

9th ANNUAL REPORT

2023-24

Powered by Steel

एन एम डी सी स्टील



**NMDC
STEEL**





Honourable Prime Minister Shri Narendra Modi visits Chhattisgarh to dedicate the NMDC Steel Plant to the Nation



Shri Sandeep Poundrik, IAS, Secretary, Ministry of Steel with NSL's First HR Coil on his visit to the Plant

Powered by Steel

Powered by Steel embodies the commitment of NMDC Steel Limited towards fortifying India's steel production capabilities with innovation and sustainability. A modern, sophisticated, and state-of-the-art, 3 MTPA Greenfield Steel Plant stands tall in Nagarnar, Chhattisgarh. Bastar's first Steel Plant, NSL has put Bastar on the Steel Map of India.

It is making its mark in the Hot Rolled market with a repertoire of high grade Hot Rolled Steel that is slated to meet the requirements of several key consuming sectors with the strength of its technology that includes its most modern Mill. Home to one of India's largest Blast Furnaces, the NMDC Steel Plant has achieved a string of milestones since inception. It produced HR Coil from Hot Metal in a record time of 9 days and went on to produce 1 million tonnes of HR Coil within an year of commissioning.

One of the most energy efficient and environment friendly Steel Plants in the country, NSL strives to produce Sustainable Steel for India. NMDC Steel Limited is a tribute to the nation's *Ispati Irada*, devoted to shaping a resilient and prosperous future for the Indian Steel Industry.

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About the Company

- NMDC Steel Ltd. is a testament to India's industrial prowess, representing a strategic initiative by the Ministry of Steel to augment nation's steel production capabilities. Established to develop a greenfield Integrated Steel Plant with a capacity of 3 million tonnes per annum (MTPA) based on the BF/ BOF technology, NMDC Steel is located in Nagarnar-Bastar, Chhattisgarh. Its strategic positioning near the high-grade iron ore reserves of NMDC's Bailadila mines ensures a steady supply of the major raw material. The plant benefits from excellent connectivity to the Visakhapatnam seaport and the capital city, Raipur, facilitating smooth logistics and distribution.



Evolution

NMDC Steel Ltd. was envisioned as a cornerstone of India's journey towards self-sufficiency in steel production. The company has evolved from a conceptual project to a fully operational entity, incorporating state-of-the-art technologies and processes. The plant's design integrates energy-efficient technologies such as Continuous casting, Pulverized Coal Injection, Coke Dry Quenching, and Top Recovery Turbine to minimise environmental impact and optimise resource utilisation. This commitment to sustainable development is further reflected in adopting a zero-liquid discharge system, recycling initiatives, and waste heat recovery options.

3 million (MTPA)
capacity tonnes per annum



Key Milestones

Incorporation

NMDC Steel Ltd. (NSL) was established as a 100% subsidiary of NMDC Limited on January 2, 2015, with its registered office at Nagarnar, Chhattisgarh. The company is operating a state-of-the-art 3.0 MTPA steel plant at Nagarnar.

Demerger

Ministry of Corporate Affairs accorded approval to the Scheme of Arrangement between NMDC (Demerged company) & NMDC Steel Limited (Resulting Company) in October, 2022. Consequently, the Iron & Steel Plant at Nagarnar was demerged into NMDC Steel Limited. The Scheme is operative from October 13, 2022 (Effective date). The Appointed date of the Scheme is April 1, 2021.

First Coke Oven

October 2022 marked a significant milestone as NMDC commissioned its first Coke oven battery, paving the way for the sequential commissioning of key units. Shortly after, the second Coke oven battery was commissioned.

The Ministry of Corporate Affairs approved the demerger of NMDC's Nagarnar Iron & Steel Plant into NMDC Steel Limited, effective from October 13, 2022, with an appointed date of April 1, 2021.

The commissioning of the first and second coke oven batteries marked a significant milestone in enhancing production capabilities, enabling the facility to increase its capacity for producing metallurgical coke, which is crucial for steelmaking and other industrial processes.



Blast Furnace Inauguration

On August 12, 2023, the Steel Plant reached a crucial turning point with the inauguration of its Blast Furnace by Shri Amitava Mukherjee, CMD (addl. Charge). This event marked the final commissioning phase of the plant. The 4,506 cubic meter Blast Furnace is designed to produce 9,500 tonnes of hot metal per day and incorporates some of the most energy-efficient and environmentally friendly technologies available.

4,506

Cubic Meter Blast Furnace

9,500

Tonnes of Hot Metal
Per Day

Dedication

Prime Minister Narendra Modi dedicated the NMDC Steel Plant in Chhattisgarh's Bastar to the nation on October 3, 2023, underscoring the plant's strategic importance.



Commercial Production Starts

Commercial production of Hot-Rolled (HR) Coils began on August 31, 2023, marking a key operational milestone for the Nagarnar steel plant.



Chairman Message



NSL is on the threshold of breaking even. Currently, we are producing close to 1.25 lakh tonnes of HR Coil, which is marginally below our breakeven point on a month on month basis. On our way forward, we plan to ramp up production to 2.1 lakh tonnes of Hot Metal and 1.5 lakh tonnes of HR Coil on a monthly basis, consistently

Amitava Mukherjee
CMD (Additional Charge)
NMDC Steel Limited

Dear Shareholders,

I am pleased to address you as the Chairman and Managing Director of your company, NMDC Steel Limited (NSL), as we mark a significant milestone in our journey. NSL stands as a testament to India's industrial prowess, representing a strategic initiative by the Ministry of Steel to augment the nation's steel production capabilities. On August 12, 2023, the company achieved its First Blow-In of the Blast Furnace and within three days, produced Hot Metal on August 25, 2023. NMDC Steel Limited produced its final product - the HR Coil on August 24, 2023, only 9 days after the production of Hot Metal. In the journey ahead, NSL achieved 1 million tonnes of cumulative Hot Metal production in a record time of 226 days.

It has now been a year since that momentous event, and I am proud

to announce that as of July 21, 2024, NSL produced 1.5 million tonnes of Hot Metal from its Blast Furnace. On August 11, 2024, the Plant crossed 1 million tonnes of Liquid Steel production and on August 20, 2024, NSL achieved the milestone of 1 million tonnes of HR Coil production within a year of commissioning.

The Plant recorded 40 heats, 6967 T Liquid Steel and 6519 T HR Coil production on August 15, 2024, which marks the highest production in a day at NSL.

Over the past year, NMDC Steel Limited has made steady progress in ramping up production and stabilizing operations. The Steel Plant's design integrates energy-efficient technologies such as Continuous Casting, Pulverized Coal Injection, Coke Dry Quenching, and Top Recovery Turbine to minimize environmental impact

and optimize resource utilization. Our commitment to sustainable development is further reflected in our adoption of a zero liquid discharge system, recycling initiatives, and waste heat recovery options. By focusing on optimizing our processes, enhancing efficiency, and maintaining high safety and quality standards, we have achieved significant improvements across all areas of production, setting new benchmarks and achieving our initial targets ahead of schedule.

Steel Industry Overview

The global steel sector has remained largely steady, with crude steel production experiencing a slight increase of 0.4%, rising to 1.892 billion tonnes in 2023 from 1.885 billion tonnes in 2022. China, which accounts for more than half of the world's steel production, maintained flat output in 2023 due

to its government's efforts to reduce carbon emissions. Meanwhile, India, the second-largest producer, exhibited robust growth in its steel sector, with production reaching 140 million tonnes, marking a 12% increase.

As per the National Steel Policy 2017, India aims to achieve crude steel production of 255 million tonnes by 2030, with the crude steel capacity reaching 300 million tonnes. The domestic steel industry will continue to rely primarily on the BF-BOF route, with its share expected to increase from the current ~ 46% to 60-65% by 2030.

India has been and will remain a global hub for steel production, underpinned by its robust economic growth. Finished steel consumption in FY24 stood at 136 million tonnes, witnessing over 14% year-on-year growth. The buildings, construction, and infrastructure sectors are the primary demand drivers, followed by the capital goods and automotive industries. The Indian government's initiatives and schemes, such as the Gati Shakti Master Plan, Make in India, Pradhan Mantri Awas Yojana - Housing for All, and the Urban Infrastructure Development Scheme for Small and Medium Towns, have created significant prospects for steel consumption.

Physical and Financial Performance

The financial year 2023-24 witnessed impressive achievements in terms of physical production for NSL. The company achieved production of 4.94 lakh tonnes of Hot Rolled Coil within a span of 7 months, considering that NSL commenced commercial operations on August 31, 2023. Sales of Hot Rolled Coils were recorded at an impressive 3.52 lakh tonnes, generating total revenue of Rs. 3,049 crores for the company. During the year under review, the company incurred a loss of Rs.

2,201 crores and incurred a capital expenditure of Rs. 1,226 crores.

NSL has recorded the highest production, in a single month, of Hot Metal - 1.7 lakh tonnes; Liquid Steel - 1.3 lakh tonnes; and HR Coil - 1.25 lakh tonnes in August 2024. We have successfully commenced PCI operations on May 24, 2024, and produced LPG-grade steel sheets for the first time, marking our entry into the market for specialty steel products. We have begun taking orders from OEMs and are developing customized grades of specialty steel, including high-strength, low-alloy steel, which has been well-received by our customers.

NSL is on the threshold of breaking even. Currently, we are producing close to 1.25 lakh tonnes of HR Coil, which is marginally below our breakeven point on a month on month basis. On our way forward, we plan to ramp up production to 2.1 lakh tonnes of Hot Metal and 1.5 lakh tonnes of HR Coil on a monthly basis, consistently. We are confident that we will reach this target in the third quarter of FY25.

Building on a Strong Foundation

As we reflect on the past year, it's clear that commissioning and operating a steel plant is both challenging and rewarding. The experiences and lessons learned have established a strong foundation for our continued success. Moving forward, our focus will be on leveraging these insights to drive further improvements, enhance operational efficiency, and maintain high safety and quality standards.

Corporate Governance

NMDC Steel Limited adheres to the highest standards of governance, aiming to create long-term value for all stakeholders, including

shareholders, customers, suppliers, creditors, the Government of India, State Governments, governmental agencies/departments, and society at large. The company is committed to conducting its business ethically and responsibly, guided by the principles of accountability, transparency, fairness, and effective stakeholder management.

Looking Ahead: A Path to Sustainable Growth

As we move forward, we will continue to emphasize operational excellence, strategic growth, and sustainability. The Management is committed to charting a path forward for NSL, focusing on continuous improvement, innovation, and value creation for all stakeholders. We remain dedicated to driving long-term growth while upholding our responsibility to the environment and the communities we serve.

In conclusion, I would like to extend my gratitude to our dedicated team, MECON and technology partners, shareholders, bankers, lenders, suppliers, and customers for their steady support and confidence in NMDC Steel Limited. I would also like to acknowledge the support, cooperation, and guidance received from the Ministry of Steel, the Ministry of Environment, Forest and Climate Change, and other departments of the Government of India and the State Government of Chhattisgarh.

As we continue on this exciting journey, I am confident that the company will move from strength to strength and scale new heights.

Jai Hind!

Amitava Mukherjee
CMD (Additional Charge)
NMDC Steel Limited

Manufacturing Capabilities

NMDC Steel Ltd. stands at the forefront of India's steel manufacturing industry, which is characterized by its state-of-the-art Nagarnar plant. This facility is a testament to advanced engineering and technological prowess, designed to meet the growing demands of both domestic and international markets. The plant's sophisticated infrastructure and cutting-edge capabilities ensure high efficiency, superior quality, and robust production capacities. By leveraging these strengths, NMDC Steel Ltd. continues to lead the way in innovation and excellence within the steel sector.

Blast Furnace

One of the largest in India.

4500 m³
Volume

3.0 MTPA
Annual Capacity

Steel Melting Shop

Equipped with 2 x 175 T Basic Oxygen Furnace (BOF) converters.

Coke Oven and CDCP

7 meter
Featuring two tall batteries

Hot Strip Mill (HSM)

2_{RM} + 4_{FM}
Configuration

2.9
Capacity MTPA

Thin Slab Caster

Capable of continuous casting.
Produces hot rolled coils of 1 to 16 mm thickness.

Additional Units

Sinter Plant.
By-Product Plant.
RMHS (Raw Material Handling System).

Key Manufacturing Advantages



Blast Furnace

The immense size and capacity of the Blast Furnace at NMDC Steel Ltd.'s Nagarnar plant position it as a critical asset in producing high-quality steel. With a volume of 4506 m³, it is one of the largest in India, capable of producing 3.3 million tonnes per annum (MTPA). This allows for significant output, meeting the high demand and ensuring a steady supply of raw materials for steel production.



Steel Melting Shop

The presence of two 175 T Basic Oxygen Furnace (BOF) converters in the steel melting shop enhances the efficiency and quality of steel production. These converters play a crucial role in reducing impurities and achieving the desired chemical composition of steel, resulting in a superior final product.



Coke Oven and CDCP

The Coke Oven batteries, standing at an impressive 7 meters tall, are essential for producing high-quality coke used in the blast furnace. The CDCP (Coke Dry Quenching Process) ensures the efficient and environmentally friendly production of coke, reducing emissions and improving energy efficiency.



Hot Strip Mill (HSM)

The 2RM + 4FM configuration of the Hot Strip Mill allows for producing hot rolled coils with a capacity of 2.9 MTPA. This advanced mill setup ensures precise control over the thickness and quality of the rolled products, catering to a wide range of industrial applications.



Thin Slab Caster

The thin slab caster's continuous casting capabilities enable the production of hot-rolled coils with thicknesses ranging from 1.0 to 16.0 mm. This flexibility allows NMDC Steel Ltd. to meet diverse market requirements and maintain high standards of product consistency.



Additional Units

The Sinter Plant, By-Product Plant, and Raw Material Handling System (RMHS) further enhance manufacturing capabilities. The Sinter Plant ensures efficient recycling of raw materials, the By-Product Plant optimises resource utilisation, and the RMHS streamlines the handling and transportation of raw materials within the facility.

Products

NMDC Steel Ltd. is a premier steel manufacturer, offering a comprehensive range of high-quality steel products tailored to meet the diverse needs of customers across various industries. With a robust production capability and an annual production capacity of 2.9 million tonnes of hot rolled coils, sheets, and plates, NMDC Steel stands as a versatile and reliable supplier in the steel industry. The company's product portfolio is designed to cater to a broad spectrum of industrial requirements, ensuring quality and performance in every product.

Products and Applications

Hot Rolled Coils

Grades and Sizes

Available in various grades and sizes.



Applications and End User Industries:

Automotive Industry

Used for manufacturing automotive parts and assemblies, providing the necessary strength and flexibility for components such as frames, panels, and structural parts.

Cold Rolling Industry

Serve as raw materials for cold rolling processes to produce precision products, offering enhanced surface quality and dimensional accuracy for high-end applications.

Commercial and Structural Applications

Utilized in general fabrication, construction, and infrastructure projects where robust and reliable materials are required.

Hot Rolled Sheets and Plates

Specifications

Thicknesses ranging from 1.8 mm to 12 mm and widths from 900 mm to 1650 mm.



Applications and End User Industries

Construction Machinery

Provides the necessary strength and durability for heavy machinery components, ensuring longevity and performance under rigorous conditions.

Pressure Vessels and Boilers

Ensures safety and performance under high pressure and temperature conditions, making them suitable for industrial boilers, storage tanks, and pressure vessels.

Shipbuilding

Used in constructing ship hulls and other structural components, offering resistance to harsh marine environments and contributing to the structural integrity of vessels.

API-5L Quality Pipes

Grade

High-quality pipes up to X-80 grade.



Applications and End User Industries

Oil and Gas Pipelines

Ensure the safe and efficient transport of oil, natural gas, and other fluids over long distances, withstanding high pressures and corrosive environments.

Industrial Piping

Used in various industrial processes requiring high-quality, durable pipes, such as chemical processing, water treatment, and power generation.

Structural Steel

Features

High-strength structural steel.



Applications and End User Industries

Building Frameworks

Are essential for constructing stable and strong building structures, providing the backbone for high-rise buildings, warehouses, and other large constructions.

Bridges and Infrastructure

Provides the necessary strength and durability for large-scale infrastructure projects, including bridges, highways, and railways, ensuring long-term performance and safety.

Silicon Steel

Type

Electrical steel.



Applications and End User Industries

Electric Motors

Enhances the efficiency and performance of electric motors, reducing energy losses and improving operational efficiency.

Power Transformers

These are used in the cores of transformers to improve energy efficiency and reduce losses, contributing to the reliability and performance of power distribution systems.

Pig Iron

Specifications

High carbon content with specific silicon, manganese, and sulphur compositions.



Applications and End User Industries

Steel Production

Acts as a primary raw material in producing various steel grades, providing the essential iron content needed for steelmaking processes.

Foundry Industry

Utilized in the casting of complex shapes and components, offering the required properties for high-quality cast iron products used in automotive, construction, and industrial applications.

LPG Grades

Specialisation

Steel for manufacturing LPG cylinders.



Applications and End User Industries

LPG Cylinder Manufacturing

Ensures the production of safe and reliable LPG storage cylinders, meeting stringent safety standards and providing robust performance under high pressure.

NMDC Steel's Forward-Looking Strategies

As NMDC Steel advances, our strategic initiatives are focused on achieving operational stability and financial break-even by second half of-FY25. Here are the key strategies we are implementing to ensure success

Production Ramp-Up

We are targeting a consistent production rate of 1.6-1.8 lakh tonnes per month of crude steel to reach 5,000 tonnes of hot rolled coils (HRC) daily. Achieving this production level is crucial for reaching our break-even point.

Overcoming Operational Challenges

We are addressing logistical constraints and securing essential raw materials, such as lime, for steel-making. These efforts are vital for maintaining a steady production flow and minimising disruptions.

Infrastructure Investments:

Investing in infrastructure upgrades and enhancing our operational capabilities are pivotal for achieving our production targets and improving efficiency.

Sustainable Practices

We are committed to adopting environmentally friendly practices and optimising energy usage, ensuring our growth aligns with sustainability goals.

Market Expansion

We are exploring new markets and customer segments to drive growth and reduce dependency on a single market.

Standards & Certifications

We have been recommended for QMS, EMS, OHSAS & Energy Management ISO certifications. In addition, we already have BIS certifications for more than six grades of HRC.



Board of Directors



Shri Amitava Mukherjee

Chairman and Managing Director (Addl Charge)

Functional Directors



Shri Amitava Mukherjee

Director (Finance)



Shri Vishwanath Suresh

Director (Commercial)



Shri Vinay Kumar

Director (Technical)/Director
(Personnel) Addl. Charge/
Director (Production) addl. Charge

Government Nominee Directors



Smt. Sukriti Likhi, IAS

Director, NMDC Steel Ltd.,
Additional Secretary and Financial
Advisor, Ministry of Steel,
Government of India



Shri Abhijit Narendra

Director, NMDC Steel Ltd.,
Joint Secretary, Ministry of Steel,
Government of India

Board's Report for the FY 2023-24

Dear Members,

Your Directors are pleased to present the 9th Annual Report on the performance of your Company, together with the Auditors' Report and Financial Statements for the year ended 31st March 2024 and the Report thereon by the Comptroller and Auditor General of India.



1.0 BACKGROUND

Ministry of Corporate Affairs vide order dated 06.10.2022, had accorded approval of Scheme of Arrangement between NMDC Ltd. (Demerged Company) and NMDC Steel Ltd. (Resulting Company) and their respective shareholders and creditors involving demerger of 3 MTPA capacity greenfield Integrated Steel Plant in Nagarnar, located 16 km from Jagdalpur, Chhattisgarh. It is strategically located near NMDC's Bailadila mines consisting of high-grade iron ores. It is connected to Visakhapatnam seaport via rail & road and is around 300 km away from the capital of Chhattisgarh State, Raipur. Special care and focus have been maintained for making sure that every possible unit of energy could be saved by utilizing energy-efficient technologies such as Pulverized Coal Injection, Coke Dry Quenching and Top Recovery Turbine, waste heat recovery options and efficient alternate fuel resources.

The date of Commencement of Commercial Operations (DCCO) for the said plant was declared as 31st August 2023.

1.1 State of Company's Affairs & Performance Highlights

The performance of the Company during the period from commencement of commercial operations till 31st March, 2024 was as under:-

Sl. No.	Particulars	Amount (₹ in crore) From 31.08.2023 (DCCO)* to 31.03.2024
A. Income		
1.	Sale of HR Coils	1,731.10
2.	Other Sales	1,317.89
3.	Revenue from Operations	3,048.99
4.	Other Income	119.29
5.	Total Income	3,168.28
B. Expenditure		
1.	Consumption of Raw Material	3,846.15
2.	Consumption of Stores & Spares	73.61
3.	Depreciation & Amortization	552.80
4.	Finance Cost	330.59
5.	Other Exp - Power & Electricity	422.71
6.	Other Exp - O&M/R&M	554.96
7.	Other Expenditure	214.88
	TOTAL	5,995.70
	Changes in inventories of finished goods and work-in-progress	-626.41
	Total Expenditure	5,369.30
C. Profit / Loss Before Tax (PBT)		(2,201.02)
	Taxes	(640.70)
D. Profit/Loss after Tax		(1,560.32)

*DCCO – Date of Commencement of Commercial Operations

1.2 Other Financial Parameters

S. No.	Particulars	Amount (₹ in crore)	Amount (₹ in crore)
		As on 31.03.2024	As on 31.03.2023
1	Total Borrowings	6,651.77	3,841.88
2	Short Term Borrowings	2,390.76	23.58
3	Long Term Borrowings	4,261.02	3,818.30
4	Total Equity / Net worth	15,488.26	17,048.48
5	Current Assets	7,056.59	4,563.55
6	Current Liabilities	7,106.38	2,199.46
7	Working Capital	(49.78)	2,364.09
8	Total Liabilities	13,880.06	8,519.63
9	Total Assets	29,368.32	25,568.21
10	EBITDA	(1,317.62)	-
11	Finance Cost- P&L	330.59	0.00
	IDC	139.07	185.45

2.0 PHYSICAL PERFORMANCE

2.1 Production

The details of the actual production for the period from 31.08.2023 to 31.03.2024 are given below:

(In Tonnes)

Items	2023-24
Hot Rolled Coils	4,93,503
Liquid Steel	5,17,862
Hot Metal	9,66,468
Pig Iron	3,08,085
Gross Sinter	13,73,880
Gross Coke	6,52,523

* DCCO declared on 31.08.2023

2.2 Product – wise Sales

Sl. No.	Product	Quantity (MT)	Amount (Rs. in crore)
1.	Hot Rolled Coil	3,51,848.44	1,731.10
2.	Pig Iron	2,43,054.52	869.93
3.	Pit Iron	47,759.52	161.50
4.	Coke Products	67,518.90	165.98
5.	Coal Tar	22,879.93	96.17
6.	Others	20,194.15	24.17

There has been no change in the nature of business for the year under review.

3.0 TRANSFER TO RESERVES

The company has not transferred any amount to the General Reserve during the financial year 2023-24.

3.1 Dividend

The Board has not recommended / declared any dividend for the financial year ended 31st March 2024.

3.2 Share Capital: The details of the Share capital are as follows:**a) Authorized Share Capital**

As on 31st March, 2024, the Authorized share capital of the Company was ₹3,000 crores divided into 300,00,00,000 equity shares of ₹ 10/- each.

b) Paid-up Share Capital

As on 31st March, 2024, the Paid-up Share Capital of the Company was ₹2,930.61 crores divided into 293,06,05,850 equity shares of ₹10/- each.

3.3 Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of financial year of the company to which the financial statements relate and the date of the report: Nil**3.4 Deposits**

During the financial year, the company has not accepted any deposits falling within the purview of Section 73 of the Companies Act, 2013 and Rules made thereunder.

3.5 Non-Convertible Debentures (NCDs)

Pursuant to Order of Ministry of Corporate Affairs dated 6th October, 2022 sanctioning the Scheme of Arrangement for demerger of Iron & Steel Plant from NMDC Ltd. (Demerged Company) into NMDC Steel Ltd. (Resulting Company), the Non-Convertible Debentures (NCDs) amounting to ₹523.80 crores were transferred to the books of NMDC Steel Ltd. During the year under review, the company did not issue any further NCDs.

4.0 INTERNAL CONTROL SYSTEMS W.R.T. FINANCIAL STATEMENTS

Necessary disclosure in respect of Internal Control Systems and their adequacy has been made in Annexure-C to the Independent Auditors' Report dated 27.05.2024 which forms part of the Annual Report.

5.0 STATUS OF SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANY:

The Company does not have any subsidiary, joint venture or associate company.

6.0 (a) PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Necessary details in this regard have been disclosed in the financial statements.

(b) PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES DISCLOSURES

Disclosure on related party transactions forms part of the Notes to the Financial Statements. Further, the details of prescribed related party transactions are also annexed in Form AoC-2 annexed to this Report.

(c) MAINTENANCE OF COST RECORDS

Section 148(1) of the Companies Act, 2013 specifies the provisions of maintenance of Cost Records of the company. The company is maintaining such records as per Rule 4(2) of the Companies (Cost Records and Audit) Rules 2014 under both regulatory and non-regulatory services.

7.0 (a) STATUTORY AUDITOR'S REPORT

The Auditors' Report for Financial Statements for the financial year 2023-24 is unmodified and does not contain any qualification, reservation or adverse remark.

(b) Comments of C&AG on financial statements

Comptroller & Auditor General of India (C&AG) vide letter dated 01.08.2024 have given their comments on the financial statements of the Company for the financial year ended 31.03.2024 under Section 143(6)(b) of the Companies Act, 2013 and the Management's replies thereon, are at **Annexure - V** to this Report.

(c) SECRETARIAL AUDIT REPORT

The Secretarial Audit for the financial year 2023-24 has been conducted by M/s B R Agrawal & Associates, Company Secretaries and the same does not contain any qualification, reservation or adverse remark.

8.0 Environment Management**8.1 Environmental clearances**

Your company has obtained the following Environmental Clearances from the Ministry of Environment, Forest and Climate Change, New Delhi.

- a) Environment Clearance (EC) for 03 MTPA NSL, Nagarnar granted by MoEFCC, Delhi on dated.25.09.2009 and same is amended vide dated 14.08.2018.

8.2 Consent to Establish, Consent to Operate & Authorization under Hazardous Waste

- a) Consent to Establish (CTE) for 03 MTPA NSL, Nagarnar granted by CECB, Raipur on 28.08.2010 and same is amended vide letter No. 5274/TS/CECB/2018 dated 26.09.2018.
- b) Consent to Operate (CTO) for 03 MTPA NSL, Nagarnar granted by CECB, Raipur on dated.13.09.2019
- c) Authorization under the Hazardous and Other Wastes (Management & Transboundary Movement) Rules, 2016 granted and issued on 04.06.2024

8.3 Forest clearances

Your company has obtained the following Forest Clearances from the Ministry of Environment, Forest and Climate Change, New Delhi.

- a) Forest clearance for construction of integrated Steel plant (03 MTPA) at Nagarnar, Tahsil-Jagdalpur, Dist-Bastar (CG) , Forest land-25.72 Ha on 06.05.2011
- b) Forest clearance for construction of Railway Lining for integrated Steel plant (03 MTPA) at Nagarnar, Tahsil-Jagdalpur, Dist-Bastar (CG) , Forest land-10.763 Ha on 17.5.2010
- c) Forest clearance for Laying of U/g water pipeline from Kolab (shabri) river near Tiriya to Nagarnar for integrated Steel plant (03 MTPA) at Nagarnar, Tahsil-Jagdalpur, Dist-Bastar (CG) , Forest land-26.136 Ha

8.4 Certified Compliance Report (CCR)

NA

8.5 Environmental Initiatives.

- Coke Dry Quenching – Waste Heat Recovery Boiler
- High Pressure Liquor Ammonia Aspiration (HPLA) System
- Hydro Jet Door Cleaners
- Land Based Pushing Emission Control (PEC)
- H2S recovery
- MBR based Coke Oven ETP
- Top Pressure Recovery Turbine (TRT) in Blast Furnace
- Coal Dust Injection (CDI) in Blast Furnace
- Cast House & Stock House Dedusting Systems
- Sinter Plant and Blast Furnace Waste Energy Recovery
- Dog House for BOF Converters
- Use of Continuous Casting Technology
- Thin Slab continuously casting and Rolling
- Zero Liquid Discharge
- Installation of recovery-based Coke Oven Plant having By-product plant facility for recovery of various by-products, which is equipped with sulphur recovery units for minimizing SO₂ emission.
- In SMS Plan, Basic Oxygen Furnace for waste gas recovery for use in plant as fuel.
- In the Plant units for emission control purposes, Multiple Electro-Static Precipitators, Bag Filters, Dry Fog Dust Suppression Systems, Scrubbers, cyclone separators along with various allied machineries are installed.
- Establishment of Effluent Treatment Plant at all the major plant units having Primary and Secondary followed by Final UF-RO Treatment process for recycling of treated water in respective process units. In addition, Centralized Zero Liquid Discharge Plant is installed for treatment of RO reject water centrally and recycling of the same in plant process. Cascading use of water is also ensured through primary to secondary usage for water conservation purposes.
- Development of green cover in and around NSL, Nagarnar. Presently, around 112 Ha area of green belt is being developed and it is being carried out to achieve the target of more than 33% green belt area (~240 ha) as per MoEFCC guidelines. Additionally, plantation activities are being carried out in the 13 surrounding villages of NSL, Nagarnar.
- For effective implementation and monitoring of Environment Quality Parameters, Integrated Management system has been implemented in NSL plant for ISO 14001 (Environmental Management System) along with other standards such as ISO 9001 (Quality Management System), ISO 45001 (Occupation Health and Safety Management System) and ISO 50001 (Energy Management System).
- Continuous Emission Monitoring System is installed at all process stacks and data connectivity to the central server of CPCB/CECB for real time data monitoring
- Sustainability reporting through ESG is also under process for implementation.

9.0 IMPLEMENTATION OF INTEGRITY PACT:

After demerger of NSL from NMDC, the integrity pact of NMDC has been adopted at NSL also and the threshold value has been decreased to ₹ 1.0 crore for both Procurement and Contracts.

10.0 IMPLEMENTATION OF OFFICIAL LANGUAGE POLICY

- Official Language Fortnight was organized from 14 September to 28 September 2023, during which various competitions were organized for Officers/ Employees and the winners were given prizes and citations.
- Official Language committee meetings were organized in all four quarters. Under which committee has decided to follow:
 - i) Issuance of all documents bilingually.
 - ii) Correspondence status or usage of Hindi.
 - iii) Letters received in Hindi should be answered in Hindi.
 - iv) Annotating the files in Hindi.
 - v) Training in Hindi Language (Writing and Typing) to be provided
 - vi) Hindi font to be made available in Departmental I.T. infrastructure.
 - vii) Encouraging employees to do their work in Hindi.
- A monthly Hindi usage incentives scheme was implemented and an incentive amount was given to employees/Officers for the work done in Hindi.
- The Articles written by employees and Officers were selected and published in Khanij Bharti magazine.
- Provided a multilingual facility (Unicode) installed in the computers of the project and to provide Hindi font tool in the computers of Officers and employees, so that they could

easily type/write in Hindi.

- Training was organized to the newly appointed trainees in the project by the Human Resources Department. After this, it was assured by the present members that they would discuss with the subordinate officers/employees in their sections and motivate them to comply with the training given to promote the works in Hindi.
- Participated in the half-yearly meetings organized under the aegis of the City Official Language Implementation Committee, Jagdalpur.

11.0 DETAILS REQUIRED TO BE FURNISHED IN TERMS OF MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 (MSMED).

The Company has taken following steps to procure goods and services from MSE firms, MSE SC/ST & Women entrepreneurs.

NSL has participated in exclusive MSE SC/ST vendor meets at Chhattisgarh and Hyderabad and informed the Vendors about the requirements of NSL and tendering process being followed at NSL to encourage their participation. NSL has participated in various Vendor meets organized by Ministry of Micro, Small and Medium Enterprises in association with FICCI/DICCI. NSL had also organized Vendor meets at Raipur and Jagdalpur to inform the Vendor about the requirements and tendering procedures pertaining to NSL.

Besides this Delegates from some of the MSME Vendor Associations from Chhattisgarh have visited NSL during Nov'2023 and interacted with NSL officials to understand the detail requirements and tendering process being followed at NSL.

For encouraging MSME firms, procurements are done through GeM Portal and Price preference to MSE firm as per GeM guidelines are being followed. During the year 2023-24 NSL has achieved the targets as per Public Procurement Policy. Details are as follows:

Category of MSE Firm	Norms	Achievement
Procurement from MSE Firms	25%	42%
Procurement from SC/ST MSE Firms	4%	1%
Procurement from Women Entrepreneurs MSE firms	3%	4.6%

12.0 MANPOWER

The manpower strength of the Company as on 31.03.2024 was 1,607.

SI No	Particulars	Male	Female	Total
1	On roll Executives	216	16	232
2	On roll Non-Executives	641	153	794
3	Contractual Executives engaged on Pay scale	11	0	11
4	Contractual Executives engaged on Consolidated pay	189	05	194
5	Contractual Non-Executives engaged on Consolidated pay	373	05	378
Total		1430	179	1609

Sl. No	Particulars	SC	ST	OBC	UR	Minority	PwD
1	On roll Executives	32	12	51	137	12	04
2	On roll Non-Executives	11	408	177	198	110	10
3	Contractual Executives engaged on Pay scale	0	0	03	8	01	0
4	Contractual Executives engaged on Consolidated pay	15	6	39	134	14	0
5	Contractual Non-Executives engaged on Consolidated pay	27	03	114	234	14	0
Total		85	429	384	711	151	14

Apart from the above manpower, NSL has awarded various Operation & maintenance Contracts for different plant units.

12.1 Particulars of employees drawing remuneration of ₹8.5 lakhs per month or ₹1.02 crores per annum under Section 197 of the Companies Act, 2013 read with Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014 as amended.

NIL

12.2 Disclosure under Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013

No complaint has been received and no case has been filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013 during the financial year 2023-2024.

13.0 HUMAN RESOURCES DEVELOPMENT

At NMDC Steel Limited, we believe that considering a value-driven approach when developing business strategies can be vital to long-term success. We continuously adapt, innovate, and stay ahead of the competitor from new digital technologies to innovations in the market. We believe to foster a culture of continuous learning and knowledge creation at all levels. We recognize the importance of adapting to change, acquiring new knowledge, and leveraging insights to improve performance and

achieve strategic objective.

Towards 2023-24 learning and development initiatives are aligned with our business goals and NMDC Steel Limited has commissioned its Plants and commenced steel manufacturing. In the midst of the busy schedule, NSL took initiative to strengthen its Employees knowledge and skill by imparting suitable technical training along with necessary Safety awareness programmes to all the Employees and contractually engaged persons.

Training Programmes (In House/External)

NSL HRD has Organized In-House training Programmes in Technical areas:

1. Pump and Valve Maintenance
2. Motors - Inspection and Maintenance
3. Basic Industrial Hydraulic Training
4. Training on alignment of Rotating Equipment
5. Oil Lubrication & Grease System
6. O&M: EOT, Hoist & Mobile Equipment
7. DC Electromagnetic Brakes
8. Electric Circuit.
9. O&M of FMD
10. Material handling System-SMS

Safety Awareness Programme such as:

1. Knowledge Sharing & Process Safety awareness of Sinter Plant;
2. Knowledge Sharing & Process Safety awareness of Blast Furnace;
3. Safety Refresher Training;
4. Electrical Safety and Hazardous mitigation; and
5. Training on Switch Gear, Protection & Maintenance of Electric system.

M/s Daneili Corous BV, Netherlands has imparted OEM Training on:

1. Basics of Blast Furnace Operation;
2. Modern Blast Furnace Iron making; and
3. Operation of Technological Equipment.

General Awareness Training:

1. Training on Indian Contract, Act 1872 and Specific Relief Act, 1963. Arbitration and Conciliation, Act 1996 and ADR (Alternate Dispute Resolution). Contract Labour (Regulation & Abolition Act), 1970;
2. Reservation Policy for SC/ST, OBC, Ex Servicemen, PWD and EWS in PSE;
3. Sexual Harassment of Women at Work Place (Prevention, Prohibition & Redressal ACT 2013);
4. Online Training Programme for Inquiry Officers (IOs) & Presenting Officers (POs) by CBI Academy; and
5. Workshop on Negotiation Skills.

Behavioral Training:

1. Enhancing Effectiveness of the Employees
2. Office Management;
3. Communication Skills for Executives.

NMDC Steel Limited has taken Initiative to impart training programme and Workshops on Culture Building and Happiness to the Executives and their family members.

No Executives were sent abroad for foreign training programme during 2023-24.

Skill Development Training:

For the construction of Steel plant, the land has been taken from the local persons and such displaced persons have been given employment as per Land Acquisition, Rehabilitation and Rearrangement Act 2013.

In order to make these land displaced persons suitable for Steel plant operation, the Company

has entered into MoU with Directorate General of Training (DGT) to impart ITI training under Flexi-MoU Scheme which is equal to the ITI. Under Flexi MoU six trades have been identified to impart the ITI training. They are Fitter, Electrician, Welder, Crane Operator, Computer Operator and Programming Assistant and Heavy earth Moving Machinery.

Employees have attended Theory classes, Practical Training and on-the-Job Training in NMDC Steel Limited as per Syllabus prescribed and approved by DGT

- Under this Scheme 1st batch of 97 NSL Employees have undergone Fitter and Electrician trades ITI Training and 92 employees have successfully cleared examination conducted by DGT in June 2023.
- Second Batch of 95 NSL Employees are undergoing ITI training in Welder and Crane Operator Trades and will be assessed by DGT in the month of June 2024.

Pre Employment Training:

NSL HRD has organized pre-employment training to Land displaced persons and who will undergo six months Pre-Employment Training which includes two months class room training in NSL Training Centre.

During the two months, Steel Plant Process and its operation along with process flow training will be imparted.

In order to provide skill development training to the land displaced persons training will be imparted at local Government ITI during balance 4 months. NSL will enter into MoU with Government ITI, Jagdalpur to impart training in various trades such as Fitter, Electrician, COPA, Welder, Motor Mechanic Vehicle (MMV), Steno and Driver cum Mechanic (DCM). 64 land displaced persons have completed Pre-employment training in FY 2023-24.

SAFETY

NMDC Steel Limited has an exclusive safety induction training center that is well-equipped with the necessary requirements for effective functioning. This center caters to the needs of basic safety training as well as workplace safety. For refresher trainings, training halls are maintained by the HRD department for upskilling of employees, ensuring they are well-versed in the organization's safety policies, procedures, and emergency protocols. The program emphasizes the importance of workplace safety and equips personnel with the knowledge and skills necessary to identify hazards, respond appropriately to incidents, and maintain a safe working environment.

Safety Committees:

Safety Committees have been established as required under section 73 – I of CG Factories rules, 1962 in every major department and auxiliary unit, each tasked with enhancing workplace safety. These committees hold monthly safety meetings to discuss safety-related issues, review incident reports, and identify potential hazards. They implement corrective actions and proactive measures to mitigate risks, ensuring a safer work environment. Through this collaborative approach, the committees address safety concerns promptly, share best practices, and promote compliance with safety regulations. This systematic process helps in reducing accidents, enhancing occupational health, and maintaining a safe and productive workplace.

A tier two safety review system on a monthly basis is established at NSL, involving senior officials from both NSL and Mecon O&M. These meetings focus on discussing safety aspects based on their severity. Recommendations are then made and implemented to enhance safety measures. This collaboration ensures alignment between organizations, prioritizing and addressing safety concerns promptly. By regularly reviewing and updating safety protocols, NSL aims to minimize risks and create a safer working environment for all employees.

Internal safety audits of Operation and Maintenance are being conducted by cross-functional team and this audit involves various departments working together to identify and mitigate any safety risks, ensuring the safety and efficiency of operations. Also, External safety audits are being done at NSL. Recently, National Safety Council and SAIL Safety Organisations have carried out external safety audits at NSL.

Integrated Management System Certification (IMS):

The Company has implemented of the Integrated Management System is in progress and includes certifications for Quality Management System (QMS) ISO 9001:2015, Environmental Management System (EMS) ISO 14001:2015, Occupational Health and Safety Management System (OHSMS) ISO 45001:2018, Energy Management System ISO 50001:2018 and SA 8000:2014 Standards.

14.0 VIGILANCE

Vigilance department at NMDC Steel Limited during the fiscal year has taken initiatives for improvement of areas required for smooth functioning of the Steel plant and aiming towards Preventive Vigilance. This was done by means of Conducting preventive checks in Key areas, studying the existing procedure and practises after

commercial operation of plant, suggesting system improvements including training required.

Apart from above CVO, NMDC Steel Limited has conducted interactive sessions with key managerial staff of the organisation, sensitizing them about the common Pitfalls and lapses which may happen during day to day activities of the executives, benefitting senior executives of NMDC Steel Limited to take decision and creating awareness.

Throughout the fiscal year 2023-24, the Vigilance department at NMDC Steel Limited has conducted a total of 77 Preventive Checks, comprising of 22 surprise checks, 22 regular inspections, 21 file studies, 9 audit para inspections, and 3 CTE type inspections across NSL, Nagarnar.

Investigation and appropriate action are being taken on complaints received and recommendations depending on findings and gravity of the case are given. NMDC Steel Limited has received 20 complaints which were handled as per CVC guidelines. Emphasis has also been given for logical conclusion of complaint in timely manner.

The details of tenders floated are being uploaded in relevant websites of NMDC/GeM/CPMP as per nature of tender and details of contract awarded are also uploaded in NMDC's Website in line with the government guidelines.

Further to ensure transparency in vigilance works, action has been taken for rotation / repatriation of vigilance officers, and for inducting of new officers in Vigilance department for compliance of CVC guidelines. In this regard, 2 new officers have been inducted in June 2023 and 2 officers have been repatriated to their parent department.

Quarterly review meeting chaired by CVO has been conducted involving Vigilance officers of NSL in May 2023, September 2023, December 2023 & February 2024. Vigilance officers in open house discuss the matter pertaining to the organisation and share their suggestions.

NMDC Steel Limited (Resulting Company) has adopted Vigilance manual of NMDC Limited (Demerged Company), first edition of which was released in June 2022, with an attempt to provide information on essential guidelines and procedures established by the Central Vigilance Commission and other organizations involved in anti-corruption activities.

NMDC Steel Limited utilizes the Online Vigilance Portal of Demerged undertaking in an effort to ensure accountability, transparency and smooth data availability of vigilance related activities. Vigilance portal is an end-to-end digital platform for all Vigilance functions from lodging of a

complaint to till its logical conclusion. This have provisions for recording various preventive, punitive and administrative matters of vigilance department. This portal is a digital repository for all vigilance activities and provide data analytics like age-wise pendency and status of complaints; department wise, area wise complaint/preventive check undertaken; frequency of complaint from same person or against same officials etc.

Trainings & System improvements suggested for Implementation during 2023-24:

As a part of Capacity building and sharing knowledge among the employees of the organisation, Vigilance department has suggested trainings which were conducted by Human resource department on Core Issues in Arbitration and Contracts on 20.01.2024 At NMDC Steel Ltd. Nagarnar, By Shri N. Janardhan Reddy, Advocate of High Court, Telangana, Hyderabad and Member Chartered Institute of Arbitrator, London & Sri U.N. Murthy, Advisor (Arbitration) in NMDC, Hyderabad.

System improvement suggested during the financial year, several of which are attended and some of the major system improvement/suggestion/recommendations given during the period are summarized below:

- i. In view of the suggestions recommended as the outcome of the study from Vigilance department, a circular has been issued to all Package In-charges and their MECON O&M counterparts at NMDC Steel Limited (NSL), Nagarnar to be more vigilant in terms of storage and usages of expired materials at NSL vide letter No. NSL/Vigilance/2023/10/01, dtd.27.10.2023.
- ii. In view of suggestion recommended during inspection of unreleased EMD for the period of Mar'21 to June'23, an office order was issued from NSL vide order no. ED(Sectt)/OO/2024/02 dated 15.02.2024 to ensure compliance towards refund of unsuccessful bidders.
- iii. Surveillance system of the weighbridges have been strengthening by installation of cameras.

Vigilance awareness week:

CVC vide circular No. 08/09/23 dtd: 11.09.2023 has given directives for conducting vigilance awareness week, the Campaign Period from 16.08.2023 to 15.11.2023 (3 months campaign) & Vigilance Awareness Week-2023 from 30.10.2023 to 05.11.2023 has been observed in NMDC Steel Ltd with great enthusiasm and active participations of employees & related stake holders on the theme **"Say No to Corruption; Commit to the Nation"**.

On the Inaugural day of VAW-2023, Integrity Pledge was administered to the employees of NMDC Steel Limited. Hyperlink for taking e-pledge was also provided to employees through website.

Several activities including awareness programmes and prescribed individual/groups competitions like Slogan writing, Essay writing, Quiz competition on the VAW theme were arranged for the employees during the Vigilance Awareness Week-2023.

Apart from the above day-wise activities, Vigilance Awareness Week celebrated by organizing various knowledge-sharing sessions on PIDPI and Preventive Vigilance and other outreach activities like skits, slogan, drawing, essay writing, interactive session & elocution with large number of participations covering wider groups of school /college students were involved for creating awareness about vigilance.

For propagation of VAW-2023 theme, wide display of banners & posters, newspaper release and use of social media was under taken. All the winners/ participants of various activities/competitions were given away the prizes during the Valedictory Function held on the concluding day of VAW-2023 at NSL.

15.0 DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that:

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii) they have taken proper and sufficient care for the 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 fraud and other irregularities;
- iv) they have prepared the annual accounts on a going concern basis;
- v) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- vi) they have devised proper systems to ensure compliance with the provisions of all

applicable laws and that such systems are adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2023-24.

16.0 DECLARATION ON MEETING THE CRITERIA OF INDEPENDENCE AS PER THE COMPANIES ACT, 2013 AND SEBI (LODR) REGULATIONS, 2015 AND SEPARATE MEETING OF INDEPENDENT DIRECTORS.

There were no Independent Directors on the Board of the company during the financial year 31.03.2024. Being a Government Company, the power of appointment of Directors on the Board vests with the controlling ministry i.e. Ministry of Steel, Govt. of India. Accordingly, no such declaration was required to be obtained. Separate meeting of Independent Directors also could not be convened.

17.0 DIRECTORS & KMP's REMUNERATION:

NMDC Steel Ltd., being a Government Company, the terms and conditions of appointment and remuneration of Functional Directors are determined by the Government through its administrative Ministry, Ministry of Steel. However, since the Functional Directors of NMDC Ltd. are also acting as Functional Directors of NMDC Steel Ltd. on co-terminus basis in terms of Order received from Ministry of Steel, Government of India, therefore none of the Functional Directors draw any remuneration from the Company neither in capacity of Director or KMP. Further Non-executive Part-time Official Directors also do not draw any remuneration. Further, no remuneration was paid to KMP during the FY 2023-24.

18.0 NON CONSTITUTION OF STATUTORY COMMITTEES:

In terms of Section 2(45) of the Companies Act, 2013, NMDC Steel Limited is a Government Company and pursuant to the Article 73 and 74 of Articles of Association of the Company, the power of appointment of Directors on the Board of the Company vests with the Hon'ble President of India acting through Administrative Ministry i.e. Ministry of Steel, Government of India. As on 31.03.2024, there were 6 (six) Directors on the Board of the Company comprising of 4 (four) Functional Directors including CMD and 2 (two) Government Nominee Directors. However, there

were no Independent Directors on the Board of the company.

Therefore, the Company is not in a position to constitute the Audit Committee, Nomination & Remuneration Committee, Risk Management Committee and Stakeholders' Relationship Committee. Accordingly, no meetings of the Board-level Committees could be held during the period under review. The same were disclosed to the Stock Exchanges while listing the shares of the company and also while seeking exemption from SEBI under Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957.

The company is in constant communication with the controlling Ministry i.e. Ministry of Steel, Govt. of India requesting them to appoint requisite number of Independent Directors including Woman Independent Director on the Board of the Company to enable the company to fulfill the requirements of the SEBI LODR Regulations, 2015 and Companies Act, 2013.

19.0 NUMBER OF BOARD MEETINGS HELD

During the year under review, 5 (five) meetings of the Board were held. For further details, reference may kindly be made to Corporate Governance Section of the Annual Report.

20.0 DETAILS OF DIRECTORS OR KMP APPOINTED OR RESIGNED DURING THE YEAR.

The following changes occurred during the financial year 2023-24:-

During FY 2023-24, Shri Vinay Kumar was appointed as Director (Technical) on the Board w.e.f. 19th May 2023. Further, Shri Aniket Kulshreshtha was appointed as Company Secretary w.e.f. 11.08.2023 in place of Shri Chiman Lal Agrawal.

21.0 AUDITORS

a Statutory Auditors

On the advice of the Comptroller and Auditor General of India, New Delhi, your Company appointed the following firms of Chartered Accountants as Statutory Auditors of the Company for the year 2023-2024:

Sanjiv Shah & Associates

Chartered Accountants
205, Second Floor, Lala II Oasis Plaza,
Tilak Road, Abids,
Hyderabad
Telangana

b. Cost Auditors

M/s B Mukhopadhyay & Co.
Cost Accountants
B 20, Amarabati,
Sodepur
Kolkata – 700 110.

c. Secretarial Auditors**M/s B.R. Agrawal & Associates**

Company Secretaries

C/o Goyal Enterprises, Opp Hotel Simran,

Civil Station Road, Raipur, Chhattisgarh-492009

22.0 IMPLEMENTATION OF RIGHT TO INFORMATION ACT, 2005

The number of RTI queries received and disposed during the financial year 2023-24 is as under:

Applications pending as of 31.03.2023	Applications received during FY 2023-24	Applications disposed off during FY 2023-24	Applications pending as on 31.03.2024
03	49	44	08

23.0 DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE – NIL**24.0 VIGIL MECHANISM**

The Board of Directors have established 'Whistle Blower Policy' and 'Code of Conduct' for the Directors & employees of the Company as required under the provisions of Sec. 177 of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of the Board and its Powers) Rules, 2014 and Regulation 22 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The said policy has been properly communicated to all the Directors and employees of the Company through the respective departmental heads and the new employees are being informed about the Whistle Blower Policy at the time of their joining and also placed on the website of the Company.

25.0 DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12) OTHER THAN WHICH ARE REPORTABLE TO CENTRAL GOVT – NIL**26.0 FORMAL ANNUAL EVALUATION OF BOARD, COMMITTEES AND INDIVIDUAL DIRECTORS.**

In terms of Order of Ministry of Steel, Govt. of India, the CMD, Functional Directors and Government Nominee Directors of NMDC Ltd. and CMD, Functional Directors and Government Nominee Directors of NMDC Steel Ltd. also on co-terminus basis.

Further, in terms of Notification dated 5th June, 2015 issued by Ministry of Corporate Affairs, Govt. of India, Government Companies have been exempted from applicability of some of the provisions /sections of the Companies Act, 2013 inter alia Sub-sections (2), (3) & (4) of Section 178 regarding appointment, performance evaluation and remuneration.

27.0 DEVELOPMENT OF INFORMATION TECHNOLOGY

In the process of continuous improvement in the journey of digitization and innovative activities NMDC Steel Limited has made functional the following developments:

- **Automated Capture of weighment data from dispatch weigh bridges to ERP.**
- **Gate pass system:** The system keeps track of all the gate passes issued to contract labour and employees of different contractors. Alert is generated before expiry of the gate pass issued.
- **Asset Management System:** The systems keep track of the entire life cycle of any asset and its maintenance record.
- **CCTV surveillance system:** The CCTV surveillance system has been installed in different parts of the plant including the product loading area. Railway wagon surveillance and weigh bridge surveillance is also being performed to ensure safety and security inside the plant.
- **Facial Recognition system:** The Facial Recognition system has been implemented for the NSL & Mecon employees which enables automated recording of the employee attendance.
- **Helpdesk Management System:** This system accepts service requests from users pertaining to various assets and effectively manages the service complaints while keeping the maintenance record of these assets.

28.0 ERP Implementation, Digitalization and IT Infrastructure

In the process of digitalization, all the modules of SAP including Production planning / Sales and Distribution / Plant Maintenance have gone live successfully from the first day of operation. This

was achieved by the combined efforts of NSL ERP team and Package-In-charges. The challenge of SAP Go live along with commissioning was successfully delivered as per the plan.

After that, all the production / Maintenance and dispatch activities are carried out in SAP on real time. In NSL, End to End "Order to Cash", Make to Order business process has been established for the proper visibility and accountability.

For the betterment and smooth functioning of SAP, NSL ERP Team is working with various stakeholders to get further inputs for custom reports and developments. Further NSL ERP team has also identified a scope for integration of Level-II systems with SAP, which will help the business to automate the processes on real time basis.

29.0 PARTICULARS OF EMPLOYEES DRAWING REMUNERATION OF ₹8.5 LAKHS PER MONTH OR ₹1.02 CRORES PER ANNUM UNDER SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AS AMENDED.

NIL

30. TRANSFER OF UNPAID & UNCLAIMED DIVIDEND & SHARES TO INVESTOR EDUCATION AND PROTECTION FUND

During the financial year, the company was not required to transfer any unpaid & unclaimed dividend & shares to the Investor Education and Protection Fund.

31. ANNUAL RETURN:

In accordance with the Companies Act, 2013, Annual return in the prescribed format is available at www.nmdcsteel.nmdc.co.in.

32. BUSINESS RISK MANAGEMENT:

The details of the Business risks are given in Management Discussion and Analysis Report enclosed with the Annual Report.

33. OTHER DISCLOSURES

During the year, no application was made and no proceeding is pending under the Insolvency and Bankruptcy Code, 2016. Further, there was no requirement for getting valuation done and therefore, reporting for the same is not applicable.

34. DISCLOSURE ON SECRETARIAL STANDARDS

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

35. ANNUAL EVALUATION OF THE BOARD PERFORMANCE

NMDC Steel Ltd., being a Government Company, the terms and conditions of appointment and remuneration of Functional Directors are determined by the Government of India through its Administrative Ministry, Ministry of Steel.

In terms of notification dated 5th June, 2015 and 13th June, 2017 issued by Ministry of Corporate Affairs, Govt. of India, Government Companies have been exempted from applicability of some of the provisions /sections of the Companies Act, 2013 inter alia Sub-sections (2),(3) & (4) of Section 178 regarding appointment, performance evaluation and remuneration.

36. VIGIL MECHANISM

The Board of Directors have established 'Whistle Blower Policy' and 'Code of Conduct' for the directors & employees of the Company as required under the provisions of Sec. 177 of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its powers) Rules, 2014 and Regulation 22 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The said policy has been properly communicated to all the directors and employees of the Company through the respective departmental heads and the new employees are being informed about the Whistle Blower Policy by the Personnel Department at the time of their joining and also placed on the website of the Company.

37. INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal & financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operations were observed.

38. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, a separate management discussion and analysis report which forms an integral part of this Report is given as **Annexure-I**.

39. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO UNDER COMPANIES (ACCOUNTS) RULES, 2014 – Annexure-II

40. CORPORATE GOVERNANCE REPORT

Pursuant to provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, a separate section on corporate governance practices followed by the Company is enclosed at **Annexure-III**.

Certificate of non disqualification of Directors from Practicing Company Secretary and certificate from CEO under Regulation 17 of SEBI (LODR) Regulations, 2015 are forming an integral part of this Report as **Annexure-III(A)** and **III(B)** respectively. Further, the certificate from Practicing Company Secretary confirming compliance of conditions of Corporate Governance is enclosed at **Annexure-III(C)**.

41. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The 'Business Responsibility and Sustainability Report' (BRSR) of your Company for the year 2023-24 forms part of this Annual Report as required under Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given as **Annexure-IV**. Your Company strongly believes that sustainable and inclusive growth is possible by using the levers of environmental and social responsibility while setting targets and improving economic performance to ensure business continuity and rapid growth.

42. CORPORATE SOCIAL RESPONSIBILITY (CSR):

Pursuant to provisions of section 135(1) of the Companies Act, 2013 every Company having net worth of ₹ 500 crore or more, or turnover of ₹ 1000 crore or more, or net profit of ₹ 5 crore or more in the immediately preceding financial year are required to constitute CSR Committee comprising of at least one Independent Director. However, in the absence of Independent Directors on the Board, the said Committee could not be constituted.

Further, the company was not required to spend any amount on Corporate Social Responsibility (CSR) initiatives since the Company incurred a loss during the financial year 2023-24.

43. FRAUD REPORTED UNDER SECTION 143(12):

During the financial year the Company, there were no cases occurred which is falling under section 143(12) of the Companies Act, 2013.

44.0 SECRETARIAL AUDIT REPORT

Secretarial Audit Report in Form No.MR-3 pursuant to Section 204(1) of the Companies Act, 2013 and Regulation 24A SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is at **Annexure-VI**.

45.0 STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT / HIGHLIGHTS OF PERFORMANCE OF SUBSIDIARIES / ASSOCIATE COMPANIES / JOINT VENTURES (FORM AOC-1) IS ENCLOSED AT TO THE FINANCIAL STATEMENTS.**46.0 DISCLOSURE OF RELATED PARTY TRANSACTIONS IN FORM AOC-2 IN TERMS OF PROVISIONS OF THE COMPANIES ACT, 2013 IS ENCLOSED AT ANNEXURE-VII.****47.0. ACKNOWLEDGEMENT:**

Your Directors gratefully acknowledge the support, cooperation and guidance received from the Ministry of Steel and Ministry of Forests & Environment and other Departments of Government of India and the State Government of Chhattisgarh for their support and cooperation. The Board also acknowledges the assistance, support and valuable guidance given to the Company by NMDC Ltd.

Your Directors would also like to place on record sincere gratitude towards the shareholders, Bankers/Lenders, Investors, Vendors, Auditors, Consultants, State and Central Government authorities and other stakeholders of the Company. The Board also wholeheartedly acknowledges and appreciates the dedicated efforts and commitment of all employees of the Company.

**For and on behalf of Board
For NMDC Steel Limited**



(AMITAVA MUKHERJEE)

Chairman and Managing Director (Addl. Charge)
DIN: 08265207

Place : New Delhi
Date : 13.08.2024

Annexure - I

Management Discussion & Analysis: FY 2023-24

1.0 Introduction : NMDC STEEL LIMITED – An overview

Ministry of Corporate Affairs vide order dated 06.10.2022, had accorded approval of Scheme of Arrangement between NMDC Ltd. (Demerged Company) and NMDC Steel Ltd. (Resulting Company) and their respective shareholders and creditors involving demerger of 3 MTPA capacity greenfield Integrated Steel Plant in Nagarnar, located 16 km from Jagdalpur, Chhattisgarh. It is strategically located near NMDC's Bailadila mines consisting of high-grade iron ores. It is connected to Visakhapatnam seaport via rail & road and is around 300 km away from the capital of Chhattisgarh State, Raipur.

The plant is envisaged with Techno-Economic parameters comparable to global benchmark and envisages adherence to global benchmark for environmental protection and sustainability. Special care and focus have been maintained for making sure that every possible unit of energy could be saved by utilizing energy-efficient technologies such as Pulverized Coal Injection, Coke Dry Quenching and Top Recovery Turbine, recycling blast furnace slag, waste heat recovery options and efficient alternate fuel resources.

1.1 The Project and Its Commissioning

The company has declared August 31, 2023, as date of commencement of commercial operations. The upstream facilities such as sinter and blast furnace have witnessed ramp up to above 50% utilisation levels until March 2024, compared to the finished steel mill which is still at around 40% utilisation levels. This resulted in lower absorption of fixed costs as well as higher reliance on sale of semi-finished goods, such as pig iron, which have lower realization value, resulting in operating losses in fiscal 2024. That said, operating rates have been continuously improving and the company is expected to break-even at EBITDA level within the first half of fiscal 2025 and improve thereafter. CRISIL Ratings understands that the business and financial risk profiles of NSL are also expected to be supported by healthy domestic demand outlook, robust realizations despite moderations over the past fiscals, raw material security and low project debt.

2. Steel Sector Scenario

2.1 Global:

The global steel sector has remained largely

steady, experiencing a slight increase of 0.4% in crude steel production, rising to 1.892 billion tons in 2023 from 1.885 billion tons in 2022. China, which accounts for more than half of the world's steel production, maintained flat output in 2023 due to the government's efforts to reduce carbon emissions. Meanwhile, India, the second-largest producer, showed robust growth in its steel sector, with production reaching 140 million tons, marking a 12% increase. The table below presents the global steel production scenario-

Country	Crude Steel Production 2023 (MT)	Crude Steel Production 2022 (MT)
China	1019	1018
India	140	125
Japan	87	89
United States	81	81
Russia	76	72
South Korea	67	66
Germany	35	37
Turkiye	34	35
Brazil	32	34
Iran	31	31
Others	290	297
World Total	1892	1885

Source: WSA

The global steel market is projected to reach 2.3 billion tonnes by 2030 with construction sector anticipated to record a CAGR of 2.6%, contributing to a total consumption of 1 billion tonnes of steel by 2030. Additionally, the steel consumption by the machinery sector is also expected to grow at a CAGR of 2.8%¹.

Considering a sustainable development scenario for steel industry to achieve the goals of the Paris Agreement (direct CO₂ emissions to fall by 50% by 2050), steel production is estimated to reach 2.5 billion tonnes in 2050 as per IEA. This will entail a transition in the steel production route, moving away from the traditional blast furnace-basic oxygen furnace (BF-BoF) route towards adopting scrap and direct reduced iron (DRI)-based electric routes. This shift is occurring within the context of

the broader energy transition landscape, reflecting an increasing focus on more sustainable and energy-efficient production methods.

2.2 Domestic Steel Sector

India has been and will remain a global hub for steel production with its robust economic growth. Finished steel consumption in FY24 stood at 136 million tonnes², witnessing over 14% year on year growth. The buildings, construction and infrastructure sectors are the primary demand driver, followed by the capital goods and automotive industry. The Indian government's initiatives and schemes, such as GatiShakti Master Plan, Make in India, Pradhan Mantri Awas Yojna - Housing for all, Urban infrastructure development scheme for small and medium towns, etc., have created prospects for significant consumption of steel.

In CY 2023, India's per capita steel consumption stood at 93 kgs³, substantially lower than the global average of 219 kgs. However, India's steel consumption is increasing at one of the fastest rates worldwide. This contrasts with other regions, where slower growth rates have contributed to a slight decline in overall global per capita steel consumption.

As per National Steel Policy 2017, India aims to achieve crude steel production of 255 million tonnes by 2030, with the crude steel capacity reaching 300 million tonnes. The domestic steel industry will continue to have BF-BOF route as the major route of production, which is expected increase from current share of ~46% to 60-65% by 2030⁴.

3.0. Opportunities & Threats

3.1 Opportunities

- Envisaged growth in domestic steel production on account of the factors mentioned below would lead to higher demand for iron ore and steel in the country:
 - The Government envisages bringing India's GDP to US\$ 5 trillion by FY25 and achieve upper-middle income status on the back of digitization, globalization, favorable demographics, and reforms that will create demand for steel in the domestic market.
 - Infrastructure stimulus of the government to drive the growth and growth potential of the construction, automotive, consumer durables sectors

etc. will drive the demand for the iron and steel sector.

- Supply gap created for Steel & Iron ore in the international market due to steel production curb in China, sanctions on Russia and damage to Ukraine in the war.
 - Government initiatives for Self-Reliant India creating new avenues to set-up new industries leading to demand in steel. Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. This will further add up with the government initiatives for 100% FDI.
 - Continuous thrust by the government to use domestically manufactured iron and steel products in government procurement. Further capacity addition by steel players in near future, along with planned commissioning of NMDC's steel plant in Nagarnar.
- Railways: The focus of Govt. of India for redevelopment of more than 50 existing railway stations and making them multi modal transit facilities will translate into robust domestic steel demand. This will provide scope for private sector CapEx opportunity.
 - Logistics & Regional Connectivity: The announcement made related to creation of one hundred critical transport infrastructure projects that will ensure first and last mile connectivity for ports, coal, steel, fertilizer, and food grain sectors will also spur up the domestic steel demand. Further, the announcement with regard to development of additional airports, heliports, water aerodromes and advance landing grounds for improving regional connectivity will also create opportunities for domestic steel demand.
 - PM Awas Yojana: With the focus of the Government of India towards providing affordable Housing for All under the Pradhan Mantri Awas Yojana - Urban [PMAY-U] and outlay of additional Rs. 1 lakh crore earmarked in the Budget for FY 2024-25, the demand for steel is expected to get a big fillip.

3.2 Threats

- Susceptibility to cyclicity associated with the steel industry and availability of key

² Ministry of Steel

³ WSA

⁴ Manufacturing Today News Article

raw materials - The inherent cyclical nature in the steel industry exposes steelmakers to a high degree of volatility in operating margin and, in turn, to debt protection metrics. Demand for steel is sensitive to trends in key end-user industries, such as automobiles, infrastructure, construction and consumer durables. However, raw material security, by way of long-term contract with NMDC for procurement of iron ore, mitigates the risk to an extent.

- NMDC Steel Ltd business would continue to be affected by developments impacting the demand-supply scenario & price fluctuations of steels in both the global and domestic markets.
- Rising inflation can impact consumption and lead to fiscal tightening increasing the cost of borrowings affecting investments.
- Intensification of geopolitical tension in Europe can disrupt the whole market dynamics.
- Disturbances due to Maoist activities in Bailadila region from where the majority of NMDC's production comes. At the same time, the location of Bailadila has a logistic disadvantage.
- Shortage of metallurgical coal: Although India has huge deposits of high grade iron ore, her coal reserves, especially high grade coking coal for smelting iron are limited. Many steel plants are forced to import metallurgical coal. For example, steel plant at Vishakhapatnam has to import coal from Australia.
- Increasing regulatory pressure on environment, health & safety and sustainability.

4.0 Risks and Concerns

4.1 Harsh environment and accidents

The steel industry processes usually rely on high temperature thermal or chemical transformations in order to generate a desired final outcome. This kind of scenario naturally results in a quite dangerous work environment for operators, making it very difficult to prevent unexpected accidents from happening to workers in the field.

And adding to this context, there is still difficulty in performing the inspection and maintenance of machinery and structures, which suffer a lot from the corrosion process, wear and tear, structural integrity, and are in places of difficult operation. In addition, as will be explained later, the workers need to act in a very analogical way and usually without knowing the real priorities within the operation.

In other words, besides the physical degradation of the structural plant itself, the work environment is very unsafe and stressful for the workers as well. There are even cases in which, due to the high temperature of the processes, operators are not allowed to stay more than 20 minutes on-site, which limits their actions and efficiency.

4.2 Process monitoring

The inspection and monitoring process of steel mills usually follows specific procedures, requiring that workers operate in a typical analog way.

Since it is a critical environment, stopping production to execute corrective actions is unfeasible, and the current method for monitoring these problems is not able to predict failures in the same way as intelligent predictive models do, thus demonstrating an inevitable gap to errors.

4.3 Maintenance

Besides the difficulty in performing the inspection itself because of the hostile environment of steel industries, the maintenance of the encountered problems is also difficult. The corrosion of equipment and structures is also a common problem in these industries and the maintenance of these components is very complicated because of the hostile environment, as mentioned before. Besides, the diversity of complex processes in this industry also makes it difficult to understand the extracted data in the operation, and the improper management of this information in diffuse systems compromises the maintenance of the structures.

As a consequence of this lack of precise management tools, failure prediction in the operation is not usually achievable, leading to unplanned shutdowns and the extensive use of corrective maintenance methods.

4.4 Solid waste management and pollutant emissions

Another consequence of the various transformation processes in the steel industry is the generation of sub-products that are not reused in the operation. Because of that, there is a lot of waste disposal, with some of it being improperly released into the environment.

In addition, the main source of energy of these industries' processes is the combustion of fossil fuels, which also is a direct contributor for the emission of pollutant gases into the atmosphere. Both cases generate serious environmental problems and rank this industrial sector as one of the most polluting.

4.5 General challenges faced for setting up a green field project are:

- Land Acquisition.
- Environmental & Forest clearances.

- Resettlement & Rehabilitation policy of displaced persons.
- Poor logistics for transportation by Rail and Road.
- Scarcity of skilled and trained manpower in the area.
- Limited availability of quality education and medical facilities
- Delay in getting statutory clearance and permission

4.6 Constraint due to Employer

- Time lag between awarding of major contract for major as well as auxiliary packages
- Recruitment and retention of manpower by NMDC
- Integration and interfacing of different plants/packages.

4.7 Constraint due to consultant

- Delay in finalization of design & engineering by consultant.
- Lack of coordination between consultant's engineering, inspection and site supervision team.
- Incorrect assessment (increase) in scope of work by consultant and contractor while tendering.
- Outdated Vendor list in contract.
- Difference arising due interpretation of contract by Client, consultant and contractor.
- Price escalation due to delay in execution and non availability of adequate provision in contract for paying price variation before contract closing.
- Lack of foresight for planning essential facilities for starting of plant. [Sand Pit, ZLD, Coal Storage area etc.]

4.8 Constraint due to Consortium

- Lack of Coordination among the consortium members of various packages
- Financial problem of contractor and its sub-contractor has caused delay in execution of ordering to vendor and reduced rate of progress at site.
- Different pace of work by various contractors in respective packages
- Ambiguity in plan during contingency (non-availability of construction water/permanent water, emergency power and island facility)

- Sub-contracting of jobs to in-competent contractors by main contractors.

4.9 Constraint due to ambiguity of contract

- Inter consortium disputes between contractors due to non clarity in scope of work.
- Technical contract prepared by MECON having lot of discrepancies causing delay in execution.

4.10 Constraint due to Location

- Availability and retention of skilled labour by contractor in Bastar region.
- Poor infrastructural and logistic facility in region.

5.0 Segment wise or Product -wise performance:

5.1 Physical Performance

The company operates in single segment i.e. Steel Plant and the details of the actual production for the period from 31.08.2023 to 31.03.2024 are given below:

(In Tonnes)

Items	2022-23	2023-24
Hot Rolled Coils	-	4,93,503
Liquid Steel	-	5,17,862
Hot Metal	-	9,66,468
Pig Iron	-	3,08,085
Gross Sinter	-	15,09,712
Gross Coke	1,94,314	10,63,173

* DCCO declared on 31.08.2023

5.2 Financial Performance

Sl. No.	Particulars	Amount (Rs. in crore) From 31.08.2023 to 31.03.2024
A. INCOME		
1.	Sale of HR Coils	1,731.10
2.	Other Sales	1,317.89
3.	Total Revenue from Operations	3,048.99
4.	Other Income	119.29
5.	TOTAL INCOME	3,168.28
B. TOTAL EXPENDITURE		5,369.30
C. Profit Before Tax (PBT)		(2,201.02)

Sl. No.	Particulars	Amount (Rs. in crore) From 31.08.2023 to 31.03.2024
D.	Taxes	(640.70)
E.	Profit/Loss after Tax	(1,560.32)

6.0 Outlook for NMDC Steel

NMDC Steel Limited is committed to focusing on maintaining cost competitiveness in the global and domestic markets. Further, the Company is taking various initiatives towards automation & digitization of its operation to further improve its cost competitiveness.

Along with robust strategic planning to support its growth agenda, NMDC Steel continues to enhance organizational capabilities and other enablers to achieve its short-term and long-term objectives.

7.0 Internal control systems and their adequacy

Necessary disclosure in respect of Internal Control Systems and their adequacy has been made in Annexure-C to the Independent Auditors' Report dated 27th May, 2024 which forms part of the

Annual Report.

8.0 Material Developments in Human Relations / Industrial Relations front

Human capital at NSL is a key driving factor and the greatest asset. The Company makes concerted efforts in keeping its workforce highly engaged and motivated. Further, continuous improvement is made to improve the quality of life of their employees.

9.0 Significant changes in key Financial ratios and changes in Net Worth.

The Company has started Commercial Operations for the Steel plant on 31st August 2023. As such, the financial details have emerged for the first time during the financial year 2023-24 only. Further, since the corresponding figures for the period during FY 2022-23 are not available, the changes in key financial ratios have not been reported. The Net worth as on 31st March 2024 was Rs. 15,488.26 crore as compared to Rs. 17,048.58 crore during the previous year.

Annexure – II

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO UNDER COMPANIES ACT, 2013

A) Introduction

Energy consumption, industrial development, economic growth is interlinked and interdependent. Economic progress is always associated with steady increase in demand and consumption of energy. Increase in absolute level of energy consumption is manifesting as environmental problem as well as global warming and climate change in the present century. With increase in absolute levels of energy consumption, availability of energy resources is becoming a constraint resulting increase in energy prices. Energy intensity is energy consumption per unit of GDP. Energy intensity indicates the development stage of the country. India being the developing country, energy intensity is high with respect to world developed country like 3.7 times that of Japan. 1.55 times of USA, 1.47 times of Asia and 1.5 times of World average. Higher Energy intensity indicates inefficient use of energy. Therefore, energy conservation is necessity for achieving sustainable development and for improving the bottom line of industry.

B) Steel Sector

Steel Industry is the single largest energy intensive industry, accounts for more than 5% of energy consumption of industrial sector which is mainly coming from fossil fuel based primary energy sources. Effective energy management is vital for the growth of any industry in general and steel plants in particular.

Steel industry is highly energy intensive, energy cost accounts for 40-50% of manufacturing cost of steel. Steel industry competitiveness depends on productivity, adoption of state of art Technologies and higher levels of energy efficiency in steel making. Optimizing specific energy consumption from raw material stage to finish steel is one of the means to enhance competitiveness of steel industry and for achieving Sustainability.

Energy consumption reduction achieves the sustainability of organization in terms of economic benefits (cost reduction), environmental benefits (GHG reduction) and social benefits (quality of life). Therefore, energy efficiency is a prerequisite for survival of steel industry in particular.

Energy consumption in an integrated steel plant is dependent on the following:-

- Process route (BF-BOF Vs EAF),

- State of Art Technology
- Quality of Raw materials (ash in coal, Al_2O_3 / SiO_2 in iron ore and fines etc.)
- Level of Energy conservation Technology,
- Process management,
- Energy mix,
- Scale of operation
- Energy Efficiency in the generation of utilities.

C) Process Management

In an integrate steel plant around 50-55% of total energy is consume in blast furnace process and around 70-80% energy is utilising in up to iron making.

Therefore, energy consumption reduction in steel industry is depend on type of measures taken at various units to improve upon processes, Reduction of fuel rate in Blast Furnace is the most single important factor for reducing cost and energy consumption. Reduction of fuel rate depend of quality of coke, quality of iron ore in terms of alumina and usage of sinter, adiabatic flame temperature etc. The measures taken to control process at coke making, sintering plant, iron making, steel making and in the rolling mills etc improved process yields, reduction of coke rate in Blast Furnace, reduction of coke breeze consumption in sintering process, reduction of slag rate and ultimately improved the productivity. The various measures are:

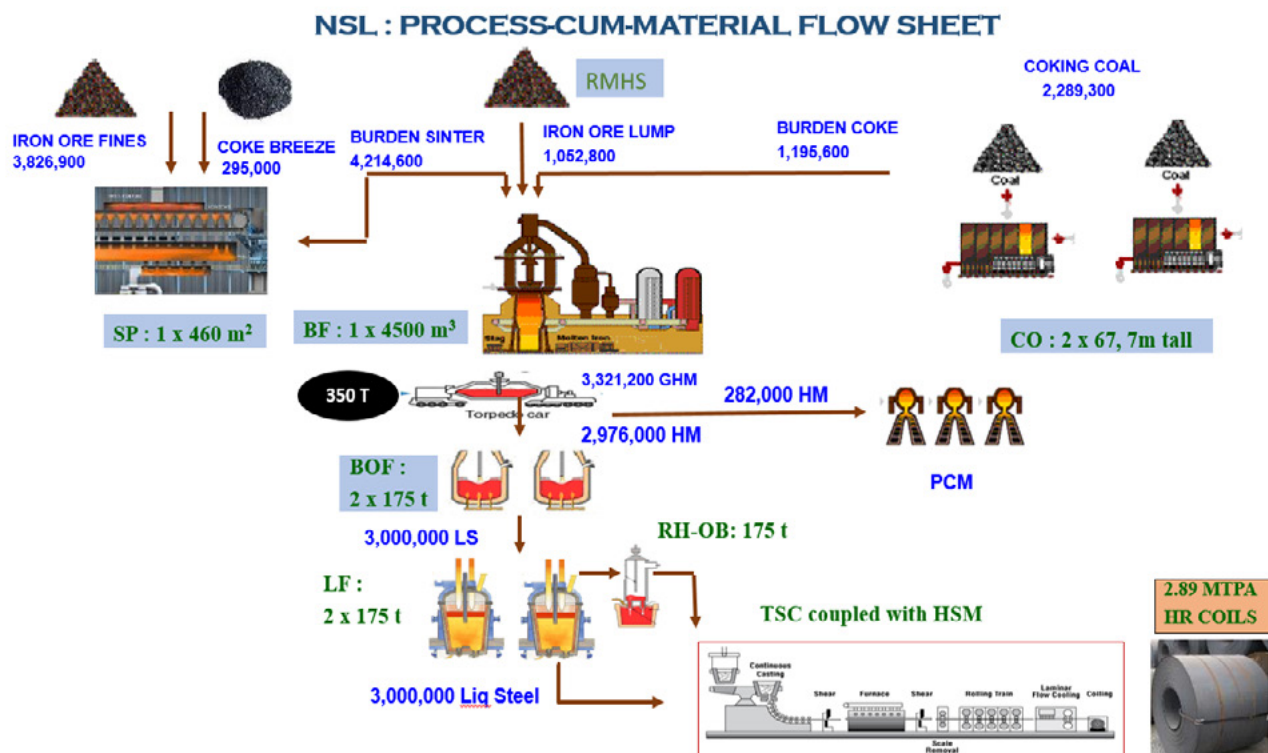
- i) Using of superior quality raw materials like coking coal, iron ore
- ii) Blending of various coals to maintaining CSR and CRI in coke production,
- iii) Ensuring low alumina in iron ores,
- iv) Maintaining optimum Al_2O_3/SiO_2 ratio in Sinter,
- v) Ensuring low % of micro fines in Iron Ore fines,
- vi) Maintaining better vacuum in Sintering process,
- vii) Ensuring >75-80% Sinter in Blast Furnace burden,
- viii) Usage of low ash coke in Blast Furnaces,

- ix) Better burden distribution in Blast Furnaces,
- x) Controlling Blast Humidification,
- xi) Oxygen enrichment in Blast,
- xii) Optimizing Race away adiabatic flame temperature,
- xiii) Combined blowing in Steel making process,
- xiv) Use of billet / thin slab continuous caster in casting,
- xv) Standardising of temperatures of steel various grades,
- xvi) Energy efficient maintenance, condition monitoring, cleaning of exchangers etc.
- xvii) Adoption bigger capacity units for higher production /productivity in each process like

installation of tall battery, bigger volume Blast Furnace, higher capacity converter etc.

- xviii) Adoption of Cleaner Energy Efficient Technologies

NMDC Iron & Steel Plant, Nagarnar has given a lot of importance in adoption of energy efficiency technology in the steel plant. In the design stage, it has adopted the best technology from the global reputed technology supplier along with their Indian consortium partner. The company has most modern sophisticated integrated steel plant with compact layout utilizing only 1800 acres of land with 25 meter wide of green belt around the boundary wall in the plant road. Further, the company has adopted the energy efficiency and state of art technology in the various process of steel making.



1) Raw Material Handling System

- RMHS is the first unit in an integrated steel plant wherein various raw materials & semi-finished products such as coal, lump Iron ore, Iron ore fines, Limestone, Dolomite, Quartzite, DRI, slag, Coke & Sinter are conveyed with help of conveyors for storing/stacking and consumption by different user departments.
- The RMHS transports about 12 million tons of different types of materials per year which is four times the plant hot metal production capacity of 3 million tons/year.
- The RMHS facility caters to unloading, stacking, reclaiming & distribution of various raw materials arriving in railway wagons to different shops like blast furnace (BF), Coke oven, LDCP (Lime Dolo Calcination plant), Sinter plant & BOF. The sizing & distribution of various intermediate products such as Coke,

Sinter, calcinated Lime & Dolomite, base mix preparation for Sinter plant & disposal of granulated slag is done by RMHS facility.

- 4 nos. of wagon tippers with side arm charger for tipping & marshalling of railway wagons of incoming raw materials.
- 1 no. of truck tippler for unloading of DRI and lump ore.
- Stacking and reclaiming of different material is done with help of following major equipment
- 4 nos. of stacker cum reclaimers for ore & flux
- 3 nos. of stacker cum reclaimers for coal.
- 2 nos. of blender reclaimers for base mix for Sinter.
- 1 no. of slew stacker for base mix for Sinter.
- This package is one of the largest RMHS Department of this kind in the country, catering to the entire raw material requirement of an integrated steel plant.

2) Coke Oven & By Product plant

- Coke oven is the first unit in an integrated steel plant where metallurgical coal is converted to coke to meet the BF coke requirement.
- Two nos. of 7 mtrs. tall coke oven battery with 67 oven each, are provided to produce the gross coke in the order of 1762800 ton/ year.
- The use of blend coal with 80% (-3) mm size is fed to coal tower for better heat control coke quality.
- These coke oven batteries are top charge twin flue under jet, regenerative heating system with provision of partial recirculation of waste gases.
- These batteries are recovery type.
- Under firing of Coke oven batteries are either with COG or Mix Gas (BFG+COG). Mixed gas line is under installation for better fuel management.
- For COG firing Coke oven gas is preheated up to 50-80 degree centigrade in the preheater at battery cellar area for better combustion.
- Battery heating with regenerative system to reduce fuel gas consumption.
- Adoption of Computerised heating control (COHC) system for ensuring proper coking also for better oven management.

- Two number of CDCP with four chambers is provide to recover the sensible heat from the hot coke (i.e., CDQ) to generate steam 25 ton/ hr. at a pressure 66 kg / cm², from each chamber (Total about 120 ton/ hr) to use in power and blowing station.
- To generate high pressure steam (30 kg/cm²) and low-pressure steam (2 kg/cm²) from the waste heat boiler of sulphur recovery plant (Claus kiln) in the By-Product Plant.
- Recovery of Coke Oven gas in the order of 86,400 nm³/hr to use in various process to minimize use of purchased fuel.
- Recovery of CRUDE TAR in the order of 90000 MT/ANNUM.
- Recovery of NAPHTHALENE in the order of 390 MT/ ANNUM and SULPHUR in the order of 2400 MT/ ANNUM.

3) Sinter plant

Sintering is the process of agglomeration of iron bearing materials including all Plant waste like mill scale, SMS sludge, Blast furnace flue dust, lime dust from calcining plant, Flux (-3mm), coke breeze (-3mm) into porous lumpy mass by incipient fusion heat generated within the mass itself.

- One of the Biggest sinter machine area 460*m² with waste heat recovery circular cooler to minimize the coke breeze consumption, and preheat the combustion air.
- Slit burner in the furnace to minimize the specific heat consumption in sintering process.
- To utilize the fines generated during the mining operation.
- To utilize different additives like mill scale, flue dust, hearth slag etc. in an integrated steel plant.
- Agglomeration of fines into hard, strong and irregular porous lumps which
- gives better bed permeability.
- Elimination of 60 - 70 % of sulphur and Arsenic (if present) during sintering.
- Elimination of moisture, hydrated water and other volatiles on the sinter strand with a cheaper fuel.
- Increased the softening temperature and narrowing down of the softening range.
- As the calculation of flux takes place in sinter strand, super-fluxing saves much more coke in the furnace.

- It increases the Blast Furnace productivity.
- Increase of sinter percentage in Blast Furnace burden, increases the permeability, hence, results in better Productivity
- Utilization of solid wastes generate within steel works

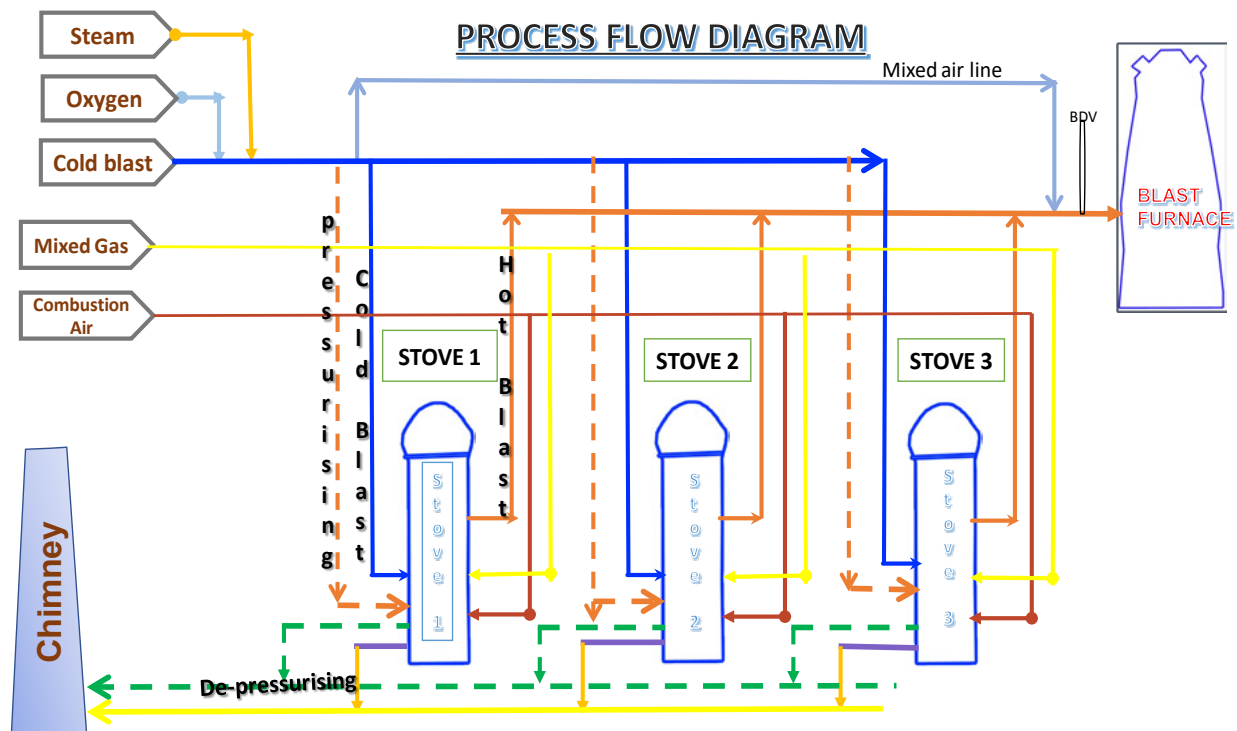
4) Blast Furnace process

- Second biggest volume of blast furnace 4500 m³ in India with Paul worth top charging facility.
- Top pressure recovery turbine to generate about 16 MW power at 3 kg top pressure gas.
- Reduction of fuel rate i.e 510Kg/THM (360kg coke +150 kg PCI) by increasing the hot blast temperature up to 1250 deg centigrade.
- No of tuyere = 38 for better hot blast input.
- Number of stove -3. With ceramic burner for efficient utilization of stove.
- PCI (Pulverize coal injection) in the blast furnace 150kg/ THM to replace equal amount of coke thereby reducing the cost and

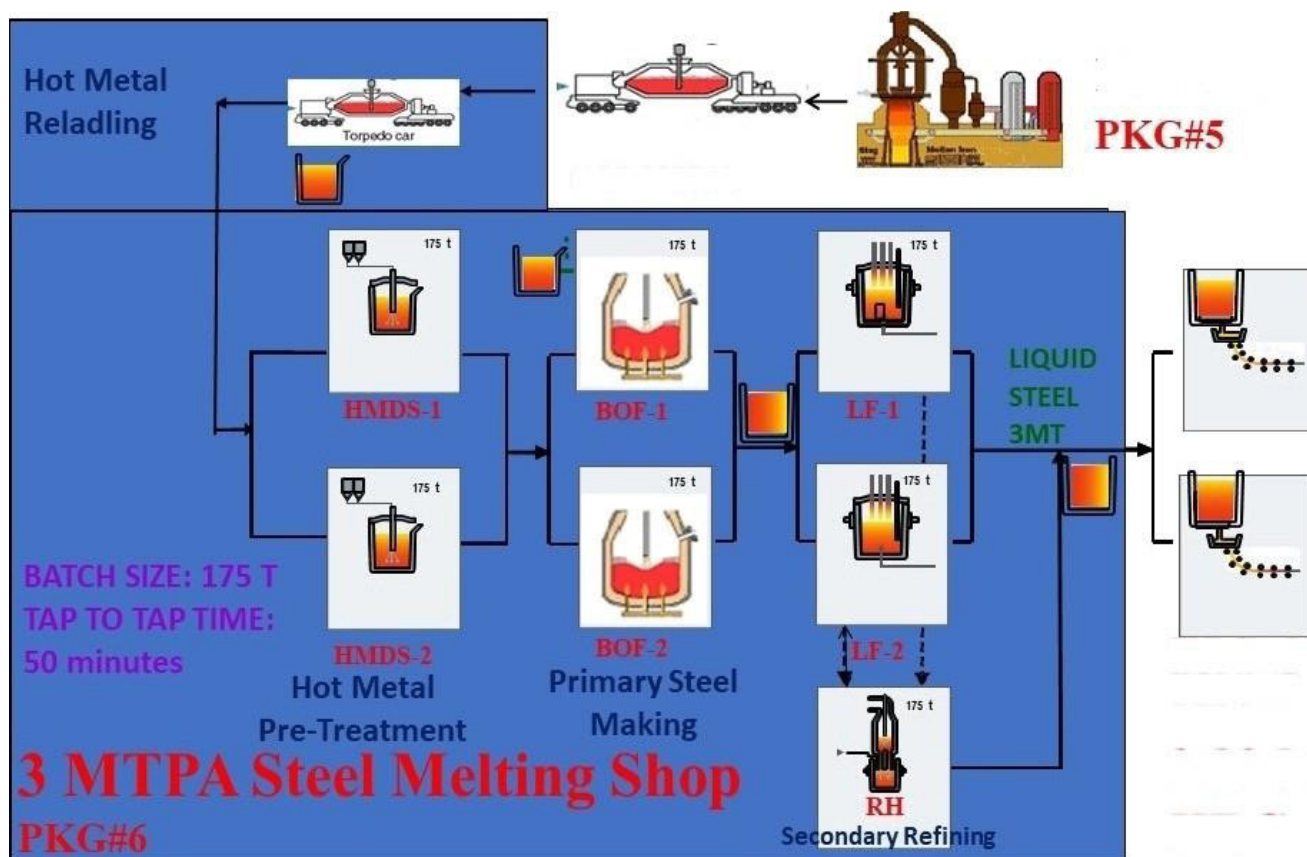
energy.

- Waste heat recovery system in the stove of blast furnace to pre heat the BF Gas and combustion air (up to 200 degrees centigrade) to reduce specific energy consumption of hot metal production.
- Use of waste gas from stove in coal preparation of PCI system.
- Use of torpedo ladle in place of open top ladle to minimize heat loss of hot metal during transit.
- Oxygen enrichment (6%) of cold blast for better combustion efficiency (maintaining the hearth temperature).
- Humidification of blast air for better reduction process in the blast furnace.
- Recovery of BF gas in the order of 640000 nm³/hr. to use in the various process to minimize use of purchased fuel.
- 100% slag granulation to used in cement plant for better GHG reduction in cement process.

5) SMS:



- One of the Biggest LD converters with 175 Ton capacity.
- Desulphurization of hot metal to reduce blowing time and flux consumption.
- Recovery of LD gas in the order of 84 NM³/TCS to use in the Power and Blowing Station for Power generation.
- Able to make special grade steels with H₂ concentration level less than 1.6 ppm with RH-OB
- Capable of producing low Sulphur, low carbon micro-alloy steels.
- Combined blowing facilities in converters with bottom purging system.
- Slag splashing facility to increase the converter life.
- Facilities for minimizing slag carry over into steel ladle during tapping by using pneumatic slag stopper system and Infrared camera.
- Automatic hot metal temperature measurement and sample analysis for quality of steel and for process control.
- Fully mechanized and automated bulk material and ferro-alloys handling in converter and secondary area.
- LOMAS system for the gas analysis in the stack.
- Wet gas cooling, cleaning and recovery facilities.
- Secondary emission control facilities.



6) TSC & HSM

- 100% Hot charging facility of thin slab (900 degree centigrade) through tunnel furnace to HSM to minimize the energy consumption.
- Waste heat recovery from flue gas to pre heat the combustion air (air recuperator) to reduce the energy consumption in the tunnel furnaces.
- The Thin Slab Caster- Hot Strip Mill Complex is designed for production of 2.9 Mt/yr of HR coils.
- Production of green steel i.e. Production of high quality, high strength plate to reduce the steel consumption in downstream production.

7) Lime Dolo & Calcination Plant (LDCP)

- Vertical shaft kiln for production of Calcined Lime and Calcined Dolo to minimise the heat consumption. In the Annular shaft system, the hot flue gas is used to preheat shaft material and air.
- Three no of vertical annular shaft kiln to produce 500 x 2 ton TPD lime & 300x1 dolo.
- One lime sizing unit to crush lime fines for sinter plant use.

8) Oxygen Plant

- Adoption of structured packing in distillation column for efficient air separation process to minimise power consumption.
- To generate power from dense liquid expander up to the order of 65 KW/unit that can be used in the process.

9) Power and Blowing station

- Gas base power plant to produce 80MW of power. Two Turbo Generator (40 MW) for power generation.
- Controlled extraction of 16 ata for process steam from turbines; and 13 ata and 9 ata process steams will be obtained from the 16 ata headers through PRDS.
- Three Steam Turbine (equivalent 30MW) driven Turbo-Blowers to supply cold blast to Blast furnace.
- Variable frequency drive of motor in feed water pump, ID & FD fan.
- Effluent treatment plant (ETP).
- Emergency DG set (750 KVA).
- Steam turbogenerator to generator power and pressure steam extraction system.

- Power and blowing station have a very important role in the process of iron making.
 - 1) PBS caters to the cold blast requirement of blast furnace in the process of iron making,
 - 2) Process steam requirement for various departments of the steel plant,
 - 3) Emergency and critical power requirement of NSL.
 - 4) And in addition to this, it also acts as a consumer to effectively utilize the excess gas generated during the process of iron and steel making.
 - 5) And utilize the steam generated in CDCP for power generation.

Max. Installed capacity of Generates

STG	2 x 40 MW	80 MW
TRT	1 x 20 MW	20 MW
DG Set	4 x 2.4 MW	9.6 MW
Total		109.6 MW
Normal plant load		230-270 MW
Plant peak load		296 MW

*The power requirement is met from its power plant (PBS) and balance from Grid i.e CSPDL (Chhattisgarh State Power Distribution Limited).

10) Utility System

SCADA system (Energy Management System) for better monitoring of distribution of fuel gases and utility gases to minimize the distribution losses.

- Adoption of energy efficient system like variable frequency drive, soft stator etc. to minimize power consumption.
- Raw material transportation is mainly through conveyor system.
- To minimized the water consumption zero discharge concept is adopted in the plant.
- Extensive use of LED lighting system in the plant as well as in the township.
- Adoption of water conservation measure also zero discharge to minimize water consumption in steel production.

11) Harnessing of renewable energy resources:

- In the structural building use of translucent sheets for use of natural light for minimizing power consumption in day time.

12) Township:

- Adoption of solar water heaters in the all the towers in NSL township. Total install capacity of solar heater in the NSL township is 225000 watts.

13) Other

At NSL all out emphasizes is given for adopting all the energy efficiency technologies and pollution control measures to mitigate environment and green belt development.

14) Adoption of most efficient pollution control measure to comply the air, water and soil CPCB norms.

Conclusion: -



At NSL, all out measures have been envisaged to mitigate the environmental impact and improving the overall performance of the plant in each field i.e., operational efficiency, water conservation, environment protection and energy management.

D) Foreign Exchange earnings and outgo

- Foreign Exchange Earning – NIL
- Foreign Exchange outgo – ₹ 2644.65 crores

Annexure - III

Report on Corporate Governance

1. A brief statement on Company's philosophy on code of Governance

Pursuant to approval of Scheme of Arrangement between NMDC Limited ('Demerged Company') and NMDC Steel Limited ('Resulting Company') vide Ministry of Corporate Affairs (MCA) order dated 06.10.2022, the equity shares of NMDC Steel Limited got listed on NSE, BSE and Calcutta Stock Exchange and admitted to dealings w.e.f. February 20.2023.

NMDC Steel Limited endeavours to follow the highest standards of governance and create long term value for its stakeholders. The company strives to conduct its business ethically and responsibly by following the principles of accountability, transparency, fairness, leadership and effective stakeholder management.

NMDC Steel Ltd. is constantly focusing to meet the requirements of Corporate Governance under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 to the extent possible in order to ensure wealth creation for the various stakeholders associated with the company i.e. shareholders, customers, suppliers, creditors, Government of India, State Governments, Governmental agencies/ departments and the society at large.

2. Board of Directors

As on 31st March 2024, the Board of NMDC Steel Ltd. comprises of four(4) Whole time / Functional Directors including Chairman and Managing Director and two Government Nominee Directors.

Being a Government company and pursuant to Article 73 and 74 of the Articles of Association of the company, the power of appointment of Directors on the Board of the company vests with the President of India through controlling Ministry, viz. Ministry of Steel, Govt. of India. Pursuant to demerger, the controlling ministry issued an Order for appointment of CMD, Functional Directors and Govt. Nominee Directors of NMDC Ltd. on the Board of NMDC Steel Ltd. on co-terminus basis. However, no Independent Directors have been appointed by the controlling ministry till the date of this report. The company is in constant communication with the controlling ministry for appointment of requisite number of Independent Directors including Woman Independent Director on the Board of the company. Once the requisite number of Independent Directors are appointed on the Board, the company will be in compliance of the provisions of Companies Act, 2013 and SEBI

(LODR) Regulations with regard to composition of Board.

a. Composition and category of Directors:

Whole-time / Functional Directors

- i) Shri Amitava Mukherjee, Director (Finance) and Additional Charge of Chairman and Managing Director.
- ii) Shri Dilip Kumar Mohanty, Director (Production)*
- iii) Shri Vishwanath Suresh, Director (Commercial)**
- iv) Shri Vinay Kumar, Director (Technical) (w.e.f. 19.05.2023)

Government Nominee Directors

- i) Smt. Sukriti Likhi, Additional Secretary & Financial Advisor, Ministry of Steel
- ii) Shri Abhijit Narendra, Joint Secretary, Ministry of Steel

* Superannuated on 30.06.2024.

** Shri Vishwanath Suresh, Director (Commercial) was placed under suspension w.e.f. 19.01.2024 in terms of Order of Ministry of Steel, Govt. of India. However, Ministry of Steel, Govt. of India vide Order dated 28.06.2024 revoked the order of suspension with immediate effect.

b. BOARD MEETINGS

Board Meeting Procedure:

The Board Meetings are convened by giving appropriate advance notice after seeking approval of the Chairman of the Board. In order to address specific urgent needs, meetings are also convened at a shorter notice.

Detailed agenda notes are circulated in advance to the Board Members for facilitating meaningful, informed and focused decisions at the meeting. In case of special and exceptional circumstances, additional / supplemental agenda item(s) are also circulated with the consent of the Board members.

Information placed before the Board of Directors

The Board of Directors has complete access to the information within the Company. The information inter-alia regularly being submitted to the Board of Directors includes the following:

- Annual Operating Plans and Budgets and any updates.
- Capital Budget, Revenue Budget and any updates.
- Quarterly / Annual Results of the Company.

- Disclosure of Interest by Directors and other statutory items.
- Major expansion plans of the Company.
- Any significant development in Human Resources / Industrial Relations.

Attendance of each Director at the Board Meetings held during FY 2023-24 and the last AGM

Sl. No.	Name of the Director	No. of Board Meetings held during their tenure	No. of Board Meetings attended	Last AGM Attended
1	Shri Amitava Mukherjee Director (Finance) and Addl. Charge of Chairman and Managing Director DIN: 08265207	5	5	YES
2	Smt. Sukriti Likhi Govt. Nominee Director DIN: 01825997	5	5	NO
3	Shri Abhijit Narendra Govt. Nominee Director DIN: 07851224	5	4	NO
4	Shri Dilip Kumar Mohanty Director (Production) DIN: 09296720	5	5	YES
5	Shri Vishwanath Suresh Director (Commercial) DIN: 10059734	5	4	YES
6	Shri Vinay Kumar Director (Technical) (w.e.f. 19.05.2023) DIN: 10172521	4	4	YES

Number of other Boards or Board Committees in which he / she is a Member or Chairperson (as on 31.03.2024)

Sl. No.	Name of the Director	No. of Directorship and Committee Membership / Chairmanship			Names of Other Listed entity and category of Directorship
		Other Board Directorship * (Excluding NMDC Steel Limited)	Committee Membership #	Committee Chairpersonship#	
1	Shri Amitava Mukherjee Director (Finance) and Addl. Charge of Chairman And Managing Director	5	1	--	NMDC Ltd., Director (Finance) and CMD (Addl. Charge)
2	Smt. Sukriti Likhi Govt. Nominee Director	5	--	--	Nominee Director in KIOCL Ltd., NMDC Limited and Steel Authority of India Ltd.
3	Shri Abhijit Narendra Govt. Nominee Director	2	--	--	Nominee Director in NMDC Limited and Steel Authority of India Ltd.
4	Shri Dilip Kumar Mohanty Director (Production)	6	1	--	Director (Production), NMDC Limited
5	Shri Vishwanath Suresh Director (Commercial)	5	--	--	Director (Commercial), NMDC Limited
6	Shri Vinay Kumar Director (Technical) (w.e.f 19.05.2023)	3	1	--	Director (Technical), NMDC Limited

Notes:

* Directorships held by Board members across all other Boards (Private & Public).

Committee membership is in line with Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

d. No. of Board Meetings held, dates on which held.

During the year 2023-24, five (5) Board meetings were held, the details of which are given below:

Sl.No.	Board Meeting No.	Board Meeting Date	Board Strength	No. of Directors Present
1.	36	01.05.2023	5	5
2.	37	23.05.2023	6	5
3.	38	11.08.2023	6	6
4.	39	14.11.2023	6	6
5.	40	14.02.2024	6	5

Brief Resume / profiles of the Directors appointed / re-appointed and expertise in specific functional areas forms part of the Annual Report.

e. Directors are not inter se related to each other.

f. No. of Equity Shares of the Company held by Directors as on 31st March, 2024 – None of the Directors of the company are holding any shares of NMDC Steel Ltd. except Shri Vinay Kumar, Director (Technical) who is holding 60 shares.

g. Web link of Familiarization Programme:

In terms of the Articles of Association of the company, the President of India acting through the controlling ministry i.e. Ministry of Steel, Govt. of India appoints Independent Directors on the Board of the Company.

As a process, when a new Director is appointed, a familiarization programme is conducted by the Management whereby information relevant to the functioning of the Board is informed. The Board meetings of the Company are held at least on a quarterly basis and members of the Board meet key functional / business heads separately to get themselves more familiarized with the business/operations and challenges faced by the industry on an ongoing basis. However, as on 31.03.2024, there were no Independent Directors on the Board of the Company. The Company has requested the Controlling Ministry i.e. Ministry of Steel, Govt. of India for appointment of requisite number of Independent Directors (including woman Independent Director) on the Board of the Company.

h. Chart or matrix setting out skills/expertise/competence of the Board of Directors:

NMDC Steel Limited, being a Government Company under the administrative control of Ministry of Steel, the Board members are appointed / reappointed by the Administrative Ministry. The skills / expertise / competence as required in the context of business and areas pertaining to the company is identified by Govt. of India and accordingly, the selection of Directors on the Board is made by Government of India as per extant procedures and rules.

S.No.	Name of the Director	Existing Skills /expertise / competence
a.	Shri Amitava Mukherjee Director (Finance) & CMD (Addl. Charge)	Finance, Costing, Taxation
b.	Smt. Sukriti Likhi Govt. Nominee Director	IAS Officer
c.	Shri Abhijit Narendra Govt. Nominee Director	IRTS Officer
d.	Shri Dilip Kumar Mohanty Director (Production)	Steel Sector
e.	Shri Vishwanath Suresh Director (Commercial)	Commercial, Metallurgy and Management
f.	Shri Vinay Kumar Director (Technical) (w.e.f. 19.05.2023)	Mining, Safety & Environment, Project Management

- i. **Confirmation that in the opinion of the board, the independent directors fulfill the conditions specified in these regulations and are independent of the management:**

Not Applicable since there were no Independent Directors on the Board of the Company.

- j. **Detailed reasons for the resignation of an independent director who resigns before the expiry of his / her tenure along with a confirmation by such director that there are no other material reasons other than those provided:** Not applicable.

- k. **Particulars of Directors seeking re-appointment:**

Details of the Director seeking appointment / reappointment in the ensuing AGM in pursuance to Regulations 36 of the SEBI (LODR) Regulations, 2015 and Secretarial Standards on General Meetings are given in the annexure of the notice of AGM, which forms an integral part of this Annual Report.

3. **Composition of Statutory Board-level Committees viz. Audit Committee / Nomination, and Remuneration Committee / Stakeholders' Relationship Committee / Risk Management Committee / CSR Committee.**

Being a Government Company in terms of Section 2(45) of the Companies Act, 2013 and in terms of Article 74 of Articles of Association of the Company, the power of appointment of Directors on the Board of the Company vests with the President of India through Administrative Ministry i.e. Ministry of Steel, Government of India. As on 31.03.2024, there were 6 (six) Directors on the Board of the Company comprising of 4 (four) Functional Directors including CMD and 2 (two) Government Nominee Directors; however, there were no Independent Directors on the Board of the Company.

The company is in constant communication with the controlling Ministry, Ministry of Steel, Govt. of India requesting them to appoint requisite number of Independent Directors including Woman

Independent Director on the Board of the Company to enable the company to fulfill the requirements of the SEBI LODR Regulations, 2015.

Therefore, the Company is not in position to constitute the Audit Committee, Nomination & Remuneration Committee, CSR and Stakeholders' Relationship Committee and Risk management Committee. Accordingly, no meetings of the Board level Committees were held during the period under review. The same was disclosed to the Exchanges while listing the shares of the company and also while seeking exemption from SEBI under Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957.

Once the appointment of Independent Directors is communicated by the Administrative Ministry, the Company will proceed with the constitution of all statutory Board-level Committees and convene the meetings thereof.

4. **Remuneration of Directors**

NMDC Steel Ltd. being a Government Company, the terms and conditions of appointment and remuneration of Functional Directors are determined by the Government through its administrative Ministry i.e. Ministry of Steel, Govt. of India. However, since the Functional Directors of NMDC Steel Ltd. are also acting as Functional Directors of NMDC Steel Ltd. on co-terminus basis in terms of Order of the Ministry of Steel, Govt. of India, no separate remuneration is paid to such Functional Directors by NMDC Steel Limited.

The Part-time Official Directors (Govt. Nominee Directors) do not draw any remuneration. Further, there are no Independent Directors on the Board of the company.

In terms of notification dated 5th June, 2015 and 13th June, 2017 issued by Ministry of Corporate Affairs, Govt. of India, Government Companies have been exempted from applicability of some of the provisions /sections of the Companies Act, 2013 inter alia Sub-sections (2),(3) & (4) of Section 178 regarding appointment, performance evaluation and remuneration.

5. **General Body Meetings**

- (a) Location and time where last three AGMs held.

The details of the General Meetings held for the past three years are as under:

AGM No.	Venue	Date & time	Special Resolutions passed
06 th AGM	Through VC / OAVM	27.08.2021 at 14:00 Hrs.	No
07 th AGM	Deemed Venue Registered Office of the company	06.08.2022 at 13:30 Hrs.	No
08 th AGM		07.09.2023 at 15:30 Hrs.	No

- (b) Whether any special resolution passed last year through postal ballot – details of voting pattern
Not Applicable
- (c) Person who conducted the postal ballot exercise – NA
- (d) whether any special resolution is proposed to be conducted through postal ballot – NA
- (e) procedure for postal ballot – NA

6. Means of communication

Quarterly Results:

These results are also posted on Company's website: www.nmdcsteel.nmdc.co.in. The Company's website also contains a dedicated section on 'Investors' where shareholders information is available viz. Annual Reports, Financial Details.

In addition, the Company communicates its financial results, major achievements and important events taking place in the Company through Press, Electronic Media and also on its Website. The Company published its financial results in 'The Pioneer' (English and Hindi) having wide circulation.

7. General Shareholders Information

(a) AGM date, time and venue

The 9th AGM of the Company will be held on **Tuesday 24th September, 2024** at 1530 hrs. via Video Conferencing (VC) / Other Audio-Visual means (OAVM) in line with General Circulars issued by Ministry of Corporate Affairs and SEBI as per details and process set out in the Notice convening the meeting.

(e) Scrip Code:

Sl.No.	Name of the Stock Exchange where Company's equity shares are listed	Code / Symbol
1	BSE Mumbai	543768 (equity shares) 959957 (NCDs)
2	National Stock Exchange of India Limited	NSLNISP (equity shares)
3	The Calcutta Stock Exchange Limited	74920 (equity shares)

Webcast of the AGM:

The Company will be providing a facility to view the live streaming of the AGM Webcast on the NSDL website and the access of the same is at <https://www.evoting.nsdl.com> by using your remote e-voting credentials. The link will be available in shareholder login where the EVEN of Company will be displayed.

(b) Financial Year: 1st April – 31st March

(c) Dividend Payment date:

Since the Company has not declared or paid any dividend during the financial year 2023-2024, therefore reporting under this clause is not applicable.

(d) Listing on Stock Exchanges

The equity shares of NMDC Steel Limited are listed on the following Stock Exchanges:-

(i) BSE Ltd.

Phiroze Jeejeebhoy Towers,
Dalal Street,
MUMBAI – 400 001

(ii) National Stock Exchange of India Ltd.

Exchange Plaza,
Plot No. C/1, G Block,
Bandra - Kurla Complex,
Bandra (E),
MUMBAI - 400 051

(iii) Calcutta Stock Exchange Ltd.

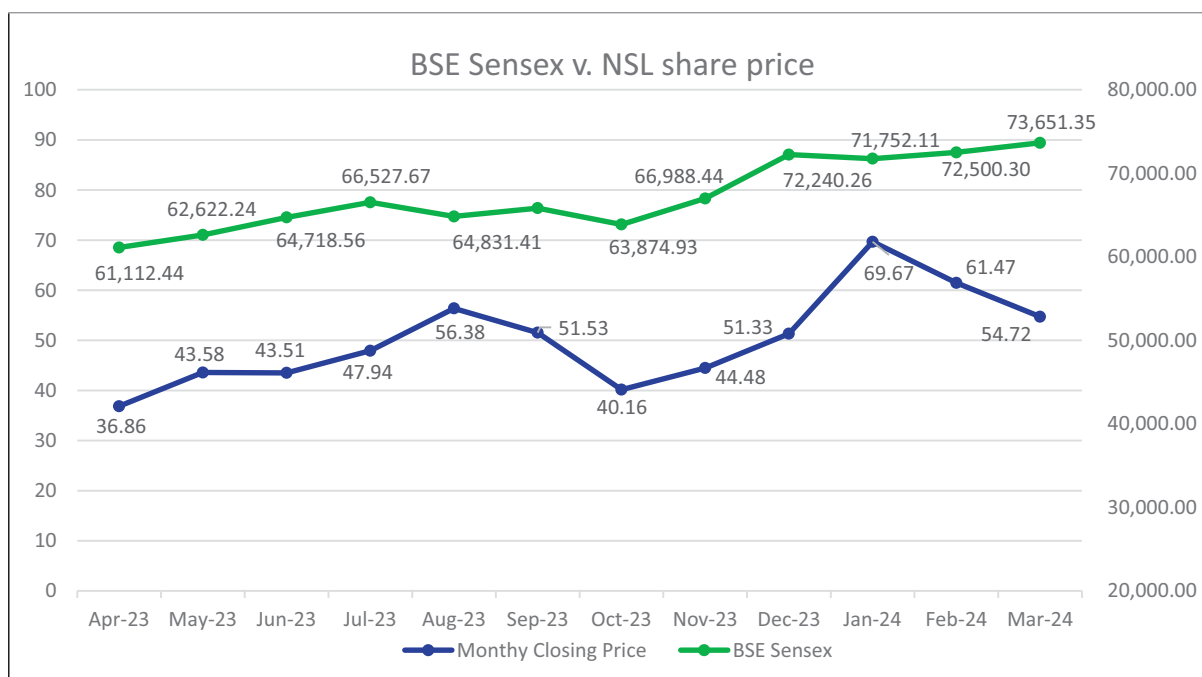
7, Lyons Range,
KOLKATA - 700 001

We hereby confirm that the Company has duly paid its Annual Listing Fees for the year 2023-2024 has been paid to the three Stock Exchanges.

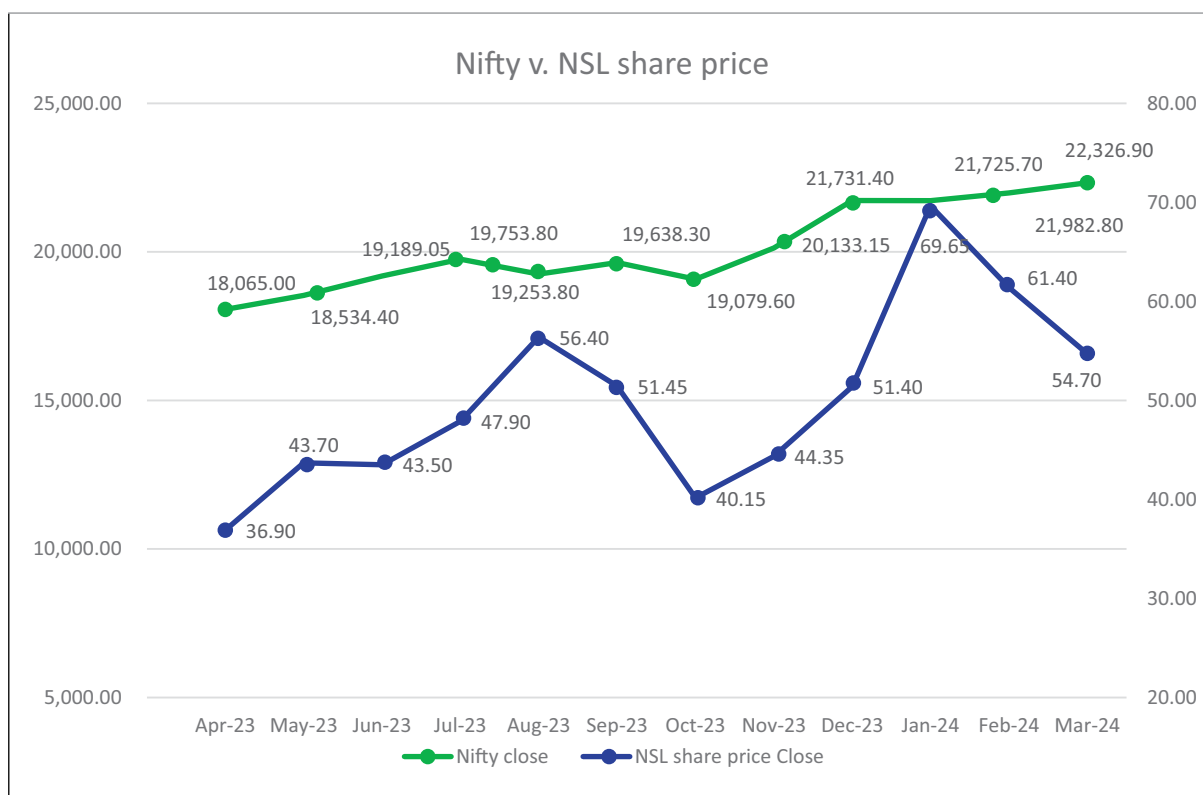
(f) Market price data: High, Low during each month in the last financial year

Market High, Low & Close prices of NSL share at BSE Ltd. (BSE) & National Stock Exchange of India Ltd. (NSE)

MONTH	BSE			NSE		
	High	Low	Close	High	Low	Close
Apr – 23	38.25	30.41	36.86	38.30	30.40	36.90
May – 23	44.50	36.00	43.58	44.55	36.10	43.70
Jun – 23	46.48	42.00	43.51	46.50	42.00	43.50
Jul – 23	49.20	42.64	47.94	49.20	42.60	47.90
Aug – 23	56.91	44.55	56.38	57.00	44.60	56.40
Sep – 23	59.80	50.61	51.53	59.75	50.60	51.45
Oct – 23	53.70	39.70	40.16	53.65	39.70	40.15
Nov – 23	45.00	39.17	44.48	44.85	39.15	44.35
Dec – 23	52.80	43.60	51.33	52.85	43.60	51.40
Jan – 24	70.90	46.90	69.67	70.90	46.90	69.65
Feb – 24	73.67	57.00	61.47	73.70	57.00	61.40
Mar – 24	64.58	50.75	54.72	64.60	50.55	54.70

(g) Performance in comparison to broad based indices such as BSE Sensex, CRISIL Index etc.**i) BSE Sensex and NMDC Steel (NSL) share price**

ii) NIFTY and NMDC Steel Share Price



(h) In case the securities are suspended from trading, the directors report shall explain the reason thereof – NA

(i) Registrar & Share Transfer Agent

The Company has appointed Aarthi Consultants Pvt. Ltd., Hyderabad as Share Transfer Agent for looking after the works relating to share transfer/transmission etc., and dematerialization / rematerialization of shares of the Company with CDSL and NSDL.

(j) Share Transfer System

With effect from April 1, 2019, requests for transfer of securities shall be processed only in those cases where the securities are held in dematerialized form with a depository, in terms of guidelines issued by SEBI. Further, in terms of SEBI circular dated January 25, 2022, while processing investor service requests such as transmission, transposition, renewal, exchange, sub-division, consolidation and issue of duplicate certificates etc., the securities shall be issued in dematerialized form only. Accordingly, all shareholders of the company are requested to convert their shareholdings from physical form to demat form at the earliest to reap the benefits of dematerialization. Requests for dematerialization of shares are processed and confirmation is given to the respective depositories viz, NSDL and CDSL within 15 days.

SEBI vide Circular dated November 3, 2021, has inter-alia made it mandatory for holders of physical securities to furnish/update PAN, email address, mobile number, bank account and nomination details, besides linking their PAN with Aadhar. The said circular also prescribes that those folios wherein any one or more of the aforesaid details are not available on or after September 30, 2023 shall be frozen and the investor will not be eligible to lodge grievance or avail service request from R&TA and will not be eligible for receipt of dividend.

(k) Distribution of Shareholding:**(i) Shareholding Pattern of the Company as on 31.03.2024**

Category of Shareholder	No. of Share Holders	No. of fully paid up equity	Shareholding as a % of total no. of shares
President of India	1	1,78,16,33,571	60.79
Public	7,13,831	1,14,89,72,279	39.21
Total:	7,13,832	2,93,06,05,850	100.00

(ii) Distribution of Shareholding by size as on 31.03.2024

SI NO.	CATEGORY	No. of Share Holders	HOLDERS PERCENTAGE	SHARES	AMOUNT based on face value of Rs. 10/-	AMOUNT PERCENTAGE
1	1 - 5000	6,29,002	85.58	6,67,28,257	66,72,82,570	2.28
2	5001 - 10000	49,598	6.75	3,98,19,112	39,81,91,120	1.36
3	10001 - 20000	27,052	3.68	4,09,23,900	40,92,39,000	1.4
4	20001 - 30000	9,480	1.29	2,44,07,370	24,40,73,700	0.83
5	30001 - 40000	4,525	0.62	1,62,77,049	16,27,70,490	0.56
6	40001 - 50000	3,849	0.52	1,83,07,486	18,30,74,860	0.62
7	50001 - 100000	6,189	0.84	4,63,77,100	46,37,71,000	1.58
8	100001&Above	5,280	0.72	2,67,77,65,576	26,77,76,55,760	91.37
Total:		7,34,975	100.00	2,93,06,05,850	29,30,60,58,500	100.00

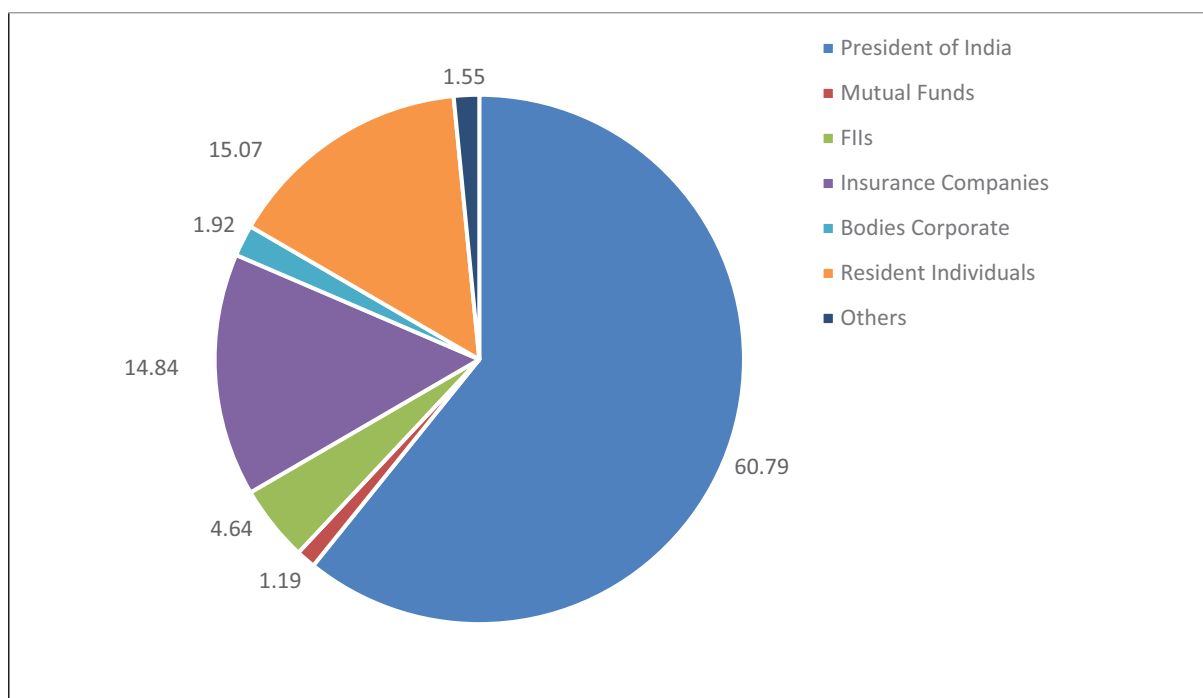
(iii) Top ten shareholders of the Company as on 31.03.2024

Sl. No.	Name of the shareholder	No. of Shares held	%age holding	Category
1	President of India	1,78,16,33,571	60.79	Individuals/Hindu undivided Family
2	Life Insurance Corporation Of India	39,48,91,074	13.47	Insurance Companies
3	ICICI Prudential Commodities Fund	1,59,33,840	0.54	Mutual Funds
4	Vanguard Total International Stock Index Fund	1,57,44,962	0.54	Foreign Portfolio Investors Category I
5	Life Insurance Corporation of India – P & GS fund	1,54,97,681	0.53	Insurance Companies
6	Vanguard Emerging Markets Stock Index Fund, A Series of Vanguard International Equity Index Funds	1,50,36,357	0.51	Foreign Portfolio Investors Category-I
7	Anil Kumar Goel	1,32,00,000	0.45	Resident Individuals holding nominal share capital
8	Canara Bank-Mumbai	1,10,69,767	0.38	Banks
9	Suntreck Finance Private Limited	95,99,103	0.33	Bodies Corporate
10	The New India Assurance Company Limited	83,88,144	0.29	Insurance Companies
TOTAL :		2,28,09,94,499	77.83	

(iv) Geographical Distribution of shareholders as on 31.03.2024

Sl No.	City	No. of Share Holders	% to Total	No. of Shares	% to Total
1	AHMEDABAD	20,662	2.75	2,18,79,401	0.75
2	BANGALORE	27,601	3.67	1,95,95,450	0.67
3	BHUBANESWAR	5	0.00	420	0.00
4	CHANDIGARH	2,602	0.35	15,45,180	0.05
5	CHENNAI	20,571	2.73	4,17,45,309	1.42
6	GUWAHATI	0	0.00	0	0.00
7	HYDERABAD	21,837	2.90	1,98,49,541	0.68
8	JAIPUR	3	0.00	855	0.00
9	KANPUR	4,648	0.62	20,30,715	0.07
10	KOLKATA	24,524	3.26	6,45,02,814	2.20
11	MUMBAI	77,459	10.30	70,63,33,860	24.10
12	NAGPUR	5,382	0.72	30,64,192	0.10
13	NEW DELHI	43,554	5.79	1,83,06,25,075	62.47
14	PATNA	3,921	0.52	32,81,624	0.11
15	TRIVANDRUM	1,168	0.16	5,74,801	0.02
16	OTHERS	4,98,421	66.25	21,55,76,613	7.36
TOTAL		7,52,358	100.00	2,93,06,05,850	100.00

(v) Shareholding Profile as on 31.03.2024



(l) Dematerialization of shares

The shares of the Company are dematerialized with National Securities Depository Limited and Central Depository Services (India) Ltd. The addresses of the Depositories are as under:

- (i) National Securities Depository Limited
Trade World, 4th Floor
Kamala Mills Compound
Senapati Bapat Marg
Lower Parel, Mumbai - 400 013
- (ii) Central Depository Services (India) Limited
Phiroze Jeejeebhoy Towers
28th Floor, Dalal Street
Mumbai - 400 023

The number of shares held in dematerialized and physical mode as on 31st March, 2024 are as under:

Sl. No.	Type	Holders	Shares	Percentage
1	C D S L	5,22,166	25,59,28,010	8.733
2	N S D L	2,30,127	267,46,04,363	91.265
3	PHYSICAL	65	73,477	0.003
Total:		7,52,358	293,06,05,850	100.000

(m) Outstanding GDRs/ADRs/Warrants or warrants or any Convertible instruments, conversion date and likely impact on equity : NIL**(n) Commodity price risk or foreign exchange risk and hedging activities: -**

The Company is subject to commodity price risk majorly due to fluctuation in the prices of raw materials required for Plant operations, depending on the prevailing market conditions. Further, the Company also imports coal for its operations and the payments for the same are being done in foreign currency. Therefore, the Company faces potential risk arising from adverse movement in the foreign exchange rates.

(o) Plant / Mine Locations:

The Plant of the Company is located at:-
NMDC Iron & Steel Plant
Nagarnar, Bastar (Chhatisgarh)

(p) Address for Correspondence:**Registered Office:-**

NMDC Steel Limited
C/o: NMDC Iron & Steel Plant
Nagarnar, Bastar (Chhatisgarh)-494001

Corporate Office:-

10-3-311/A, Khanij Bhavan,
Castle Hills, Masab Tank
Hyderabad - 500 028
E-mail: cs_nisp@nmdc.co.in

(q) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad:

The Credit Ratings for the Non-convertible Debentures (NCDs) and Rupee term Loan availed by the Company are as under:

Unsecured Non-Convertible Debentures of ₹ 523.80 crore:

- a) India Rating & Research: IND A- / STABLE
- b) ICRA Limited - ICRA BBB+; On Rating Watch with Developing Implications (w.e.f. 05.06.2024)

Term Loan with State Bank of India for ₹ 4500 crore

Crisil A- / Watch Developing (w.e.f 30th April, 2024)

8. Other Disclosures:

- (a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large – Disclosure on related party transactions forms part of the Notes to the Financial Statement (Standalone and Consolidated) of the company for the financial year 2023-24.

- (b) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;

Penalties/Punishment/Compounding of offence: -

Fines levied by the Stock Exchanges as per SEBI circular no. SEBI/HO/CFD/CIR/P/2020/12 dated 22nd January 2020 (Erstwhile SEBI circular no. SEBI/HO/CFD/CIR/P/2018/77 dated May 03, 2018):

Notices received in the financial year 2023-2024: -

- (i) The Company is in receipt of BSE letter and NSE notice dated 22nd May, 2023 for non-compliance with the provisions of Regulation 17(1) of SEBI (LODR) Regulations, 2015 for the quarter ended 31.03.2023 imposing a fine of ₹5,19,200 /- including GST payable to each Exchange.
- (ii) The Company is in receipt of BSE letter and NSE notice dated 21st August, 2023 for non-compliance with the provisions of Regulation 17(1) of SEBI (LODR) Regulations, 2015 for the quarter ended 30.06.2023 imposing a fine of Rs.12,04,780/- including GST payable to each Exchange.
- (iii) The Company is in receipt of BSE letter and NSE notice dated 21st November 2023 for non-compliance with the provisions of Regulation 17(1) of SEBI (LODR) Regulations, 2015 for the quarter ended 30.09.2023 imposing a fine of ₹12,05,960/- including GST payable to each Exchange.
- (iv) The Company is in receipt of BSE letter and NSE notice dated 22nd February 2024 for non-compliance with the provisions of Regulation 17(1) of SEBI (LODR) Regulations, 2015 for the quarter ended 31.12.2023 imposing a fine of ₹14,23,080/- including GST payable to each Exchange.

Notices received in the financial year 2024-2025: -

- (i) The Company is in receipt of BSE letter and NSE notice dated 22nd May 2024 for non-compliance with the provisions of Regulation 17(1) of SEBI (LODR) Regulations, 2015 for the quarter ended 31.03.2024 imposing a fine of ₹14,07,740/- including GST payable to each Exchange.

The Company has replied to BSE and NSE requesting condonation of fine on the grounds that being a Central Public Sector

Enterprise under Administration control of Ministry of Steel, Govt. of India and as per Articles of Association, the President of India shall appoint all members on the Board of Directors. The letters / emails received from BSE and NSE were placed before the Board of Directors of the Company in its meetings of their comments/ advise. Comments / Advise made by the Board has been informed to the Exchanges. The Company is regularly following up with Ministry of Steel, Govt. of India for appointment of requisite number of Independent Directors on the Board of the Company.

- (c) Details of establishment of vigil mechanism whistle blower policy, and affirmation that no personnel has been denied access to the Audit Committee.

NSL being a PSU, the guidelines of Central Vigilance Commission (CVC) are applicable which provides adequate safeguard against victimization of the employees. The Board of Directors NSL at its 35th meeting held on 25.01.2023 approved the internal Whistle Blower Policy of NSL. NSL has effectively implemented its internal Whistle Blower Policy under CVO NSL, the designated Nodal Officer for the purpose. No personnel has been denied access the Audit Committee in respect of Whistle Blower Mechanism.

- (d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements.

All the mandatory provisions of SEBI (LODR) Regulations, 2015 have been duly complied with except the provisions relating to the composition of the Board. Being a Government Company the President of India acting through the controlling ministry is empowered to appoint all members on the Board of Directors. The Company is regularly following up with Ministry of Steel, Govt. of India for appointment of requisite number of Independent Directors on the Board of the Company.

- (e) Web link where policy for determining 'material' subsidiaries is disclosed: Not applicable since the Company does not have a subsidiary.
- (f) Web link where policy on dealing with related party transactions: nmdcsteel.nmdc.co.in/pads
- (g) Disclosure of commodity price risks and commodity hedging activities – Necessary disclosure has been made.

- (h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) – Not applicable.
- (i) A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority – CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS - Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed at **Annexure-III(A)**.
- (j) Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof: Not applicable.
- (k) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part – ₹0.78 crore.
- (l) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
 - A. number of complaints filed during the financial year – Nil
 - B. number of complaints disposed of during the financial year – Nil
 - C. number of complaints pending as on end of the financial year – Nil
- (m) Loans and advances in the nature of loans to firms/companies in which Directors are interested:- The Company has not given any loans and advances to any firms/companies in which Directors of the company are interested.
- (n) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries: - Since the Company has no subsidiaries, therefore reporting under this clause is not Applicable.

- (o) Details of Presidential Directives issued by Central Government and their compliances during the year and also in the last 3 years:
The Company is following the Presidential Directives and guidelines issued by the Government of India from time to time regarding reservation for SCs, STs and OBCs, implementation of wage revision etc. It has complied with all Presidential Directives applicable to it during the year and also during the last three years.
- (p) Items of expenditure debited in books of accounts, which are not for the purposes of the business: NIL
- (q) Expenses incurred which are personal in nature and incurred for the Board of Directors and Top Management: NIL
- (r) Details of Administrative and Office expenses as a percentage of total expenses:- All expenditure was capitalized and formed a part of Capital Work in Progress, during the year.

9. Non-compliance of any requirement of corporate governance report with reasons thereof shall be disclosed.

NSL being a Central Public Sector Enterprise under administrative control of Ministry of Steel, Govt. of India and as per Articles of Association, the President of India shall appoint all members on the Board of Directors. As on 31.03.2024, the composition of the Board of NMDC Steel Ltd. consists of four (4) Functional Directors including one CMD and two (2) Government Nominee Directors. There is a vacancy of Independent Directors; including one woman Independent Director which needs to be filled in by Ministry of Steel, Govt. of India.

In the absence of Independent Directors on the Board of The company the company is unable to comply with the following:-

- (i) Non-compliance with composition of the Board with regard to requisite number of Independent Directors;
- (ii) Non-Compliance with regard to appointment of women Independent Director; and
- (iii) Non-composition of Board-level Committees and convening meetings thereof.

The Company is regularly following up with Ministry of Steel, Govt. of India for appointment of requisite number of Independent Directors on the Board of the Company. The Board of the company has also been informed in this regard at regular intervals.

10. The corporate governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted.

In respect of discretionary requirements as prescribed in Part-E of Schedule-II to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the extent of compliance are as under:

A. The Board:

The Chairman & Managing Director of the Company is the Chairman of the Board. Therefore, there is no need for maintenance of a separate Chairman's office.

B. Shareholder Rights:

The Quarterly Financial Results of the Company are published widely in leading newspapers. The said results are also hosted on the website of the Company.

C. Reporting of Internal Auditor:

Necessary mechanism / framework in respect of reporting of Internal Auditor directly to Audit Committee is being explored.

D. Training of Board Members:

The Directors of the Company are nominated for suitable training / programmes / seminars / plant visit from time to time.

- 11.** The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 shall be made in the section on corporate governance of the annual report – Necessary disclosure has been made in the section on Corporate Governance.

12. Declaration signed by the chief executive officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management

A copy of the Code of Conduct of Board of Directors and Senior Management is posted on the website of the Company. Declaration as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed at **Annexure-III (B)**.

13. Compliance certificate from either the auditors or practicing company secretaries regarding compliance of conditions of corporate governance shall be annexed with the Board Report.

In Compliance with Part-E of Schedule-V of SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015, certificate from the Company Secretary in whole-time practice regarding compliance of conditions of Corporate Governance is annexed at **Annexure-III (C)**.

14. Compliance Certificate of CEO and CFO

As required in terms of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Compliance Certificate duly signed by CMD, NSL (being CEO of the Company) and Director (Finance) (being CFO of the Company) has been taken on record by the Board.

15. Disclosures with respect to demat suspense account/ unclaimed suspense account:

Consequent upon the demerger of the Company from NDMC Limited vide Order of Ministry of Corporate Affairs dated 06.10.2022, the equity shareholders of NMDC were allotted equity shares of NMDC Steel Limited in the ratio 1:1.

The said shares could not be credited to some shareholders due to issues such as closure/ dormancy of demat account etc. Therefore, such shares are maintained and kept separately by the Company in an Unclaimed Suspense Account maintained with Stock Holding Corporation of India.

As on 31.03.2023, there were 2,07,506 equity shares in the Unclaimed Suspense Account. After processing the requests received from time to time for credit of shares, there were 1,67,599 equity shares (pertaining to 454 cases) lying unclaimed in the said account as on 31.03.2024.

16. (a) Transfer of Dividend and corresponding Ordinary Shares to the Investor Education and Protection Fund: -

No shares were required to be transferred to Investor Education and Protection fund during the financial year 2023-2024.

(b) Investors having any complaints relating to Company may register the complaint with M/s Aarthi Consultants Pvt. Ltd. at the following address:

M/s Aarthi Consultants Pvt Ltd.,
D.No. 1-2-285, Domalguda
Hyderabad - 500 029.
Phone Nos. 040-27638111/27634445,
Fax No. 040-27632184
Email : ims_nisp@nmdc.co.in,
info@aarthiconsultants.com
Web site : www.aarthiconsultants.com
Contact Person: Mr. G. Bhaskara Murthy,
General Manager

(c) Investor Relation Cell:

The Investor Relation Cell is also looked after by the Board & Company Affairs Department.

The Company organizes Investors / Analysts / Brokers meet / Conference Call as per requirement. Corporate Presentation, details of provisional production & sales, prices of iron ore and other material information are informed to Stock Exchanges and are uploaded on the Company's website.

- (d) Nodal Officer for coordinating with IEPF Authority** – Company Secretary, NMDC Steel Limited

- (e) Name of Debentures Trustee with full contact details:**

Beacon Trusteeship Ltd.
4C & D, Sidivinayak Chambers,
Gandhi Nagar, Opp. M.I.G. Cricket Club,
Bandra (East), Mumbai – 400 051.
T +91 (0)22 2655 8759 Extn – 23
M +91 93247 24943 or +91 81085 21582
<https://beacontrustee.co.in>

17. NSL's Code for Prevention of Insider Trading

In pursuance of SEBI (Prohibition of Insider Trading) Regulations, 2015 and its amendments, the Board of NSL has approved the Internal Code of Conduct for Prevention of Insider Trading in

dealing with Securities of NMDC Steel Limited. The Code is framed with an aim that the employees of the Company and his/her Dependents shall not derive any benefit or assist others to derive any benefit from the access to and possession of Price Sensitive Information about the Company which is not in the public domain.

18. Meeting of Non-official (Independent) Directors

No separate meeting of the Non-official (Independent) Directors was held during the financial year 2023-2024, since there were no Independent Directors on the Board of the company.

- 19. Particulars of Senior Management and changes therein** – In terms of Order of the Ministry of Steel, Government of India, CMD, Functional Directors and Govt. Nominee Directors of NMDC Ltd. are acting as the CMD, Functional Directors and Govt. Nominee Directors respectively, on the Board of NMDC Steel Ltd. on co-terminus basis. During FY 2023-24, Shri Vinay Kumar was appointed as Director (Technical) on the Board of NMDC Steel Limited w.e.f. 19.05.2023, in tandem with his appointment in NMDC Ltd.

Annexure-III(A)



B. R. Agrawal & Associates

Practicing Company Secretaries

Goyal Enterprises 18/952, Civil Station Road
Opp. Hotel Satkar, Raipur (C.G.) - 492009,
Phone : 0771-4061914, 4911914
Mobile : 98264-26263
E-mail : corporategovernance03@gmail.com

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to the Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members of
NMDC Steel Limited
C/o NMDC Iron & Steel Plant
Nagarnar, Bastar (C.G.) -494001

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **NMDC Steel Limited** having **CIN U27310CT2015GOI001618** and having registered office at C/o NMDC Iron & Steel Plant, Nagarnar, Bastar (C.G.)-494001(hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Director of Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any other statutory authority to the best of my knowledge.

Sr No.	Name of Director	DIN	Date of Appointment in Company *
01.	Shri Amitava Mukherjee	08265207	06/03/2019
02.	Ms. SukritiLikhi	01825997	08/11/2022
03.	Shri Abhijit Narendra	07851224	20/03/2023
04.	Shri Dilip Kumar Mohanty	09296720	16/12/2021
05.	Shri Vishwanath Suresh	10059734	20/03/2023
06.	Shri Vinay Kumar	10172521	19/05/2023

*The date of appointment is as per the MCA portal.



Further, as per the information available on the website of the Company, Shri Vishwanath Suresh, Director (Commercial), was placed under suspension w.e.f. 19.01.2024 in terms of Order of Ministry of Steel, Govt. of India. However, Ministry of Steel, Govt. of India vide Order dated 28.06.2024 revoked the order of suspension with immediate effect.

As the Company is a Central Public sector Enterprise under administrative control of Ministry of Steel, Government of India and pursuant to the Article no. 73 and 74 of the Article of Associations, the President of India have right to appoint all the member of the Board. Further, my responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For, B.R. Agrawal & Associates
Practicing Company Secretary



(Brajesh R. Agrawal)

C.P. No. 5649 | M. No. 5771

UDIN:F005771F000690642

PR No. 4710/2023



Date: 08/07/2024

Place: Raipur

Annexure-III(B)

एनएमडीसी स्टील लिमिटेड NMDC STEEL LIMITED

पंजीकृत कार्यालय: द्वारा एनएमडीसी आयर्न एंड स्टील प्लांट, पोस्ट: नगरनार, जिला: बस्तर, पिन: 494001, छत्तीसगढ़
Regd. Office: C/o. NMDC Iron & Steel Plant, Post: Nagarnar, Dist: Bastar, Pin: 494001, Chhattisgarh.
नैगम पहचान संख्या/ Corporate Identity Number : U27310CT2015GOI001618

DECLARATION AS REQUIRED UNDER REGULATION 26(3) READ WITH SCHEDULE-V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

In compliance with Regulation 26(3) read with Schedule-V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for Board Members and Senior Management Personnel of NMDC Steel Limited for the year ended 31st March 2024.



Amitava Mukherjee
Chairman and Managing
Director (Addl. Charge)
(DIN: 08265207)

Place : HYDERABAD
Date : 19.6.2024

Annexure-III(C)


B. R. Agrawal & Associates

Practicing Company Secretaries

 Goyal Enterprises 18/952, Civil Station Road
 Opp. Hotel Satkar, Raipur (C.G.) - 492009,
 Phone : 0771-4061914, 4911914
 Mobile : 98264-26263
 E-mail : corporategovernance03@gmail.com

**AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS
OF CORPORATE GOVERNANCE**

To,
 The Members of,
NMDC Steel Limited,
C/o NMDC Iron & Steel Plant
Nagarnar, Bastar (C.G.) -494001.

I, have examined the compliance of the conditions of Corporate Governance by **NMDC Steel Limited** ("the Company") for the year ended on March 31, 2024, as stipulated under Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulation") and the guideline on Corporate Governance for Central Public Sector Enterprise issue by the Department of Public Enterprise (DPE), Government of India.

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. My examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In my opinion and to the best of my information and according to the explanation given to me, I hereby certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI Listing Regulations and DPE Guidelines during the financial year ended 2023-24 *except the following*:-

1. *The Company was required to appoint Independent Directors including Woman Independent director on the Board the Company.*
2. *The Company had not constituted Audit Committee, Nomination & Remuneration Committee, Stakeholder Relationship Committee and Risk Management Committee due to the absence of Independent directors on the Board of the Company.*

I further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

For, **B.R. Agrawal & Associates**
Practicing Company Secretary

Brajesh R. Agrawal
 (Brajesh R. Agrawal)
 C.P. No. 5649 | M. No. 5771
 UDIN: F005771F001057833
 DP No. 4710/2023

Date: 27/08/2024

Place: Raipur

Annexure - IV

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	U27310CT2015GOI001618
2.	Name of the Listed Entity	NMDC Steel Limited (NSL)
3.	Year of incorporation	2015
4.	Registered office address	c/o NMDC Iron & Steel Plant, Nagarnar, Bastar, Chattisgarh – 494 001
5.	Corporate address	Khanij Bhavan, 10-3-311/A, Castle Hills, Masab Tank, Hyderabad – 500 028
6.	E-mail	cs_nisp@nmdc.co.in
7.	Telephone	040-2353 8757
8.	Website	https://nmdcsteel.nmdc.co.in/
9.	Financial year for which reporting is being done	April 1, 2023 – March 31, 2024
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited (BSE) National Stock Exchange of India Limited (NSE) Calcutta Stock Exchange Ltd. (CSE)
11.	Paid-up Capital	Rs. 2930.06 crore
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Aniket Kulshreshtha Company Secretary Tel: 040-23538757 Email ID: cs_nisp@nmdc.co.in
13.	Reporting boundary	Standalone basis
14.	Name of Assurance Provider	Not applicable
15.	Type of Assurance obtained	Not applicable

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

Sl. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Steel	Hot Rolled Coils	56.78%
2.	Others	Other sales (Pig iron, Pit iron, Coke, coal tar etc.)	43.22%

17. Products/Services sold by the entity (accounting for 90% of the entity's turnover):

The Company declared 31st August, 2023 as the date of commencement of commercial operations (DCCO). Further, the products sold by the entity are as under:

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Hot Rolled Coil	241	56.78%
2.	Pig Iron	241	33.83%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	1	1	2
International	--	--	--

19. Markets served by the entity:

- a. Number of locations

Locations	Number
National (No. of States)	All India
International (No. of Countries)	--

- b. What is the contribution of exports as a percentage of the total turnover of the entity?

Nil

- c. A brief on types of customers

The Company supplies Hot Rolled coils, sheets and plates of different grades to industries involved in the manufacturing of LPG cylinders, bridges, automobile grades, pipes, storage tanks, boilers and railway wagons.

IV. Employees

20. Details as at the end of Financial Year:

- a. Employees

S. No.	Particulars	Total (A)	Male		Female	
			No.(B)	%(B/A)	No. (C)	%(C/A)
Executives						
1.	Permanent(D)	232	216	93.1	16	6.9
2.	Other than Permanent(E)	205	200	97.56	05	2.44
3.	Total Executives (D+E)	437	416	95.19	21	4.81
Non-Executives						
4.	Permanent(F)	794	641	80.7	153	19.3
5.	Other than Permanent(G)	378	373	98.67	05	1.33
6.	Total Non-Executives (F+G)	1172	1014	86.5	158	13.5

b. Differently abled Employees

S. No	Particulars	Total (A)	Male		Female	
			No.(B)	%(B/A)	No.(C)	%(C/A)
DIFFERENTLY ABLED EXECUTIVES						
1.	Permanent(D)	04	03	75%	1	25%
2.	Other than Permanent(E)	-	-	-	-	-
3.	Total differently abled Executives (D+E)	04	03	75%	1	25%
DIFFERENTLY ABLED NON-EXECUTIVES						
4.	Permanent(F)	10	9	90 %	1	10%
5.	Other than permanent(G)	Nil	Nil	Nil	Nil	Nil
6.	Total differently abled Non-Executives (F+G)	10	9	90 %	1	10%

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No.(B)	% (B/A)
Board of Directors (as on 31.03.2024)	6	1	16.67%
Key Management Personnel	1	0	0.00%

22. Turnover rate for permanent employees and workers

	FY 2023-24 (Turnover rate in the year prior to the previous FY)			FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	2.3%	0%	2.3%	4%	0%	4%	2%	8%	2%
Permanent Workers	0%	0%	0%	1%	0%	1%	2%	1%	2%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary /associate companies/joint ventures(A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
--------	---	--	-----------------------------------	--

The Company does not have any Holding, Subsidiary or Associate Company.

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: **(Yes/No)** No

The Company has started its Commercial operations w.e.f 31st August, 2023 and has not reported any Profit during the Financial year 2022-23. Accordingly, the Company was not required to make any expenditure on CSR during the financial year 2023-24.

(ii) Turnover (in Rs.) - 3,048.99 Crore.

(iii) Net worth (in Rs.) – 15,488.26 Crore.

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	(If Yes, then provide web-link for grievance redress policy)	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	-	-	-	-	-	-	-
Investors (other than shareholders)	-	-	-	-	-	-	-

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	(If Yes, then provide web-link for grievance redress policy)	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Shareholders	Yes	9	0	-	1	0	-
Employees and workers	Yes. Grievance Redressal committee is constituted under NSL as per provisions of sec 9 (c) of ID act	2	-	-	8	2	-
Customers	-	-	-	-	-	-	-
Value Chain Partners	-	-	-	-	-	-	-
Other (please specify)	-	-	-	-	-	-	-

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Energy	Risk	Production of steel is a highly energy-intensive process and consumes large quantity of energy across multiple sources : coal, natural gas, electricity and other fossil fuels. Our operations are dependent on fossil fuels for running of our equipment and other operations. Our profitability is dependent on continuous availability of fuels at constant price. Any fuel price fluctuation results into an impact on our profitability.	Reduction in dependence on fossil fuels. Energy efficiency and adoption of renewable energy is also a key to lower greenhouse emissions.	Negative
2	Water consumption and Effluent discharge	Risk	Production of steel requires large quantity of water. Non-compliance of regulatory requirements with respect to effluent discharge & higher water usage may lead to fines and penalties being imposed on the company by the regulatory authorities.	Minimising of fresh water drawn from the river by maximising recycling of treated waste effluents within the plant by setting up effluent treatment plants. Aim to achieve Zero effluent discharge, it is essential to minimise water requirement and maximise water recycling to be cost efficient	Negative
3	Occupational Health and safety	Risk	Production of steel may pose occupational health and safety risks to our employees and workers owing to the nature of operations.	NSL conducts periodic training/sensitization sessions for its employees and workers.NSL monitors its accident statistics through its trained safety professionals deployed on-site. NSL apprises the Senior management including the Board of Directors on the safety related incidents and corresponding preventive actions on a periodic basis	Negative
4	Biodiversity	Risk	The production of steel at Nagarnar and the resultant waste may pose threats to biodiversity. Any negative impact on biodiversity also poses a risk of community agitation, and legal and regulatory sanctions.	NSL seeks periodic renewal of all applicable Consents. Afforestation, treatment of the effluent discharge and monitoring of the air quality is being done for the protection of biodiversity around the steel plant.	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Human Resource Management and Human Capital Development	Opportunity	A mutually beneficial, two-way relationship with the community, anchored by transparency and trust, is critical for NSL to continue to retain its social license to operate. Human capital available is identified as an asset to NSL operations.	NSL firmly believes the health and welfare of our people, the community and society are important for the business. Thus focus on four thrust areas – Education, Health, Livelihoods and Infrastructure, aimed at improving the communities' quality of life and providing them with employment opportunities.	Positive
6	Economic performance	Opportunity	The integrated steel plant is an asset. The huge market for steel in a developing country like India would be a good economic opportunity for NSL.	The processes are deeply linked with innovation and technology for steel production.	Positive
7	Corporate Governance and Business Ethics	Risk	Sound governance and business ethics are crucial for maintaining the faith and confidence of investors and stakeholders. Ensuring strong governance practices and communicating the same across all levels in the company is important to build a culture that ensures business outcomes are delivered in the right manner and with responsibility.	The Company has in place an elaborate Code of Conduct for Senior Management and other employees which defines the standards of conduct. Further, there are systems and processes in place with in-built internal control mechanisms.	Negative: potential fines / penalties in case of violations

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions		P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes										
1.	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	N	Y	Y	Y	Y	N	Y	N
	b. Has the policy been approved by the Board? (Yes/No)									
	c. Web Link of the Policies, if available									
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Y	N	Y	Y	Y	Y	N	Y	N
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	N	Y	Y	Y	Y	N	N	N
4.	Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	N	N	Y	Y	Y	Y	N	N	N
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	N	N	Y	Y	Y	Y	N	N	N
6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	N	N	Y	Y	Y	Y	N	N	N
Governance, leadership and oversight										
7.	Statement by director responsible for the business responsibility report, highlighting ESG-related challenges, targets and achievements NMDC steel, is a newly listed CPSE under the Ministry of Steel, Govt. of India. Post demerger from NMDC Limited, the Company is ramping up and stabilizing the operations of the Steel Plant in Distt. Bastar, Chhattisgarh. Though the operation of the Company are still in nascency, the Company endeavors to follow the best environmental, social and governance norms and standards. Further, NMDC Steel Limited has procedures and policies in place, which are imbibed from the robust policies of NMDC, a Navratna Company under the Ministry of Steel having a rich legacy of operations spanning over six decades. The Company strives to achieve the highest standards of performance with unwavering commitment of its manpower and ensuring transparency in operations. It also strives to achieve sustainable Plant operations through installation of systems and processes to reduce the impact on the environment.									
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Chairman & Managing Director								
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	No.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Y	N	Y	Y	Y	Y	N	Y	N									Annually
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Y	N	Y	Y	Y	Y	N	Y	N									Annually

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
N	Y	N	N	N	N	N	N	N

12. If answer to question (1) above is “No” i.e., not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)					-				
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	-	Y	-	-	-	-	Y	-	Y
The entity does not have the financial or/human and technical resources available for the task (Yes/No)					-				
It is planned to be done in the next financial year (Yes/No)					-				
Any other reason (please specify)					-				

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

- Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under other training and its impact									%age of persons in respective category covered by the awareness programmes
		P1	P2	P3	P4	P5	P6	P7	P8	P9	
Board of Directors	1	During the year, the Board engaged in various activities and updates related to ethics, business, regulatory, safety. These topics provided insights on the above-mentioned principles.									16.67%
Key Managerial Personnel	1	Corporate Governance roadmap, changing business trends									100%
Employees other than BoD and KMPs	37	Management, Health, Safety, Skill Development, Knowledge upgradation and others									52.9%
Workers	41	Management, Health, Safety, Skill Development, Knowledge upgradation and others									60.45%

- Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in FY 2023-24.

There were no cases of fines, penalties, punishments, compounding fees/ settlement amounts paid in proceedings (by the entity or by Directors/ KMPs) with regulators/law enforcement agencies/ judicial institutions during the FY 2023-24.

However, the Stock Exchanges have levied penalties / fines on the Company during the financial year 2023-24 for not having adequate number of Independent Directors (including Woman Independent Director) on the Board and non-constitution of statutory Board level Committees. The details of such notices received from stock exchanges are available in the Corporate Governance report forming part of this Annual Report.

The Company has replied to the Stock Exchanges requesting condonation of said penalties / fines on the grounds that being a Central Public Sector Enterprise under Administration control of Ministry of Steel, Govt. of India and as per Articles of Association, the President of India is empowered to appoint all members on the Board of Directors. The Company is regularly following up with Ministry of Steel, Govt. of India for appointment of requisite number of Independent Directors including Woman Independent Director on the Board of the Company.

- Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Not Applicable

- Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web link to the policy.

Yes. The principles of anti-corruption and anti-bribery are embedded into the policies and procedures adopted by the Company. Further, the Company has a Board approved Code of Business Conduct & Ethics which enshrines the principles of integrity and transparency. The Company also has a Board approved Whistle Blower Policy. Further, the Company's Conduct, Discipline and Appeal (CDA) Rules define the code of conduct for all employees and recognize acts of bribery, corruption, etc. as misconduct.

The link to the said policies is : nmdcsteel.nmdc.co.in/pads.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Particulars	FY 2023-24	FY 2022-23
Directors	0	0
KMPs	0	0
Employees (executives)	0	0
Workers (non-executives)	0	0

6. Details of complaints regarding conflict of interest:

No complaints were received regarding conflict of interest.

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not applicable as no complaints regarding conflicts of interest were received.

Leadership indicators

1. Awareness programmes conducted for value chain partners (VCP) on any of the principles during the financial year:

There were no awareness programmes conducted for value chain partners during the financial year.

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same

Yes, there is a Vigilance department that plays an advisory role and after investigation or study of any matter or any system/process of the organization, suggests for system improvements. In case, during investigation any deviation or misconduct with malicious intention is found on the part of any employee, vigilance may bring it to the notice of the Disciplinary Authority, in a confidential manner, with recommendation for necessary disciplinary action as deemed fit. However, whether recommendations from vigilance warrants for disciplinary action /imposition of penalty or not is to be decided by such authority only.

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of products and processes to total R&D and capex investments made by the entity, respectively.

(in INR)

Name of Element	FY2023-24	FY2022-23	Details of improvements in environmental and social impacts
R&D	Not Applicable	Not Applicable	Not Applicable
Capex	44,26,457	1,85,31,183	Installation of CAAQMS and green belt development
Total	44,26,457	1,85,31,183	

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

NSL is following purchase procedure as per Public Procurement Policy and the Procurements are being finalized through GeM portal.

- c. If yes, what percentage of inputs were sourced sustainably?

Not applicable

3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

The details of the process of waste generation and disposal/reuse/recycle details are as below:

SN.	Solid wastes	Quantity (TPA) 2023-24	Proposed disposal
1	BF slag	285601	Sold to Cement Industry, used in Road Construction
2	BF sludge	-	-
3	BF flue Dust	-	-
4	BOF Slag/LD slag	68974	100 % reuse in construction, Cement, BF, Sinter Plant & as rail ballast.
5	BOF sludge	-	-
6	BOF scale	-	-
7	Scales Mills	3196	100% reuse in the Sinter Plant
8	Scrap Mills	3126.91	100% reuse in the BOF Plant
9	Scales Caster	1050	100% reuse in the Sinter Plant
10	Scrap Caster	10083	100% reuse in the BOF Plant
11	Lime Dust	3743.53	100% reuse in the Sinter Plant
12	Dolo Dust	Nil	-
13	Skull / Scrap	3582.93	100% reuse in the BOF Plant
14	Pig casing m/c Sludge	Nil	-
15	Cinder	Nil	-

Hazardous waste generation & management

SN.	Source	Quantity (TPA) 2023-24	Mode of utilisation
1	Tar Sludge from Coke Oven Decanter	1485 T	Recycling in Coke Ovens.
2	BOD plant sludge	150 T	Disposal in Coke Ovens
3.	ZLD Plant Sludge	55 T	Disposal through Authorised TSDF (Treatment Storage and Disposal Facility) agency.
4.	Spent/Wash /Lubricant and batteries	1.2 T	Disposal through Authorised TSDF (Treatment Storage and Disposal Facility) agency.
5.	Oil & Grease Skimming Residues	0.5 T	Sold to authorised recyclers.

1. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Not Applicable.

Leadership indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

LCA was not conducted in FY 2023-24.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Not applicable as LCA was not conducted in FY 2023-24.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Blast Furnace sludge, slag, and dust are reused in the Sinter plant. However, the percentage data is not available.

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format.

Not Applicable as the packaging is not yet done in the plant.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

The said data is not available.

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential indicators

1. a. Details of measures for the well-being of employees (executives):

Category	% of employees covered by										
	TOTAL (A)	Health insurance		Accident		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees (executives)											
Male	216	216	100%	216	100%	-	-	14	6.48%	NA	NA
Female	16	16	100%	16	100%	01	6.25%	-	-	NA	NA
Total	232	232	100%	232	100%	01	6.25%	14	6.48%	NA	NA

- b. Details of measures for the well-being of workers (non-executives):

Category	% of workers covered by										
	Total (A)	Health insurance		Accident		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Other than Permanent workers (non-executives)											
Male	641	641	100%	641	100%	-	-	21	3.27%	NA	NA
Female	153	153	100%	153	100%	11	7.18%	-	-	NA	NA
Total	794	794	100%	794	100%	11	7.18%	21	3.27%	NA	NA

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of Total employees	No. of workers covered as a% of Total workers	Deducted and deposited with the Authority (Y/N/N.A.)	No. of employees covered as a % of Total employees	No. of Workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	1027	794	-	1021	789	-
Gratuity	1027	794	-	1021	789	-
ESI	NA	NA	NA	NA	NA	NA

3. Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, the premises/offices of the steel plant are accessible to differently abled employees.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

NSL is Government of India's Public Sector Enterprise which is governed by the DPE Guidelines, the policies of the Govt. of India and the Act of the Parliament, the company follows equal opportunities the letter and spirit.

5. Return to work and Retention rates of permanent employees (executives) and workers (non-executive) that took parental leave.

Sl. No.	Particulars	Permanent Employees (executives)			Permanent Workers (non-executives)		
		Male	Female	Total	Male	Female	Total
1	Returned to work rate	100%	100%	100%	100%	100%	100%
2	Retention rate	100%	100%	100%	100%	100%	100%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)	Details of mechanism
Permanent Workers (non-executives)	Yes	Yes. Grievance Redressal Committee is constituted at NSL as per provisions of Sec 9(c) of ID Act Written complaints to be submitted to the committee and committee has to complete proceedings within 30 days
Other than Permanent Workers (non-executives)	Yes	For female employees -Internal Complaints Committee under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and WIPS (Women in Public Sector) committee is in place.
Permanent Employees (executives)	Yes	Channel of written complaint to Competent Authority, Vigilance etc.
Other than Permanent Employees (executives)	Yes	For female employees -Internal Complaints Committee under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and WIPS (Women in Public Sector) committee is present.

7. Membership of employees (executives) and worker (non-executives) in association(s) or Unions recognized by the listed entity:

Category	FY2023-24			FY2022-23		
	Total employees / workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees (executives)	232	-	-	232	-	
Male	216	-	-	220	-	
Female	16	-	-	12	-	
Total Permanent Workers (non-executives)	794	779	98.11%	789	774	98.0%
Male	641	626	97.66%	635	620	97.6%
Female	153	153	100%	154	154	100%

8. Details of training given to employees (executives) and workers (non-executives)

a.

Segment	Total Number of training and awareness programmes held		Topics / principles covered under the training and its impact		%age of persons in respective category by the awareness programmes	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employees	37	13	Management, Safety, Health, Skill Development, Knowledge upgradation and others		52.9%	4.34%
Workers	41	24	Safety, Health, Skill Development, Knowledge upgradation and others, Flexi ITI		60.45%	50%

- b. Details of performance and career development reviews of employees (executives) and workers (non-executives)

Category	FY2023-24					FY2022-23				
	Total (A)	On Health and Safety Measures		On Skills upgradation		Total (A)	On Health and Safety Measures		On Skills upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (B)	% (B/A)	No. (C)	% (C/A)
Employees (executives)										
Male	216	131	60.65	45	20.83	217	200	92.17	210	96.77
Female	16	12	75	8	50	13	13	100	13	100
Total	232	143	62.17	53	23.04	230	213	92.61	223	96.96
Workers (non-executives)										
Male	641	462	72.07	238	37.12	621	600	96.62	600	96.62
Female	153	87	56.9	38	24.83	139	139	100	139	100
Total	794	549	69.14	276	34.76	760	739	97.24	739	97.24

9. Details of performance and career development reviews of employees (executives) and workers (non-executives)

Category	FY-23-24 Current Financial Year			FY-22-23 Previous Financial Year		
	Total (A)	No. (B)	%(B/A)	Total (A)	No. (B)	%(B/A)
Employees						
Male	216	176	81.48	217	143	65.90
Female	16	16	100.00	13	13	100.00
Total	232	196	84.48	230	194	84.35
Workers						
Male	641	462	72.07	621	NIL	NIL
Female	153	125	81.70	139	NIL	NIL
Total	794	587	73.93	760	NIL	NIL

10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes, NSL has an occupational health and safety management system being implemented.

Safety management system at NSL.

The Safety Engineering Department (SED), function is to assist the management in the fulfilment of the obligation concerning prevention of accidents and maintaining a safe working environment. SED imparts regular safety training as well as refresher safety training to the regular employees and contractor workers. SED conducts safety inspections and co-ordinates with the department for corrective actions in respect of unsafe conditions and unsafe actions. SED conducts safety campaigns such as safety competitions, painting of various safety slogans and pictures to promote the safety awareness amongst the employees. SED co-ordinates the procurement of quality safety appliances to the employees.

Safety Policy:

The EHS Policy is prominently displayed at strategic locations throughout the plant to ensure visibility and awareness among all personnel.

Safety Committee:

Safety Committees have been established as required under section 73-I of the CG Factories Rule 1962 in every major department and auxiliary unit, each tasked with enhancing workplace safety. These committees hold monthly safety meetings to discuss safety-related issues, review incident reports, identify potential hazards, and implement corrective actions and proactive measures to mitigate risks, ensuring a safer work environment. Through this collaborative approach, the committees address safety concerns promptly, share best practices, and promote compliance with safety regulations. This systematic process helps in reducing accidents, enhancing occupational health, and maintaining a safe and productive workplace.

To closely monitor and assess the effectiveness of safety concerns, a safety review meeting is conducted monthly basis under the chairmanship of the Head of Project (HOP). In this review meeting, all senior officials of NSL and O&M Mecon participate and discuss the safety aspects to mitigate the risks and improve overall safety.

Accident Reporting, Investigation & Analysis:

Any incident/accident is communicated to concern department HOD by concern area in-charge or personnel involves therein and from HOD/area In-charge the incident is communicated to Safety, P&A & PPC department. A report is prepared by a departmental in charge after the accident occurred and the report shall communicate to Safety department for further necessary investigation and communication as if required. If the accident comes under reportable case, then, safety department in consultation with concern department to prepare a report as per the prescribed format of factories rule and submitted the report to P&A department for further communication to external agencies.

The key concept of safety philosophy & Management commitment is that all injuries can be prevented. An accident investigation is important in the prevention of injuries because it can help NMDC Steel Limited to avoid a similar accident in the future. For this reason, the potential incident/accident, investigation should be carried out as soon as possible and:

- Focus on Root causes.
- Recommend preventive actions.
- Include a follow-up system to ensure that the recommendations are carried out and are effectively closed.

Events are investigated by the concerned investigation committee if required and earmarked for the particular incident / Accident. This is done in formal manner while filling the accident/incident report form. Every department maintains incident register, which includes accidents and near-miss/close call/dangerous occurrences. The identified actions are implemented which are reviewed in the monthly departmental safety committee meeting and in the plant level safety meetings.

Safety Inspections:

Safety Engineering Department (SED) regularly conducts safety inspections of equipment, plants, and processes. These inspections are carried out by Sectional Heads, Area Safety Officers (ASO), Departmental Safety Officers (DSO), Contractor Safety Personnel. The purpose of these inspections is to identify and rectify unsafe or undesirable work practices, conditions, and housekeeping issues. By doing so, we aim to promote positive safety attitudes and behaviors among our workforce. All findings from these inspections are recorded and discussed in various forums to ensure continuous improvement. Additionally, comprehensive safety audits are conducted at defined intervals, covering all aspects of occupational health and safety across all areas.

Safety Education & Training:

As part of the Safety Management System, NMDC Steel Limited has established a comprehensive training program that includes

- Safety Induction for new employees
- Refresher Training

- Safety Awareness Training
- Toolbox Talks at site
- Mock Drill
- First Aid

NMDC Steel Limited has an exclusive, well-equipped safety induction training center designed to meet the needs of both basic safety training and workplace safety. This center provides a foundational course for new employees, ensuring they are well-versed in basic safety standards. For refresher training, the HRD department maintains a training hall for skilled employees. This ensures that all employees remain updated on the organization's safety policies, procedures, and emergency protocols. The program emphasizes the importance of workplace safety and equips personnel with the knowledge and skills necessary to identify hazards, respond appropriately to incidents, and maintain a safe working environment

Standard Operating Procedures / Work Permit System:

Appropriate procedures, work instructions, operation control procedures are established and issued to all concerned for safe & effective operation. Training to contractor employee is given before deputing on day-to-day activities. Work Permit system is implemented to ensure a safe work environment through a standardized PTW system for managing hazardous work, thereby safeguarding personnel and facilities and its Applicable to all operating and project sites under NSL , covering hazardous works including but not limited to repair, maintenance, inspection, and modifications.

Pressure Vessels / Lifting Tackles:

All pressure vessels are identified and covered under annual testing by competent authority and records maintained. The safety Engineering department is responsible for arranging annual inspection of lifting tackles, and all are found to be covered as per frequency. Operators found to be conversant with operation of such equipment's. All test reports are maintained at respective departments as well in Safety dept.

Integrated Management System:

The implementation of the Integrated Management System is in progress and includes certifications for Occupational Health and Safety Management System (OHSMS) ISO 45001:2018.

- What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Hazard Identification & Risk Assessment (HIRA)

- To ensure that Hazard Identification & Risk Assessment is done in a structured manner using the set criteria. Risk mitigation plan is also decided as per the assessment.
- NMDC Steel Limited use the following hierarchy of controls:



Job Hazard Analysis (JHA)/Job Safety Analysis (JSA):

- Conduct a comprehensive analysis of each job task to identify potential hazards.
- Break down the tasks into steps and assess the associated hazards and risks.
- Involve employees and supervisors in the JHA process to gather their input and knowledge.

Safety Inspections:

- Regularly conduct safety inspections of the workplace to identify hazards.
- Inspect equipment, machinery, tools, and work areas for potential risks.
- Document and report identified hazards for corrective actions.

Incident/Near-Miss Reporting and Investigation:

- Establish a reporting system for employees to report incidents and near-miss events.
- Investigate incidents and near-misses to determine the root causes and contributing factors.
- Analyze incident trends and patterns to identify potential hazards and areas of improvement.

Safety Committees and Employee Engagement:

- Establish safety committees comprising representatives from various departments.
- Conduct regular meetings to discuss safety concerns, hazards, and risk mitigation strategies.
- Encourage employees to actively participate in safety programs, provide feedback, and report hazards.

Task-Specific Risk Assessments:

- Perform task-specific risk assessments for high-risk or complex tasks.
- Identify hazards and assess risks associated with each task.
- Determine appropriate control measures and develop safe work procedures for each task.

Periodic Safety Audits and Reviews:

- Conduct periodic safety audits to assess the effectiveness of safety measures.
- Review safety policies, procedures, and practices to ensure compliance with regulations and industry best practices.
- Identify areas for improvement and implement corrective actions.

Training and Education:

- Provide comprehensive training to employees on hazard identification, risk assessment, and control measures.
- Conduct specialized training for employees involved in high-risk tasks or working with hazardous materials.
- Promote safety awareness and educate employees about the importance of hazard identification and risk assessment.

By implementing these processes, the steel industry entity can effectively identify work-related hazards, assess risks, and take appropriate measures to ensure a safe

- c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

YES: The workers are participating in the safety committee meetings as per the safety regulations and providing their observations and inputs regarding work related hazards in the presence of respective Safety Committee chairman. The Safety Committee is functional in Package/unit as per the Factory regulations. Furthermore, on regular basis Safety Tool box talks are being organised involving workers for awareness, where workers are given opportunity to share the safety related hazards.

Occupational Health Services at NSL, Nagarnar:

Occupational Health Centre

As per Indian Factories Act, 1948, and the relevant CG state factory rules, an Occupational health center is established at NSL, Nagarnar including a 24x7 Emergency and Trauma Unit, an Audiometry room, Medical Laboratory, a Digital X-Ray unit and Spirometry test, a vision room, a minor OT, an observation room, a minor burn unit, /Surgical ward and a pharmacy.

First-Aid Centres:

To ensure the highest level of safety and emergency medical preparedness within the plant premises NSL, Nagarnar established two well-equipped 27x7 first aid Centres with trained male nursing staff and ALS (advanced life support system) Ambulances at the following locations:

1. First-Aid Center at the Coke-Oven Area,
2. First-Aid Center in the RMHS area.

Presently, OHC, NSL provides the following statutory Occupational health services as per Indian Factories Act, 1948.

1. Initial Medical Examination,
 2. periodical Medical Examination,
 3. Fitness for working at height,
 4. First aid training,
 5. Management of IOD (injured on duty) cases,
 6. Fitness for long absentees.
 7. Ambulance services: five ambulances with advanced life support systems along with Emergency Medical Technicians are available round the clock to attend to any kind of medical emergency in the plant.
- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Employees/ workers of the entity have to access non-occupational medical and health care services like:

- General OPD
- 24x7 Emergency medical services,
- Health awareness camps,
- Blood donation camps.

11. Details of safety related incidents, in the following format:

Safety incident/ numbers	Categories	FY2023-24	FY2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees (executives)	-	-
	Workers (non-executives)	-	-
Total recordable work-related injuries	Employees (executives)	Nil	Nil
	Workers (non-executives)	10	3
No. of fatalities	Employees (executives)	Nil	Nil
	Workers (non-executives)	Nil	Nil
High consequence work-related injury or ill-health (excluding fatalities)	Employees (executives)	Nil	Nil
	Workers (non-executives)	Nil	Nil

The data involves: Reportable accidents under factories rules

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Measures taken for safe and healthy work place:

Coke Oven and By-Product Plant:

- Adequate ventilation systems to control dust, smoke, and harmful gases.
- Proper maintenance of equipment to prevent leaks, fires, and explosions.
- Use of personal protective equipment (PPE) such as masks, gloves, and goggles.
- Regular monitoring of air quality and implementation of control measures.

Sinter Plant:

- Installation of dust collection systems and proper ventilation.
- Use of PPE to protect against dust and smoke inhalation.
- Regular maintenance and inspection of moving equipment to prevent accidents.
- Training programs on handling hazardous substances and emergency procedures.

Blast Furnace:

- breaks and hydration programs.
- Installation of dust control systems and proper ventilation.
- Use of PPE to protect against heat, dust, noise, and chemical exposure.
- Safety measures for working at heights and near liquid metal and slag.

Steel Melting Shop:

- Implementation of proper ventilation.
- Use of PPE to protect against heat, dust, noise, and chemical exposure.
- Regular maintenance of equipment and safety guards.
- Training programs on safe handling of liquid metal, slag, and moving equipment.

Rolling Mills:

- Implementation of noise control measures, such as soundproofing and hearing protection.
- Regular maintenance of equipment to prevent accidents and malfunctions.
- Use of PPE to protect against heat, noise, and mechanical hazards.
- Proper housekeeping to minimize slip and trip hazards.

Power and Blowing Station:

- Regular maintenance and inspection of equipment to prevent accidents and malfunctions.
- Implementation of heat stress management measures and noise control.
- Proper training for working at height and handling gas and steam lines.
- Monitoring and control of vibrations to minimize health risks.

Material Handling:

- Implementation of ergonomic practices to reduce the risk of musculoskeletal disorders.
- Training programs on proper lifting techniques and use of mechanical aids.
- Adequate lighting and clear signage to ensure safe movement.
- Regular inspection and maintenance of equipment to prevent accidents.

Oxygen Plant:

- Proper maintenance and inspection of oxygen storage and handling systems to prevent leaks and ensure safe operations.
- Installation of fire detection and suppression systems in the plant.
- Adequate ventilation systems to prevent the accumulation of oxygen and maintain a safe oxygen concentration in the air.
- Proper training for employees on the safe handling, storage, and transportation of oxygen.
- Use of appropriate personal protective equipment, such as gloves and goggles, when working with liquid oxygen.

Lime and Calcination Plant:

- Implementation of dust control measures, such as dust collection systems, ventilation, and proper housekeeping.
- Use of personal protective equipment, including masks, goggles, and gloves, to protect against dust exposure.
- Implementation of heat stress management programs, including adequate rest breaks, hydration, and proper ventilation.
- Regular maintenance and inspection of equipment to prevent malfunctions and reduce fire and explosion risks.
- Proper training for employees on the safe handling and storage of lime, including the use of appropriate PPE and emergency procedures.

Other Major Hazards:

- Implementation of confined space entry procedures and training programs.
- Provision of appropriate tools and equipment for each task.
- Proper illumination and ventilation in work areas.
- Regular inspection and maintenance of electrical systems.

Strict adherence to safety protocols, shutdown procedures, and clearances.

Training programs on emergency preparedness and use of safety appliances.

It is important to note that these measures should be supported by comprehensive safety training programmes, regular inspections, hazard identification, and reporting mechanisms. Additionally, fostering a culture of safety awareness and responsibility among employees is crucial to maintaining a safe and healthy work environment in the steel industry.

13. Number of Complaints on the following made by employees (executives) and workers (non-executives)

	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	NIL	NIL		NIL	NIL	-
Health & Safety	NIL	NIL		NIL	NIL	-

14. Assessments for the year:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Nil
Working Conditions	Nil

15. Provide details of any corrective action taken or underway to ensure safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions

- Strictly implementation of Work permits system, SOP & SMP at site;
- Ensure close monitoring by the concerned officials;
- Enhance the safety awareness training & motivational programmes among the employees;
- Ensure the availability of good quality PPE's at site;
- Conduct the internal & external safety audit to review and developed safety culture.

Leadership indicators

- Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).
A. Employees - Yes
B. Workers – Yes
- Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.
The Company includes ethics, fair practices and fulfilment of statutory obligations as a condition in all its letter of award for various contracts.
- Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been/ are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Total no. of affected employees/ workers

	FY2023-24	FY2022-23
Employees (executives)	Nil	Nil
Workers (non-executives)	Nil	Nil

No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment

	FY2023-24	FY2022-23
Employees (executives)	Nil	Nil
Workers (non-executives)	Nil	Nil

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

The company is a Government organisation and it is governed by the rules & regulations formulated by DPE, Government of India. However, no transition assistance programmes were conducted by the Company to facilitate continued employability and the management of career endings resulting from retirement or termination of employment.

5. Details on assessment of value chain partners:

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Not carried out.
Working Conditions	Not carried out.

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not Applicable

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential indicators

1. Describe the processes for identifying key stakeholder groups of the entity

We have adopted a synergistic approach towards stakeholder engagement. Our stakeholder engagement process is guided by the NSL Citizen's Charter. The charter lays out the mechanism through which we reach out and engage with our stakeholders and manage their feedback. Our decisions regarding production, management and general business functioning take place after thorough stakeholder consultation. We also ensure that we regularly meet legal, statutory and regulatory requirements.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisement, Community meetings, Notices Board, Website)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others)- Please specify	Purpose and scope of engagement including key topics and concerns raised during such engagements
Government and other regulators	No	<ul style="list-style-type: none"> Meeting with Centre and State Government, Ministry of Steel, Ministry of Mines, DPE, Ministry of Environment, Forests and Climate Change, Ministry of Corporate Affairs, Periodic communication and submission of various compliance reports to statutory authorities Performance Report (Quarterly & Annually) Inspections 	Annually	<ul style="list-style-type: none"> Infrastructure development Community development Forest and Environmental clearances Other applicable acts and policies.
Employees	No	<ul style="list-style-type: none"> Industrial Relations Meetings with Union leaders, Bipartite and Tripartite meetings Collective bargaining interactions with officer associations Official communications Grievance redressal forums Employee training and seminars. Monthly Co-ordination meetings 	Quarterly	<ul style="list-style-type: none"> Job Satisfaction Collective bargaining agreements Promotion & career growth Employee benefits and remunerations Performance management and recognition Health and safety measures at the Steel Plant
Suppliers	No	<ul style="list-style-type: none"> Interactive meetings and sessions during tenders Vendors meet, periodic vendor and supplier meets Supplier Relationship Management 	Half-yearly	<ul style="list-style-type: none"> Onboarding local suppliers Transparency & anti-corruption practices Timely payment Adoption of integrity pact programme Quality of items of supply
Customers	No	<ul style="list-style-type: none"> Meeting with Industry representatives and Ministries. Meetings with Customers. 	Quarterly	<ul style="list-style-type: none"> Quality of items of supply

Stakeholder group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Emails, SMS, Newspapers, Pamphlets, Advertisement, Community meetings, Notices Board, Website)	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others)- Please specify	Purpose and scope of engagement including key topics and concerns raised during such engagements
Industry associations & professionals	No	<ul style="list-style-type: none"> Membership with industry associations. Regular meetings with consultants and professionals. Meetings & seminars 	Annually	<ul style="list-style-type: none"> Quantity and quality of products Customer grievance and resolution mechanisms Knowledge & infrastructure support
Local communities	Yes	<ul style="list-style-type: none"> Gram Sabha and Public Hearing / Consultation as and when required. Meetings with community leaders 	Public hearings as per regulatory requirement, other community meetings as required	<ul style="list-style-type: none"> Impact on the community Livelihood opportunities Basic amenities Rehabilitation and Resettlement Compensation
Regulatory Authorities	No	<ul style="list-style-type: none"> Ongoing meetings and dialogues Participation in formal and informal consultation process 	On regular basis	<ul style="list-style-type: none"> Sound corporate governance mechanisms Regulatory compliances Transparency in disclosures
Media	No	<ul style="list-style-type: none"> Press conferences Press coverage of operations Interviews 	Monthly/Quarterly/ as per plan	<ul style="list-style-type: none"> Transparent and accurate disclosure to the stakeholders Strategic announcements and achievements
Investors	No	<ul style="list-style-type: none"> Annual General Meeting Periodic financial reports to shareholders and investors Interactions with financial institutions and shareholders. 	Annually/ as and when convened	<ul style="list-style-type: none"> Transparent and effective communication of business performance Addressing investor queries and concerns Sound corporate governance mechanisms

Leadership indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.
 - a) Stakeholder Identification: We have identified 9 key stakeholder groups that impact our business and are, in-turn impacted by our business.
 - b) Stakeholder engagement: We develop survey questionnaires for employees and workers to seek their inputs on the working conditions and other aspects. Engagement with other stakeholder groups, including the guidance and direction given by the Board of Directors and Senior Management.
 - c) Issue Prioritization: Based on the response received from the stakeholder engagement, we identified key material issues for addressing for the company.
 - d) Issue Management: We sought inputs from the senior management and the Board of Directors on the management of key material topics across the value chain.

- Whether stakeholder consultation is used to support the identification and management of environmental and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes. Stakeholder consultation is used to support the identification and management of environmental and social topics.

- Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalized stakeholder groups.

The concerns of the local communities identified as vulnerable/marginalised groups were as follows:

- Compensation
- Financial, social and environmental impact of the operation on the community.
- Training/upskilling to enable community members to be self employed
- Support in providing clean drinking water
- Job creation

Principle 5: Businesses should respect and promote human rights

Essential indicators

- Employees and workers who have been provided training on human rights issues and policies of the entity
There were no trainings specific to human rights that were conducted during the reporting period.
- Details of minimum wages paid to employees and workers in the following format

Category	FY2023-24					FY2022-23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B /A)	No.(C)	% (C / A)		No. (E)	% (E/D)	No. (F)	% (F /D)
Employees (executives)										
Permanent										
Male	216	-	-	216	100	220	-	-	220	100
Female	16	-	-	16	100	12	-	-	12	100
Workers (non-executives)										
Permanent										
Male	641	113	17.6	528	82.4	635	112	17.6	523	82.4
Female	153	32	20.9	121	79.1	154	33	21.4	121	78.6
Other than Permanent										
Male	567	0	0	567	100	619	0	0	619	100
Female	5	0	0	5	100	5	0	0	5	100

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	5	*	1	*
Key Managerial Personnel	1	-	-	-
Employees other than BoD and KMP	-	-	-	-
Workers	-	-	-	-

* No remuneration was paid to the Directors of NMDC Steel Limited. As per Order dated 20.03.2023 of the Ministry of Steel, Govt. of India, the Directors on the Board of NMDC are also the Directors on the Board of NMDC Steel Limited on co-terminus basis.

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. Being a Public Sector Enterprise, NMDC Steel Limited follows the Government of India guidelines in this regard. The Grievance committee shall oversee and address any issue arising from any human rights impact or issues caused or contributed to by the business.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The mechanism prescribed by the Government, namely the "Grievance Procedure", is in force for the redressal of the employees. There is a full-fledged Personnel Department which is fully equipped to deal with the grievances of the employees. Besides, as and when CMD/Directors of the company visit the steel plant, they invariably hold meetings with the Associations/ Unions for redressal of their grievances, if any.

Besides, there is a link to the CPGRAMS also provided on the website of the company, where a grievance can be lodged by an aggrieved employee. This portal is being monitored by the Head of Personnel Department of the company, who is also the Grievance Redressal Officer of the Company. We stand committed to protecting human rights in the workplace.

6. Number of Complaints on the following made by employees and workers:

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	Nil	Nil	N.A.	Nil	Nil	N.A.
Discrimination at workplace	Nil	Nil	N.A.	Nil	Nil	N.A.
Child Labor	Nil	Nil	N.A.	Nil	Nil	N.A.
Forced Labor/Involuntary Labor	Nil	Nil	N.A.	Nil	Nil	N.A.
Wages	Nil	Nil	N.A.	Nil	Nil	N.A.
Other human rights related issues	Nil	Nil	N.A.	Nil	Nil	N.A.

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases

The company has a Board of Directors' approved Whistle Blower Policy in place. This mechanism provides adequate safeguards against victimization of Employees who complain about discrimination/harassment etc. The Guidelines of Department of Public Enterprise (DPE) provides that the role of the Audit Committee, as constituted by the Board of Directors, includes a review of the functioning of the Whistle Blower Mechanism. Complete Confidentiality of the Whistle Blower is being maintained. It is ensured that the Whistle Blower /

Complainant is not subjected to victimization of any nature whatsoever. Genuine Whistle Blowers are accorded protection from any kind of harassment/unfair treatment/victimization. Any other Employee(s) assisting in the said investigation are also protected to the same extent as the Whistle Blower/Complainant.

In case of Employees filing a Vigilance Complaint with the Vigilance Department, the Identity of the Complainant is strictly kept confidential. In case a complaint is received against any superior for any kind of harassment to the employee, the identity of the complainant is kept confidential, and if required, the superior/complainant may be transferred to other Units for safeguarding the Complainant. NSL has an Internal Complaints Committee (ICC) under the POSH ACT, 2013, to safeguard and protect women Employees from any form of Sexual Harassment and Discrimination in the Workplace.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

No

9. Assessment for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labor	100%
Forced/involuntary labor	100%
Sexual harassment	100%
Discrimination at workplace	-
Wages	100%
Others – please specify	-

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

Not Applicable

Principle 6: Businesses should respect and make efforts to protect and restore the environment

Essential indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

(in GJ)

Parameter in GJ	FY2023-24	FY2022-23
Total electricity consumption (1) (Grid)	22,37,448	484142.2
Total fuel consumption (2)	44,14,067	1558010
Energy consumption through other sources (3) (Solar)	-	0
Total energy consumption (1+2+3)	46,651,515	2042152

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

The Company does not have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme by the Government of India. Hence, the same is not applicable.

3. Provide details of the following disclosures related to water, in the following format: (in KL)

Parameter Water withdrawal by source (in kiloliters)	FY 2023-24	FY2022-23
(i) Surface water	9474332	5752606
(ii) Groundwater	NIL	NIL
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	9474332	5752606
Total volume of water consumption (in kiloliters)	7908317	3072144

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

The Company has implemented an effective mechanism to ensure Zero Liquid Discharge, the details of which are as below:-

- All units of the steel plants are provided with separate pre-treatment systems comprising of settling ponds, UF and RO systems. For treatment of waste water generated from power and blowing station, HRSCC-DMF-UF-RO scheme has been proposed. The treated effluents shall be used as makeup water in unit water circuit.
- A centralized zero liquid discharge facility has been proposed for the ISP. RO reject water (180 m³/hr) from various units of the steel plant shall be collected & treated in ZLD plant. Around 90% of the water shall be recovered from ZLD and shall be reused inside the plant. No effluents shall be discharged outside the plant boundary. ZLD sludge shall be disposed-off through Authorized TSDF agency.
- Engineering of the scheme is under progress. Breakup of quantities of RO rejects maximum from various units is shown in **Table**.

Breakup of RO rejects from different units of the Integrated Steel Plant

S. No	Unit	RO Reject Quantity(m ³ /hr)
1	Power & Blowing Station	45
2	Thin slab caster, Tunnel Furnace, HSM	45
3	BOF Complex	26
4	Blast Furnace Complex	14
5	STP (UF Reject)	12
6	Compressed Air Station	10
7	Oxygen Plant	8
8	ED Work Building	7
9	Lime & Dolomite Plant	4
10	Area shop office for Sinter plant, BF & LDCP	3
11	Area shop office, for SMS & Caster	3
12	Area shop for CMOS Building	3
Total		180

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY2023-24	FY2022-23
NOx	mg/Nm ³	231	241
SOx	mg/Nm ³	263	386
Particulate matter (PM)	mg/Nm ³	44	46
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

6. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

Parameter	Unit	FY 2023-24	FY2022-23
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	<i>Metric tonnes of CO₂ equivalent</i>	858264.5	451718.3
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	<i>Metric tonnes of CO₂ equivalent</i>	201860.48	106242.36
Total Scope 1 and Scope 2 emissions per rupee of turnover		-	-

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Yes. The Company has adequate systems for monitoring the Green House Gas emissions. There are four continuous Ambient air quality stations to monitor the air quality continuously for 8 parameters.

8. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Solid Waste: Mitigation Measures

Integrated Iron & steel plant generates solid wastes, some of which are hazardous while others are non-hazardous. Some of these wastes are reused / re-utilised and some are not. Additionally, some wastes are also generated during operation / maintenance / annual maintenance of other units / shops etc, like Flue dust from BF, BF/BOF Gas Cleaning Plant sludge, Waste Refractories, etc. It can be noticed that except some sludge generated from Coke Oven and By Product area, all other wastes are non-hazardous. All the solid wastes shall be utilized as such inside the plant in Sinter Plant/BOF. BF/BOF Slag shall be sold to cement manufacturers or used for road construction.

All hazardous waste shall be handed over to authorized dealers for disposal as per statutory norms. The generation quantity along with the reuse / recycle and disposal methodology for the solid waste is presented in the following table:

Table 1: Source of Generation / Characterization of Solid Wastes

SN.	Solid wastes	Production/ Generation (TPA) 2023-24	Proposed disposal
1	BF slag	2,85,601	Sold (Cement Industry), Road Construction
2	BF sludge	-	-
3	BF flue Dust	-	-
4	BOF Slag/LD slag	68,974	100 % reuse in construction, Cement, BF, Sinter Plant & as rail ballast.

SN.	Solid wastes	Production/ Generation (TPA) 2023-24	Proposed disposal
5	BOF sludge	-	-
6	BOF scale	-	-
7	Scales Mills	3,196	100% reuse in the Sinter Plant
8	Scrap Mills	3,126.91	100% reuse in the BOF Plant
9	Scales Caster	1,050	100% reuse in the Sinter Plant
10	Scrap Caster	10,083	100% reuse in the BOF Plant
11	Lime Dust	3,743.53	100% reuse in the Sinter Plant
12	Dolo Dust	Nil	-
13	Skull / Scrap	3,582.93	100% reuse in the BOF Plant
14	Pig casing m/c Sludge	Nil	-
15	Cinder	Nil	-

Table 2: Hazardous waste generation & management

SN.	Source	Quantity Per Annum	Mode of utilisation
1	Tar Sludge from Coke Oven Decanter	1,485 T	Recycling in Coke Ovens.
2	BOD plant sludge	150 T	Disposal in Coke Ovens
3.	ZLD Plant Sludge	55 T	Disposal through Authorised TSDF (Treatment Storage and Disposal Facility) agency.
4.	Spent / Wash /Lubricant and batteries	1.2 T	Disposal through Authorised TSDF (Treatment Storage and Disposal Facility) agency.
5.	Oil & Grease Skimming Residues	0.5 T	Sold to authorize recyclers.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes

The waste management practices adopted by the company are mentioned in Table 1. There are processes in place to reduce the usage of hazardous and toxic chemicals; the processes and practices adopted to manage hazardous waste are given in Table 2 of point no. 8 above.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Permissions and recommendations were undertaken from the State Forest Department regarding impact of proposed plant on the surrounding reserved forest viz. Kanger RF (5 km, SE), Ultnar RF (7.9 km, NW), Kakadpasa RF (5.3 km, NW), Chalanguda RF (8.5 km, NW) and Metawada RF (13.6 km, NW).

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1	Village & PO Nagarnar, District Bastar, Chhattisgarh	Integrated Iron and Steel Plant	All the conditions are complied

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
EIA/EMP study report for Integrated Steel Plant (3.0 MTPA) at Village Nagarnar, Tehsil Jagdalpur, District Bastar, Chhattisgarh	S.O.1533(E)	14.09.2006	YES, EIA/EMP study was carried out by M/s MECON Ltd., Ranchi, Jharkhand	Yes	https://environmentclearance.nic.in/onlineSearchnewrk.aspx?autoid=2070&proposal_no=IA/CG/IND/24498/2014&typep=EC

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N).

NSL has been granted & issued Consent to Operate under Water (Prevention and Control of Pollution) Act 1974, Air (Prevention and Control of Pollution) Act 1981 23.08.2023 same is valid up to 31.08.2024. All the conditions stipulated under the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and Rules there under are complied and compliance report of the same is being submitted to statutory agencies. Also, NSL has been granted & issued Authorization under the Hazardous and Other Wastes (Management & Transboundary Movement) Rules, 2016 on 04.06.2024 and the same is valid upto 02.06.2029.

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential indicators

1.
 - a. Number of affiliations with trade and industry chambers/ associations.
NIL
 - b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to
NIL
2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities
No such adverse orders were received from the regulatory authorities.

Principle 8: Businesses should promote inclusive growth and equitable development

Essential indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Not available

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S.No	Name of the project for which R & R is going on	State	District	No.of project effected families(PAF's)	% of PAF's covered by R&R	Amount paid to PAFs on the FY (in INR)
1	NSL, Nagarnar	Chattisgarh	Bastar	26 Khatas	78	5.8 crores against land compensation

3. Describe the mechanisms to receive and redress grievances of the community.

NSL, being a Central Public Sector Enterprise, has its established grievance submission & redressal mechanism. A Complaint box has been provided at the plant wherein stakeholders can drop in their grievances. In addition to the above, grievances /complaints can be submitted to the Head of the Departments.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:(Rs. Crore)

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	168.00	19.00
Sourced directly from within the district and neighbouring districts	3.20	2.35

Leadership indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Not Applicable

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

Since the Company started commercial operations in August 2023 only and reported a loss during the financial year 2023-24, there was no obligation of spending on CSR.

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

Yes

- (b) From which marginalized /vulnerable groups do you procure?

SC / ST category

- (c) What percentage of total procurement (by value) does it constitute?

Not available

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Not applicable

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Not applicable

6. Details of beneficiaries of CSR Projects:

Since the Company started commercial operations in August 2023 only and reported a loss during the financial year 2023-24, there was no obligation of spending on CSR.

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential indicators

- Describe the mechanisms in place to receive and respond to consumer complaints and feedback.
NSL, as a CPSE, has a well-established system for submitting and resolving grievances. NSL Vigilance dept. receives complaint through various sources such as CVC, CBI, MOS and either by mail or by post. Additionally, complaints can be submitted to the Chief Vigilance Officer (CVO). Once a complaint is registered and the complainant's credibility is confirmed, further correspondence regarding the complaint's outcome will not be entertained. However, Vigilance will ensure that the complaint is examined and investigated according to the guidelines of CVC. If an employee's name appears in the complaint or their role emerges during the investigation, they will be informed of the allegations.
- Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:
Environmental and social impact relevant to the product – 0%
Safe and responsible usage – 0%
Recycling and / or safe disposal - ___ 0%
- Details of consumer complaints in respect of the following

Sl. No.	FY 2023-24		FY 2022-23	
	Received during the year	Pending resolution at the end of the year	Received during the year	Pending resolution at the end of the year
Data Privacy	Nil	Nil	Nil	Nil
Advertising	Nil	Nil	Nil	Nil
Cyber Security	Nil	Nil	Nil	Nil
Delivery of essential services	Nil	Nil	Nil	Nil
Restrictive Trade Practices	Nil	Nil	Nil	Nil
Unfair Trade Practices	Nil	Nil	Nil	Nil
Other	Nil	Nil	Nil	Nil

- Details of instances of product recalls on account of safety issues

	Number	Reasons for recall
Voluntary recalls	Nil	Nil
Forced recalls	Nil	Nil

- Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No)
If available, provide a web-link of the policy.
No. However the company is in process of developing a policy on cyber security. Various awareness programs like cyber security month, have been conducted to raise awareness among the employees on data privacy.
- Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / service. Not applicable

7. Information relating to data breaches

Number of instances of data breaches- Nil

Percentage of data breaches involving personally identifiable information of customers- Nil

Impact, if any, of the data breaches- Nil

Leadership Indicators

1. Channels I platforms where information on products and services of the entity can be accessed (provide web link, if available).

The detailed Product catalogue is available on the Company's website at the link:

<https://nmdcsteel.nmdc.co.in/Docs/ProductCatalogueBrochure.pdf>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or Services.

Not applicable

3. Mechanisms In place to inform consumers of any risk of disruption/discontinuation of essential services.

Not applicable

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products I services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

No. The Company has not carried out any survey with regard to consumer satisfaction.

Annexure - V

COMMENTS of C&AG

MANAGEMENT'S REPLIES TO THE COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF NMDC STEEL LIMITED FOR THE YEAR ENDED 31ST MARCH'2024.

Comments	Management's Replies
<p>The preparation of financial statements of NMDC Steel Limited (Company) for the year ended on 31 March 2024 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of Act are responsible for expressing opinion on these financial statements under section 143 of the Act based on the independent audit in accordance with the Standards on Auditing prescribed under section 143(10) of the Act. This is Stated to have been done by them vide their Revised Audit Report dated 24 July 2024 which supersedes their earlier Audit Report dated 27 May 2024.</p> <p>I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of NMDC Steel Limited for the year ended 31 March 2024 under section 143 (6)(a) of the act. This supplementary audit has been carried out independently without access to the working papers of the statutory Auditors and is limited primarily to inquires of the Statutory Auditor and Company personnel and a selective examination of some of the accounting records. The Audit Report has been revised by the Statutory Auditor to give effect to some of audit observations raised during supplementary audit.</p> <p>In addition, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report:</p>	

Comments	Management's Replies
A. Comments on Financial Position	
Balance sheet	
Current Assets	
Financial Assets	
Other Financial Assets (Note 2.8.4): Rs.79.13 crore	
1. a. The above includes Rs.35.14 crore towards amount recoverable from main consortium partner M/s Bhilai Engineering Corporation Limited (M/s BEC) on account of Liquefied Petroleum Gas (LPG). The Company placed order on consortium of M/s Bhilai Engineering Corporation Limited for setting up of Coke Oven Battery Complex. During the execution, M/s BEC requested the Company for descoping of supply of LPG to Coke Oven package and Company procured LPG itself. Empowered Committee of Directors (ECOD) approved for descoping and recommended for recovery of Rs.23.52 crore from M/s BEC and balance amount of Rs.32.61 crore to be borne by Company due to delay in readiness of By Product Plant (BPP). However, the Company accounted Rs.35.14 crore as recoverable without consent of M/s BEC. Accounting of LPG amount without recovery from the running bills has resulted in overstatement of current assets by Rs.35.14 crore.	<p>The work of Setting up of Coke Oven Battery Complex Package (Pkg-2) was awarded to M/s Bhilai Engineering Corporation (BEC), Consortium Leader. NSL has procured the LPG from the HPCL based on the request Letter of M/s BEC for the De-scoping the LPG supply for Heating up the Coke Oven Battery from their Scope. Accordingly, Invoices were raised towards recovery amount of Rs.35.07 Crores(Audit mentioned as Rs.35.14Crore which includes 0.07 crore for rent recovery). It is already mentioned that LPG supply was under the scope of M/s BEC.</p> <p>It is to be reiterated that LPG has been procured based on the request of M/s BEC shows its acceptance.</p> <p>It is to be noted that the recoverable amount from BEC on account of LPG is Rs. 23.52 Crore for Battery- 1 and Rs. 11.79 Cr for Battery- 2 (as per the latest ECOD approval dated 29.04.2024). Recovery on account of issue of Coke Oven Gas for Battery -2 is Rs. 8.72 Cr.</p> <p>Therefore, total recovery on account of LPG is Rs. 35.31 Cr and Rs.8.72 Cr on account of Coke Oven Gas. The recovery amount of Rs. 35.07 Cr has been effected on 31.03.2024. Further, balance amount of Rs. 0.23 Cr for LPG and Rs. 8.72 Cr for Coke Oven Gas has been made vide Invoice No.IN2024011197 dt. 23.07.2024 and Invoice No. IN2024011196 dt.23.07.2024 respectively.</p> <p>Recovery towards cost of LPG been approved by the Competent Authority to be made from Commissioning bills of M/s BEC. As the amount is recoverable as on the reporting date of 31.03.2024, the same has been reported under amount recoverable.</p> <p>With reference to the consent of M/s BEC, a copy of acceptance of M/s BEC on account of LPG issue for battery -2 was also submitted to the Audit.</p>

Comments	Management's Replies
<p>1. b. The above includes Rs. 8.40 crore towards amount recoverable from BHEL- Chhattisgarh. The repair works were completed at Rs.8.40 crore during February 2024. The Company has not accounted the repair cost under repairs and maintenance of plant and machinery but accounted as recoverable from M/s BHEL. Accounting of repair cost as recoverable from M/s BHEL without their consent has resulted in understatement of expenses as well as loss by Rs. 8.40 crore. Further, this has resulted in overstatement of recoverable by Rs.8.40 crore.</p>	<p>Raw Material Handling System (RMHS) package is one of the main package of the steel plant which conveys the raw materials to the entire plant. The package was awarded on LSTK basis vide work order no- HO(Contracts)/NISP/RMHS/01 dated 03.09.2021 to M/s BHEL to construct the same.</p> <p>Regarding Wagon Tippler, the design for the same was prepared by OEM, M/s Elecon as per the agreed technical specifications of the project. However, it has been observed that cracks were developed in the bolster beams of wagon tippler no-1,3 &4 and due to which it was apprehended that the commissioning of the plant may be affected. To rectify the problem, the issue was raised with BHEL and BHEL in return accepted the same vide their letter dated 05.06.2023. A committee consisting members from NSL, MECON and BHEL has been formed to study the problem in other organisations and recommend to rectify the same. It has been identified that it's a design defect.</p> <p>As the defect liability period of the equipment was not over, M/s BHEL was informed to rectify the problem. In spite of several communications, the problem was not rectified by BHEL. As commissioning of the plant was approaching and without RMHS, commissioning of the steel plant could not be possible, notice of negligence has been issued to BHEL on 03.06.2023 as per clause no-37 of the Contract. As BHEL has not taken the corrective action for replacement of Bolster Beam, NSL has taken the decision to carry the work at the "Risk & Cost" of BHEL as per the provision of the contract. Accordingly, the said work was executed by NSL and the amount is shown as recoverable from M/s BHEL.</p>

Comments	Management's Replies
<p>B. Comments on Profitability</p> <p>Statement of Profit and Loss</p> <p>Other income (Note no.2.19): Rs.119.29 crore</p> <p>2. The above includes Rs. 75.43 crore received from NMDC Limited for sharing of Company's assets with Pellet Plant of NMDC Limited to facilitate drawal of water for the pellet plant of NMDC for a period of 99 years. A Memorandum of Agreement (MOA) was signed between NMDC Steel Limited (NSL) and NMDC Limited on 12 February 2024 in this regard. As per the terms of MOA, freehold land to the extent of 0.558 hectare was transferred to NMDC Limited, for which NMDC Limited has paid Rs.0.26 crore to NSL. Further amounts of Rs.74.54 crore and Rs 0.78 crore were paid by NMDC Limited to NSL for sharing of assets. Of this, an amount of Rs.0.15 crore has been credited to Property, Plant and Equipment against transfer of land and remaining amount of Rs.75.43 crore received against sharing of assets has been accounted as Other Income.</p> <p>As per the clauses of MOA agreement, asset sharing is the nature of granting Right of Use. Right of Use assets are to be accounted for as per the provisions of Ind AS 116. Since the Agreement is for 99 years, the amount of Rs.75.54 crore should have been treated as Deferred revenue and recognized over the agreement period. Accounting Rs.75.43 crore as Other Income has resulted in non-Compliance with the provisions of Ind AS 116 and resulted in overstatement of other income by Rs.74.68 (Rs.75.43 crore-Rs.0.75 crore for 2023-24 to be amortized for 1year) and understatement of loss to that extent.</p>	<p>Based on the scheme of arrangement between NMDC Ltd. (Demerged Company) and NMDC Steel Limited (Resulting Company) as approved by MCA on 6th October 2022, both the entities entered into a Memorandum of Agreement (MOA) to share water supply system and facilities of NSL for facilitating construction and operation of slurry Pipeline Project (SPL Project) of NMDC.</p> <p>For the share of pipeline facilities, NMDC has paid Rs. 74.54 Cr for operational water and Rs. 0.78 Cr for drinking water as a onetime cost against the capital cost incurred by NSL. For transfer of 0.558-hectare land, Rs. 0.26 Crore has also been paid by NMDC. Of the 0.26 crore, the proportionate cost of land amounting to Rs. 0.15 crore has been derecognized from PPE as the ownership is transferred and the balance amount of Rs. 0.11 crore has been accounted under other income. The total amount considered under other income is 75.43 cr (Rs. 74.54 cr+0.78 cr+0.11 cr).</p> <p>As per Para 9 of Ind AS 116: At inception of a contract, an entity shall assess, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.</p> <p>In the subject agreement, the control of the asset lies with NSL and NMDC gets only a portion of the water for the construction as well as operation of the SPL. As per the clause 2.1(i), the water allocation to NSL is 53.69 million Cum per Annum whereas water allocation for SPL Project is 11.39 Million Cum per Annum.</p> <p>NSL operates the assets for its own Use and will share water additionally to facilitate the construction as well as operational activities of SPL. The resources like manpower, O&M of pipeline, pump house from river to the reservoir etc. are under the control of NSL. Therefore, as per para 9 of Ind AS 116, it is not a lease. Hence the accounting treatment as per Ind AS 116 is not required.</p>
<p>c. Notes to the Financial Statements</p> <p>3. Audit observed that depreciation on certain items like Electrical installations was not as per Schedule II rates of Companies Act 2013 but the same was not disclosed in the notes to financial statements. Hence, the notes to financial statements are deficient to that extent.</p>	<p>A suitable disclosure related to Plant Electricals will be provided in the accounts from FY 2024-25.</p>
<p>For and on behalf of the Comptroller and Auditor General of India</p> <p>(M.S. Subrahmanyam) Director General of Commercial Audit Hyderabad</p> <p>Place: Hyderabad Date: 01 August 2024</p>	<p>For and on behalf of the Board</p> <p>(Amitava Mukherjee) Chairman-cum-Managing Director (Addl. Charge) & Director(Finance)</p> <p>Place: New Delhi Date: 13.08.2024</p>

Annexure - VI



B. R. Agrawal & Associates

Practicing Company Secretaries

Goyal Enterprises 18/952, Civil Station Road
Opp. Hotel Satkar, Raipur (C.G.) - 492009,
Phone : 0771-4061914, 4911914
Mobile : 98264-26263
E-mail : corporategovernance03@gmail.com

FORM MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2024

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule no 9 of the
Companies (Appointment and Remuneration of Managerial Personnel)
Rules, 2014]*

To,
The Members,
NMDC STEEL LIMITED
C/o NMDC Iron & Steel Plant,
Nagarnar, Bastar (C.G.) -494001

I, have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **M/s NMDC STEEL LIMITED** (hereinafter called the Company) **CIN No. U27310CT2015GOI001618** and having its Registered office at C/o NMDC Iron & Steel Plant, Nagarnar, Bastar (Chhattisgarh) -494001. The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts, statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, and authorized representatives during the conduct of secretarial audit, I hereby report that this Company is a Government Company and in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2024 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company in respect of the matters covered in the scope of Secretarial Audit for the financial year ended on 31st March 2024 according to the provisions of the following Acts:

1. The Companies Act, 2013 and the rules made there under;
2. The Securities Contract (Regulation) Act 1956 (SCRA) and the rules made thereunder.



3. The Depository Act, 1996 and the Regulations and Bye-Laws framed thereunder.
4. The following Regulations and Guideline prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act)
 - a. The Securities Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
 - b. The Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
 - c. The Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
 - d. The Securities Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
 - e. The Securities Exchange Board of India (Registrar to an Issue and Share Transfer Agent) Regulations 1993.
 - f. The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - g. The Securities Exchange Board of India (Depositories and Participants) Regulations, 2018.
5. Corporate Governance Guideline Issued by Department of Public Enterprises ("DPE") vide their OM No. 18(8)/2005- GM dated 14th May 2010.

We have also examined compliances with applicable clauses of the following: -

- a. The Secretarial Standards issued by the Institute of Company Secretaries of India ('The ICSI') which is applicable on the Company.
- b. The Listing Agreement entered into by the Company with BSE Limited, National Stock Exchange Limited and the Calcutta Stock Exchange Limited.

Base on the explanations/assurance provided by the management during the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above *subject to the following observations:*

1. This Company is a Government Company and the Independent Directors are to be nominated by Government of India. Since the nomination is awaited, therefore appointment Independent Directors could not be appointed, which resulted into the following non-compliances:
 - a. Pursuant to the provisions of Section 149 (4) of the Companies Act, 2013 and Regulation 17 (1) of the SEBI (Listing Obligations and Disclosure



Requirements) Regulations, 2015 and pursuant to the Clause no. 3.1.4 of DPE Guidelines issued by Department of Public Enterprises, in case where the Chairman of the Board is executive then at-least half of the Board shall be Independent Directors. However, *it has been observed that there was no Independent Directors on the Board of the Company as required under aforesaid provisions/regulations.*

- b. Pursuant to the provisions of Regulation 17 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 every top1000 Listed entity shall have at-least one Women Independent Director on its Board. *However, it has been observed that there was no Women Independent Director on the Board of the Company.*
- c. Pursuant to the provisions of Section-177 of the Companies Act, 2013, Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause No. 4.1 of DPE Guidelines issued by Department of Public Enterprises; the Company was required to Constitute Qualified and an Independent Audit committee. However, *it has been observed that in absence of independent Director on the Board the Company has not constituted any Independent Audit Committee and other provisions relating to Audit Committee cannot be complied with.*
- d. Pursuant to the provisions of Sec-178 of the Companies Act, 2013, Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause No. 5.1 of DPE Guidelines issued by Department of Public Enterprises, the Company was required to Constitute NRC/Remuneration Committee. *However, it has been observed that in absence of independent Director on the Board of the Company, the Company has not constituted any NRC/Remuneration Committee and other provisions relating to NRC/Remuneration Committee cannot be complied with.*
- e. Pursuant to the provisions of sec-178 of the Companies Act, 2013, Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company was required to constitute the Stakeholders Relationship Committee. However, *it has been observed that in absence of independent Director on the Board of the Company the Company has not constituted any Stakeholder Relationship Committee till the end of the financial year other provisions relating to Stakeholder Relationship Committee cannot be complied with.*
- f. Pursuant to the provisions of Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, being covered under top 1000 Listed Company the Company was required to constitute the Risk Management Committee. *However, it has been observed that in absence of independent Director on the Board of the*



Company the Company has not constituted any Risk Management Committee.

- 2. It has been observed that the Company is a Listed Company. However, even after listing the Corporate Identification Number (CIN) and status of the Company was not updated on the MCA website.*
- 3. As the Company is a Listed Company and the paid-up share capital is more than 10 crore, therefore, pursuant to the provisions of section 203 of the Companies Act, 2013, the Company is required to appoint Chief Financial Officer (CFO) in the Company. However, it is observed that the Director Finance of NSL has been given additional charge of CFO.*

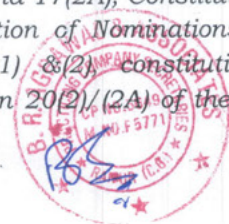
Subject to observations as aforesaid, I further report that:

Subject to my observations given in para no. (a) & (b) above, I report that the Board of Directors of the Company is duly constituted as per the Articles of Association of the Company. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. In term of the Article of Associations of the Company all appointments to the Board are made by Hon'ble President of India through its administrative Ministry i.e. Ministry of steel.

I further report that there exists a system for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes. In this connection it may be noted that the Company being a Government Company and there exists a proper system of decision making and recording thereof which is fairly transparent and effective, however, on certain procedural issues, the provisions of Secretarial Standards on Board meeting could not be scrupulously followed. The management has explained the same and assured that the company will make all efforts to scrupulously follow them in future.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that for the financial year 2023-24, National Stock Exchange of India Limited imposed fine of Rs. 18,76,200/- including GST for non-compliance of the requirements pertaining to the Compositions of the Board of Directors including women Independent Director as per the Regulation 17(1) and 17(2A), Constitution of Audit Committee as per the Regulation 18 (1), constitution of Nominations and Remunerations Committee as per the Regulation 19(1) & (2), constitution of Stakeholder Relationship Committee as per the Regulation 20(2)/(2A) of the SEBI



(Listing Obligations and Disclosure Requirements) Regulations, 2015. It has been replied by the Company to the Stock Exchange that the Company is a Central Public Sector Enterprises (CPSE) comes under the administrative control of Ministry of Steel, Government of India. As per the Article 74 of the Article of Associations of the Company, the President of India shall appoint all members of the Board of Directors and the appointments of Independent Directors are still awaited.

This report is to be read with my letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

Date: 28/08/2024

Place: Raipur

For, B.R. Agrawal & Associates



(CS Brajesh R Agrawal)

Practicing Company Secretary

M. No 5771 | C.P. No. 5649

P.R. No- 4710/2023

UDIN: F005771F001061540



Annexure-A

**To,
The Members,
NMDC STEEL LIMITED
C/o NMDC Iron & Steel Plant,
Nagarnar, Bastar (C.G.) -494001**

This is to state that the Secretarial audit report for the financial year 31st March 2024 is to be read along with this letter.

Management Responsibility

1. It is the responsibility of the Management of the Company to maintain Secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditors Responsibility

1. My responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
2. I believe that audit evidence and information obtained from the Company management is adequate and appropriate for us to provide a basis for my opinion.
3. Whenever required I have obtained the managements representation about the compliance of laws, rules and regulations, regarding maintenance of records and happenings of events etc.

Disclaimer

1. Even though the audit is properly planned and performed in accordance with the applicable standards still due to inherent limitations of an audit including internal, financial and operating controls, there is unavoidable risk that some misstatement and material non-compliances may not be detected.
2. The secretarial audit report is neither an assurance as to the future viability



of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

3. I have not verified the correctness and appropriateness of financial records and books of accounts and other laws applicable to the Company.

Date: 28/08/2024

Place: Raipur

For, B.R. Agrawal & Associates

Brajesh R Agrawal

(CS Brajesh R Agrawal)

Practicing Company Secretary

M. No 5771 | C.P. No. 5649

P.R. No- 4710/2023

UDIN: F005771F001061540

Annexure - VII

FORM NO. AOC.2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis:

a.	Name(s) of the related party and nature of relationship	NMDC LIMITED (Government Company with the same Functional and Government Nominee Directors as in the case of NMDC Steel Limited)
b.	Nature of contracts/arrangements/ transactions	Supply of iron ore fines and lumps by NMDC Limited to NMDC Steel Limited.
c.	Duration of the contracts / arrangements / transactions	2023-24.
d.	Salient terms of the contracts or arrangements or transactions including the value, if any	Supply of iron ore fines and lumps by NMDC Limited to NMDC Steel Limited during FY 2023-24, on arm's length price but on deferred payment basis including payment of railway freight by NMDC to be recovered at a later date, for an amount of Rs.1398.15 crore.
e.	Justification for entering into such contracts or arrangements or transactions	The Steel Plant of NMDC Steel Ltd. is near to NMDC Mines in Bailadila sector. Further, the said transaction will be beneficial as NSL will have sufficient stock to carry out commissioning and production activities.
f.	Date of approval by the Board	11.08.2023
g.	Amount paid as advances, if any:	NIL
h.	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Not applicable

2. Details of material contracts or arrangement or transactions at arm's length basis:- N.A.



भारतीय लेखापरीक्षा और लेखा विभाग
महानिदेशक वाणिज्यिक लेखापरीक्षा का कार्यालय हैदराबाद

INDIAN AUDIT AND ACCOUNTS DEPARTMENT
OFFICE OF THE DIRECTOR GENERAL
OF COMMERCIAL AUDIT, HYDERABAD

No.: DGCA/A/cDesk/2023-24/NMDC-STEEL/1.04/ ८६९

01 August 2024

To
The Managing Director
NMDC Steel Limited,
NMDC Iron & Steel Plant,
Post: Nagarnar, District: Bastar
Chattisgarh-494001

Sub: - Comments of the C&AG of India under Section 143(6)(b) of the Companies Act, 2013 on the accounts of NMDC Steel Limited, Nagarnar for the year ended 31 March 2024

Sir,

I forward herewith the 'Comments' Certificate of Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the accounts of NMDC Steel Limited, Nagarnar for the year ended 31 March 2024.

2. The date of placing the comments along with Annual Accounts and Auditor's Report before the shareholders of the Company may please be intimated and a copy of the proceedings of the meeting may be furnished.
3. The date of forwarding the Annual Report and Annual Accounts of the Company together with Auditor's Report and comments of the Comptroller and Auditor General of India to the Central Government for being placed before the Parliament may please be intimated.
4. Ten copies of the Annual Report for the year 2023-24 may please be furnished in due course.

The receipt of this letter along with the enclosures may please be acknowledged.

Encl:- As above

Yours faithfully,

M. S. Subrahmanyam
01/08/2024
(M. S. Subrahmanyam)
Director General

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF NMDC STEEL LIMITED FOR THE YEAR ENDED 31 MARCH 2024

The preparation of financial statements of NMDC Steel Limited (Company) for the year ended on 31 March 2024 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of Act are responsible for expressing opinion on these financial statements under Section 143 of the Act based on the independent audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated 24 July 2024 which supersedes their earlier Audit Report dated 27 May 2024.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of NMDC Steel Limited for the year ended 31 March 2024 under Section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditor and Company personnel and a selective examination of some of the accounting records. The Audit Report has been revised by the Statutory Auditor to give effect to some of my audit observations raised during supplementary audit.

In addition, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report:

A. Comments on Financial Position

Balance Sheet

Current Assets

Financial Assets

Other Financial Assets (Note 2.8.4): ₹79.13 crore

- 1.a.** The above includes ₹35.14 crore towards amount recoverable from main consortium partner M/s Bhilai Engineering Corporation Limited (M/s BEC) on account of Liquefied Petroleum Gas (LPG). The Company placed order on consortium of M/s Bhilai Engineering Corporation Limited for setting up of Coke Oven Battery Complex. During the execution, M/s BEC requested the Company for descoping of supply of LPG to Coke Oven package and Company procured LPG itself. Empowered Committee of Directors (ECOD) approved

for descoping and recommended for recovery of ₹23.52 crore from M/s BEC and balance amount of ₹32.61 crore to be borne by Company due to delay in readiness of By Product Plant (BPP). However, the Company accounted ₹35.14 crore as recoverable without consent of M/s BEC. Accounting of LPG amount without recovery from the running bills has resulted in overstatement of current assets by ₹35.14 crore.

- 1.b. The above includes ₹8.40 crore towards amount recoverable from BHEL-Chhattisgarh. The repair works were completed at ₹8.40 crore during February 2024. The Company has not accounted the repair cost under repairs and maintenance of plant and machinery but accounted as recoverable from M/s BHEL. Accounting of repair cost as recoverable from M/s BHEL without their consent has resulted in understatement of expenses as well as loss by ₹8.40 crore. Further this has resulted in overstatement of recoverable by ₹8.40 crore.

B. Comments on Profitability

Statement of Profit and Loss

Other income (Note No.2.19): ₹119.29 crore

2. The above includes ₹75.43 crore received from NMDC Limited for sharing of Company's assets with Pellet Plant of NMDC Limited to facilitate drawal of water for the pellet plant of NMDC for a period of 99 years. A Memorandum of Agreement (MOA) was signed between NMDC Steel Limited (NSL) and NMDC Limited on 12 February 2024 in this regard. As per the terms of MOA, freehold land to the extent of 0.558 hectare was transferred to NMDC Limited, for which NMDC Limited has paid ₹0.26 crore to NSL. Further amounts of ₹74.54 crore and ₹0.78 crore were paid by NMDC Limited to NSL for sharing of assets. Of this, an amount of ₹0.15 crore has been credited to Property, Plant and Equipment against transfer of Land and remaining amount of ₹75.43 crore¹ received against sharing of assets has been accounted as Other Income.

As per the clauses of MOA agreement, asset sharing is in the nature of granting Right of Use. Right of Use assets are to be accounted for as per the provisions of Ind AS 116. Since the agreement is for 99 years, the amount of Rs 75.54 crore should have been treated as Deferred revenue and recognized over the agreement period. Accounting ₹75.43 crore as Other Income has resulted in non-compliance with the provisions of Ind AS 116 and resulted in overstatement of other income by ₹74.68 crore (₹75.43 crore - ₹0.75 crore for 2023-24 to be amortized for 1 year) and understatement of loss to that extent.

¹ ₹74.54 crore + ₹0.78 crore + ₹0.26 crore - ₹0.15 crore

C. Notes to the Financial Statements

3. Audit observed that depreciation on certain items like Electrical installations was not as per Schedule II rates of Companies Act 2013 but the same was not disclosed in the notes to financial statements. Hence, the notes to financial statements are deficient to that extent.

For and on the behalf of the
Comptroller and Auditor General of India



(M. S. Subrahmanyam)
Director General of Commercial Audit
Hyderabad

Place: Hyderabad
Date: 01 August 2024

Revised Independent Auditors' Report

(Issued consequent to provisional comments u/s 143(6)(b) of Companies Act, 2013 issued by O/o. CAG, vide Letter No. DGCA/Hyd/AC Desk/NMDCSteel/2023-24/1.04 dated 15 July 2024, and it supersedes our Independent Auditors Report dated 27 May 2024)

TO THE MEMBERS OF NMDC STEEL LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of NMDC Steel Limited ("the Company"), which comprise the standalone balance sheet as at March 31, 2024, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian accounting standards prescribed under section 133 of the Act, ("Ind AS") and the other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and its loss, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit of the standalone financial statements in accordance with the standards on auditing ("SAs") specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements, and the ICAI's code of ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S.No.	Key Audit Matters	How our audit addressed the key audit matters
1	<p>Property, Plant & Equipment (including capital work in progress)</p> <p>Refer note: 2.1.1 and 2.2 to the standalone financial statements</p> <p>As at 31 March 2024, the Company has Property, Plant and Equipment (PPE) and Capital Work-in-progress (CWIP) with carrying values of Rs. 20,230.36 crores and Rs.1,214.89 crores respectively. Refer note 1.3 (iii) (a) & 1.3 (iii) (b) for the accounting policies adopted by the Company for recognition and measurement of PPE and CWIP. Determination of the carrying values and their respective depreciation and amortization amounts of PPE requires considerable management judgement. These include the decisions to capitalize or expense costs, the annual asset life review, the timeliness of the capitalization of assets and the use of management's assumptions and estimates for the determination and measurement of assets retired from active use, in accordance with the requirements of Ind AS 16 - Property, Plant and Equipment.</p> <p>The carrying value of CWIP also includes balances pertaining to packages and other assets which the management intends to complete the same with in next financial year.</p> <p>Considering the significance of the amounts involved in the context of the balance sheet of the Company and the level of judgements and estimates required, we consider this to be a key audit matter in the current year audit.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> Obtained an understanding of the management's process of recording the transactions pertaining to capital expenditure incurred by the Company and evaluated the accounting policies adopted by the Company in accordance with the requirements of Ind AS16. Tested the design and operating effectiveness of the controls put in place by the management in relation to the above process. Tested the amounts capitalized during the year, on a sample basis, by inspecting supporting documents and evaluating whether assets capitalized satisfied the recognition criteria. Obtained the Asset Evaluation and Capitalization Report (AECR) prepared by the external technical expert appointed by management which covers extensive details and workings, with respect to Componentization of PPE and also includes the useful life of the various assets. Reviewed the management's judgments concerning the determination of the appropriate useful life used in depreciation calculations. These judgments are based on technical assessments conducted by both internal management and external experts as necessary. Additionally, we evaluated the appropriateness of long-standing Capital Work in Progress (CWIP) balances related to packages and other assets. Evaluated the appropriateness and adequacy of the related disclosures in the standalone financial statements in accordance with the applicable accounting standards. <p>Based on the above procedures performed, we did not identify any significant exceptions in the management's assessment of PPE and Capital Work in Progress.</p>
2	<p>Inventory:</p> <p>Refer note: 2.7 to the standalone financial statements</p> <p>The various categories of inventory comprise of Raw Material (RM), Work-in progress (WIP), Finished Goods (FG) and stores & spares. The Management has appointed an external technical expert to carry out the physical verification of Raw materials which consists of Coal, Iron Ore and Coke products (by-products). The team of external technical expert have carried out the physical verification of the said categories of inventory from 21.03.2024 to 04.04.2024 with the objective to quantify the actual physical stock available at various locations within the plant.</p> <p>Based on the report provided by the external technical expert, the Company has given the necessary effect in the standalone financial statements with respect to deviation between the physical stock and book stock.</p> <p>Considering the significance of the amounts involved in the context of the statement of profit and loss of the Company and the level of judgements, we consider this to be a key audit matter in the current year audit.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> Obtained an understanding of the management's process for physical verification of inventory – Raw materials and By-products. We were present during the physical verification of raw material & by-products and observed the process performed by the external technical expert. Obtained the report provided by the external technical expert from the management and analysed the same with respect to the quantity deviations. Compared the quantity deviations of the Inventory physically verified with the deviation levels (Norms for shortages) as recommended by the company and found to be within the set levels as compared with the industry standards. <p>Based on the above procedures performed, we did not identify any significant exceptions in the management's process of physical verification.</p>

S.No.	Key Audit Matters	How our audit addressed the key audit matters
3	<p>Restatement – Prior period errors:</p> <p>Refer note: 2.1, 2.1.2, 2.14.2, 2.15.2, and 2.27 to the standalone financial statements and 2.32.12 to the notes to accounts</p> <p>The Company has discovered the errors pertaining to prior periods which includes the effect of mistakes in applying accounting policies, recognition of elements of financial statements and misinterpretations of facts and the relevant errors discovered have been corrected in the current financial year. Considering the accounting policy adopted by the company and the DCCO, the management is of the view that effect of such errors discovered during the period is not material and accordingly restatement of the standalone financial statements is not required in this regard.</p> <p>Considering the significance of the matter and in the context of the relevant provisions of Ind AS, we consider this to be a key audit matter in the current year audit.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Obtained an understanding of the nature of errors identified by management and the relevant financial implication for each error. • Understanding the relevant accounting policy followed by the management and discussed the necessary measures taken by management for rectification of said errors. • Detailed discussion at various levels of the management to understand the implications on the treatment of the errors. • Performed necessary audit procedures to ensure the errors has been dealt accordingly. • Considering the materiality level and other facts and circumstances in the present case, the errors discovered are less than the set level of materiality. <p>Based on the above procedures performed, we did not identify any significant exceptions in the management's explanation for the implications of the errors discovered during the year.</p>
4	<p>SEBI (LODR) regulations non-compliance:</p> <p>The Company has not complied with the regulation number 17,18,19,20, and 21 of SEBI LODR regulations, 2015 relating to ideal composition of Board of Directors due to non-appointment of Independent Director, constitution of Audit Committee, Nomination and Remuneration Committee, Stakeholder Relationship committee and Risk Management Committee, respectively.</p> <p>Considering the non-compliances involved with SEBI LODR regulations as mentioned above, we consider this to be a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Obtained the relevant information from the management with respect to the composition of Board and status of constitution of various committees. • Reviewed the minutes of the Board meeting wherein the non-compliance with the said regulations of the SEBI LODR have been taken note by the Board. <p>Based on the above procedures performed, we did not identify any significant exceptions in the management's explanation relating to non- appointment of Independent Director.</p>
5	<p>Litigations, claims and contingencies:</p> <p>Refer note: 2.31 to the standalone financial statements</p> <p>The Company is subject to number of legal lawsuits, claims, governmental and/or regulatory inquiries, tax and commercial disputes arising from time to time in the ordinary course of business for which the final outcome cannot be easily predicted.</p> <p>Most of the claims involve complex issues. The Company makes the assessment either to make provision or disclose a contingency on a case-to-case basis considering the underlying facts of each litigation. The Company's conclusions may result in incorrect disclosure or provision in the books of account considering the aforesaid assessment involving significant judgment to be exercised by the Company based on current developments. Further, unexpected adverse outcomes could also significantly impact the Company's reported results.</p> <p>This area is significant to our audit, since the accounting and disclosure for litigations, claims and contingencies is complex and judgmental.</p>	<p>Our audit procedures included the following:</p> <p>In view of the significance of the matter applied the following audit procedures in this area, among others to obtain sufficient audit evidence:</p> <ul style="list-style-type: none"> • We evaluated the design and tested the operating effectiveness of controls in place for the determination and recognition of provisions and disclosures for litigation and claims. We determined that we could rely on these controls for the purposes of our audit; • Reviewing minutes of the meeting of those charged with governance and correspondence between the entity and its external legal counsel, where necessary. • Obtained a list of ongoing litigations from the management. We selected a sample of significant litigations and evaluated the Company's assessment thereof by: <ul style="list-style-type: none"> i) making enquiries with the officers and the relevant section in-charge of the company; ii) verifying correspondence, orders and appeals in respect of open litigation; and • Evaluating the adequacy of disclosures given in Note 2.31 standalone financial statements <p>Based on the above procedures performed, we did not identify any significant exceptions in the management's explanation relating to litigation, claims and contingencies.</p>

Emphasis of Matter

We draw attention to:

1. Note No. 2.32.1 to the accompanying statement, as per the Scheme of Arrangement the staff and workmen of the Demerged company (NMDC Limited) are deemed to be the employee of the resulting company (NMDC Steel Limited). NMDC Limited maintains the said workmen and staff posted in the company on roll and raise an invoice for their salary and the same are treated as Operational and Maintenance expenses in the books of the company. This arrangement will be continued till any final decision is taken by the board of directors in this regard.
2. Note No. 2.34.10 to the accompanying statement, the company has valued the raw material, store & spares and loose tools at cost and work-in-progress, finished goods at lower of cost or Net Realisable Value. The adjustment of Rs. 548.07 crores have been made to write down the marketable work-in-progress and finished goods to net realisable value, the same has been recognised under changes in Inventories of work-in-progress and finished goods respectively.
3. Note No. 2.32.4 to the accompanying statement, the company with regard to the Companies (Indian Accounting Standard) Rules 2023 notified vide MCA Notification dated 31st March 2023, the accounting policies of the company were reviewed and changes have been made accordingly as directed in the said notification. Certain addition to the accounting policies with respect to "Capital Works in Progress" and "Contingent liabilities" have been incorporated which the company determined necessary for the purpose of fair reporting.
4. Note No. 2.32.5 (C) to the accompanying statement, the company has intimated to the Stock exchanges where the company is listed vide letter reference No.18(5)/2024 - Sectt. dated 20.01.2024 regarding suspension of Director (Commercial) of the Company on the basis of the directions from the Ministry of Steel, Government of India. In view of the management, the matter is not likely to have a material impact on the operations of the Company and/or these financial results.

Our opinion is not modified in respect of the above matters.

Information other than the standalone financial statements and auditors' report thereon

The Company's Board of Directors is responsible for of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Report on Corporate governance and Business responsibility report and Shareholder's information but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance/ conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the standalone financial statements

The Company's board of directors is responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS prescribed under section 133 of the Act read with Companies (Indian Accounting Standard) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements 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 SAs 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 standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements 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 statements 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 statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner

that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

1. The audit of standalone financial statements for the corresponding year ended March 31, 2023 included in the Statement was carried out and reported by N G Rao & Associates who have expressed unmodified opinion vide their audit report dated May 23, 2023. Our opinion on the Statement is not modified in respect of this matter.
2. The company has complied with the provision of The Employees' Provident Funds and Miscellaneous Provisions Act, 1952, as applicable, for Nagarnar on pay scale employees through the trust maintained by NMDC Limited. However, where EPF is not deducted due to the wage limit criteria, the Act requires certain procedures to be complied with, which is not followed by the company in respect of Nagarnar Contractual employees.

Report on other legal and regulatory requirements

- 1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central

Government of India in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2) As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the cash flow statement dealt with by this report are in agreement with the relevant books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with the Indian accounting standards specified under section 133 of the Act
- (e) The Company being a government company, the requirement of obtaining written representations from the directors in accordance with the provisions of Section 164 (2) of the Act is not applicable vide MCA Notification G.S.R 464 (E) dated 5th June 2015.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- (g) The Company being a government company, the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in respect of whether the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act is not applicable;
- (h) As per the Directions issued by the Comptroller and Auditor General of India in pursuance to Section 143(5) of the Act, on the basis of the information and explanations given to us and the records examined by us, we give in the "Annexure C", a statement on the matters specifically so directed.

(i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 2.31 to the standalone financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv.
 - (a) The Management has represented that, to the best of its knowledge and belief, no funds (which were material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The Management has represented that, to the best of its knowledge and belief, no funds (which were material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not declared or paid any dividends during the year and accordingly reporting on the compliance with section 123 of the Companies Act, 2013 is not applicable for the year under consideration.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the

software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. The company stores all financial information data on cloud storage, which is subscribed by NMDC Limited.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For **Sanjiv Shah & Associates**
Chartered Accountants
Firm's Registration Number: 003572S

CA Hitesh Jain
Partner
Membership Number: 232064
UDIN: 24232064BKHKA04774

Place: Hyderabad
Date: July 24, 2024

Annexure - A to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of our report of even date to the Members of "M/s. NMDC Steel Limited")

(i)

- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
- (B) The Company has maintained proper records showing full particulars of Intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and equipment and right to use assets, under which all the assets are physically verified in phased manner over a period of three years, which in our opinion is reasonable having regard to the size of the entity and the nature of its assets. In regard to this program certain assets were physically verified during the year and no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

Description on of item on Property	Gross Carrying value (Rs in Cr)	Title Deed held in the name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reasons for not being held in the name of the Company
ROU Assets (Lease Hold Land)	5.06	NMDC Ltd.	Company	2010, 2015 & 2022	Due to Demerger and as per Scheme of arrangement.
ROU Assets (Lease Hold Land)	32.12	NMDC Ltd.	Company	2001 & 2022	Due to Demerger and as per Scheme of arrangement.
ROU Assets (Lease Hold Land)	0.80	Govt. of Chhattisgarh	NA	2010	Application made to District Collector Bastar, to calculate the value from the date of allotment. However, allotment order dt. 17.05.2010 is in the name of NMDC Limited for Construction of CSR School.
Free hold land -Government	0.07	Petitioners	NA	2001	Presently the case is in Hon'ble Supreme Court of India, in the revenue record the land is in favour of 05 petitioners but the land is in the possession of the company.
Free hold land - Private	81.45	NMDC Ltd.	NA	2001, 2007, 2010 & 2022	Due to Demerger and as per Scheme of arrangement.

Description on of item on Property	Gross Carrying value (Rs in Cr)	Title Deed held in the name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reasons for not being held in the name of the Company
Land	-	Govt. of Chhattisgarh	NA	2010	The area of land - 21.02 Hectares (Govt. land) has been taken over from District Industries Centre, Jagdalpur which is not included in the above land Schedule as on 31.03.2024. This is utilised for peripheral works near Nagarnar and has been allotted in the name of the company, however the same has not been brought into the books as the amount payable is not yet ascertainable in the absence of any demand from the concerned authorities.
Land	-	Govt. of Chhattisgarh (Forest Dept.)	NA	2014, 2015 & 2018	The permission has been obtained from the Govt. of Chhattisgarh (Forest Dept.) for use of Forest land having area 62.619 hectares for construction of Steel Plant at Nagarnar. But the land is not in the name of the company.

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right-of-use assets) or Intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii)

- (a) The inventories (except for goods-in-transit, which have been received or to be received subsequent to the year-end) were physically verified at the year-end by the management. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations by considering the date of commencement of commercial operations during the year. Discrepancies of 10% or more in the aggregate for each class of inventory (raw materials and by-products) were noticed on such physical verification of inventories when compared with books of accounts and the same has been properly dealt within the books of accounts by reducing the value of inventory to the extent of Rs. 141.13 crores.

- (b) As disclosed in note 2.34.6 to the standalone financial statements, the Company has been sanctioned a working capital limit in excess of INR 5 crore by banks based on the security of current assets. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks and such statements are not in agreement with the books of account of the Company for the respective periods which were subject to audit/review, as summarized below:

(Rs. in Crores)

Name of the Bank/ Financial Institution	Working Capital Limit sanctioned	Nature of Current Assets offered as Security	Month Ended	Amount disclosed as per Statement	Amount as per books of accounts	Differences	Remarks/ Reasons, If any
State Bank of India	2600	Inventory	September 2023	2153.33	2227.77	-74.44	As informed to us by the management, the information to the banks was provided based on provisional numbers.
State Bank of India	2600	Trade Receivables	September 2023	43.00	56.85	-13.85	
State Bank of India	2600	Inventory	December 2023	3443.15	3637.45	-194.30	
State Bank of India	2600	Trade Receivables	December 2023	40.34	50.56	-10.22	
State Bank of India	2600	Inventory	March 2024	3724.18	3703.42	20.76	
State Bank of India	2600	Trade Receivables	March 2024	8.11	37.01	-28.90	

- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, reporting under clause 3 (iii) of the said Order is not applicable to the company.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made any investments, given any loans, guarantees, or security which attracts compliance of section 185 and section 186 of Companies act. Accordingly, reporting under clause 3 (iv) of the Order is not applicable to the Company.
- (v) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, the reporting under clause 3 (v) of the Order is not applicable to the company.
- (vi) According to the information and explanations given to us and on the basis of our examination of the records, the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company is not required for the current year. Accordingly, the reporting under clause 3 (vi) of the Order is not applicable to the Company.
- (vii)
- (a) According to the information and explanation given to us and on the basis of our examination of the records the Company, Undisputed statutory dues, including Goods and Service tax, Provident Fund, Income-tax, Sales Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Income-tax, and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us, there are no dues of GST, provident fund, employees State Insurance, Income- tax, Sales tax, Service tax, Duty of Customs, Value added tax, cess or other statutory dues which have not been deposited by the Company on accounts of disputes:

Name of Statute	Nature of dues	Period	Forum where Dispute is Pending	Amount (In ₹ Crore)
Income Tax Act, 1961	Income Tax	AY 2023-24	-	1.60

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions as income during the year in the tax assessments under the Income-Tax Act, 1961. Accordingly, the reporting under clause 3 (viii) of the Order is not applicable to the Company.

(x)

Company, the company does not have any subsidiary or associates or Joint Ventures. Accordingly, the reporting under clause 3 (ix) (f) of the Order is not applicable to the company.

(ix)

- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender as on reporting date.

- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not raised money by way of initial public offer or further public offer (including debt instruments). Accordingly, the reporting under clause 3 (x) (a) of the Order is not applicable to the company.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank, financial institution, government or any government authority.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, The Company has not made any preferential allotment or private placement of shares of fully of partly convertible debentures during the year. Accordingly, the reporting under clause 3 (x) (b) of the Order is not applicable to the company.

- (c) According to the information and explanations given to us by the management, in our opinion, term loans availed by the company were, applied by the company during the year for the purposes for which the loans were obtained.

(xi)

- (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the company or on the company has been noticed or reported during the course of the audit. Accordingly, the reporting under clause 3 (xi) (a) of the Order is not applicable to the company.

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, funds raised by the Company on short term basis have not been utilized for long term purposes.

- (e) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company does not have any subsidiary or associates or Joint Ventures. Accordingly, the reporting under clause 3 (ix) (e) of the Order is not applicable to the company.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no fraud by the company or on the company been noticed or reported during the course of the audit, Hence, no report under sub-section (12) of section 143 of the Company Act, 2013 has been filed by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

- (f) According to the information and explanations given to us and on the basis of our examination of the records of the

- (c) According to the information and explanations given to us including the representations made to us by the management of the company, there are no whistle blower complaints received by the company. Accordingly, the reporting under Clause 3 (xi) (c) of the order is not applicable to the company.
- (xii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is not a Nidhi Company. Accordingly, the reporting under Clause 3 (xii) of the order is not applicable to the company.
- (xiii) According to the information and explanations given to us and on the basis of our examination of the records of the company, all transactions entered into by the company with the related party is in compliance with Section 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards. Further, no Audit committee has been constituted due to non-appointment of Independent Director during the reporting period, therefore the compliance with Section 177 is not complied with.
- (xiv)
- (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, in our opinion the company has an adequate internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the company issued till date for the period under audit.
- (xv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not entered in to any non-cash transactions with its directors or persons or persons connected to its directors and hence, provisions of section 192 of the Companies Act, 2013 are not applicable to the Company. Accordingly, the reporting under the clause 3 (xv) of the Order is not applicable to the company.
- (xvi)
- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3 (xvi) (a) of the Order is not applicable to the company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not conducted any non-banking financial or housing finance activities. Accordingly, the reporting under the clause 3(xvi) (b) of the order is not applicable to the company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is not a Core Investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the reporting under the clause 3(xvi) (c) of the order is not applicable to the company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the group does not have any Core Investment Company as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under the clause 3 (xvi) (d) of the order is not applicable to the company.
- (xvii) The company has incurred cash losses to the tune of Rs. 1,652.21 Crores in the current financial year and NIL in the immediately preceding financial year, as the DCCO of the company is 31st August, 2023.
- (xviii) There has been no resignation of the statutory auditors during the year, Accordingly, the reporting under the clause 3 (xviii) of the Order is not applicable to the company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as an d when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the provisions of the section 135 of Act towards Corporate Social Responsibility are not applicable to the company. Accordingly, the reporting under the clause 3 (xx) of the Order is not applicable to the company.

(xxi) The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the company, accordingly no comment has been included in respect of such clause under this report.

For **Sanjiv Shah & Associates**
Chartered Accountants
Firm's Registration Number: 003572S

CA Hitesh Jain
Partner
Membership Number: 232064
UDIN: 24232064BKHKA04774

Place: Hyderabad

Date: July 24, 2024

Annexure - B to the Independent Auditors' Report

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of "M/s. NMDC Steel Limited")

Report on the Internal Financial Controls with reference to the standalone financial statement under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to the standalone financial statement of **M/s. NMDC Steel Limited ("the Company")** as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to the Standalone Financial Statement based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Standalone Financial Statement based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing prescribed under section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to Standalone Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Standalone Financial Statements and their operating effectiveness.

Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with

reference to the standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to the Standalone Financial Statements and such internal financial controls with reference to the Standalone Financial Statements were operating effectively as at March 31, 2024, based on the internal control with reference to the standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI).

For **Sanjiv Shah & Associates**
Chartered Accountants
Firm's Registration Number: 003572S

CA Hitesh Jain
Partner
Membership Number: 232064
UDIN: 24232064BKHKA04774

Place: Hyderabad

Date: July 24, 2024

Annexure - C to the Independent Auditor's Report:

(Referred to in paragraph 2 (h) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of "M/s. NMDC Steel Limited")

Report on the Directions of the Comptroller and Auditor general of India required under sub section 5 of section 143 of the companies Act, 2013 ("Act")

Sl. No	Point	Reply
1.	Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of accounts along with the financial implications, if any, may be stated.	According to the information and explanation furnished to us and on our examination of the accounts, records, reports and the system in place for the preparation of the same, we report that the company has deployed SAP HANNA 4 for the IT system. Further, based on the aforesaid examination no accounting transactions are passed outside the books of accounts that form the basis for the standalone financial statements being audited by us.
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/ interest etc. Made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	No such case
3.	Whether funds received/receivable for specific schemes from central/state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	No such case

For **Sanjiv Shah & Associates**
Chartered Accountants
Firm's Registration Number: 003572S

CA Hitesh Jain
Partner
Membership Number: 232064
UDIN: 24232064BKHKA04774

Place: Hyderabad
Date: July 24, 2024

Balance Sheet

as at 31st March 2024

(₹ in Crore)

Particulars	Note No.	Figures as at the end of current reporting year 31 st March 2024	Figures as at the end of previous reporting year 31 st March 2023
ASSETS			
Non-Current Assets			
a) Property, Plant and Equipment	2.1.1	20,230.36	1,118.47
b) Right- of -Use Assets	2.1.2	42.51	-
c) Capital work-in-progress	2.2	1,214.89	19,545.23
d) Intangible Assets	2.3	0.01	0.02
e) Intangible Assets under Development	2.4	-	-
f) Financial Assets			
i) Investments	2.4.1	-	-
ii) Loans	2.4.2	-	-
iii) Other Financial Assets	2.4.3	103.21	91.16
g) Deferred Tax Assets (Net)	2.5	650.06	-
h) Other Non-Current Assets	2.6	70.69	249.78
Total Non-Current Assets		22,311.73	21,004.66
Current Assets			
a) Inventories	2.7	3,703.42	859.54
b) Financial Assets			
i) Trade receivables	2.8.1	37.01	-
ii) Cash and cash equivalents	2.8.2	6.65	621.14
iii) Bank balances other than (ii) above	2.8.3	714.67	891.51
iv) Other financial assets	2.8.4	79.13	80.85
c) Current Tax Assets (Net)	2.9	10.63	7.86
d) Other Current Assets	2.10	2,505.08	2,102.65
e) Assets held for disposal	2.11	-	-
Total Current Assets		7,056.59	4,563.55
TOTAL ASSETS		29,368.32	25,568.21
EQUITY AND LIABILITIES			
Equity			
a) Equity Share capital	2.12	2,930.61	2,930.61
b) Other Equity	2.13	12,557.65	14,117.97
Total Equity		15,488.26	17,048.58
Liabilities			
Non-Current Liabilities			
a) Financial liabilities			
i) Borrowings	2.14.1	4,261.01	3,818.30
ia) Lease Liabilities	2.14.2	10.03	-
ii) Other Financial Liabilities	2.14.3	2,502.64	2,501.87
b) Provisions	2.14.4	-	-
Total Non-Current Liabilities		6,773.68	6,320.17
Current Liabilities			
a) Financial liabilities			
i) Borrowings	2.15.1	2,390.76	23.58
ia) Lease Liabilities	2.15.2	0.11	-
ii) Trade payables	2.15.3	-	-
a) Total Outstanding dues of Micro and Small Enterprises		18.42	2.22
b) Total Outstanding dues of Creditors other than Micro and Small Enterprises		2,484.29	387.84
iii) Other financial liabilities	2.15.4	2,004.94	1,091.79
b) Other current liabilities	2.16	207.86	694.03
c) Provisions	2.17	-	-
Total Current Liabilities		7,106.38	2,199.46
Total Liabilities		13,880.06	8,519.63
Total Equity and Liabilities		29,368.32	25,568.21

Significant Accounting Policies and notes on accounts : 1 & 2

Subject to our Report of even date

For M/s.Sanjiv Shah & Associates

Chartered Accountants

FR No: 003572S

For and on behalf of the Board

(Hitesh Jain)

Partner

Membership No.: 232064

(Vinay Kumar)

Director Technical

DIN:10172521

(Amitava Mukherjee)

Chairman-cum -Managing Director (Addl.

Charge) & Director (Finance)

DIN :08265207

Place : Hyderabad

Date : 27th May 2024

(Aniket Kulshreshtha)

Company Secretary

Statement of Profit and Loss

for Year Ended 31st March 2024

(₹ in Crore)

Particulars	Note No.	Figures for the current reporting year 31 st March 2024	Figures for the previous reporting year 31 st March 2023
I. Revenue from Operations	2.18	3,048.99	-
II. Other Income	2.19	119.29	-
III. Total income(I+II)		3,168.28	-
IV. Expenses :			
Consumption of raw materials	2.20	3,846.15	-
Consumption of stores & spares		73.61	-
Changes in inventories of finished goods/ work in progress	2.21	(626.41)	-
Employee benefit expense	2.22	57.28	-
Power and electricity	2.23	422.71	-
Repairs & maintenance	2.24	554.96	-
Selling expenses	2.25	5.91	-
Finance cost	2.26	330.59	-
Depreciation and amortization expense	2.1 & 2.3	552.80	-
Other expense	2.27	151.70	-
Total Expenses		5,369.30	-
V. Profit/ (loss) before exceptional items and tax (III-IV)		(2,201.02)	-
VI. Exceptional items (Income)/Expenditure	2.28	-	-
VII. Profit/ (loss) before tax (V-VI)		(2,201.02)	-
VIII. Extraordinary Items		-	-
IX. Profit/(loss) before tax (VII-VIII)		(2,201.02)	-
X. Tax expense :			
(1) Current year	2.29	-	-
(2) Earlier years (net)	2.29	9.36	-
(3) Deferred tax	2.29	(650.06)	-
XI. Profit/(Loss) for the period from continuing operations (IX-X)		(1,560.32)	-
XII. Profit/(Loss) from discontinued operations		-	-
XIII. Tax expense of discontinued operations	2.29	-	-
XIV. Net Profit/(loss) from discontinued operations(XII-XIII)		-	-
XV. Profit/(Loss) for the year (XI +XIV)		(1,560.32)	-
Other Comprehensive Income			
A) (i) Item that will not be reclassified to profit or loss (Re-measurements of post-employment benefit obligations)		-	-
(ii) Income tax relating to these items		-	-
B) (i) Item that will be reclassified to profit or loss		-	-
(ii) Income tax relating to itmes that will be reclassified to profit or loss		-	-
XVI. Other Comprehensive income net of tax		-	-
Total Comprehensive income for the year (XV+XVI)		(1,560.32)	-
(Comprising Profit (Loss) and Other Comprehensive Income for the year)			
Earnings per equity share (for continuing operation)			
i) Basic	2.32.6	(5.32)	-
ii) Diluted	2.32.6	(5.32)	-
Earnings per equity share (for discontinued operation)			
i) Basic	2.32.6	-	-
ii) Diluted	2.32.6	-	-
Earnings per equity share(for discontinued & continuing operations)			
i) Basic	2.32.6	(5.32)	-
ii) Diluted	2.32.6	(5.32)	-

Significant Accounting Policies and notes on accounts : 1 & 2

Subject to our Report of even date

For M/s.Sanjiv Shah & Associates

Chartered Accountants

FR No: 003572S

For and on behalf of the Board

(Hitesh Jain)

Partner

Membership No.: 232064

(Vinay Kumar)

Director Technical

DIN:10172521

(Amitava Mukherjee)

Chairman-cum -Managing Director (Addl.

Charge) & Director (Finance)

DIN :08265207

Place : Hyderabad

Date : 27th May 2024

(Aniket Kulshreshtha)

Company Secretary

Statement of Changes in Equity

for the year Ended 31st March 2024

a) Equity Share Capital :

(₹ in Crore)

	Note.no.	Amount
Balance as at 1st April 2022	2.12	-
Changes in Equity share capital		2,930.61
Balance as at 31st March 2023	2.12	2,930.61
Changes in Equity share capital		-
Balance as at 31st March 2024	2.12	2,930.61

b) Other Equity : 2.13

(₹ in Crore)

Particulars	Share Suspense Account	General Reserve	Capital Reserve	Retained Earnings	CRR	OCI	Total
Balance as at 1st April 2022	2,930.61	-	14,117.97	-	-	-	17,048.58
Transfer to Equity share capital	(2,930.61)	-	-	-	-	-	(2,930.61)
Profit for the year	-	-	-	-	-	-	-
Transfer to Capital Reserve	-	-	-	-	-	-	-
Transfer to Capital Redemption Reserve (CRR)	-	-	-	-	-	-	-
Buyback of shares (including transaction charges)	-	-	-	-	-	-	-
Other Comprehensive Income net of tax	-	-	-	-	-	-	-
Interim dividend (2022-23)	-	-	-	-	-	-	-
DDT on Interim dividend (2022-23)	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-	-
Total	(2,930.61)	-	-	-	-	-	(2,930.61)
Balance as at 31st March 2023	-	-	14,117.97	-	-	-	14,117.97
Balance as at 1st April 2023	-	-	14,117.97	-	-	-	14,117.97
Transfer to Equity share capital	-	-	-	-	-	-	-
Profit for the period	-	-	-	(1,560.32)	-	-	(1,560.32)
Transfer to Capital Reserve	-	-	-	-	-	-	-
Transfer to Capital Redemption Reserve (CRR)	-	-	-	-	-	-	-
Buyback of shares (including transaction charges)	-	-	-	-	-	-	-
Other Comprehensive Income net of tax	-	-	-	-	-	-	-
Interim dividend (2023-24)	-	-	-	-	-	-	-
DDT on Interim dividend (2023-24)	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-	-
Total	-	-	-	(1,560.32)	-	-	(1,560.32)
Balance as at 31st March 2024	-	-	14,117.97	(1,560.32)	-	-	12,557.65

Subject to our Report of even date

For M/s.Sanjiv Shah & Associates

Chartered Accountants

FR No: 003572S

For and on behalf of the Board

(Hitesh Jain)

Partner

Membership No.: 232064

(Vinay Kumar)

Director Technical

DIN:10172521

(Amitava Mukherjee)

Chairman-cum -Managing Director (Addl. Charge) & Director (Finance)

DIN :08265207

Place : Hyderabad

Date : 27th May 2024

(Aniket Kulshreshtha)

Company Secretary

Cash Flow Statement

for the Year Ended 31st March 2024

(₹ in Crore)

Particulars	Figures as at the end of Current reporting year 31st March 2024	Figures as at the end of Previous reporting year 31st March 2023
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before income tax from		
Continued Operations	(2,201.02)	-
Discontinued Operations	-	-
Profit before income tax including discontinued operations	(2,201.02)	-
Adjustments for non cash/non operational expenses:		
Depreciation & amortisation expense	552.80	-
(Profit)/Loss on disposal of property, plant & equipment	0.46	-
Expenditure on enabling facilities	-	-
Liabilities no longer required, written back	-	-
Provision for bad & doubtful advances	-	-
Unamortised expenditure written off	-	-
Interest Income classified as investing cash flow	(41.38)	-
Finance Costs	330.59	-
Operating Profits before working capital changes	(1,358.55)	-
Adjustments for working capital changes:		
(Increase)/Decrease in short term investment	-	-
(Increase)/Decrease in trade receivables	(37.01)	0.00
(Increase)/Decrease in inventories	(2,843.89)	(819.86)
(Increase)/Decrease in other financial assets	(4.77)	(51.47)
(Increase)/Decrease loans to employees and related parties	-	-
(Increase)/Decrease in other non current assets	-	1,667.92
(Increase)/Decrease in other current assets	(402.43)	(2,075.39)
(Increase)/Decrease in assets held for disposal	-	-
Increase/(Decrease) in trade payables	2,112.64	87.30
Increase/(Decrease) in provisions	-	-
Increase/(Decrease) employee benefit obligations	-	-
Increase/(Decrease) in other financial liabilities	299.63	2,044.54
Increase/(Decrease) in other current liabilities	(486.16)	689.13
Cash generated from operations	(2,720.54)	1,542.17
Less : Income Taxes paid (Net)	(12.13)	(7.60)
Net Cash Flow from operating activities	(2,732.67)	1,534.57

Particulars	Figures as at the end of Current reporting year 31st March 2024	Figures as at the end of Previous reporting year 31st March 2023
CASH FLOW FROM INVESTING ACTIVITIES		
Expenditure on acquisition of tangible and intangible assets and towards capital work in progress (net of sale proceeds)	(583.92)	(2,155.19)
Purchase of investments	-	-
Interest received	35.82	(18.59)
Investment in term deposits with more than three months	(141.98)	(33.44)
Net Cash Flow from investing activities	(690.08)	(2,207.21)
CASH FLOW FROM FINANCING ACTIVITIES		
Amount paid on buyback of Shares (including transaction charges)	-	-
(Repayment)/Proceeds from borrowings(Current)	2,367.18	0.95
(Including current maturity of Rupee term Loan)		
Lease Liability	10.14	-
(Repayment)/Proceeds from borrowings (Non-Current)	442.72	2,150.08
Deposits paid towards LCs and BGs (towards non fund based facilities)	318.82	(858.07)
Interest paid	(330.59)	-
Dividends paid (including tax thereon and net off balances for unpaid dividends)	-	-
Net Cash Flow from financing activities	2,808.26	1,292.96
Net increase (decrease) in cash and cash equivalent	(614.49)	620.32
Cash & Cash equivalents at the beginning of the year	621.14	0.82
Cash & Cash equivalents at the end of the year	6.65	621.14
Details of the Cash and Cash Equivalents(Note No. 2.8.2)		
Cash in hand	-	-
On Current Accounts	6.65	12.64
On Deposit Accounts (Original Maturity less than 3 months)	(0.00)	608.50
Total Cash & Cash equivalents at the end of the year	6.65	621.14
Restricted Cash Balance	-	-

Subject to our Report of even date

For M/s.Sanjiv Shah & Associates

Chartered Accountants

FR No: 003572S

For and on behalf of the Board

(Hitesh Jain)

Partner

Membership No.: 232064

(Vinay Kumar)

Director Technical

DIN:10172521

(Amitava Mukherjee)

Chairman-cum -Managing Director (Addl. Charge) & Director (Finance)

DIN :08265207

Place : Hyderabad

Date : 27th May 2024

(Aniket Kulshreshtha)

Company Secretary

NOTES

TO THE FINANCIAL STATEMENTS

Note 1. Company Information and Material Accounting Policy Information:

1.1 Company Information:

NMDC Steel Limited (the Company) is a Public Sector Enterprise under the Ministry of Steel, Government of India and has set up and operating a 3 MTPA Integrated Steel Plant at Nagarnar, and has its registered office at Nagarnar, Dist Bastar, Chhattisgarh State.

The shares of the company are listed and traded on the National Stock Exchange of India Limited (NSE), The Calcutta Stock Exchange Ltd and BSE India Limited (BSE).

The Standalone financial statements for the year ended 31st March 2024, were approved for issue by the Board of directors of the company on 27th May 2024 and authorized Chairman-cum-Managing Director/Director(Finance) to amend the financial statements for the changes, if any, arising out of the audit comments from Statutory Auditors and Comptroller and Auditor General of India.

1.2 Material Accounting Policy Information:

1.2.1 Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

(b) Basis of measurement

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

- i) Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments);
- ii) Defined benefit and other long-term employee benefits.

(c) Functional and presentation currency

The financial statements are presented in Indian rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the entity operates. All financial information presented in Indian rupees has been rounded to the nearest crore except share and per share data.

(d) Use of estimates and judgement

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

1.3 Summary of Material Accounting Policy Information:

i. Foreign currency transactions and balances

Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit and loss and reported within foreign exchange gains/ (losses).

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

ii. Investment in Subsidiaries, Joint Venture and Associates.

Investment in Subsidiaries, Joint Ventures and Associates are measured at cost. Dividend income is recognised when its right to receive the dividend is established".

iii. Financial instruments

All financial instruments are recognized initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognized on trade date. While, loans and borrowings and payable are recognized net of directly attributable transactions costs.

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: non-derivative financial assets comprising amortized cost; non derivative financial liabilities at amortized cost.

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

Financial instrument is derecognized only when the company has transferred its right to receive/ extinguish its obligation to pay cash flow from such financial instruments.

a) **Non-derivative financial assets**

Financial assets at amortized cost

A financial asset shall be measured at amortized cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.

Amortized cost is represented by security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.

Cash and cash equivalents comprise cash on hand, in banks and short-term demand deposits with banks with original maturity period of 3 month or less which can be withdrawn at any time without prior notice or penalty on the principal.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system.

b) **Non-derivative financial liabilities**

Financial liabilities at amortized cost

Financial liabilities at amortized cost represented by trade and other payables are initially recognized at fair value, and subsequently carried at

amortized cost using the effective interest method.

iv. **Property plant and equipment:**

a) **Recognition and measurement:**

Normally Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset. The Company has elected to apply the optional exemption to use the previous GAAP value as deemed cost at 1 April 2015, the date of transition.

Spare parts, stand by equipment and service equipment meeting the definition of PPE and having value of more than Rs. 20 lakhs in each case, are capitalized as and when available for use.

Depreciation: Normally the Company depreciates property, plant and equipment over the estimated useful life of the assets as prescribed in Schedule II of the Companies Act 2013 on a straight-line basis. Depreciation is charged on pro-rata basis on additions / disposals of assets during the year. Wherever the useful life is determined by technical assessment for certain assets, such assets are depreciated as per their assessed life. Assets acquired under finance lease and leasehold improvements are amortized over the lower of estimated useful life and related term. Depreciation methods, useful lives and residual values are reviewed at each reporting date.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or disposition of the asset and the resultant gains or losses are recognized in the statement of profit and loss.

Fixed Assets costing Rs. 5,000 or less are fully depreciated in the year of purchase.

b) **Capital Work-in-Progress:**

Assets in the course of construction are included under capital work in progress and are carried at cost less any recognized impairment loss. Such capital work in progress, on completion, is transferred to the appropriate category of property, plant and equipment.

Expenses for assessment of new potential projects incurred till investment decisions are charged to revenue. Expenditure incurred for projects after investment decisions are accounted for under capital work in progress and capitalized subsequently.

Any costs directly attributable to acquisition/ construction of property, plant and equipment till it is brought to the location and condition necessary for it to be capable of operating in the manner as intended by the management form part of capital work-in-progress.

c) Treatment of Expenditure Incurred on Assets not owned by the Company:

"Expenditure incurred on any facility, the ownership of which is not vested with the company, but the incurrence of which is essential in bringing an asset/project of NMDC Steel Limited to the location and condition necessary to be capable of operating in the manner intended by the management, shall be capitalized as a part of the overall cost of the said asset/project. Else the same shall be charged to revenue."

v. Intangible assets:

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Mining rights are accounted as Intangible assets and amortised over the period of life of the mining lease.

vi. Inventory

- a) Raw materials, Stores and spares (including loose tools and implements), work in process and finished products are valued at lower of cost and net realizable value of the respective units.
- b) The basis of determining the cost is

Raw materials	Weighted average cost
Stores and spares	Weighted average cost
Stores in Transit	At cost
Work in process and finished goods	Material cost plus appropriate share of labour, related overheads and levies.

- c) In case of identified Obsolete/Surplus/Non-moving items necessary provision is made and charged to revenue.
- d) Stationery, Medical, Canteen, School Stores, Cotton Waste, Hospital Stores and Lab stores (excluding for R & D Lab) charged off to Revenue on procurement.
- e) No credit is taken in respect of stock of run of mine ore, embedded ore, Iron ore slimes.

vii. Impairment

a) Financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- i) All contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

- ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/expense in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

Financial assets measured at amortised cost, contractual revenue receivable: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

b) Non-financial assets

The Company assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets is impaired. If any such indication exists, the Company estimates the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in profit or loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

viii. Employee benefits

a) Payments under Employees' Family Benefit Scheme:

Under the Employees' family benefit scheme, monthly payments are made till the normal date of retirement to the family members of those

employees who are discharged from service due to medical reasons or death, on deposit of the amount envisaged in the scheme and liability for the payments are accounted for on the basis of actuarial valuation and the amount is administered by a separate Trust.

b) Gratuity & Provident fund:

Gratuity payable to eligible employees is administered by a separate Trust. Payments to the trust towards contributions and other demands are made on the basis of actuarial valuation.

The company's contribution to the provident fund is remitted to a separate trust based on a fixed percentage of the eligible employees' salary. Further, the company makes good the shortfall, if any, between the return from investments of trust and the notified rate of interest on actuarial valuation basis.

c) Pension Fund

Defined contributions to Employees' Contributory Pension Scheme are made on accrual basis at a rate as approved from time to time to a fund which is administered by a separate Trust.

d) Accrued Leave Salary:

Liability towards Accrued Leave Salary, as at the end of the year is recognized on the basis of actuarial valuation and the amount is administered by a separate trust.

e) Other Benefits:

Liability towards Long Service Award, Settlement Allowance and Post-Retirement Medical Facilities to employees as at the end of the year is recognized on the basis of actuarial valuation. Such amounts towards Settlement Allowance and Post-Retirement Medical Benefits are administered by a separate trust.

Actuarial gains or losses are recognized in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead, net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income.

Re-measurements comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to profit or loss in subsequent periods.

ix. Provisions & Contingent Liability:

All the provisions are recognized as per Ind AS 37. Provisions (including mine closure) are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

Contingent liabilities are possible obligations that arises from past events, the existence of which would be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation for which payment is not probable or the amount cannot be measured reliably. These are disclosed in the financial statements till the possibility of any outflow in settlement is remote.

x. Revenue recognition:

Revenue from contracts with customers is recognized when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently

resolved.

All revenue from sale of goods is recognized at a point in time.

The timing of transfer of control in case of sale of goods varies depending upon individual transfer terms of the contract.

Export sales: In Export sales control passes to the customer on the date of Bill of Lading.

Domestic sales: Control passes to the customer on the date of delivery which is generally the forwarding note (rail dispatches)/ lorry receipt/ delivery challan. However, in case of spot auction under electronic mode, control passes to the customer on conclusion of the auction and receipt of money.

Obsolete stores & scrap: Control passes to the customer on the date of realization.

Contract asset

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liability

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract.

xi. Finance income and expense

Finance income consists of interest income on funds invested, dividend income and gains on the disposal of Fair value through profit and loss account financial assets. Interest income is recognized as it accrues in the statement of profit and loss, using the effective interest method.

Dividend income is recognized in the statement of profit and loss on the date the Company's right to receive payment is established.

Finance expenses consist of interest expense on loans and borrowings. Borrowing costs are recognized in the statement of profit and loss using the effective interest method.

Foreign currency gains and losses are reported on a net basis. This includes changes in the fair value of foreign exchange derivative instruments, which are accounted at fair value through profit or loss.

xii. Income tax

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 and prior periods are 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 loss at the time of the transaction. Deferred income tax asset is 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.

xiii. Earnings per share

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

Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. Dilutive potential equity shares are determined independently for each year presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

xiv. Borrowing costs:

Borrowings costs directly attributable to acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which it occurs. Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds.

xv. Government Grants:

Grants from the government are recognised when there is reasonable assurance that:(i) the Company will comply with the conditions attached to them; and (ii) the grant will be received. Government grants related to revenue are recognised on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense. When the grant relates to an asset, it is recognized as income over the expected useful life of the asset. Where the Company receives non-monetary grants, the asset is accounted for on the basis of its acquisition cost. In case a non-monetary asset is given free of cost it is recognised at a fair value. When loan or similar assistance are provided by government or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is recognized as government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received.

Grant related to income are presented as part of profit or loss, as a deduction to the related expenses.

xvi. Lease:

- a. Lease liability is initially recognised and measured at an amount equal to the present value of minimum lease payments during the lease term that are not yet paid.
- b. Right of use asset is recognised and measured at cost, consisting of initial measurement of lease liability plus any lease payments made to the lessor at or before the commencement date less any lease incentives received, initial estimate of the restoration costs and any initial direct costs incurred by the lessee.
- c. The lease liability is measured in subsequent periods using the effective interest rate method. The right-of-use asset is depreciated over the lease term.
- d. Low Value leases up to Rs.20 lakhs p.a. per lease and short-term leases of 12 months or less are fully charged to expense.

xvii. Exploration and Evaluation:

Exploration and evaluation expenditure comprise costs that are directly attributable to:

- researching and analysing existing exploration data;
- conducting geological studies, exploratory drilling and sampling;
- examining and testing extraction and treatment methods; and/or
- compiling pre-feasibility and feasibility studies.

Exploration expenditure relates to the initial search for deposits with economic potential.

Evaluation expenditure relates to a detailed assessment of deposits or other projects that have been identified as having economic potential. All evaluation and exploration expenses till high degree of confidence is achieved are expensed.

Evaluation expenditure are capitalised as Intangible assets when there is a high degree of confidence that the Company will determine that a project is commercially viable, that is the project will provide a satisfactory return relative to its perceived risks,

and therefore it is considered probable that future economic benefits will flow to the Company.

The carrying values of capitalized evaluation expenditure are reviewed for impairment every year by management.

xviii. Stripping cost:

Development stripping cost:

Overburden and other mine waste material removed during the initial development of a mine in order to access mineral deposit are capitalized as Intangible Asset. Amortization of the same is done based on the life estimated by the management.

Production stripping cost:

During the Production phase, the stripping activity cost is charged to revenue to the extent the benefit from the stripping activity is realized in the form of inventory produced.

To the extent the benefit is improved access to ore, the entity shall recognise these costs as a non-current asset i.e., Stripping Activity Asset, if and only if all the following conditions are met:

- a. It is probable that the future economic benefits associated with the stripping activity will be realized.
- b. The component of the ore body for which access has been improved can be identified; and
- c. The costs relating to the stripping activity associated with the improved access can be reliably measured.

To the extent the current period stripping ratio exceeds the planned stripping ratio as per mine plan, shall be considered as "Stripping Activity Asset".

The "Stripping Activity Asset" is subsequently depreciated on a unit of production basis over the life of the identified component of the ore body that become more accessible as a result of the stripping activity and is then stated at cost less accumulated depreciation and impairment loss, if any.

xix. Prepaid Expenses:

Expenses are accounted under prepaid expenses only when the amount relating to the unexpired period exceeds rupees Two crore in each case.

xx. Restatement of earliest prior period financials on material error/omissions

The value of error and omissions is construed to be material for restating the opening balances of assets and liabilities and equity for the earliest prior period presented if the amount in each case of earlier period income/ expenses exceeds 1.00% of the previous year turnover of the company.

Subject to our Report of even date

For M/s. Sanjiv Shah & Associates

Chartered Accountants

FR No: 003572S

(Hitesh Jain)

Partner

Membership No: 232064

Place: Hyderabad

Date: 27.05.2024

For and on behalf of the Board

(Vinay Kumar)

Director Technical

DIN: 10172521

(Amitava Mukherjee)

Chairman-cum -Managing Director
(Addl. Charge) & Director (Finance)

DIN: 08265207

(Aniket Kulshreshtha)

Company Secretary

Note : 2.1.1 Property, Plant and Equipment

(₹ in Crore)

ASSETS	GROSS BLOCK					DEPRECIATION BLOCK					NET BLOCK			
	As at 1 st April 2023	Additions during the year	Ded./ Adj. during the year	Transfer to (-) / from (+) other units	Internal transfer	As at 31 st March 2024	As at 1 st April 2023	for the year	Ded./ Adj. during the year	Transfer to (-) / from (+) other units	Internal transfer	upto 31 st March 2024	As at 31 st March 2024	As at 31 st March 2023
A. General														
Land :														
- Freehold	81.68	-	(0.15)	-	-	81.53	-	-	-	-	-	-	81.53	81.68
- Leasehold	37.99	-	-	-	(37.99)	-	7.48	0.22	-	-	(7.70)	-	-	30.51
Buildings	11.87	2,705.53	-	-	-	2,717.40	2.46	54.66	-	-	-	57.11	2,660.28	9.41
Plant & Machinery	7.29	12,795.80	(4.86)	-	-	12,798.23	1.09	363.22	(4.86)	-	0.01	359.45	12,438.78	6.20
Heavy Mobile Equipment	22.89	21.81	-	-	-	44.69	9.23	3.87	-	-	(0.01)	13.10	31.60	13.65
Furniture & Fittings	7.62	2.79	-	-	-	10.42	2.49	0.78	-	-	-	3.27	7.14	5.13
Vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Office Equipments	4.87	23.14	(1.12)	-	-	26.89	3.82	4.24	(1.11)	-	-	6.95	19.94	1.05
Others :														
Roads, bridges etc.	25.44	107.32	-	-	-	132.76	25.44	19.36	-	-	-	44.80	87.96	-
Dams, Wells & Pools	0.16	90.34	-	-	-	90.49	0.16	0.88	-	-	-	1.04	89.46	-
Adit & Tunnel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Railway Siding	-	459.46	-	-	-	459.46	-	17.91	-	-	-	17.91	441.55	-
Locomotives	96.34	0.40	-	-	-	96.74	19.49	6.77	-	-	-	26.26	70.49	76.85
Electrical Installations	42.06	3,482.72	(0.58)	-	-	3,524.21	30.57	88.47	(0.58)	-	-	118.46	3,405.75	11.49
Sanitary & W.S Installation	126.53	-	-	-	-	126.53	6.29	4.22	-	-	-	10.50	116.03	120.24
TOTAL - 'A'	464.74	19,689.31	(6.71)	-	(37.99)	20,109.35	108.52	564.60	(6.55)	-	(7.70)	658.85	19,450.50	356.23
Previous Year 2022-23	445.84	18.71	(0.04)	0.00	0.22	464.74	88.37	20.16	(0.01)	(0.00)	(0.00)	108.51	356.23	357.48

ASSETS	GROSS BLOCK					DEPRECIATION BLOCK					NET BLOCK			
	As at 1 st April 2023	Additions during the year	Ded./ Adj. during the year	Transfer to (-) / from (+) other units	Internal transfer	As at 31 st March 2024	As at 1 st April 2023	for the year	Ded./ Adj. during the year	Transfer to (-) / from (+) other units	Internal transfer	upto 31 st March 2024	As at 31 st March 2024	As at 31 st March 2023
B. Social Facilities														
Land :														
- Freehold	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Leasehold	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Buildings	786.11	6.98	-	-	-	793.09	30.04	14.47	-	-	-	44.51	748.58	756.07
Plant & Machinery	0.29	4.25	-	-	-	4.54	0.03	0.03	-	-	-	0.07	4.48	0.26
Furniture & Fittings	2.46	0.67	(0.32)	-	-	2.81	0.48	0.30	(0.18)	-	-	0.60	2.22	1.99
Vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Office Equipments	3.68	1.68	(0.54)	-	-	4.82	1.78	0.75	(0.54)	-	-	1.99	2.83	1.90
Others :														
Roads, bridges etc.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cess fund quarters	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dams, Wells & Pools	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Electrical Installations	-	18.61	-	-	-	18.61	-	0.05	-	-	-	0.05	18.56	-
Sanitary & W/S Installation	2.14	1.28	-	-	-	3.42	0.13	0.10	-	-	-	0.23	3.19	2.02
Cess fund other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL- 'B'	794.68	33.46	(0.86)	-	-	827.29	32.44	15.71	(0.72)	-	-	47.44	779.86	762.24
Previous Year 2022-23	792.02	3.17	(0.29)	0.00	(0.22)	794.69	17.24	15.38	(0.17)	(0.01)	0.00	32.44	762.24	774.77
TOTAL- 'A + B'	1,259.42	19,722.77	(7.56)	-	(37.99)	20,936.65	140.96	580.31	(7.27)	-	(7.70)	706.29	20,230.36	1,118.47
Previous Year 2022-23	1,237.86	21.89	(0.32)	0.00	-	1,259.43	105.61	35.54	(0.18)	(0.02)	-	140.95	1,118.47	1,132.25

Note : 2.1.2 : Right of Use Assets

(₹ in Crore)

ASSETS	GROSS BLOCK				AMORTISATION BLOCK				NET BLOCK	
	As at 1st April 2023	Additions during the year	Ded./Adj. during the year	Internal transfer	As at 31st March 2024	For the year	Ded./Adj. during the year	Internal transfer	As at 31st March 2024	As at 31st March 2023
A.General :										
Land	-	12.58	-	37.99	50.57	-	0.36	-	7.70	42.51
Building	-	-	-	-	-	-	-	-	-	-
Total (A)	-	12.58	-	37.99	50.57	-	0.36	-	7.70	42.51
Previous year 2022-23	-	-	-	-	-	-	-	-	-	-
B.Social Amenities :										
Land	-	-	-	-	-	-	-	-	-	-
Building	-	-	-	-	-	-	-	-	-	-
Total (B)	-	-	-	-	-	-	-	-	-	-
Previous year 2022-23	-	-	-	-	-	-	-	-	-	-
Grand Total (A) + (B)	-	12.58	-	37.99	50.57	-	0.36	-	7.70	42.51
Previous year 2022-23	-	-	-	-	-	-	-	-	-	-

Non-Current Assets

Note: 2.2 Capital Work in Progress

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024		Figures as at the end of 31st March 2023
Construction work in progress	1,211.01		16,168.45
Less : Impairment provided/(reversed)	-		-
		1,211.01	16,168.45
Construction Stores		-	-
Capial assets in stores awaiting installation or in transit	3.88		33.81
Less : Provision	-		-
		3.88	33.81
Expenditure incidental to construction awaiting allocation (See Note 2.2.2)		-	3,342.97
Total		1,214.89	19,545.23

Note: 2.2.1 Movement of Capital Work in Progress

(₹ in Crore)

Particulars	Construction Work in Progress	Construction Store	Capital Asset in Store awaiting installation or in transit	Expenditure Incidental to construction awaiting allocation	Total
Period ended as at 31st March-2023					
Gross carrying Amount	14,400.52	-	27.22	2,610.44	17,038.18
Additions	1,787.33	-	7.68	732.55	2,527.56
Disposals/Capitalization to PPE	19.40	-	1.08	0.03	20.51
Closing gross carrying amount	16,168.45	-	33.82	3,342.96	19,545.23
Accumulated amortisation	-	-	-	-	-
Amortisation charge during the year	-	-	-	-	-
Closing accumulated amortisation	-	-	-	-	-
Closing net carrying amount	16,168.45	-	33.82	3,342.96	19,545.23
Period ended as at 31st March-2024					
Gross carrying Amount	16,168.45	-	33.82	3,342.96	19,545.23
Additions	798.95	-	54.80	543.09	1,396.84
Adjustments/Disposals/Capitalization to PPE	15,756.39	-	84.74	3,886.05	19,727.18
Closing gross carrying amount	1,211.01	-	3.88	0.00	1,214.89
Accumulated amortisation	-	-	-	-	-
Amortisation charge during the year	-	-	-	-	-
Closing accumulated amortisation	-	-	-	-	-
Closing net carrying amount	1,211.01	-	3.88	0.00	1,214.89

Note : 2.2.2 Expenditure Incidental to Construction Awaiting Allocation

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024	Figures as at the end of 31st March 2023
a. Opening balance	3,342.97	2,610.44
b. Net Expenditure incurred during the year:		
Consumption of stores and spares	3.12	3.36
Employee Benefit expense :		
Salaries, Wages and Bonus	91.08	115.62
Contribution to PF, EPS, DLI	1.24	6.96
Contribution to Gratuity Fund	-	0.36
Staff Welfare Expenses	3.93	31.25
	96.25	154.19
Power, Electricity & Water	166.64	135.86
Repairs & Maintenance	1.58	4.30
Depreciation & Amortisation	27.88	35.56
Other expenses :		
Rent, Insurance, Rates & Taxes	-5.78	2.81
Interest on Borrowings	139.07	185.45
Payment to Auditors - Audit Fees	-0.46	0.08
Payment to auditors : For Other Services	-0.36	0.06
Reimbursement of expenses	-0.20	0.04
	132.27	188.44
Travelling & Conveyance Expenses	1.04	2.12
Consulancy Expenditure	50.47	40.06
CISF/Security guards	19.40	10.24
Environmental Development	0.12	0.29
Other Expenditure	88.56	185.01
	587.33	759.43
Less : Recoveries/Income		
Interest Received	2.43	4.86
Other Incomes	41.82	22.01
Total (b)	543.08	732.56
Sub-total (a+b)	3,886.05	3,343.00
Less : Amount allocated to Fixed assets/ Capital W I P	3,886.05	0.03
Total	-	3,342.97

Note: 2.2.3 Capital Work in Progress aging Schedule

(₹ in Crore)

Particulars	Amount in CWIP for a period of				
	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	502.16	78.73	127.00	507.00	1,214.89
Project temporarily suspended	-	-	-	-	-
Total	502.16	78.73	127.00	507.00	1,214.89

Note: 2.2.4 Capital Work in Progress Completion Schedule

(₹ in Crore)

Particulars	To be Completed in				
	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
3 MTPA Integrated Steel Plant	1,214.89	-	-	-	1,214.89
	-	-	-	-	-
Total	1,214.89	-	-	-	1,214.89

Note : 2.3 INTANGIBLE ASSETS

(₹ in Crore)

ASSETS	GROSS BLOCK					AMORTISATION BLOCK					NET BLOCK	
	As at 1st April 2023	Additions during the year	Ded./ Adj. during the year	Internal transfer	As at 31st March 2024	As at 1st April 2023	For the year	Ded./ Adj. during the year	Internal transfer	upto 31st March 2024	As at 31st March 2024	As at 31st March 2023
GENERAL												
Computer Software	0.23	-	-	-	0.23	0.21	0.01	-	-	0.22	0.01	0.02
TOTAL	0.23	-	-	-	0.23	0.21	0.01	-	-	0.22	0.01	0.02
Prev. Year 2022-23	0.20	0.03	-	-	0.23	0.20	0.02	-	-	0.21	0.02	0.01

Note: 2.4 Intangible assets under development

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024	Figures as at the end of 31st March 2023
Intangible assets under development	-	-
Total	-	-

Note : 2.4 (a) Intangible assets under development-Aging Schedule

(₹ in Crore)

Particulars	Amount in CWIP for a period of				
	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	-	-	-	-	-
Project Temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

Note : 2.4 (b) Intangible assets under development-Completion Schedule

(₹ in Crore)

Particulars	Amount in CWIP for a period of				
	Less than 1 years	1-2 years	2-3 years	More than 3 years	Total
Intangible assets under development	-	-	-	-	-
Total	-	-	-	-	-

Additional Notes to 2.1.1, 2.3 and 2.4: PPE (Property Plant and Equipment), ROU Assets, Intangible Assets and Intangible Assets under Development.

- The Extent of land of 22.49 hectares taken over from CG Government, which is in favor of District Industries Centre, Jagdalpur & C.G. Govt. for construction of Steel Plant near Nagarnar has not been brought into the books as the amount payable is not ascertainable in the absence of any demand from the concerned authorities.
- Reconciliation of Depreciation and Amortisation as per statement of Profit and Loss:**

Note No	Particulars	2023-24	2022-23
2.1	Depreciation on PPE	580.31	35.54
2.1	Impairment of PPE	-	-
2.3	Amortization of Intangible Assets	0.01	0.02
2.1.2	Amortisation of ROU Assets	0.36	-
2.2	Impairment of CWIP	-	-
	Total	580.68	35.56
2.2.2	Transferred to IEDC	27.88	35.56
2.28	Shown under Exceptional item	-	-
2.33.8	Transferred to Discontinued Operations	-	-
	Depreciation, Amortisation and Impairment as per Statement of Profit and Loss	552.80	-

3. Additional note to 2.1.1 (PPE), 2.1.2 (ROU Assets) and 2.3 (Intangible Assets).

Relevant Line Item in the Balance Sheet	Description on of item on Property	Gross Carrying value (₹ in Crore)	Title Deed held in the name of	Whether title deed holder is a promoter or relative of promoter direct or employee of promoter/director	Property held since which date	Reasons for not being held in the name of the Company
ROU	Lease hold Land	0.80	Govt. of CG	NA	25-05-2010	Requested District Collector Bastar, to calculate the value from the date of allotment. However, allotment order dt. 17.05.2010 is in the name of NMDC for Construction of School
PPE	Land	0.07	Petitioners	NA	01-04-2001	Presently the case is in Hon'ble Supreme Court of India, in the revenue record the land is in favour of 05 petitioners, however the land is in the possession of NMDC.
	Land	-	Govt. of CG	NA	17-05-2010	The Area of Land of 22.49 Hectares (GOVT. LAND) has taken over from District Industries Centre Jagdalpur & CG Govt. which is not included in the Land Schedule as on 31.03.2024. This is utilised for peripheral works near Nagarnar and has been allotted in the name of NMDC , however the same has not been brought into the books as the amount payable is not yet ascertainable in the absence of any demand from the concerned authorities.
	Land	-	Forest Land	NA	25.720 Hect. dt. 25.07.2014, 10.763 Hect dt. 27.02.2015 & 26.136 Hect dt. 24.05.2018	The Permission has been obtained from the Govt. Of Chhattisgarh (Forest Dept.) for use of Forest land having Area 62.619 hectares for construction of Steel Plant at Nagarnar. But the Land is not in the name of NMDC.
	Building	-	-	-	-	-

Relevant Line Item in the Balance Sheet	Description on of item on Property	Gross Carrying value (₹ in Crore)	Title Deed held in the name of	Whether title deed holder is a promoter or relative of promoter direct or employee of promoter/director	Property held since which date	Reasons for not being held in the name of the Company
Investment Property	Land	-	-	-	-	-
	Building	-	-	-	-	-
PPE Retired from	Land	-	-	-	-	-
	Building	-	-	-	-	-

As per Clause 1.3 of Part B of the 'Scheme of Arrangement'- "All immovable properties of the Demerged Company in relation to the Demerged Undertaking including land together with the buildings and structures standing thereon and rights and interests in immovable properties of the Demerged Company in relation to the Demerged Undertaking, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto shall stand vested in and/or be deemed to have been vested in the Resulting Company, by operation of Applicable Law. Such assets shall stand vested in the Resulting Company and shall be deemed to be and become the property as an integral part of the Resulting Company by operation of Applicable Law. The Resulting Company shall always be entitled to all the rights and privileges attached in relation to such immovable properties and shall be liable to pay appropriate rent, rates and Taxes and fulfil all obligations in relation thereto or as applicable to such immovable properties

The title to such properties shall be deemed to have been mutated and recognized as that of the Resulting Company and the mere filing thereof with the appropriate registrar or sub registrar or with the relevant Government Authority if and as may be required shall suffice as record of continuing title with the Resulting Company and shall be constituted and deemed mutation and substitution hereof. The Resulting Company shall be entitled to the delivery and possession of all documents of title for such immovable properties in this regard. It is hereby clarified that all the rights and title and interest of the Demerged Undertaking in any lease hold properties shall without any further act, instrument or deed be vested to or be deemed to have been vested in the Resulting Company".

Accordingly, all the relevant immovable assets have been transferred in the books of accounts of NMDC Steel Ltd., the Resulting Company.

4. During the year 2023-24 a review of residual and useful life of PPE was done and as per the review there is no change recommended. The Useful life of all the PPE is as per schedule II except for the following PPE whose life as given under is determined as per technical assessment.

Equipment	Capacity	Use life (in Years)
Dumper	85-100 T	10
	50-60 T	9
Water Sprinkler	28 KL	9
Rope Shovel	8-10 Cu m	20
Hydraulic Shovel	5-7.5 Cum	9
	>7.5 Cum	10
Blast Hole Drill	165mm Diesel	9
	165mm Electric	12
	250mm single pass	16
	250 mm multiple pass	10
Top Hammer Drill	<160mm	9
Front End Loader	< 300 HP to >600HP	10
Track Dozer	<500 HP to >500HP	10

Equipment	Capacity	Use life (in Years)
Wheel Dozer	<500 HP	12
Grader	<200HP	12
Mobile Crane	<12 ton	9
	12 – 40 ton	12
	>40 ton	15
Boom Stacker	2000 – 3000 TPH	30
Reclaimer	2000-3000 TPH	30

Note : 2.4.1 Investments

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024		Figures as at the end of 31st March 2023
Investments		-	-
Total		-	-

Note: 2.4.2 : Loans

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024		Figures as at the end of 31st March 2023
Loans to employees and outsiders		-	-
Loans to Subsidiaries		-	-
Total		-	-
i) Considered Good, Secured		-	-
ii) Considered Good, Unsecured		-	-
iii) Which have significant increase in Credit risk		-	-
iv) Credit Impaired		-	-

NOTE : 2.4.3 Other Financial Assets

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024		Figures as at the end of 31st March 2023
Deposits with Others		103.21	91.16
Total		103.21	91.16
i) Considered Good, Secured		103.21	91.16
ii) Considered Good, Unsecured		-	-
iii) Which have significant increase in Credit risk		-	-
iv) Credit Impaired		-	-

Note: 2.5 Deferred tax assets (Net)

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024		Figures as at the end of 31st March 2023
A. Deferred tax assets :		-	-
1. Provision for bad & doubtful debt and advances	-		-
2. Intangible Assets	-		-
3. Asset retirement obligation and spares	-		-
4. Investments	-		-
5. Others	2,298.98		-
Total Deferred Tax Assets	-	2,298.98	-
B. Deferred tax liabilities :			
1. Related to PPE	-1,648.92		-
2. Right-of-use Assets	-		-
Total Deferred Tax Liabilities		(1,648.92)	-
Net Deferred Tax Assets		650.06	-

Note 2.6 : Other Non-Current Assets

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024		Figures as at the end of 31st March 2023
Capital Advance		60.43	239.53
ITC Receivable		-	-
Other Advances		10.26	10.25
Total		70.69	249.78

Note:2.7. Inventories

(₹ in Crore)

(As Valued and Certified by the Management)

Particulars	Figures as at the end of 31st March 2024		Figures as at the end of 31st March 2023
Raw Materials :			
Coking Coal	1,445.75		723.04
Iron Ore	214.70		42.62
Limestone	16.04		2.24
Quartzite	2.55		-
Dolomite	13.11		1.93
Others	65.23		13.10
Total Raw Material		1,757.38	782.93
Total Work in Process		764.30	-
Finished Goods		889.75	-
Inventories are valued at cost or NRV whichever is lower			
Total (A)		3,411.43	782.93

Note:2.7 . Inventories

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024		Figures as at the end of 31st March 2023
Stores & Spares		289.75	76.17
Loose Tools and Implements		2.24	0.44
Total (B)		291.99	76.61
G. Total (A+B)		3,703.42	859.54
Inventory include:			
a) Raw material in transit.(Coking coal-In transit)		1,090.52	723.04
b) Stores in transit		17.46	14.04
c) Obsolete stores & spares		-	-

Notes: 2.8.1 Trade Receivables

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024		Figures as at the end of 31st March 2023
Considered Good, Secured	-		-
Considered Good, Unsecured,	37.01		-
Which have significant increase in Credit Risk	-		-
Credit impaired	-		-
Total		37.01	-
Less: Provision for bad & doubtful trade receivables	-		-
Total Provision		-	-
Total		37.01	-

Note: 2.8.1.1 Trade Receivables Aging

(₹ in Crore)

Particulars	Outstanding for following periods from due date of payments					
	Less than 6 months	6 months - 1 years	1-2 years	2-3 years	More than 3 years	Total
i) Undisputed Trade Receivables- Considered good	28.75	8.26	-	-	-	37.01
ii) Undisputed Trade Receivables- Which have significant increase in credit risk.	-	-	-	-	-	-
iii) Undisputed Trade Receivables- Credit Impaired	-	-	-	-	-	-
iv) Disputed Trade Receivables- Considered good	-	-	-	-	-	-
v) Disputed Trade Receivables- Which have significant increase in credit risk.	-	-	-	-	-	-
vi) Disputed Trade Receivables- Credit Impaired	-	-	-	-	-	-
Total	28.75	8.26	-	-	-	37.01

Note: Due date is the Date on which the amount of sales proceeds is due for claiming from the customer.

Notes: 2.8.2 Cash And Cash Equivalents

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024	Figures as at the end of 31st March 2023
Cash in Hand	-	-
Balance with Banks :		
on current Accounts	6.65	12.64
On Deposit Accounts (Original Maturity less than 3 months)	(0.00)	608.50
Total	6.65	621.14

Notes :2.8.3 Bank Balances Other than Note no. 2.8.2

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024	Figures as at the end of 31st March 2023
Balances with bank on 'Deposits accounts (Original maturity more than 3 months but less than 12 months)	175.42	33.44
Balances with banks for Unpaid Dividend	-	-
Balance with banks TDS on Dividend	-	-
Bank deposits offered as security for Bank guarantees and letter of credit	539.25	858.07
Total	714.67	891.51

Note: 2.8.4 Other Financial Assets

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024	Figures as at the end of 31st March 2023
<u>Related Parties</u>		
Advances to Directors	-	-
Advances to Subsidiaries/ Jv's/ Associates	-	-
Less: Provision	-	-
<u>Employees and outsiders</u>		
Advances to Employees and outsiders	54.17	61.27
<u>Interest Accrued</u>		
Accrued interest on deposits with banks	20.22	15.67
Accrued interest on Other	3.93	2.91
Other Receivables	0.81	1.00
Total	79.13	80.85

Note: 2.9 Current Tax Asset (Net)

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024	Figures as at the end of 31st March 2023
Advance Income tax & TDS	20.23	7.86
Less : Provision	(9.60)	-
	10.63	7.86
Total	10.63	7.86

Note: 2.10 Other Current Assets

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024		Figures as at the end of 31st March 2023
Advances to Employee and outsiders	509.85		237.88
Less: Provision for bad and doubtful advances	-		-
		509.85	237.88
ITC Receivables		1,995.23	1,864.77
Total		2,505.08	2,102.65

Note: 2.11 Assets Held for Disposal

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024		Figures as at the end of 31st March 2023
Asset Held for disposal		-	-
Total		-	-

Note: 2.12 Equity Share Capital

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024		Figures as at the end of 31st March 2023
Authorised:			
300,00,00,000 Equity Shares of Re. 10/- each			
(Previous year 300,00,00,000 Equity Shares of Re.10/- each)		3,000.00	3,000.00
Issued, Subscribed & Paid up:			
Opening Balance		2,930.61	-
Add: issue of shares during the year		-	2,930.61
(2,93,06,05,850 Equity Shares of Re.10/- each fully paid up)			
Less: Buyback of shares during the year Nil (Previous year -Nil)		-	-
Total		2,930.61	2,930.61

Addl. Notes:

- 1) Terms/Rights attached to equity shares :

The company has only one class of equity shares having par value of Re.10/- each and each holder of equity shares is entitled to one vote per share.

- 2) The details of shares in the company held by each shareholder holding more than 5% shares :

Name of the Share holder	31st March 2024		31st March 2023		% of change in no of shares (%)
	% of Holding	No. of Shares	% of Holding	No. of Shares	
i) President of India	60.79	1,78,16,33,571	60.79	1,78,16,33,571.00	-
ii) LIC of India (incl all schemes)	14.00	41,03,95,755	14.16	41,48,85,432.00	(1.08)

b) 2.13 Other Equity :

(₹ in Crore)

Particulars	Share Suspense Account	General Reserve	Capital Reserve	Retained earnings	CRR	OCI	Total
Balance as at 1st April 2022	2,930.61	-	14,117.97	-	-	-	17,048.58
Transfer to Equity share capital	(2,930.61)	-	-	-	-	-	(2,930.61)
Profit for the year	-	-	-	-	-	-	-
Transfer to Capital Reserve	-	-	-	-	-	-	-
Transfer to Capital Redemption Reserve (CRR)	-	-	-	-	-	-	-
Buyback of shares (including transaction charges)	-	-	-	-	-	-	-
Other Comprehensive Income net of tax	-	-	-	-	-	-	-
Interim dividend (2022-2023)	-	-	-	-	-	-	-
DDT on Interim dividend (2022-23)	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-	-
Total	(2,930.61)	-	-	-	-	-	(2,930.61)
Balance as at 31st March 2023	-	-	14,117.97	-	-	-	14,117.97
Balance as at 1st April 2023	-	-	14,117.97	-	-	-	14,117.97
Transfer to Equity share capital	-	-	-	-	-	-	-
Profit for the period	-	-	-	(1,560.32)	-	-	(1,560.32)
Transfer to Capital Reserve	-	-	-	-	-	-	-
Transfer to Capital Redemption Reserve (CRR)	-	-	-	-	-	-	-
Buyback of shares (including transaction charges)	-	-	-	-	-	-	-
Other Comprehensive Income net of tax	-	-	-	-	-	-	-
Interim dividend (2023-24)	-	-	-	-	-	-	-
DDT on Interim dividend (2023-24)	-	-	-	-	-	-	-
Transfer to General Reserve	-	-	-	-	-	-	-
Total	-	-	-	(1,560.32)	-	-	(1,560.32)
Balance as at 31st March 2024	-	-	14,117.97	(1,560.32)	-	-	12,557.65

Note 2.14.1 Borrowings (Non Current)

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024		Figures as at the end of 31st March 2023
7.30% Non Convertible Debentures Series - 1		523.80	523.80
Trust & Retention Accounts		3,737.22	3,294.50
Total		4,261.02	3,818.30

Additional Note:

- The Company has borrowings amounting of Rs 523.80 Cr in the form of Non-Convertible debentures (NCD's). The NCD's are unsecured, Non-Cumulative, Non-Convertible, redeemable taxable bonds of face value Rs 10 Lakhs each (Series I-2020) allotted on 28.08.2020 carrying an interest rate of 7.30%. Subsequent to demerger and revision in the Rating from 'AAA' to 'A- ', the coupon rate has been revised to 8.80% w.e.f 16.02.2023. The ratings as on 31st March 2024 are "ICRA A- on Rating Watch with Developing Implications" and Ind A-/Stable by Credit Rating Agencies ICRA and India Ratings & Research respectively. The NCD's are redeemable in August 2025 in full.
- The Company has Rupee Term Loan Sanction of Rs 4,476.20 Cr from State Bank of India and the Company has drawn an amount of Rs 4,475.81 Cr (previous year Rs 3,294.50 Cr). As per the Sanction terms of the Rupee Term Loan, the interest rate was 7.1% p.a. up to the Date of Commencement of Commercial Operations (DCCO) and thereafter the interest shall be 155bps above 6 months MCLR post DCCO. Accordingly, the interest rate has been revised to 10% p.a. w.e.f 01.09.2023 & 10.10% p.a. w.e.f 01.03.2024. As a Security the company has hypothecated the entire fixed assets including Plant and Machinery, and first charge on the entire cash flows of the Company. The Company has to execute Equitable Mortgage of Land (excluding forest land) as per the sanction terms which is yet to be formalized as on reporting date. The Loan is repayable in 30 Quarterly Instalments starting from March 2024 by June 2031. The Interest is payable on monthly basis. The Outstanding Rupee term loan as on 31st March 2024 is Rs 4,274.38 Cr after repayment of first instalment of Rs 201.43 Cr. There is no default as on the balance sheet date in repayment of borrowings and interest thereon.

Note 2.14.2 Lease Liability

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024		Figures as at the end of 31st March 2023
Lease Liabilities		10.03	-
Total		10.03	-

Note 2.14.3 Other Financial Liabilities (Non- Current)

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024		Figures as at the end of 31st March 2023
Other Financial Liabilities		2,502.64	2,501.87
Total		2,502.64	2,501.87

Note 2.14.4 Provisions(Non- Current)

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024		Figures as at the end of 31st March 2023
Employee Benefits :			
Long Service Reward		-	-
Mine Closure Liability		-	-
Provisions for de-commissioning liability (ARO Obligation)		-	-
Total		-	-

Note: 2.15.1 Borrowings

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024	Figures as at the end of 31st March 2023
Interest Accrued on Non Convertible Debenture Series - 1	27.28	23.58
Working Capital Loan	1,200.00	-
Cash Credit Loan	626.32	-
TRA Loan Current Liab.(Current Maturity of Rupee Term Loan)	537.16	-
Total	2,390.76	23.58

Note :The Company has a Sanctioned Working Capital Limit of Rs 4,100 Cr (Fund based-Rs 2,600 Cr & Non Fund based-Rs 1,500 Cr). The Utilisation of Limits up to 31st March 2024 are Rs 1,826.32 Cr of Fund Based and Rs 676.59 Cr of Non Fund Based Limits. The Working Capital Borrowings are secured by way of a first ranking Pari passu charge on all the Current Assets both present and future.

Note: 2.15.2 Lease Liability

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024	Figures as at the end of 31st March 2023
Lease Liabilities	0.11	-
Total	0.11	-

Note: 2.15.3 Trade Payables

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024	Figures as at the end of 31st March 2023
Total outstanding dues of micro and small enterprises	18.42	2.22
Other than micro and small enterprises	2,484.29	387.84
Total	2,502.71	390.06

(₹ in Crore)

Disclosure Relating to Micro and Small Enterprises	31st March 2024	31st March 2023
i)(a). The principal amount remaining unpaid to the supplier as at the end of the year	18.42	2.22
ii)(b).The interest due on the above amount, remaining unpaid to the supplier as at the end of the year	Nil	Nil
iii) the amount of interest paid in terms of section 16, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	Nil	Nil
iv) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro,Small and Medium Enterprises Development Act,2006;	Nil	Nil
(v) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	Nil	Nil
(vi) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of Micro,Small and Medium Enterprises Development Act,2006.	Nil	Nil

2.15.3.1 Trade Payable (Ageing)

(₹ in Crore)

Particulars	Outstanding for following periods from due date of Payments				
	Less than 1 years	1-2 years	2-3 Years	More than 3 years	Total
i) MSME	18.42	-	-	-	18.42
ii) Others	2,239.80	140.44	6.82	97.22	2,484.29
iii) Disputed Dues-MSME	-	-	-	-	-
iv) Disputed Dues-Others	-	-	-	-	-
Total	2,258.22	140.44	6.82	97.22	2,502.71

Note : Due date is the date on which the amount to be paid to the vendor, for supply of goods and services, upon receipt and acceptance.

Relationship with Struck off Companies

(₹ in Crore)

Name of the Struck off Company	Nature of Transaction	Transaction during the Year 2023-24	Balance Outstanding As at 31-March-2024	Relationship with the Struck off companies
Pyrotech Electronics pvt Ltd	Payable *	-	0.00	Vendor
Total		-	0.00	-

* Amount is less than 1 Lakh

Note: 2.15.4 Other Financial Liabilities

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024	Figures as at the end of 31st March 2023
Unpaid Dividend	-	-
Deposits from Suppliers, Contractors and Others	194.40	166.88
Capital Creditors	1,453.75	839.46
Other financial Liabilities	356.79	85.45
Total	2,004.94	1,091.79

Note : 2.16 Other Current Liabilities

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024	Figures as at the end of 31st March 2023
Contract Liabilities	192.44	0.23
Other Payables	0.04	685.81
(like withholding and other taxes payable, amounts payable to employees and others)		
Statutory Dues	15.38	7.99
Total	207.86	694.03

Note: 2.17 Provisions

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024		Figures as at the end of 31st March 2023
Employee Benefits :		-	-
i) Long Service Reward			
ii) Provision for gratuity, leave salary, family benefit scheme and post employment medical benefits			
Provisions for de-commissioning liability			
Total		-	-

Note: 2.18 Revenue from Operations

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024		Figures as at the end of 31st March 2023
I.Sale of Products			-
Domestic			
Steel Products (HR Coil, Plates etc.)	1,731.10		-
Pig Iron	1,031.42		-
By Products	96.32		-
Others	190.15		-
Total For Domestic		3,048.99	-
Through Exports			
Total		3,048.99	-

Note: 2.19 Other Income

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024		Figures as at the end of 31st March 2023
a) Interest Income:			
i) Deposits with Banks	37.79		-
ii) Others	3.59		-
		41.38	-
b) Gain in Exchange		-	-
c) Profit on sale/adjustment of assets		0.23	-
d) Profit on sale of Current investments(MF)		-	-
e) Other non operating income		77.68	-
Total		119.29	-

Note: 2.20 Consumption of Raw Materials

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024		Figures as at the end of 31st March 2023
Raw material			
Coal	2,644.65		-
Iron Ore	915.98		-
Limestone	105.67		-
Quartzite	1.06		-
Dolomite	45.92		-
Ferro.Alloys	38.11		-
Others	94.76		-
		3846.15	-
Total		3846.15	-

Consumption of Stores & Spares

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024		Figures as at the end of 31st March 2023
Stores & Spares		73.61	-
Total		73.61	-

Note: 2.21 Changes in Inventories of Finished Goods/ Work in Progress

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024		Figures as at the end of 31st March 2023
Work-in-process:			
Balance as at the beginning of the Commercial Production	619.37		-
Less: Balance as at close of the Period	764.30		-
		(144.93)	-
Finished Goods:			
Balance as at the beginning of the Year	408.27		-
Less: Balance as at close of the Year	889.75		-
		(481.48)	-
Total		(626.41)	-

Note: 2.22 Employee Benefit Expenses

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024		Figures as at the end of 31st March 2023
Salaries, Wages & Bonus		33.34	-
Contribution to Provident fund and other funds			
Contribution to Staff PF, FPS & DLI		0.06	-
Contribution to Pension Fund		0.09	-
Contribution to Group Gratuity Fund		-	-
Staff Welfare Expenses		23.79	-
Total		57.28	-

Note: 2.23 Power, Electricity and Water Charges

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024	Figures as at the end of 31st March 2023
Power charges	408.43	-
Electricity charges	3.45	-
Water charges	10.83	-
Total	422.71	-

Note: 2.24 Repairs & Maintenance

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024	Figures as at the end of 31st March 2023
Buildings	1.25	-
Plant and Machinery	0.55	-
Vehicles	0.01	-
Others	553.15	-
Total	554.96	-

Note: 2.25 Selling Expense

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024	Figures as at the end of 31st March 2023
Railway freight	0.23	-
Export duty	-	-
Other selling expenses	5.68	-
Total	5.91	-

Note: 2.26 Finance Cost

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024	Figures as at the end of 31st March 2023
i) Long term Borrowings		
Rupee Term Loan	256.17	-
Non-Convertible Debentures	26.77	-
Total Interest on Long term Borrowing	282.94	-
ii) Short term Borrowings		
Working Capital Loan	47.36	-
iii) Interest - Others	0.29	-
Total	330.59	-

Note: 2.27 Other Expenses*

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024	Figures as at the end of 31st March 2023
Rent	0.10	-
Insurance	3.86	-
Rates & Taxes	8.07	-
Directors' Travelling expenses	0.00	-
Directors' Sitting Fees	-	-
Payment to Auditors:		
For Audit Fee	0.55	-
For taxation matters	0.03	-
For Management Services	0.04	-
For Other Services	0.43	-
For reimbursement of expenses	0.16	-
	1.21	-
Loss on sale/adjustment of Assets	0.69	-
Miscellaneous losses written off	-	-
Provision for doubtful debts/advances	-	-
Raising and Transportation	3.66	-
Entertainment	0.25	-
Travelling & Conveyance	5.67	-
Advertisement & Publicity	0.66	-
Postage, Telephone & Telex	0.42	-
Stationery & Printing	0.08	-
Consultancy charges	3.09	-
CISF/Security guards	35.38	-
Safety expenses	0.27	-
Corporate Social Responsibility	-	-
Loss in Exchange variation (net)	5.37	-
Demurrages	27.84	-
Environmental Development	0.57	-
Other expenses	54.51	-
Total	151.70	-

* Other Expenses Includes Rs.45.61 Cr which were accounted under Capital Works in Progress now transferred to Profit & Loss account being expenditure administrative in nature.

Note : 2.28 Exceptional Items

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024	Figures as at the end of 31st March 2023
Expenditure		
Total Expenditure	-	-
Less : Income	-	-
Total Expenditure/(Income)	-	-

Note: 2.29 Tax Expenses

Reconciliation of Effective Tax rate and Statutory tax Rate as on 31st March 2024

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024	Figures as at the end of 31st March 2023
CURRENT TAX		
Current Tax on profit for the year	-	-
Adj. of current tax for prior period	9.36	-
Total current tax expenses	9.36	-
DEFERRED TAX		
Decrease/(increase) in deferred tax assets	(2,298.98)	-
(Decrease)/increase in deferred tax liabilities	1,648.92	(650.06)
Total deferred tax expenses/(benefit)	(650.06)	-
Total Expenditure/(Benefit)	(640.70)	-

Particulars	Amount Rs. In crore	Tax - Rs. In crore	Tax %
Accounting profit before tax from continuing operations	(2,201.02)	-	
Profit/(loss) before tax from discontinued operations	-	-	
Accounting profit before income tax	(2,201.02)	-	
Tax at Income tax rate(INR in crore)/Income tax rate(%)			29.12
Tax effect of amount not deductible in calculating taxable income			
CSR exp.	-	-	
Prov. For bad & doubtful exp.	-	-	
Change in Depreciation	(5,609.77)	-	
OCI due to Actuarial Gain/Loss	-	-	
Deduction U/S 80G	-	-	
Other items	(4.69)	-	
Taxable income	(7,815.48)		
Current Tax on Profit for the year	-	-	-

Note : 2.30 ADDITIONAL INFORMATION

(₹ in Crore)

Particulars	Figures as at the end of 31st March 2024		Figures as at the end of 31st March 2023
2.30.1. Value of imports calculated on CIF basis:			
i. Components & Spare parts		-	-
ii. Capital Goods		1,474.11	1,537.73
2.30.2. Expenditure in foreign currency:			
i. Consultancy charges		-	-
ii. Others		-	-

2.30.3. Particulars of consumption of raw material

Raw material	Value	Percentage	Value	Percentage
a) Imported	2,644.65	68.76	-	-
b) Indigenous	1,201.50	31.24	-	-
	3,846.15	100.00	-	-

2.30.4. Particulars of consumption of Stores & spares:

Components & spare parts (including consumable stores)	Value	Percentage	Value	Percentage
a) Imported	-	-	-	-
b) Indigenous	73.61	100.00	-	-
	73.61	100.00	-	-
2.30.5. Foreign Exchange earnings :	-	-	-	-

2.31. Contingent Liabilities and Commitments (to the extent not provided for)**A. Contingent liabilities**

(₹ in Crore)

Sl. No.	Particulars	As at 31-Mar-2023	Additions	Deletions	As at 31-Mar-2024
1.1	Claims against the company not acknowledged as debts consisting of:				
A	Disputed claims under GST, Income tax etc.,	-	1.60	-	1.60
B	Claims by contractors under arbitration	2400.24	939.87	684.57	2655.54
	i. On capital account	-	-	-	-
	ii. On revenue account				
C	Other claims on company not acknowledged as debts	107.58	728.91	-	836.49
	Total	2507.82	1670.38	684.57	3493.63

B. Commitments:

(₹ in Crore)

Sl. No.	Particulars	As at 31-Mar-2024	As at 31-Mar-2023
1.1	Estimated Amounts of contracts remaining to be executed on Capital account	382.88	1536.67
1.2	Other commitments- commitments to subsidiaries and JV	Nil	Nil

2.32. Disclosure under Accounting Standards**2.32.1 Ind AS-19 Employee Benefits:**

As per the Scheme of Arrangement between NMDC Limited and NMDC Steel Limited Clause No.2.1 of Part B, all staff and workmen and employees of the demerged company employed in relation to the demerged undertaking, as may be identified by the Board of the demerged company in service on the effective date shall be deemed to have become staff, workmen, employees of the resulting company from the appointed date based on continuity of service.

Pending a decision by the Board on the above, all the employees posted at NISP Unit of NMDC Limited are being maintained in the rolls of NMDC. Accordingly, the expenses are accounted under Operation & Maintenance expenses based on the invoices raised by NMDC Limited. Hence no provisioning under Ind AS 19 has been made by the Company. Further, in absence of separate trust for NMDC Steel Limited, the Contribution of other Employees towards PF are being deposited to the trust maintained by the Demerged Company i.e. NMDC Limited as per Clause No.2.3 of the above Scheme of arrangement.

2.32.2 Segment Reporting as per Ind AS-108

The Company Produces one single product i.e HR Coils and operating from one location only. Hence no reportable operating segments are identified as per Ind AS108- "Operating Segment".

2.32.3 Disclosures-Revenue (Ind AS-115)

a) Disaggregated revenue information:

Set out below is the disaggregation of the Company's revenue from contract with customers. (₹ in Crore)

Segment	Year Ended 31st March 2024 *	Year Ended 31st March 2023
Sale of Goods		
- Steel Products	1731.10	-
- Pig Iron	1031.42	-
- By Products	96.32	-
- Others	190.15	-
Total Revenue From Contracts With Customers	3048.99	-
- India	3048.99	-
- Outside India	-	-
Total Revenue from Contracts with Customers	3048.99	-
Timing of Revenue Recognition		
Goods Transferred at a Point in Time	3048.99	-
Services transferred over time	-	-
Total Revenue from Contracts with Customers	3048.99	-

*Date of Commencement of Commercial Operation is 31st Aug 2023.

(₹ in Crore)

Particulars	Year Ended 31st March 2024	Year Ended 31st March 2023
Revenue from Sale of Goods		
- External Customers	3048.99	-
- Inter Segment	-	-
- Inter Segment adjustment & elimination	-	-
Total Revenue from Contracts with Customers	3048.99	-

b) Contract Balances:

(₹ in Crore)

Particulars	Year Ended 31st March 2024	Year Ended 31st March 2023
Trade Receivables (Net)	37.01	-
- Contract Assets	-	-
- Contract Liabilities	192.44	-

Trade receivables are non-interest bearing. As on 31st March 2024, Rs Nil Crore, (31st March 2023 Rs Nil Crore) was recognised as provision for expected credit losses on trade receivables.

Contract assets are generally recognised in case of supply of services only when the receipt of money is conditional on milestone even after satisfaction of performance obligation. In case of sale of goods directly, receivable is recognised as company has unconditional right to payment from the moment performance obligation is satisfied.

Contract Liabilities includes advances received from customer which will be adjusted towards supply of goods or services.

2.32.4: Accounting policies, change in Accounting Estimates and Errors (As per Ind-AS 8):

With regard to the Companies (Indian Accounting Standard) Rules 2023 notified vide MCA Notification dated 31st March 2023, the Accounting Policies of the Company have been reviewed and changes made accordingly to satisfy the amended rules. The 'Significant Accounting Policies' have now been mentioned as 'Material Accounting Policy Information'. The Accounting Policies not having impact on operations of the company have been deleted considering them immaterial. Certain Addition to the policies are made vide Policy Sl. no. 1.3.iii(b) regarding "Capital Works in Progress" & Sl.no 1.3.viii regarding Contingent Liabilities which are felt material. The Changes in the Accounting policies will have no financial impact.

2.32.5: Related Party Disclosures (Ind AS-24):

i) List of related parties:

A. The Company is not having any Subsidiaries, JV's, Associate Companies.

B. NMDC Limited:

NMDC Limited and NMDC Steel Limited are entities under Common Control. The Functional Directors and Govt. Nominee Directors of NMDC Limited are the Directors on Board of NMDC Steel Limited also.

C. Key Management Personnel: (Directors) as on 31st March 2024

- Shri Amitava Mukherjee : (Addl. Charge Chairman-cum-Managing Director) & (Director Finance)
- Shri Dilip Kumar Mohanty : (Director Production)
- Shri Vishwanath Suresh : (Director Commercial) *
- Shri Vinay Kumar : (Director Technical)

*Under suspension w.e.f. 19.01.2024 in terms of order of Ministry of Steel, Govt. of India.

Company Secretary : Shri Aniket Kulshreshtha

ii) Related Party Transactions:

A) Transactions with Entities Under Common Control – NMDC Limited.

The Transactions with NMDC Limited during the Financial Year 2023-24 is as below:

SL NO	PARTICULARS	Note No.	Details	Amount Rs. Cr
1	Current Assets- Trade Receivables/other financial assets	2.8.1/ 2.8.4	Sale of HR Coil to NMDC Limited (Rs 1.18 Cr) & Coking Coal to NMDC Limited (Rs (-)0.02 Cr)	(1.16)
2	Non- Current Liabilities- Other Financial Liabilities	2.14.3	Transactions of NMDC Limited on account of NMDC Steel Limited.	0.77
3	Current Liabilities-Lease Liabilities	2.15.2	Lease Liability for Stock yard at Vaizag (5Acre) from NMDC Limited.	0.07
4	Trade Payables	2.15.3	Supply of Raw Material (Iron ore) from NMDC Limited.	1251.18
5	Current Liabilities-Other Financial Liabilities	2.15.4	The Payments & Benefits of Employees posted at NMDC Steel Limited & on rolls of NMDC Limited	45.02
			TOTAL	1295.88
6	Free Hold Land/Property Plant & Equipment/Other Income	2.1.1/2.19	Transfer of Land (Rs 0.26 Cr) and sharing of facilities of NSL for Drawl of Water for Pellet Plant & Drinking Water for Pellet Plant with NMDC Limited (Rs 75.32 Cr) for which the amount has been received during the year	75.58

B) Balances with the Related Parties as at the end of the reporting period 31st March 2024.

(₹ in Crore)

PARTICULARS	OB 01.04.2023	Additions (+)/ Deletions(-)	CB 31.03.2024
Current Assets-Trade Receivables/Other Financial Assets	(8.36)	(1.16)	(9.52)
Non- Current Liabilities-Other Financial Liabilities	2501.87	0.77	2502.64
Current Liabilities-Lease Liabilities	-	0.07	0.07
Current Liabilities-Trade Payables	144.43	1251.18	1395.61
Current Liabilities-Other Financial Liabilities	41.06	45.02	86.08
TOTAL	2679.00	1295.88	3974.88

C) Remuneration to Key Management Personnel:

(₹ in Crore)

Particulars	As at 31st March 2024	As at 31st March 2023
Key Management Personnel Remuneration	NIL	NIL

2.32.6 Earnings per share (IND AS-33):- The details are as under:

Particulars	Year Ended	
	31st March 2024	31st March 2023
1.Profit/(Loss) after Tax (₹ in Crore)	(1560.32)	-
2. No of Equity shares	293,06,05,850	293,06,05,850
3. Nominal value per Equity share (₹)	10	10
4. Basic and Diluted Earnings per share - (₹)	(5.32)	-

2.32.7 Accounting for Deferred Taxes on income (Ind-As-12): Necessary details have been disclosed on note no :2.5.

2.32.8 Discontinuing Operations (IndAS-105)

There are no Discontinued Operations.

2.32.9 Intangible Assets (IndAS-38): R&D:

There are no Intangible Assets related to R&D on the reporting date.

2.32.10 Impairment of Assets (Ind AS – 36):

The Steel Plant has started its Commercial operations w.e.f 31st August 2023. As on the reporting date, no assets are identified for impairment.

2.32.11 Provisions, Contingent Liabilities and Contingent Assets (Ind AS -37):

Necessary details in regard to provisions have been disclosed in notes 2.14.4,2.17 & 2.31.

2.32.12 Information On Leases as per Ind AS -116 on “Leases”:

The Company has leases of Land from Govt of Chattisgarh, Chattisgarh State Industrial Development Corporation (CSIDC) & Chattisgarh Tourism Board. The Company has accounted the Lease hold Land up to the previous year under Property Plant & Equipment (PPE) under “Leasehold Lands”. The same has been reviewed with reference to Ind AS 116 and all the leases have been now recognised under “Right of Use Assets” and Lease Liability has been created by discounting the future cash outflows over the lease period (wherever applicable). The Impact of the same is not material.

ROU ASSETS:

Set out below are the carrying amounts of right-of-use-assets (refer note 2.1.2) recognised and the movement during the period:

(₹ in Crore)

Particulars	ROU Assets
As at 1 st April 2023	-
Assets Transfer(Internal)	37.99
Additions/Deletions	12.58
Depreciation Transfer(Internal)	7.70
Depreciation expense	0.36
As at 31 st March 2024	42.51

Lease Liabilities:

Set out below are the carrying amounts of lease liabilities (included under interest bearing loans and borrowings) and the movements during the year:

(₹ in Crore)

Particulars	Lease Liabilities
As at 1 st April 2023	-
Total Lease Payments over the lease period	60.51
Interest over the lease period	50.37
NPV (Additions to ROU, Liability. during the year)	10.14
Interest accrued	-
Payments	-
Adjustments	-
As at 31st March 2024	10.14
Current	0.11
Non-Current	10.03

Lease Payments not included in measurement of Lease Liability:

1. The expenses relating to payments not included in the measurement of the lease liability are as follows.

(₹ in Crore)

Particulars	As at 31 st March 2024
Short term Leases	Nil
Leases of low value assets (Leases with lease payments of Rs. 20 Lakhs and less per lease)	0.19
Variable Lease Payments	Nil
Others	Nil

2. Maturity of Lease Liabilities:

(₹ in Crore)

Particulars	Minimum Lease Payments due as at 31 st March 2024			
	Within 1 Year	1-5 Years	More than 5 Years	TOTAL
Lease payments	1.06	4.59	54.85	60.50
Interest expenses	0.95	3.87	45.54	50.36
Net Present Value	0.11	0.72	9.31	10.14

Previous Year - NIL

3. Information about extension and termination options:

Right of Use Assets	Number of Leases	Range of remaining term	Average remaining lease term	Number of Leases with extension option	Number of Leases with termination option
Leasehold Land	8	2.7 to 96.95	34.30	7	1

2.33: Disclosure as required under Regulation 34(3) and 53(f) of SEBI (LODR) Regulations, 2015.

2.33.1 Loans and advances in the nature of loans to Subsidiaries/JV's where there is no repayment schedule or no interest:

There are no Subsidiaries / JV's. as of 31st March 2024.

2.33.2 There are no Investments by the loanees as mentioned in 2.33.1 in the shares of NMDC Steel Ltd.

2.33.3 Loans to Associate Companies:

There are no Associate Companies as of 31st March 2024

2.33.4 There are no loans and advances in the nature of loans to firms/companies in which directors are interested except as stated above.

2.34 Others:

2.34.1. During the year under report, the GST Authorities have conducted GST Audit for the period July 2017 to March 2021 and have issued 10 no's show cause notices alleging inadmissible ITC availed by the Company during the period July 2017 to March 2021 for an amount of Rs 111.10 Cr. In addition, there was an audit finding alleging non-payment of interest on delayed payments under RCM amounting to Rs 0.09 Cr totalling the disputed amount to Rs 111.19 Cr.

Considering the responses filed and personal hearings with the GST adjudicating authorities, orders have been passed for an amount of Rs 109.16 Cr. Of the total amount of Rs 109.16 Cr, the Company has accepted and reversed ITC to an extent of Rs 8.38 Cr, Rs 35.96 Cr has been dropped & ITC Claim of Rs 56.40 Cr, has been kept in abeyance (considering the litigation of the matter with Hon'ble High Court of Bilaspur in separate cases). A demand of Rs 8.42 Cr plus Interest & Penalty has been retained by the authorities and the Company is intending to appeal against the order within the stipulated time period. For the balance amount of Rs 1.94 Cr (Rs 111.10 Cr- Rs 109.16 Cr), responses of the company are filed and pending with GST department & Rs. 0.09 Cr has been paid to the Tax Authorities.

Further, an enquiry dated 27.12.2023 has been received from Directorate General of GST Intelligence (DGGI) in respect of the unutilized ITC on Compensation cess amounting to Rs 43.76 Cr. The Company after review, has withdrawn the amount from ITC on the opinion that the Company may not be able to utilize the Cess amount in future periods.

2.34.2 Date of Commencement of Commercial Operations:

The Company has started its commercial operations w.e.f 31st August 2023 and declared 31st August 2023 as the Date of Commencement of Commercial Operations (DCCO).

2.34.3 Capitalisation of Assets:

The Company has started its Commercial Operations w.e.f 31st August 2023. Accordingly, Assets amounting to Rs 19,722.77 Cr have been Capitalized during the year under Property Plant & Equipment (PPE). The Incidental Expenditure during Construction (IEDC) up to the period 31st August 2023 amounting to Rs 3886.05 Cr (which include Borrowing Costs of Rs 413 Cr) has been allocated to the various Assets and Capitalised along with the cost of the Assets. The total Property Plant & Equipment (PPE) as on 31st March 2024 is Rs 20,936.65 Cr (Gross Block).

2.34.4 Transfer of Assets/Facilities to NMDC Limited:

To facilitate drawl of Water for the Pellet Plant of NMDC Limited located adjacent to the Steel Plant, an MoU has been entered during the year between NMDC Steel Limited and NMDC Limited. Accordingly, SPL (Slurry Pipe Line) Project of NMDC Limited shall construct a pump house beside NSL water Pump house, to draw the required water and shall construct required piping network through NSL Premises from Pump house up to the Pellet Plant Premises. For this, Free hold land to the extent of 0.558 ha shall be transferred to NMDC Limited, for which NMDC Limited has paid Rs 0.26 Cr to NSL. Further for using the facilities of NSL for Water supply and Drinking Water supply for Pellet Plant, onetime cost of an amount of Rs 74.54 Cr & Rs 0.78 Cr respectively has been paid by NMDC Limited to NSL towards sharing of proportionate capital cost. The amount of Rs 0.15 Cr has been credited to PPE against transfer of Land & amount of Rs 75.43 Cr received against sharing of assets has been accounted as "Other Income".

In additions to the same, NMDC will also pay the applicable water charges/ margin to provide the operational & drinking water charges at the rate of Rs. 8 per Cum and Rs. 7.70 per Cum respectively which includes all O&M, manpower, welfare expenses etc. and is subject to revision in every five years. The agreement is for 99 years and renewable on same terms & conditions.

2.34.5 Borrowings:

- A. The Company has borrowings amounting of Rs 523.80 Cr in the form of Non-Convertible debentures (NCD's). The NCD's are unsecured, Non-Cumulative, Non-Convertible, redeemable taxable bonds of face value Rs 10 Lakhs each (Series I-2020) allotted on 28.08.2020 carrying an interest rate of 7.30%. Subsequent to demerger and revision in the Rating from 'AAA' to 'A- ', the coupon rate has been revised to 8.80% w.e.f 16.02.2023. The ratings as on 31st March 2024 are "ICRA A- on Rating Watch with Developing Implications" and Ind A-/Stable by Credit Rating Agencies ICRA and India Ratings & Research respectively. The NCD's are redeemable in August 2025 in full.
- B. The Company has Rupee Term Loan Sanction of Rs 4,476.20 Cr from State Bank of India and the Company has drawn an amount of Rs 4,475.81 Cr (previous year Rs 3,294.50 Cr). As per the Sanction terms of the Rupee Term Loan, the interest rate was 7.1% p.a. up to the Date of Commencement of Commercial Operations (DCCO) and thereafter the interest shall be 155bps above 6 months MCLR post DCCO. Accordingly, the interest rate has been revised to 10% p.a. w.e.f 01.09.2023 & 10.10% p.a. w.e.f 01.03.2024. As a Security the company has hypothecated the entire fixed assets including Plant and Machinery, and first charge on the entire cash flows of the Company. The Company has to execute Equitable Mortgage of Land (excluding forest land) as per the sanction terms which is yet to be formalized as on reporting date. The Loan is repayable in 30 Quarterly Instalments starting from March 2024 by June 2031. The Interest is payable on monthly basis. The Outstanding Rupee term loan as on 31st March 2024 is Rs 4,274.38 Cr after repayment of first instalment of Rs 201.43 Cr. There is no default as on the balance sheet date in repayment of borrowings and interest thereon.
- C. The Company has a Sanctioned Working Capital Limit of Rs 4,100 Cr (Fund based-Rs 2,600 Cr & Non Fund based-Rs 1,500 Cr). The Utilisation of Limits up to 31st March 2024 are Rs 1,826.32 Cr of Fund Based and Rs 676.59 Cr of Non Fund Based Limits. The Working Capital Borrowings are secured by way of a first ranking Pari passu charge on all the Current Assets both present and future.

2.34.6 Reconciliation of Quarterly Stock/Receivables Statements Filed

(₹ in Crore)

Quarter ended	Name of Bank	Particulars of Securities provided	Amount reported in the Quarterly return	Amount as per books of accounts	Amount of Difference	Reason for material discrepancies
Sept-23	SBI	Inventory	2153.33	2227.77	-74.44	Provisional data on date of filing
Sept-23	SBI	Trade Receivables	43.00	56.85	-13.85	Provisional data on date of filing
Dec 23	SBI	Inventory	3443.15	3637.45	-194.30	Provisional data on date of filing
Dec 23	SBI	Trade Receivables	40.34	50.56	-10.22	Provisional data on date of filing
Mar 24	SBI	Inventory	3724.18	3703.42	20.76	Provisional data on date of filing
Mar 24	SBI	Trade Receivables	8.11	37.01	-28.90	Provisional data on date of filing

2.34.7 Disinvestment of NMDC Steel Limited:

Cabinet Committee on Economic Affairs ("CCEA"), in its meeting dated October 27, 2016, gave in-principal approval for strategic disinvestment ("Strategic Disinvestment") of several CPSEs including the NISP unit of NMDC Ltd. Subsequently, on October 14, 2020, CCEA gave its 'in-principle' approval to the demerger of NISP from NMDC and strategic disinvestment of the resulting entity by selling entire stake of Government of India ("GoI").

As per the Preliminary Information Memorandum and Request for Expression of Interest invited, GoI had decided to divest its 50.79% shareholding in Resulting Company ("NMDC Steel Limited" or "NSL") along with management control to strategic buyer. Additionally, GoI shall offer 10% stake in Resulting Company to NMDC Limited after the strategic buyer has been identified through the bidding process.

2.34.8 CSR Expenditure:

The Company has started its Commercial operations w.e.f 31st August 2023 and has not reported any Profit during the Financial year 2022-23. Accordingly, the average PBT for last three years is NIL. Therefore, as per Sec 135 & Sec 198 of the Companies Act'2013, which requires spending of at least 2% of the last three years' average PBT on CSR is not applicable on the company for FY 2023-24.

2.34.9 Cost Audit Applicability:

The Company has started its commercial operations w.e.f 31st August 2023. The Company has reported a sales turnover of Rs 3,048.99 Cr during FY 2023-24. The Cost audit is applicable from FY 2024-25 onwards and the same shall be Complied with within the Scheduled period as per Statute.

2.34.10 Inventory Valuation:

The Company has not reached its full operational efficiency with respect to production and the accounting for inventory of Finished Goods and Semi Finished Goods is done at cost or NRV whichever is lower as per the accounting policy of the company.

(₹ in Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Raw Material (at cost)	1,757.38	782.93
Work-in-progress (at cost or net realisable value)	764.30	-
Finished goods (at cost or net realisable value)	889.75	-
Stores & spares and Loose tools(at cost)	291.99	76.61
Total	3,703.42	859.54

Value of Inventories above is stated after write down to net realisable value Rs 548.07 Cr. (31st March 2023 Rs. Nil). These were recognised during the year under changes in Inventories of work-in-progress and finished goods.

2.34.11 Income Tax-Deferred Tax:

The Company is carrying Net Deferred Tax Asset of Rs 650.06 Cr (Previous Year Nil) due to carry forward of Losses & Depreciation allowance as per the extant Provisions of Income Tax Act.

2.34.12 General:

- Some of the balances appearing under trade receivables, trade payables, advances, Security deposits and other payables are subject to confirmations.
- Figures of the previous year have been regrouped/rearranged wherever considered necessary so as to confirm to the classification of the current year.

2.34.13 Analytical Ratios:

The following are analytical ratios for the year ended 31st March 2024

Sl. no	Particulars	Numerators	Denominators	31 st March 2024	31 st March 2023	Variance (in %)
1	Current Ratio (*1)	Current Assets	Current Liabilities	0.99	2.07	(52.17)
2	Debt Equity Ratio (*2)	Total Debt	Shareholder's Equity	0.43	0.23	86.96
3	Debt Service Coverage Ratio	Earnings available for Debt Services	Debt Services	(0.46)	NA	NA
4	Return on Equity (ROE)	Net Profit After Tax-Preference dividend (if any)	Average Shareholder's Fund	(0.10)	NA	NA
5	Inventory Turnover Ratio	Cost of Goods Sold or Sales	Average Inventory	1.34	NA	NA
6	Trade Receivables turnover Ratio	Net Credit Sales	Avg. Accounts Receivable	164.78	NA	NA
7	Trade Payable Turnover Ratio	Net Credit Purchases	Avg. Trade Payables	3.89	NA	NA
8	Net Capital Turnover Ratio (* 3)	Net Sales	Working Capital	(61.24)	NA	NA
9	Net Profit Ratio	Net Profit	Net Sales	(0.51)	NA	NA
10	Return on Capital Employed (ROCE)	Earnings before interest and taxes	Capital Employed	(0.09)	NA	NA
11	Return on Investment (ROI) (* 4)			NA	NA	NA

(*1) Increase in Short term borrowing: Increase in utilisation of Working capital for Rs. 1,200 Cr, Cash credit loan for Rs. 626.32 Cr and Current Maturity of Rupee term loan for Rs. 537.16 crore.

(*2) Increase in Borrowings: Increase in Drawdown of Rupee term loan for Rs. 1,181.35 Cr, increase in utilisation of Working capital for Rs. 1,200 Cr, Cash credit loan for Rs. 626.32 Cr and Decrease in net profit of the company for Rs. 1,560.32 Cr.

(*3) Working Capital is Negative.

(*4) Only long term investments are considered.

(*NA) Revenue Generation has been started during the FY 2023-24, after DCCO declaration i.e. 31st Aug 2023.

2.34.14 Fair Value Measurement

Financial instruments by category

Particulars	As at 31 st March-2024			As at 31 st March-2023		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets						
Investments	-	-	-	-	-	-
Trade Receivables	-	-	37.01	-	-	-
Cash & Cash Equivalents	-	-	6.65	-	-	621.14
Other Bank Balances	-	-	714.67	-	-	891.51
Loans	-	-	-	-	-	-
Other Financial assets	-	-	79.13	-	-	80.85
Total	-	-	836.46	-	-	1593.50

(₹ in Crore)

Financial Liabilities						
Borrowings	-	-	6651.77	-	-	3841.88
Trade Payables	-	-	2502.71	-	-	390.06
Lease Liability	-	-	10.14	-	-	-
Other Financial Liability	-	-	4507.58	-	-	3593.66
Total	-	-	13,672.20	-	-	7825.60

- 1) Assets that are not financial assets (such as receivables from statutory authorities, prepaid expenses, advances paid and certain other receivables) as at 31st March 2024 and 31st March 2023 respectively are not included.
- 2) Other liabilities that are not financial liabilities (such as statutory dues payable, advances from customers and certain other accruals) as at 31st March 2024 and 31st March 2023 respectively are not included.
- 3) The carrying amounts of above financial assets and liabilities are considered to be same as their fair value, due to their short-term nature.

2.34.15 Financial Risk Management

Risk Management Framework

The Company' is exposed to various risks in relation to financial instruments. The Company sets appropriate risk limits & controls and monitor risks & adherence to limits. 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 Company has exposure to the following risks arising from financial instruments:

RISK	Exposure arising from	Measurement	Management
Credit Risk	Receivables, Cash and Cash Equivalents, loans	Ageing analysis and Credit ratings	Diversification of bank deposits
Liquidity Risk	Borrowings and other Liabilities	Rolling cash flow forecasts	Availability of deposits with differing maturities & committed borrowing facilities to facilitate the day to day working capital requirements.
Market risk- Currency Risk	Imports giving rise to foreign currency payables	-	-

A. Credit Risk:

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

Credit Risk Management:**Receivables**

The Company is selling its products on Cash & Carry basis except with PSU's and the credit exposure on account of Trade Receivables is 37.01 Cr as at 31st March 2024. (Previous Year Nil).

Cash and Cash Equivalent

Credit risk related to cash and cash equivalents is managed by the company's treasury department in accordance with DPE guidelines & company's policy. Investments are made only with scheduled commercial banks having a minimum net worth of Rs 500 Cr and diversifying the bank deposits.

Other Financial assets

Other financial assets include loans and advances to employees and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

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. Besides investments in FD's is made with different maturity to ensure liquidity. The Company has sanctioned Working Capital Facilities to the extent of Rs 2600 Cr fund based and Rs 1500 Cr Non Fund based facilities with SBI.

Maturities of financial liabilities

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

(₹ in Crore)

Year ended 31-March 2024	On demand	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 to 2 years	Between 2 to 5 years	Above 5 years	Total
Borrowings		201.43	139.19	2050.13	971.44	1734.57	1555.01	6651.77
Trade payables	-	418.42	688.68	1395.61	-	-	-	2502.71
Lease Liability	0.07	-	-	0.04	0.22	0.50	9.31	10.14
Other Financial Liabilities	194.40	-	312.78	1497.76	-	2502.64	-	4507.58
Total	194.47	619.85	1140.65	4943.54	971.66	4237.71	1564.32	13672.20

(₹ in Crore)

Year ended 31-March 2023	On demand	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 to 2 years	Between 2 to 5 years	Above 5 years	Total
Borrowings	-	-	-	23.58	461.24	1594.55	1762.51	3841.88
Trade payables	-	64.11	144.42	181.53	-	-	-	390.06
Lease Liability	-	-	-	-	-	-	-	-
Other Financial Liabilities	166.88	42.84	56.92	825.15	2501.87	-	-	3593.66
Total	166.88	106.95	201.34	1030.26	2963.11	1594.55	1762.51	7825.60

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.

Foreign Currency risk:

The Company has started its commercial Operations w.e.f 31st Aug 2023. The company imports Coking Coal through imports which is a major raw material for production of Steel through Usance Letter of Credit. The Company is exposed to Foreign Exchange Variations and the Company is in the process of formulating Foreign Exchange Hedging Policy to cover the Foreign Exchange Variance risks.

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.

Long term borrowings are normally at fixed rates & the conditions of borrowings specify the change in the interest rates on occurrence of events such as start of commercial production, change in the rating of the company. Interest rate on Working Capital borrowings are linked to MCLR as defined in the Sanction Letter.

The Company's exposure to interest rate risk is subject to Credit rating.

2.34.16 Capital Management:

Risk Management:

The primary objective of the Company's capital management is to maximise the shareholders' 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 marked 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.

(₹ in Crore)

Particulars	As at 31 st March 2024	As at 31 st March 2023
Net Debt (excluding short term)	4,261.02	3,818.30
Total Equity	15,488.26	17,048.58
Net Debt to Equity Ratio	0.27	0.22

*Debt includes NCDs issued for Rs 523.80 Crore (Prev. year Rs 523.80 Cr)

9th AGM Notice 2023-24

Notice is hereby given to the Members of NMDC Steel Limited that the 9th Annual General Meeting (AGM) of the Company will be held **on Tuesday, the 24th September 2024 at 3.30 P.M. IST** through video conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.

A. ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March 2024 together with the reports of the Board of Directors, Statutory Auditors and Comptroller and Auditor General of India thereon and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolutions as **Ordinary Resolution**:

"RESOLVED THAT the Audited Financial Statements of the Company for the financial year ended 31st March 2024 together with the reports of the Board of Directors, Statutory Auditors and Comptroller and Auditor General of India thereon as circulated to the Members, be and are hereby considered and adopted."

2. To appoint a Director in place of Shri Amitava Mukherjee (DIN: 08265207), who retires by rotation and being eligible, offers himself for re-appointment and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Shri Amitava Mukherjee (DIN: 08265207), who retires by rotation at this meeting and being eligible offers himself for re-appointment, be and is hereby re-appointed as Director of the Company, liable to retire by rotation."

3. To appoint a Director in place of Smt. Sukriti Likhi (DIN: 01825997), who retires by rotation and being eligible, offers herself for re-appointment and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Smt. Sukriti Likhi (DIN: 01825997), who retires by rotation at this meeting and being eligible offers herself for

re-appointment, be and is hereby re-appointed as Director of the Company, liable to retire by rotation."

4. To authorize the Board of Directors for fixing the remuneration of Statutory Auditors for the financial year 2024-25.

In terms of the Section 139 read with Section 142 of the Companies Act, 2013, the remuneration of Auditors of Government Companies, who are appointed by the Comptroller and Auditor-General of India, shall be fixed by the Company in General Meeting or in such manner as the Company in General Meeting may determine. Hence, it is proposed that the Members may authorize the Board of Directors for fixing the remuneration of the Statutory Auditors of the Company for the financial year 2024-25, and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, the Board of Directors of the Company be and is hereby authorized to determine and fix the remuneration, including out-of-pocket expenses, if any, of the Statutory Auditors of the Company, as may be appointed by the Comptroller and Auditor General of India, and as per the terms and conditions of their appointment, for the Financial Year 2024-25."

B. SPECIAL BUSINESS:

5. To ratify the remuneration of the Cost Auditors of the Company for the financial year 2024-25 and in this regard to consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Company hereby ratifies the remuneration of ₹ 0.90 lakh (excluding travelling, out-of-pocket expenses plus GST) payable to M/s B. Mukhopadhyay & Co., Cost Accountants, appointed as the Cost Auditors by the Board of Directors of the Company for conducting the audit of the cost records of the Company and providing Cost Audit Report, and all such reports, annexures, records, documents etc., for the financial year 2024-25, that may be

required to be prepared and submitted by the Cost Auditors under applicable statute.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, things, matters and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board
For and on behalf of NMDC Steel Limited


Aniket Kulshreshtha
Company Secretary
Membership No: FCS 7795

Place: New Delhi
Date: 13.08.2024

Copy to:

1. All Members
2. All Directors
3. Auditors

Enclosures:

1. Notes to Notice.
2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Special Business to be transacted at the Meeting.
3. A copy of the 9th Annual Report of the Company for the year 2023-24.

NOTES TO NOTICE:

1. Ministry of Corporate Affairs (“MCA”) has, vide its General Circular No. 09/2023 dated 25th September 2023 read with other previous MCA General Circulars No. 10/2022 dated 28th December 2022, 02/2022 Dated 5th May 2022, No. 20/2020 dated 5th May 2020, No. 17/2021 dated 13th April 2021 and No. 14/2021 dated 8th April 2021 (collectively referred to as “MCA Circulars”), permitted Companies to hold Annual General Meeting (“AGM”) through video conferencing (“VC”) / Other Audio Visual Means (“OAVM”), without physical presence of the Members at a common venue subject to compliance of various conditions mentioned therein. In compliance with the MCA Circulars, applicable provisions of the Companies Act, 2013 (“Act”) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the 9th AGM of the Company is being held through

VC / OAVM. The proceedings of the 9th AGM will be deemed to be conducted at the Registered Office of the Company at Iron & Steel Plant, Bastar, Nagarnar, Chhattisgarh, which shall be deemed venue of the AGM.

2. As per the Companies Act, 2013, a Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and, a proxy need not be a member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 7th October, 2023, Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories, unless any Member has requested for a physical copy of the same. The Company shall send the physical copy of Annual Report 2023-24 to those Members who request the same at cs_nisp@nmdc.co.in mentioning their Folio No./DP ID and Client ID. Members may note that the 9th AGM Notice and Annual Report 2023-24 has been uploaded on the website of the Company: www.nmdcsteel.nmdc.co.in, and can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and is also available on the website of NSDL - www.evoting.nsdl.com.
4. Institutional / corporate shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authorisation letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorised to vote, to attend the AGM through VC/OAVM and to vote on their behalf. The said resolution/ authorisation letter shall be sent to the Scrutinizer by e-mail through its registered email address to corporategovernance03@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional investors are encouraged to attend and vote at the meeting through VC/OAVM.
5. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Special Businesses, as set out above is annexed hereto. All documents referred to in the accompanying Notice and the Explanatory Statement shall be available for inspection electronically. Members seeking to inspect such documents can send an email to cs_nisp@nmdc.co.in.

6. Details of the Directors seeking appointment / re-appointment at the 9th AGM as mandated under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto and forms part of the Notice.
7. The Register of Members and Share Transfer Books of the Company will remain closed from 18th September 2024 to 24th September 2024 (both days inclusive).
8. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system or view the live webcast of AGM provided by NSDL at <https://www.evoting.nsdl.com>. Members may access by following the steps mentioned for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join General meeting"** menu against Company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
9. Members holding shares in electronic form may please note that the bank account details and MICR Code of their Bankers, as noted in the records of their Depository, shall be used for the purpose of remittance of dividend through Electronic Clearing Service (ECS), or for printing on dividend warrants wherever applicable. Members are requested to intimate changes, if any, pertaining to their name, registered postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, type of the bank and account number in which they wish to receive the dividend, MICR code, IFSC code, etc., to their Depository Participants in case the shares are held by them in electronic form. Members who are holding shares in physical form are requested to intimate changes in the prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 to M/s Aarthi Consultants Private Ltd., the Registrar and Share Transfer Agent, D.No. 1-2-285, Domalguda, Hyderabad - 500 029. Phone Nos. 040-27638111/27634445, Fax No. 040-27632184, Email: ims@nmdc.co.in, info@aarthiconsultants.com, Website: www.aarthiconsultants.com. Investors service request forms are uploaded on the website of the Company under Investors section.
10. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
11. The Company has designated an exclusive e-mail ID: ims_nisp@nmdc.co.in for redressal of shareholders'/investors' complaints/grievances. In case you have any queries/complaints or grievances, then please write to us at the above e-mail address.
12. Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or to the Registrar and Share Transfer Agent.
13. Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form by writing to the Company's Registrar and Share Transfer Agent, M/s Aarthi Consultants Pvt Ltd., D.No. 1-2-285, Domalguda, Hyderabad - 500 029. Phone Nos. 040-27638111/27634445, Fax No. 040-27632184, Email: ims_nisp@nmdc.co.in, info@aarthiconsultants.com, Website: www.aarthiconsultants.com.
14. Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel and Auditors etc. who are allowed to attend the AGM without restriction on account of first come first serve basis.
15. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

16. Voting rights of members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e., **17th September, 2024.**
17. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date may obtain the login ID and password by sending a request at evoting@nsdl.co.in or to RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. **1800 1020 990 and 1800 22 44 30**. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".
18. Members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
19. The Company has provided the facility to Members to exercise their right to vote by electronic means both through remote e-voting and casting through e-voting system during the AGM. The process of remote e-voting with necessary user id and password is given in the subsequent paragraphs. Such remote e-voting facility is in addition to voting that will take place at the 9th AGM being held through VC/OAVM.
20. To support the 'Green initiative', Members are requested to register their e-mail address and changes therein from time to time with their respective Depository Participant or the Company's Registrar and Share Transfer Agent for service of documents, notices, annual reports etc. through registered e-mail.
21. Members desirous of obtaining any information/clarification(s) concerning the accounts and operations of the Company may send their questions in advance at least 10 days before the date of the Meeting, mentioning their name demat account number/folio number, email id, mobile number, to the Company Secretary through email: cs_nisp@nmdc.co.in. The same will be replied by the Company suitably by email.
22. In terms of provisions of the Companies Act, 2013, nomination facility is available to individual shareholders. Members holding shares in physical form may nominate a person in respect of all the shares held by them whether singly or jointly. Members who hold shares on individual name are advised to avail of the nomination facility in Form SH-13 in their own interest. Blank form can be obtained from M/s Aarthi Consultants Private Ltd., on request. If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website under Investors section. Members holding shares in dematerialized form may contact their respective DPs for registration of nomination.
23. In case of joint holders, Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
24. In accordance with proviso to Regulation 40(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, securities of listed companies can be transferred only in dematerialized form with effect from 1st April 2019. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in corporate actions. RTA has stopped accepting any fresh lodgement of transfer of shares in physical form.
25. Attention of the Members holding shares of the Company in physical form is invited to submit the Form ISR-1 for furnishing their PAN, KYC and Nomination details, in case the same are to be updated.
26. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate, claim from Unclaimed Suspense Account, Renewal/ Exchange of securities certificate, Endorsement, Sub-division/Splitting of securities certificate, Consolidation of securities certificates/folios, Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website under Investors section – Dividend and Shares – FAQs for Investors and on the website of the Company's RTA at <https://www.aarthiconsultants.com/>. It may be noted that any service request can be processed only after the folio is KYC compliant.
27. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition

requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.

28. Pursuant to Section 139 read with Section 142 of the Companies Act, 2013, the Auditors of a Government Company are appointed or re-appointed by the Comptroller and Auditor General (C&AG) of India. However, the remuneration of auditors shall be fixed by the Company in the Annual General Meeting. Members may authorise the Board to fix up an appropriate remuneration of Auditors for the financial year 2024-25 after taking into consideration including change, if any, in statutory requirements, increase in volume of work and change in inflation index.
29. Since the AGM will be held through VC / OAVM, the Route Map is not required and hence not annexed to this Notice.
30. The following documents will be available for inspection by the Members electronically during the 9th AGM. Members seeking to inspect such documents can send an email to cs_nisp@nmdc.co.in.
 - a. Register of Directors and Key Management Personnel and their shareholding;
 - b. Register of Contracts or Arrangements in which Directors are interested;
 - c. All the documents referred to in the accompanying notice or explanatory statement.
31. NMDC Steel Limited, being a Government Company, all the appointments to the Board and terms and conditions thereto are fixed by the Government of India.
32. The details of remuneration / sitting fees paid to Board Members have been given in Corporate Governance Report.
33. None of the Directors have any relationship with other Directors, Manager(s) and other Key Managerial Personnel of the Company.
34. **Voting through electronic means (Remote e-voting)**
 - I. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended from time to time and Regulation 44 of SEBI (Listing Obligations

and Disclosure Requirements) Regulations, 2015 and its amendments, and the Circulars issued by the Ministry of Corporate Affairs dated 25th September 2023, 28th December, 2022, 5th May 2022, 13th January 2021, 8th April 2020, 13th April 2020 and 5th May 2020, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has appointed National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as voting during AGM will be provided by NSDL.

- II. Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
- III. The remote e-voting period begins on 21st September, 2024 (09.00 a.m. IST) and ends on 23rd September, 2024 (5.00 p.m. IST). The voting rights of the Shareholders shall be proportionate to the shares held in the Company as on the cut-off date i.e., 17th September, 2024. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- IV. **The instructions for shareholders for remote e-voting and joining General Meeting are as under:**

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) LOGIN METHOD FOR E-VOTING AND JOINING VIRTUAL MEETING for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated 9th December 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

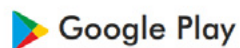
Login method for Individual shareholders holding securities in demat mode is given below:

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none">Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jspVisit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on



Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Individual Shareholders (holding securities in demat mode) login through their depository participants

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on “**Forgot User Details/Password?**” (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Sarita More, Assistant Manager at evoting@nsdl.co.in.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to corporategovernance03@gmail.com with a copy marked to evoting@nsdl.co.in.
2. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to ims_nisp@nmdc.co.in and to Company's Registrar and Share Transfer Agent email id: info@earthiconsultants.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self

attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to at: ims_nisp@nmdc.co.in and to Company's Registrar and Share Transfer Agent email id: info@earthiconsultants.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please

note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs_nisp@nmdc.co.in. The same will be replied by the company suitably.
6. Members who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request from 12th September, 2024 (9.00 a.m. IST) to 14th September, 2024 (5.00 p.m. IST) mentioning their name, DP ID and Client ID /folio number, email id, mobile number at: cs_nisp@nmdc.co.in.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of questions and speakers depending on the availability of time for the AGM.
8. Members who need assistance before or during the AGM, can contact NSDL, Ms. Sarita More, Assistant Manager at evoting@nsdl.co.in or call on toll free no.: 1800 1020 990 and 1800 22 44 30.
35. Shri Brajesh Agarwal (Membership No. FCS: 5771) of M/s B.R. Agrawal & Associates Company Secretaries, has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting during AGM in a fair and transparent manner.
36. The Scrutinizer shall immediately after the conclusion of voting at the general meeting, first count the votes cast during the meeting and thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

37. The results declared along with Scrutinizer's Report shall be placed on the Company's website www.nmdcsteel.nmdc.co.in and on the website of NSDL: <https://www.evoting.nsdl.com> immediately after the declaration of result by the Chairman or a person authorized by him in writing. The Company shall simultaneously communicate the results to the BSE Limited (BSE), National Stock Exchange of India Limited (NSE), and the Calcutta Stock Exchange Limited (CSE), where the shares of the Company are listed, within two working days of conclusion of the 9th AGM.

Details of Directors seeking reappointment at the 9th Annual General Meeting (Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Brief Resume of the Director		
Name of the Director	Shri Amitava Mukherjee (DIN: 08265207)	Smt. Sukriti Likhi (DIN: 01825997)
Date of Birth & Age	19.02.1968 (54 years)	04.08.1968 (54 years)
Date of Appointment	20.11.2018	23.04.2021
Qualifications	<ul style="list-style-type: none"> i) Indian Railway Accounts Services (IRAS) – 1995 Batch ii) Cost Accountant ii) Master of Commerce Degree from Guru Ghasi Das University, Bilaspur 	<ul style="list-style-type: none"> i) IAS – 1993 batch ii) Bachelor's in Economics (Honours) iii) Master's in Sociology iv) Master's in Public Administration
Nature of expertise in specific functional areas	<p>Shri Amitava Mukherjee belongs to the 1995 batch of Indian Railway Accounts Services (IRAS). He is Director (Finance) on the Board of NMDC Steel Limited and is presently holding additional charge of CMD, NMDC Steel Ltd. He specializes in the areas of Financial Management, Costing and Taxation. With project management, digital initiatives, and policy formulation as his forte, he is also leading the Australia operations of NMDC.</p> <p>Earlier, he was holding the post of General Manager (Finance) in Rail Vikas Nigam Limited (RVNL). Further, during his service in IRAS from 1997-2016, he held key positions in the Eastern Railways and received the National Award for Outstanding Services in 2006. Before joining IRAS, he also worked at Indian Oil Corporation Limited (IOCL) from 1994-1997.</p> <p>He is also a Director on the Board of NMDC Limited and Legacy Iron Ore Limited, Australia.</p>	<p>Smt. Sukriti Likhi, Additional Secretary and Financial Advisor, Ministry of Steel, Government of India, belongs to the Indian Administrative Service (Haryana Cadre-1993). An Economics Honours graduate from Lady Shri Ram College, she holds a Masters degree in Sociology from the Delhi School of Economics and a Masters in Public Administration from Harvard University (USA).</p> <p>Her varied experience in administration includes working in the Ministry of Finance, Government of India, as Director in the Department of Financial Services and later, as Counsellor (Economic) with the Embassy of India at Washington DC. Most recently she was Joint Secretary, Department of Heavy Industry, Ministry of Heavy Industries and Public Enterprises, Government of India. In the Haryana State Government, among her varied assignments, she served as Managing Director, Haryana Power Generation Corporation Ltd; as Managing Director HAFED (the Haryana State Cooperative Supply & Marketing Federation Limited) and as Finance Secretary. She is also Director on the Board of Steel Authority of India Limited, NMDC Steel Limited, KIOCL Limited, Rashtriya Ispat Nigam Ltd and MECON Limited.</p>
Terms and conditions of appointment and remuneration	<p>Being a Govt. Company, the Directors on the Board are appointed by the President of India acting through the Administrative Ministry i.e. Ministry of Steel, Govt. of India. Further, as per Order of Ministry of Steel, Govt. of India, the Directors on the Board of NMDC Limited are also Directors and CMD of NMDC Steel Limited respectively on co-terminus basis.</p>	<p>The Govt. Nominee Directors are appointed by the President of India acting through the Administrative Ministry i.e. Ministry of Steel, Govt. of India. Further, as per Order of Ministry of Steel, Govt. of India, the Directors on the Board of NMDC Limited are also Directors and CMD of NMDC Steel Limited respectively on co-terminus basis.</p>

Brief Resume of the Director

Number of Board meetings attended during FY 2023-24	5 out of 5 Board meetings	5 out of 5 Board meetings.
Disclosure of relationships between Directors inter-se	There exists no relationship between Directors inter-se.	There exists no relationship between Directors inter-se.
Directorship held in other listed entities and the membership of Committees of the Board along with listed entities from which the person has resigned in the past three years	Directors in other listed entities <ul style="list-style-type: none"> NMDC Limited Legacy Iron Ore Limited, Australia Listed entities from which the Director resigned in the last three years NIL Committee membership: Member, Stakeholders Relationship Committee, NMDC Ltd.	Directors in other listed entities <ul style="list-style-type: none"> Steel Authority of India Limited NMDC Limited KIOCL Limited Listed entities from which the Director resigned in the last three years MOIL Limited (ceased on 09.02.2023) Committee membership: Nil
No. of Equity Shares held in NMDC Steel Limited	NIL	NIL

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

SPECIAL BUSINESS

Item No. 5: Ratification of the Remuneration of Cost Auditors of the Company for the financial year 2024-25.

The Board at its meeting held on 13th August, 2024 has, inter-alia, approved the appointment and remuneration of M/s B. Mukhopadhyay & Co., Cost Accountants as the Cost Auditors to conduct the audit of the cost records of the Company across various segments, for the financial year 2024-25 at a remuneration of Rs. 0.90 lakhs (excluding travelling, out-of-pocket expenses plus GST).

M/s B. Mukhopadhyay & Co., have furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 5 to the Notice for ratification of the remuneration payable to Cost Auditors of the Company for the financial year 2024-25.

The Board recommends the Ordinary Resolution set out at item no. 5 of the notice for approval by the members.

None of the Directors and/or Key Management Personnel of the Company and/or their relatives are, in any way, concerned or interested financially or otherwise in the Resolution set out at Item No. 5 of the Notice, except to the extent of their shareholding, if any.

By Order of the Board
For and on behalf of NMDC Steel Limited



Aniket Kulshreshtha
Company Secretary
Membership No: FCS 7795

Place: New Delhi
Date: 13.08.2024



Unveiling of the New NSL Logo - an embodiment of the legacy of NMDC, homage to the tribal heartland Bastar, and commitment to Sustainable Steel



Steel Solid Team of NSL with Shri Amitava Mukherjee, CMD (Additional Charge) celebrating the Commissioning of the NMDC Steel Plant

NMDC STEEL LIMITED (NSL)

POST-NAGARNAR, DIST-BASTAR, NEAR JAGDALPUR
CHHATTISGARH – 494001

