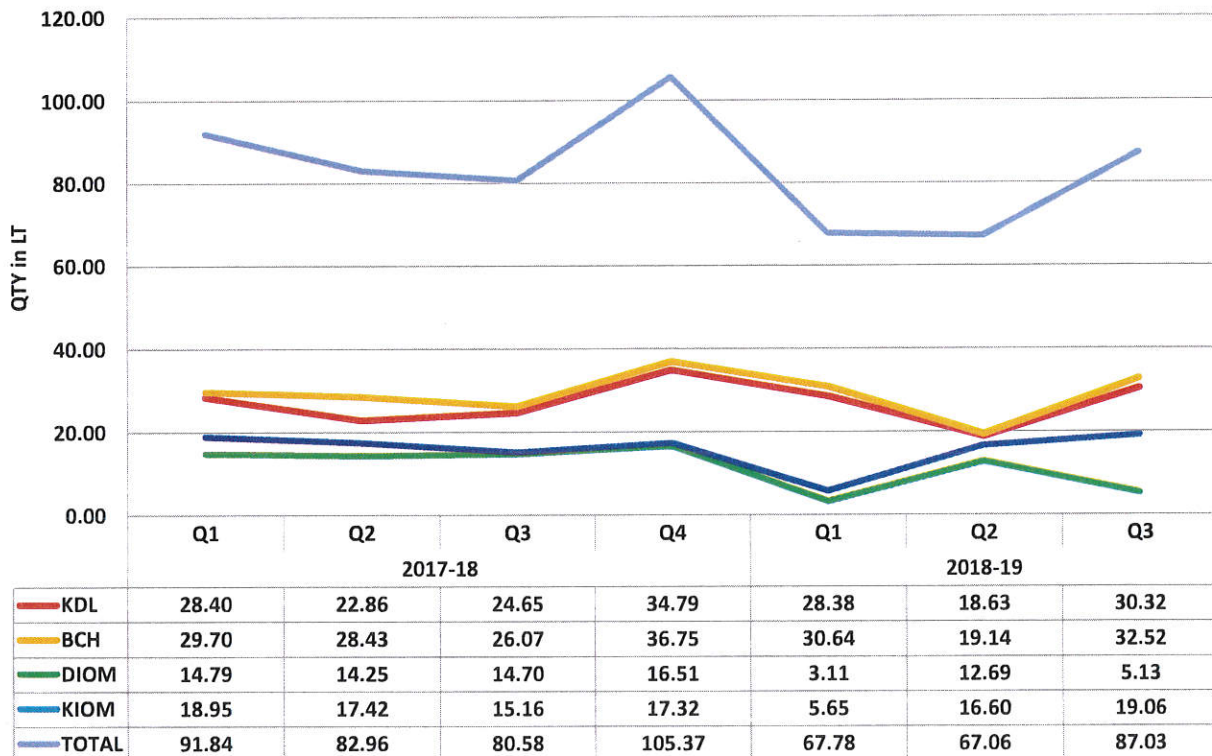
2018-19 (9M) – 217.74 LT  
2017-18 (9M) – 242.29 LT



## UNITWISE AND QUARTERLY PHYSICAL TREND OF IRON ORE (LT)

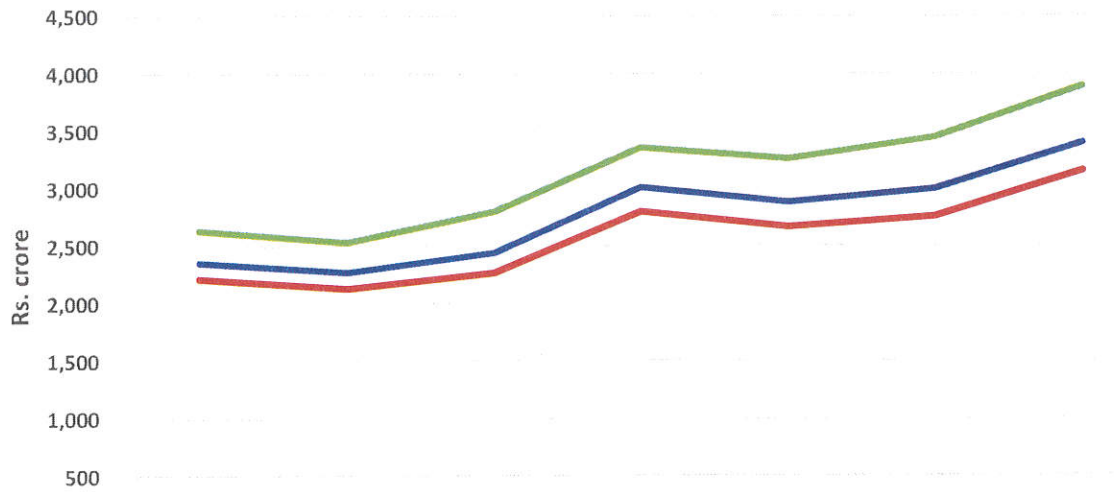
### SALES

2018-19 (9M) – 221.87 LT  
2017-18 (9M) – 255.38 LT





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



Product	2017-18				2018-19		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
LUMP	2,642	2,537	2,807	3,363	3,264	3,448	3,892
FINES	2,222	2,134	2,273	2,805	2,670	2,760	3,152
AVG	2,360	2,276	2,445	3,013	2,884	2,999	3,398



## SALES VARIANCE ANALYSIS

### 9M (2018-19) Vs 9M (2017-18)

➤ **Turnover** increased to **Rs 8,509 crore** from **Rs 7,732 crore (10%)**

➤ **Analysis of Variance in Iron Ore Sales: (Rs. 771 Crore)**

**i) Increase due to domestic prices** **Rs. 1,885 crore**

**ii) Decrease due to domestic sales quantity** **Rs. 630 crore**

**iii) Decrease due to export sales quantity** **Rs. 484 crore**

**Avg. Basic Domestic Iron Ore price increased to Rs. 3,112 from Rs. 2,360 (32%)**



## SALES VARIANCE ANALYSIS

### Q3 (2018-19) Vs Q3 (2017-18)

- Turnover increased to Rs 3,649 crore from Rs 2,469 crore (48%)
- Analysis of Variance in Iron Ore Sales: (Rs. 1,189 Crore)
  - i) Increase due to domestic prices Rs. 941 crore
  - ii) Increase due to domestic sales quantity Rs. 156 crore
  - iii) Increase due to export sales quantity Rs. 85 crore
  - iv) Increase due to export sales prices Rs. 7 crore

Avg. Basic Domestic Iron Ore price increased to Rs. 3,398 from Rs. 2,445 (39%)



## SALES VARIANCE ANALYSIS

### Q3 (2018-19) Vs Q2 (2018-19)

- Turnover increased to Rs 3,649 crore from Rs 2,438 crore (50%)
- Analysis of Variance in Iron Ore Sales: (Rs. 1,220 Crore)
  - i) Increase due to domestic prices Rs. 469 crore
  - ii) Increase due to domestic sales quantity Rs. 468 crore
  - iii) Increase due to export sales quantity Rs. 283 crore

Avg. Basic Domestic Iron Ore price increased to Rs. 3,398 from Rs. 2,999 (13%)



## Significant Issues in 2018-19 (9M)

1. An amount of Rs. 35.99 crore is provided under other expenses towards Mine Closure Obligation.
2. An amount of Rs. 174.95 crore is provided under other expenses towards Expected Credit Loss.
3. An amount of Rs. 130.20 crore is included in other expenses towards expenditure on enabling facilities (doubling of railway line between Jagdalpur to Ambagaon), for augmentation of evacuation capacity at Bailadila Sector.
4. The Company has been legally advised that there is no impact of the Hon'ble Supreme Court of India Judgement with reference to the Writ Petition (Civil) No. 114 of 2014 dated 02nd August, 2017 on NMDC. However, in case it is found applicable to NMDC at a later date, it may impact the profits of the Company.  
Subsequently, the Bailadila Projects of NMDC have received Show Cause Notices dated. 31.07.2018 from Dist. Collector, South Bastar Dantewada as to why NMDC should not be asked to deposit an amount of Rs.7241.35 crore as compensation as calculated by Collector based on the above judgement. The Company has contested the Show Cause Notices with Dist. Collector, South Bastar, Dantewada.
5. Ind-AS 115 "Revenue from Contracts with Customer" is mandatory for reporting period beginning on or after 1st April , 2018 and has replaced existing Ind AS related thereto. Application of Ind AS 115 does not have any material impact on the financial statement of the company.
6. Board of Directors of the company in its meeting held on 8th January 2019 approved buyback of 10,20,40,815 equity shares of Re. 1/- @ Rs. 98/- per share for an aggregate consideration not exceeding Rs.1,000 crore. The buyback is under process.
7. The Government of Karnataka, while renewing the lease of NMDC's Donimalai Iron Ore Mine, has imposed a new condition asking for a premium of 80% on the average sale value. As the demand of the State Govt. is against the MMDR Act, the company requested the Govt. to reconsider its decision. Since there was no response from the State Govt., the company has suspended its operations from 4th November 2018 and moved the Hon'ble High Court of Karnataka praying for a suitable direction in the matter. The outcome of the Hon'ble High Court is awaited.



# THANK YOU