

**MEMORANDUM OF UNDERSTANDING (MOU)**

**BETWEEN**

**MOIL LIMITED**

**AND**

**MINISTRY OF STEEL,  
GOVT. OF INDIA**

**2012-13**

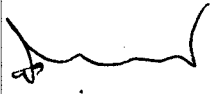


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Approved by DDE/TE

Signed: 

**MOIL LIMITED**  
"MOIL BHAWAN", 1A, KATOL ROAD  
NAGPUR - 440 013



  
(BENI PRASAD VERMA)

# MEMORANDUM OF UNDERSTANDING (MOU)

बेनी प्रसाद वर्मा/BENI PRASAD VERMA  
रुग्णत मन्त्री/Minister of Steel  
भारत सरकार/Govt. of India  
उद्योग भवन/Udyog Bhawan  
नई दिल्ली/New Delhi

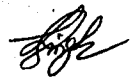
BETWEEN

MOIL LIMITED AND MINISTRY OF STEEL

Whereas it is necessary to maintain and accelerate the momentum gained in the performance of MOIL, the Ministry of Steel and MOIL Limited hereby agree to achieve the objectives as set forth below :

This MOU has been structured in the following five parts :

- PART I : VISION /MISSION AND OBJECTIVES
- PART II : EXERCISE OF ENHANCED AUTONOMY AND DELEGATION OF FINANCIAL POWERS
- PART III : PERFORMANCE EVALUATION PARAMETERS AND TARGETS
- PART IV : COMMITMENTS/ ASSISTANCE FROM THE GOVERNMENT
- PART V : ACTION PLAN FOR IMPLEMENTATION AND MONITORING OF THE MOU

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Signat



## PART I


### VISION /MISSION AND OBJECTIVES

#### a) VISION :

- To become one among the best manganese mining companies in the world, through utilization & up gradation of skills/talents available
- To globally expand the activities of the company in all possible areas keeping in view the value addition, through joint ventures/Technology Transfer.

#### b) **OBJECTIVES**

- 1.To maintain the status of market leader in manganese industry in India.
- 2.To generate adequate surpluses and ensure best returns to the satisfaction of all stake holders.
- 3.To maintain quality of manganese ore and related products at all stage and enhance total customer satisfaction through prompt delivery of quality materials and services.
- 4.Through R&D and adoption of new technologies, to diversify and modernize, mining and beneficiation methods for upgrading low & medium grade ores and achieve growth through value addition.
5. (a) To improve productivity, capacity utilisation and cost effectiveness through optimising both human and physical resources.  
  
(b) To explore all possibility of cost effective power services for Ferro Manganese Plant.
- 6.To make mining areas clean, green and eco-friendly.


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7. To strive for a zero accident rate, by further improving safety practices.
8. To ensure a high quality of life to the employees and other stake holders in the vicinity of the industry.

**PART II. EXERCISE OF ENHANCED AUTONOMY  
AND DELEGATION OF FINANCIAL POWERS**

All Powers available to MOU signing Miniratna Category-I companies be continued to MOIL Limited.

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### PART III

## PERFORMANCE EVALUATION PARAMETERS AND TARGETS

To update

The physical and financial performance of MOIL in the preceding 5 years is indicated in Annexure. The performance indicators and relative weightage for each of them, for evaluation of the Company's performance during 2012-2013 are indicated below:


PERFORMANCE	UNIT	WT	Budget Estimates		PERFORMANCE RATING				
			2011-2012	2012-2013	Excellent 1	Very Good 2	Good 3	Fair 4	Poor 5
<b>PART - A</b>									
<b>A. STATIC FINANCIAL PARAMETERS</b>									
<b>a. Financial Performance Indicators</b>									
i) Gross Margin/Gross Block (%)		2	163.20	101.28	106.35	101.28	97.64	94.00	90.35
ii) Net Profit/Net Worth (%)		10	19.96	11.96	12.54	11.96	11.54	11.11	10.69
iii) Gross Profit/Capital Employed(%)		10	30.83	18.81	19.71	18.81	18.15	17.48	16.81
<b>b. Financial Indicators - size</b>									
i) Gross Margin (₹ Crores)		8	782.00	516.00	541.79	516.00	497.43	478.87	460.30
ii) Gross Sales (₹ Crores)		4	1150.00	793.84	833.53	793.84	754.15	714.46	674.76
<b>c. Financial returns-Labour productivity and Total Factor Productivity</b>									
i) PBDIT/Total Employment (₹)		7	1162825	767286	805630	767286	739679	712071	684464
ii) Added Value/Gross Sales (%)		9	46.85	32.84	34.22	32.84	32.24	31.56	30.81
<b>Note :-</b>									
1) Gross Profit (GP)	(₹ Crores)	-	749.65	480.03	505.82	480.03	461.46	442.90	424.33
2) Capital Employed (CE) as at the end of the year	(₹ Crores)	-	2431.71	2552.66	2565.87	2552.66	2543.15	2533.64	2524.14
3) Net Profit (NP)	(₹ Crores)	-	500.64	320.58	337.80	320.58	308.18	295.78	283.38
4) Net Worth (NW) as at the end of the year	(₹ Crores)	-	2508.80	2680.83	2694.04	2680.83	2671.32	2661.81	2652.31
5) Added Value	(₹ Crores)	-	538.83	260.73	285.20	260.73	243.12	225.51	207.89
6) Gross Block	(₹ Crores)	-	479.16	509.46	509.46	509.46	509.46	509.46	509.46
7) Total Employment	(Nos.)	-	6725	6725	6725	6725	6725	6725	6725

Note : Average sale price of Manganese ore has been considered as ₹6644/- per M.T. since manganese ore prices are volatile as observed in past years, any variations above +/- 10% of the realization indicated above, shall be adjusted, while evaluating the financial parameters to arrive the composite score.

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PERFORMANCE	UNIT WT	Budget Estimates		PERFORMANCE RATING				
		2011-2012	2012-2013	Excellent 1	Very Good 2	Good 3	Fair 4	Poor 5
<b>II. DYNAMIC PARAMETERS</b>	<b>36</b>							
i) Quality	1							
OHSAS 18001-2007 Certification								
(a) For Gumgaon Mine	0.5			Nov 30 2012	Dec. 31 2012	Jan. 31 2013	Feb. 28 2013	Mar. 31 2013
(b) For Munsar Mine	0.5			Nov 30 2012	Dec. 31 2012	Jan. 31 2013	Feb. 28 2013	Mar. 31 2013
ii) Customer satisfaction	1							
a) No. of complaints received (%) against the D.O. issued	0.5	2.25	2.25	2.15	2.25	2.36	2.48	2.59
b) Bonus Receivable on Sales (₹ lakhs)	0.5	110	110	120	110	100	99	94
iii) Human Resources Management	5							
As per Annexure -III								
iv) R & D Activities	5							
As per Annexure -IV								
v. Projects implementation (Modernisation and expansion)	1.25							
(a) Sinking of Munsar Vertical shaft upto 120mtrs	0.5			Jan. 31 2013	Feb. 15 2013	Feb. 28 2013	Mar. 15 2013	Mar. 31 2013
(b) Sinking of Ukwa Vertical shaft upto 55mtrs	0.5			Jan. 31 2013	Feb. 15 2013	Feb. 28 2013	Mar. 15 2013	Mar. 31 2013
(c) Fabrication and Erection of Head Gear for Vertical Shaft at Ukwa Mine	0.25			Jan. 31 2013	Feb. 15 2013	Feb. 28 2013	Mar. 15 2013	Mar. 31 2013

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PERFORMANCE	UNIT WT	Budget Estimates		PERFORMANCE RATING				
		2011-2012	2012-2013	Excellent 1	Very Good 2	Good 3	Fair 4	Poor 5

**vi. Capital Expenditure/ Green field investments/Joint ventures**

(a) Installation of sinking winder in Underground for deepening of Home Shaft.	0.25			Jan. 15 2013	Jan. 31 2013	Feb. 15 2013	Feb. 28 2013	Mar. 31 2013
(b) Preparation of feasibility report for 2 <sup>nd</sup> Vertical Shaft at Chikla Mine	0.25			Sept. 30 2012	Oct. 31 2012	Nov. 30 2012	Dec. 31 2012	Jan. 31 2013
(c) Installation of Ventilation shaft /Service Winz upto 20mtrs. depth at Munsar Mine	0.25			Jan. 15 2013	Jan. 31 2013	Feb. 15 2013	Feb. 28 2013	Mar. 31 2013
(d) Capital Expenditure (₹ crores)	1	192	202	192	182	173	164	

**vii. Extent of Globalisation**

(a) Identification of agency for Preparing road map to acquire Properties overseas through Expression of interest.	1			Jan. 15 2013	Jan. 31 2013	Feb. 15 2013	Feb. 28 2013	Mar. 31 2013
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**viii. Corporate Social Responsibility (CSR)**

(a) Expenditure under CSR (₹ lakhs) (Corporate Social Responsibility) As per Annexure -V	5	542	680	715	680	645	613	582
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**ix. Sustainable Development**

As per Annexure VI

**x. Compliance of Corporate Governance guidelines (DPE OM dt. 22.6.11)**

a) Grading/Score of CPSE on the basis of compliance with guidelines on Corporate Governance issued by DPE(%)	4			≥85	75-84	60-74	50-59	<50
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**b) Submission of completed data sheet for PE Survey**

	1			Sept. 15 2012	Oct. 1 2012	Oct. 15 2012	Oct. 31 2012	After Oct'12
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PERFORMANCE	UNIT	WT	Budget Estimates		PERFORMANCE RATING				
			2011-2012	2012-2013	Excellent	Very Good	Good	Fair	Poor
			1	2	3	4	5		

(c) Compliance of DPE's guidelines: (DPE OM dt. 20.1.12)		5							
(i) Issue of Bonus Shares		1			Yes				No
(ii) Reservation for SC,ST and OBC In appointment (Guidelines fully Complied)		1			Yes				No
(iii) Posting of deputationists (Guidelines fully complied)		1			Yes				No
(iv) Implementation of 2007 pay Revision		1							
(As per proforma -I)(%age of Compliance)					100	80	60	40	20
(v) Switching over from CDA to IDA Pattern of pay scales		1							
(As per proforma -II)(%age of Compliance)					100	80	60	40	20
<b>PARTT - B</b>									
<b>SPECIFIC PARAMETERS</b>		<u>14</u>							
<b>1. SECTOR SPECIFIC PARAMETERS</b>		<u>1</u>							
<b>i. Exploration</b>									
a) Exploratory Drilling (Metres)	0.50	4200	4400	4600	4400	4180	3960	3740	
b) Location of New Reserves/ Resources of Manganese Ore At Kandri Mine leasehold area	0.25			Nov. 30 2012	Dec. 31 2012	Jan. 31 2013	Feb. 28 2013	Mar. 31 2013	
ii) Stores Inventory as % of Total Stores & Spares consumption.	(%) 0.25	22.00	25.00	24.00	25.00	26.00	27.00	28.00	
<b>2. ENTERPRISE-SPECIFIC &amp; EFFICIENCY PARAMETERS</b>		<u>13</u>							
<b>a. Production</b>									
i) Manganese ore excluding Fines (000 T)	4	-	900	940	900	855	810	765	
ii) Manganese Ore-Fines (000 T)	2	-	250	260	250	238	225	213	
iii) Manganese ore Total (000 T)		1150	1150	1200	1150	1093	1035	978	
<b>b. Development</b>									
i) Opencast (000M <sup>3</sup> )	3	3800	4576	4805	4576	4347	4130	3924	
ii) Underground (Meters)	3	6900	7281	7645	7281	6917	6571	6243	
<b>(c) Safety</b>									
(i) Mandays lost per 1000 mandays worked due to accident	(Mandays) 1	1.20	0.26	0.20	0.26	0.30	0.35	0.40	
		<u>100</u>							

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 Signed *[Signature]*





#### PART IV. COMMITMENTS/ASSISTANCE FROM THE GOVERNMENT

The Government Undertakes to assist MOIL –

- (i) In obtaining necessary clearances from appropriate authorities as and when mining leases come up for renewal.
- (ii) In obtaining railway wagons for dispatch of manganese ore, whenever the need arises.

#### PART V. ACTION PLAN FOR IMPLEMENTATION AND MONITORING OF THE MOU

- i) MOIL undertakes to submit quarterly reports on the various performance areas within 30 days of the end of each quarter.
- ii) MOIL's Board will also ensure internal monitoring of performance against MOU targets.
- iii) Half yearly joint review meetings will be held at the Ministerial level.

(K. J. SINGH)  
Chairman-Cum-Managing Director  
MOIL Ltd.  
NAGPUR

(P. K MISRA )  
Secretary  
Ministry of Steel  
NEW DELHI

Dated: 21/3/12

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Approved by   
Signed



ANNEXURE-I

SELF DECLARATION/CERTIFICATION

It is hereby certified that the targets and actual achievements in respect of financial parameters have been worked out as per MoU Guidelines by adopting the norms and definitions laid down in MoU Guidelines for the year 2012-13. In case, any deviation is found at the time of appraisal of performance, DPE is free to evaluate as per audited accounts as per MoU Guidelines, CPSE has no right of claim in this regard.

( K J SINGH )

CHAIRMAN -CUM-MANAGING DIRECTOR

**MOIL LIMITED**  
TREND OF PERFORMANCE ON FINANCIAL PARAMETERS FOR LAST 5 YEARS

ANNEXURE -II




(₹ Crores)


Particulars	2007-08		2008-09		2009-10		2010-11		2011-12			2012-13
	MoU	Actual	MoU	Actual	MoU	Actual	MoU	Actual	MoU	Actual Upto Sept.'11	Anticipated	MoU
Production(Mn Ore)excl fines(000T)	650	926	900	905	800	828	825	836	830	368	897	900
Production(Mn Ore)fines(000T)	300	439	275	270	275	265	325	314	320	102	253	250
Production(Manganese Ore)(000T)	950	1365	1175	1175	1075	1093	1150	1150	1150	470	1150	1150
Gross Sales	320.00	973.36	550.00	1284.84	632.59	965.47	1000.00	1145.31	1150.00	406.21	930.00	793.84
Gross Margin	175.00	750.98	300	1031.42	392.05	732.09	650.00	912.66	782.00	316.46	547.76	516.00
Profit Before Tax	150.00	734.91	274.62	1006.76	364.21	706.79	619.75	880.15	749.65	297.46	514.79	480.03
Profit After Tax	99.51	479.82	181.28	663.79	240.42	466.35	409.10	588.05	500.64	198.65	339.82	320.58
Gross Block	341.09	302.48	341.04	342.00	385.68	357.03	425.14	396.46	479.16	403.29	454.46	509.46
Less Depreciation	125.94	113.60	136.85	136.36	167.27	160.49	194.84	190.48	223.09	209.48	223.44	259.41
Net Block	215.15	188.88	204.19	205.64	218.41	196.54	230.30	205.98	256.07	193.81	231.02	250.05
Paid up Share Capital	28.00	28.00	28.00	28.00	28.00	168.00	168.00	168.00	168.00	168.00	168.00	168.00
Reserves & Surplus	499.69	784.68	697.22	1292.87	1589.98	1509.37	1764.63	1960.29	2340.80	2112.62	2220.86	2512.83
Less : Deferred Rev.Exp/	2.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pre acquisition loss	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Less : Profit & Loss A/C	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Worth	525.39	812.68	725.22	1320.87	1617.98	1677.37	1932.63	2128.29	2508.80	2280.62	2388.86	2680.83
Investment	0.02	0.02	0.02	0.11	0.11	0.21	67.61	2.21	60.21	2.21	60.21	82.21
Sundry Debtors/Sales	14%	16.33%	14%	4.75%	12%	15.69%	12%	6.00%	12%	14.05%	12%	12%
Inventory	29.15	22.69	23.54	58.37	89.12	47.54	36.87	97.43	65.19	45.42	64.00	65.00
Total Current Assets	381.45	822.96	598.47	1448.60	1589.98	1742.79	1750.70	2204.20	2455.58	1989.07	2386.80	2609.72
Total Current Liabilities&Provisions	70.97	190.95	88.23	330.42	265.55	271.52	123.45	311.39	279.94	201.36	299.12	307.11
Net Current Assets	310.48	632.01	510.24	1118.18	1324.43	1471.27	1627.25	1892.81	2175.64	1787.71	2087.68	2302.61
Capital Employed (Net Block+Net Current Assets)	525.63	820.89	714.43	1323.82	1542.84	1667.81	1857.55	2098.79	2431.71	1981.52	2318.70	2552.66
Total debt(loan funds)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Assets												
No. of Employees	6980	6801	6827	6823	6734	6734	6756	6667	6725	6577	6577	6725
Added Value(Gross Margin less capital recovery factor@10%)	110.09	668.89	228.56	899.04	237.77	565.31	464.25	702.86	538.83	117.05	315.89	260.73
<b>Ratio</b>												
Debt/Equity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PBDIT/Total Employment(Rs.)	250716	1104220	439432	1511681	574601	1087155	962108	1368922	1162825	481162	832842	767286
Gross Profit/Capital Employed(%age)	28.54	89.53	38.44	76.05	23.61	42.38	33.36	41.94	30.83	15.01	22.2	18.81
Net Profit/Net Worth(%age)	18.94	59.04	25	50.25	14.86	27.80	21.17	27.63	19.96	8.71	14.23	11.96
<b>Working of Gross margin(*)</b>												
Net Profit	99.51	479.82	181.28	663.79	240.42	466.35	409.10	588.05	500.64	198.65	339.82	320.58
Income Tax	50.49	255.09	93.34	342.97	123.79	240.44	210.65	292.1	249.01	98.81	174.98	159.45
Net Profit before tax	150.00	734.91	274.62	1006.76	364.21	706.79	619.75	880.15	749.65	297.46	514.80	480.03
Add : Prior period	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Add : Extra ordinary items	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Profit before prior period	150.00	734.91	274.62	1006.76	364.21	706.79	619.75	880.15	749.65	297.46	514.80	480.03
Add : Interest	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gross Profit	150.00	734.91	274.62	1006.76	364.21	706.79	619.75	880.15	749.65	297.46	514.80	480.03
Add : Depreciation	25.00	16.07	25.38	24.66	27.84	25.30	30.25	32.51	32.35	19.00	32.96	35.97
Misc. expenditure written off	4.12	5.80	5.00	0.64	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gross Margin before Interest,depreciation & misc. expenditure written off	179.12	756.78	305.00	1032.06	394.05	732.09	650.00	912.66	782.00	316.46	547.76	516.00

(\*) Note : (1) In order to achieve corporate goal of increasing Mn.Ore production from present 1.1 million Tonnes to 2.20 Million Tonnes by 2020 Company is envisaging to increasing manpower in a phased manner  
(2) Increase in Networth and capital employed is due to projected profit of 2012-13 and in turn increase in Reserves and surplus

Sr.No.	HRM-Performance Indicators	Measurement-Unit	Weightage	Target Value					Actual Performance	Self Evaluation Score
				Excellent	Very Good	Good	Fair	Poor		
<b>A</b>	<b>Competency &amp; Leadership Development</b>									
A-1										
1	Total mandays spent on training to total man days	%age	5	1.5	1.2	1.1	1	0.9		
2	Developing critical mass of leader through a system of career planning & development	%age Fulfillment of Planned Leadership Development Programmes.(10 employees)	5	90	80	70	60	50	10 employees are identified for leadership development programme	
3	Training Budget as % of employees cost	%age of employees cost	5	0.21	0.20	0.19	0.18	0.17		
4	% Fulfillment of Training plan for multi-skilling/skill up-gradation of non-executives	% (90 Mandays)	5	100	95	90	85	80	30 non-executives on an average 3 days are planned for multi skilling training	
A-2										
1	%age of Senior level executives covered in Assessment & Development Centre	% (30 Mandays)	2.5	100	95	90	85	80	10 Sr. level executives of average 3 days duration is proposed to covered	
2	Training in New/advanced technology	Nos. of Executives	2.5	5	4	3	2	2		
<b>B</b>	<b>Performance Management</b>									
1	To ensure implementation of Bell Curve Approach in PMS rating	Yes/No	4	Yes				No		
2	Linkage of Development Plan of executives with Performance Management system	Yes/No	3	Yes				No		
3	Implementation of PRP linked to PMS	Yes/No	3	Yes				No		
<b>C</b>	<b>Recruitment, Retention &amp; Talent Management</b>									
1	Manpower Rationalisation through Redeployment/Transfer	%	5	0.20	0.15	0.10	0.05			
2	Attrition as % of total employees	%	5	0.55	0.50	0.45	0.4	0.38		
3	No. of Mentorship Development Programme-Nos. of Mentors & Mentees (1 Mentor: 6 Mentees)	Numbers	5	5	4	3	2	1		
4	Formulation/Implementation of systems for management of Talent-sponsoring sr. executives for advanced Management Programme, growth opportunities etc.	% (12 Mandays)	5	100	95	90	85	80	4 sr.level executives would be sponsored for advanced management training abroad	

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Sr.No.	HRM-Performance Indicators	Measurement-Unit	Weightage	Target Value					Actual Performance	Self Evaluation Score
				Excellent	Very Good	Good	Fair	Poor		
<b>D Enabling creativity &amp; Innovation</b>										
1	Nos.of Nominations/entries submitted for National Awards(PM ShramAwards Vishwakarma Rastriya Puraskar)	Nos. of nominations/ entries submitted for national awards	5	3	2	1			2 cases would be forwarded for National award	
2	Number of suggestions generated per employee per year	Nos. per employee	5	0.06	0.05	0.045	0.040	0.035	300 suggestion have been anticipated	
3	No. of Quality Circle projects completed against total quality circle projects undertaken in a year	Nos.	5	17	15	12	10	8		
<b>E Employee Relations &amp; Welfare</b>										
1	Effectivness of Grievance Redressal system-% of grievances settled vis-a-vis received during the year	% settlement	4	100	90	80	70	60		
2	Pension,medicare,Yoga classes to reduce stress where the job is stress ful, setting up of wellness centre such as Gym. Etc.	Number of programs	4	3	2	2	2	2		
3	Employee satisfaction survey - ESI (Executives & Staff)	%	4	95	85	75	65	65		
4	Formulation & Implementation of social security scheme	Yes/No	4	Yes				No	P.F.,Gratuity,Family pension,Benevelopment Workmen compensation Maternity/Medical Benefit Compensionate appointment	
5	Number of structured meetings with employees' representatives	Number of meetings	4	2	1					
<b>F HR Branding &amp; Excellence -Indicate achievement in this field for initiatives such as :</b>										
1	Review of HR Policy		5	Jan.'13	Feb.'13	March'13				
2	Organising culture building Initiatives	No. of programs	5	4	3	2	1			
<b>Grand -Total</b>			<b>100</b>							

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R & D Performance Target Setting cum Evaluation Template

ANNEXURE -IV

Table -1

Sl.No.	Particulars	Unit	Weightage	Performance Target					Achievement
				Excellent	Very Good	Good	Fair	Poor	
1	2	3	4	5	6	7	8	9	10
1	Total R& D Expenditure as % of PAT	%	2.5	0.53	0.50	0.48	0.45	0.43	
Total Score for this Table									2.5
Score allotted by Task Force									

2012-13


Approved by

Signed



Table -2

Sl.No.	Name of the Projects	Performance Indicator	Weightage	Performance Target					Achievement
				Excellent	Very Good	Good	Fair	Poor	
1	2	3	4	5	6	7	8	9	10
1	Technical & Feasibility study of overburden rock of Dongri Buzurg & Kandri Mine for consolidated hydraulic stowing in Underground Mines - Collaborative Research with VNIT, Nagpur (Utilisation of waste)	Report for consolidated stowing in U/G Mines by VNIT	0.5	31st Jan. 2013	15th Feb. 2013	28th Feb. 2013	15th March 2013	31st March 2013	
2	Designing of stope operation alongwith Geo-hydrological Investigation at Kandri Mine by Central Institute of Mining & Fuel Research, Nagpur (Development of Technology)	Report from CIMFR	1	15th Dec. 2012	31st Dec. 2012	15th Jan. 2013	31st Jan. 2013	15th Feb. 2013	
3	Ventilation networking for deeper levels at Balaghat Mine by Indian School of Mines, Dhanbad (Mine Environment)	Report on ventilation networking by ISM	0.5	30th Sept. 2012	31st Oct. 2012	30th Nov. 2012	31st Dec. 2012	31st Jan. 2013	
4	Development of process flow sheet for manufacturing EMM in association with NML	Report on Dev. of process flow by NML	0.5	31st Jan. 2013	15th Feb. 2013	28th Feb. 2013	15th March 2013	31st March 2013	
Total Score for this Table			2.5						
Score allotted by Task Force									
Total Score on R&D			5						
Total allotted Score for both Tables									

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## R & D PROJECTS – 2012-13

### *Project 2.1: Collaborative Research Project for Technical & Feasibility study of overburden rock of Dongri Buzurg & Kandri Mine for consolidated hydraulic stowing in underground mines*

#### **Introduction:**

Huge quantity of overburden waste is generated in opencast workings of Dongri Buzurg & Kandri mine annually, approximately 10776000 m<sup>3</sup> & 3750000 m<sup>3</sup> OB dumps are available at Dongri Buzurg & Kandri mine respectively. It also requires large area for dumping. Kandri is itself an underground mine and nearby underground mine is Munsar. At Dongri Buzurg, nearby underground mine is Chikla. Presently, underground mines of the company are using hydraulic sand stowing & sand is being supplied from the other sand leases. Details of the overburden excavated of Dongri & Kandri Mine for last 3 years are appended below;

Year	OB Excavated in m <sup>3</sup>	
	Dongri Buzurg Mine	Kandri Mine
2007-08	1527000	158000
2008-09	1647000	267000
2009-10	1781000	162500

There are various types of stowing methods are used in underground hard rock mining. The hydraulic stowing material is compacted after the water percolates through the pores, it is not solid. This material can be consolidated by adding special material.

At Dongri & Kandri mine, the overburden rock is mainly mica schist. This is very soft in nature, hardness varies from 2-2.8 & specific gravity from 1.8 to 2.2 g/cc (with all contamination). In many metal mines, old refuse piles (overburden dumps or mill tailing) as used for fill material with or without crushing & screening. Huge old overburden dumps are available at Dongri & Kandri mine. This old OB dump may be a source for fill material if following studies will be undertaken in phased manner.

- 1<sup>st</sup> phase – Geo-mechanical studies of OB dump material including granulometric study
- 2<sup>nd</sup> phase - Suitability of the fill material for hydraulic consolidated stowing
- 3<sup>rd</sup> phase - If fill material is suitable, appropriate method of stowing
- Techno-economics of the system

Use of old OB dump as a source for fill material is having following advantages;

1. Dependency for sand on other sand leases will be reduced
2. Dumping space will reduce
3. Environment friendly
4. In consolidated fill floor tyre mounted HEMM could be operated.

Looking into the advantages of this system, this collaborative research has been done with Visvesvaraya National Institute of Technology, Department of Mining Engineering, Nagpur. Report from Visvesvaraya National Institute of Technology, Department of Mining Engineering, Nagpur is the performance indicator for the above project. The report is expected to receive by 15<sup>th</sup> February'2013.



**Project 2.2: Research project for designing of stope operation along with Geo-hydrological investigation at Kandri Mine**

**Introduction:**

Manganese ore body at the Kandri Mine is very friable and very weak (RMR is in the range of poor) moreover, the overlying strata is highly saturated with water. These conditions has resulted low productivity & safety problems in underground area.

For the safety of men & machines in underground, it is essential to study the hydro-geological parameters and on the basis of above data, modern stoping method will be designed. This study is also needed for the design of supporting system. CIMFR has long association with the company and many times they have designed suitable stoping method for our various mines. Looking into this long-research establishment with CIMFR, this research project has been undertaken with CIMFR.

This project is in two part;

1. Collection of input data by hydro-geological studies and;
2. Based on this input data designing of stoping method at Kandri Mine.

Looking into the importance of the Kandri Mine's underground operation, safety and productivity, this research will establish modern stoping method for kandri mine which will help for boosting the safety & productivity of the mine. Report from CIMFR, Nagpur is the performance indicator for the above project. The report is expected to receive by 31st December'2012.

**Project 2.3: Research project on Ventilation Networking for deeper levels at Balaghat Mine.**

**Introduction:**

At present, Balaghat Mine is being accessed by two vertical shafts. Present production levels are 10<sup>th</sup>, 11<sup>th</sup> & 12<sup>th</sup> Levels. Below 12<sup>th</sup> level interval has been increased from exiting 30 mtrs to 45 mtrs. In addition to the present two vertical shafts, additional high speed shaft will also be commissioned in future years. This will increase the air current in underground, moreover due to increase of level interval there will be pressure drop in air current. To have a comfort working conditions in underground, the project of Ventilation networking at deeper levels at Balaghat Mine has been undertaken with Indian School of Mines, Dhanbad.

Seasonal changes are associated with natural ventilation and hence readings will be undertaken in winter as well as in summer for establishment of accurate networking at deeper levels.

This study will certainly help to improve the comfort condition in underground area at deeper levels and will help to boost the productivity also. Report from ISM, Dhanbad is the performance indicator for the above project. The report is expected to receive by 31st October'2012.

**Project 2.4: Development of process flow sheet for manufacturing EMM in association with NML**

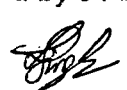
**Introduction:**

Electrolytic Manganese Metal (EMM) is essentially used in manufacturing of stainless Steel 200 series and also used as additives in aircraft building material and special welding electrodes etc. Presently EMM is imported mainly from China which is the major producer of EMM in world. This is highly power intensive project and the feasibility of preparation of EMM from Indian Manganese Ore considering the power cost needs to be established as EMM in imported substitute material. Till date nobody is manufacturing EMM in India. This is the first of its kind established/developed a process flow sheet by conducting R&D studies for the manufacturing of EMM. It is understood that National Metallurgical Laboratories (NML) is having bench scale and pilot scale facilities for preparation of EMM in the Electro Metallurgical Division. It is proposed to carry out R&D project through NML for preparation of EMM by using manganese ore from MOIL.

**TEMPLATES FOR CSR REVIEW  
TABLE 1**

**DETAILS OF 6 CHOSEN PROJECTS**


Sl. No.	Name of the Project	Starting Date	Completion Date	Amount Allotted with Year-wise Breakup	Date of Completion of Need Assessment/ Baseline Survey & Name of Agency	Name of Implementing Agency and Date of Appointment	Amount spent on Documentation and Dissemination and Name of Agency Appointed	Name of Monitoring Agency	Brief Details of Evaluation Report (Separate Sheet to be Attached)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1.	Construction of DAV Public School at Village Sitasongi, Dist. Bhandara, Maharashtra	Dec. 2011	Mar. 2013	Rs.250 lakhs to be spent 2012-13	May 2010. Baseline survey and need assessment done by MOIL jointly with DAV Authorities.	M/s Mana Construction Nagpur.	Rs. 15 lakhs. Renaissance Planners & Engineers Pvt. Ltd., Nagpur	MOIL	Enclosed at Annexure - I
2.	Light to Lives – Project to Alleviate Visual Impairment and Blindness in rural communities around MOIL Mines in Nagpur and Bhandara districts, Maharashtra	Apr. 2012	Mar. 2017	Rs.89.25 lakhs to be spent 2012-13	Aug. 2011. Baseline Survey and need assessment done by Suraj Eye Institute, Nagpur	Suraj Eye Institute, Nagpur	NIL	Suraj Eye Institute, Nagpur	Enclosed at Annexure - II
3.	Supply and Installation of India Mark II hand pumps in remote villages at nearby mining areas of MOIL Mines.	Apr. 2012	Mar. 2013	Rs. 30 lakhs to be spent in 2012-13 itself.	Jan. 2012. Baseline survey and need assessment to be done by State Govt. agencies.	To be appointed after assessment.		MOIL	Enclosed at Annexure - III

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**TEMPLATES FOR CSR REVIEW**  
**TABLE 1**

**DETAILS OF 6 CHOSEN PROJECTS**

Sl. No.	Name of the Project	Starting Date	Completion Date	Amount Allotted with Year-wise Breakup	Date of Completion of Need Assessment/ Baseline Survey & Name of Agency	Name of Implementing Agency and Date of Appointment	Amount spent on Document -ation and Dissemination and Name of Agency Appointed	Name of Monitoring Agency	Brief Details of Evaluation Report (Separate Sheet to be Attached)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
4.	Construction of Approach Road for Village Sitasongi, Dist. Bhandara, Maharashtra	Oct. 2012	Mar. 2014	Total Cost Rs. 100 lakhs. 2012-13 - Rs.50 Lakhs.	Jan. 2012. Need Assessment and Baseline Survey to be completed by MOIL in association with District administration.	To be appointed after assessment.	NIL	MOIL	Enclosed at Annexure IV
5.	Development of Literacy Park at Hill Top Slum Area in Nagpur	April 2012	June 2013	Total Cost Rs.80 lakhs. 2012-13 - Rs.40 lakhs	Oct. 2011. Need Assessment and Baseline Survey to be completed by MOIL in association with Nagpur Municipal Corporation & M/s Ranade & Ranade Architects, Nagpur.	To be appointed through competitive bidding process.	Rs.2.00 lakhs	MOIL	Enclosed at Annexure V.

Approved by \_\_\_\_\_  
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**TEMPLATES FOR CSR REVIEW  
TABLE 1**

**DETAILS OF 6 CHOSEN PROJECTS**

Sl. No.	Name of the Project	Starting Date	Completion Date	Amount Allotted with Year-wise Breakup	Date of Completion of Need Assessment/ Baseline Survey & Name of Agency	Name of Implementing Agency and Date of Appointment	Amount spent on Documentation and Dissemination and Name of Agency Appointed	Name of Monitoring Agency	Brief Details of Evaluation Report (Separate Sheet to be Attached)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
6.	Increasing Female literacy and training for skill development for women empowerment for at least 3 Self Help Groups(SHG)	01-06-12	31-03-13	Rs.5.00 lakhs in 2012-13	MOIL LIMITED	Shrishti Mahila Swayam Rojgar Prashikshan Kendra 15-04-12	Rs.10,000/-	MOIL LTD.	Enclosed at Annexure VI

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CONSTRUCTION OF DAV PUBLIC SCHOOL AT VILLAGE SITASAONGI, DISTRICT BHANDARA,  
MAHARASHTRA

Imparting education to the rural masses is an important aspect of MOIL CSR. In pursuance of this objective, the Company has been encouraging education in a number of ways in the rural villages surrounding its mines due to which the children hailing from these remote areas are presently getting good education. However, difficulties are being experienced in the villages viz. Chikla, Dongri Buzurg and Tirodi Mines where there is lack of good schools. The children are to travel to nearby town everyday to get good education. This is putting a lot of strain on the children and a good number of them hailing from the villages located in this area are experiencing hardship. In order to provide quality, affordable and easily approachable education facilities it was felt that it would be appropriate to open a reputed school at Sitasaongi village which will be an ideal location for the purpose to cater educational needs of all the three mines and nearby villages.

In this connection, the Company had earlier approached DAV Institution which is presently managing over 600 institutions all over the country and carries an excellent reputation. Moreover, DAV specialises in providing quality education and their institutions are mostly at project sites. These institutions are run by professionals and show excellent academic results and appreciable achievements in other fields to such as sports, arts, etc. The Company has entered into an MoU with DAV authorities and after obtaining the approval of the Board of Directors in May 2010, has started the work of setting up of the school and the work is now under progress. The School will be located in a sprawling complex with modern facilities and fully equipped with laboratory, computers and other educational equipments adhering to the latest standards. The school shall have quality teaching staff and shall follow CBSE pattern. The DAV Collage Management Committee will independently run the school spreading the light of education in remote areas.

YEAR-WISE BREAK UP OF EXPENDITURE OF THE PROJECT:

1.	Total Cost of the Project comprising construction of school building, equipping and providing other amenities.	Rs.800.00 lakhs		
2.	Year wise break up:	2011-12	2012-13	2013-14
	Amount Rs. in Lakhs	100.00	250.00	450.00

ANNEXURE -II

LIGHT TO LIVES - ALLEVIATION OF VISUAL IMPAIRMENT AND BLINDNESS IN RURAL COMMUNITIES AROUND MOIL MINES IN NAGPUR AND BHANDARA DISTRICTS OF MAHARASHTRA.

Light to Lives is a project aimed at to create awareness and develop a sustained effort to alleviate blindness in the rural communities around the mining areas of MOIL and other needy villages nearby. As per the objective, this project would strengthen the existing health system in terms of providing treatment to the underdeveloped and drought prone countryside areas to reduce blindness and reach out in a cost effective and sustainable manner. This project will also fit in with the objectives of National Programme for Control of Blindness. Through this project, affordable eye care will become accessible in a controlled, quality environment with continuous supervision to the people of Nagpur and Bhandara districts with a significant rural and tribal population.

The project is meant to bring enhancement and value addition to the concept of eye care and may serve to have a long term impact by enhancing awareness, reducing the levels of visual impairment due to refractive errors, cataract, glaucoma, diabetes and cornea related problems through multi-disciplinary, multi-faceted pyramidal eye care system involving vision centres, a mobile well equipped vehicle with tele-ophthalmology facility and accessibility to the even better eye care facilities in multiple sub-specialities at the base hospital.

This project will be carried out by The Suraj Eye Institute which is a Non Profit Foundation which has been working in the rural areas of Nagpur and Bhandara in the field of control of blindness for the last one decade and with MOIL for the last 3 years.

YEAR-WISE BREAK UP OF EXPENDITURE OF THE PROJECT - Rs. in lakhs

S.No.	Particulars	2012-13	2013-14	2014-15	2015-16	2016-17
1.	Vehicle and Equipment	54.87	--	--	--	--
2.	Cataract Surgeries	22.50	22.50	40.00	40.00	62.50
3.	Paediatric Surgeries	5.63	5.62	8.50	8.50	9.50
4.	Spectacles for Refractive Errors	6.25	6.25	9.00	9.00	12.25
5.	Total	89.25	34.37	57.50	57.50	84.25
GRAND TOTAL - RS.322.87 LAKHS						

SUPPLY AND INSTALLATION OF INDIA MARK II HAND PUMPS IN REMOTE VILLAGES AT NEARBY MINING AREAS OF MOIL MINES

The operations of MOIL are confined to Central India especially the Nagpur and Bhandara district of Maharashtra and the adjoining Balaghat district of Madhya Pradesh. Due to lack of perennial water source, this area is known for drought and acute water shortage especially during hot summer months. Therefore, it has been one of the major endeavours of the Company since long to provide adequate drinking water not only to the company employees but also to the adjoining villages through water supply schemes, installation of hand pumps, etc. Presently, the Company is supplying drinking water through its existing water supply schemes to a number of villages in the three districts mentioned above. However, a number of villages are also in need of drinking water and therefore, the Company has embarked on providing drinking water through installation of hand pumps in the needy villages under its CSR.

The modality of execution of this project shall be through coordination with local Gram Panchayats, State Government Agencies, etc.

YEAR-WISE BREAK UP OF EXPENDITURE OF THE PROJECT

The total estimated cost of the project is about Rs.30 lakhs which shall be spent during the FY 2012-13 itself.



**CONSTRUCTION OF APPROACH ROAD FOR VILLAGE SITASAONGI, DIST.  
BHANDARA, MAHARASHTRA**

As stated earlier, the mines of MOIL are located in remote areas where the approach roads to several villages are either not available or in a very bad condition. The people living in these villages are facing hardship to commute to the nearby towns / approach main roads for their day today needs. It becomes very difficult during monsoon when due to heavy rains, these approach roads get flooded and the entire villages remain cut off from the main road. Considering the poor road connectivity, the Company has been constructing tar / cement concrete roads, culverts, etc., at a number of places which has been appreciated by the local population. In continuance of this good work, it is proposed to take up the work of approach road to village Sitasaongi in Bhandara district. The total length of the road shall be 1.5 Kms. and the width shall be 3.5 Mtrs. The project comprises of 1.5 Kms. length of tar road with culverts, side drains and street lights. The project shall be executed in two years through competitive bidding.

**YEAR-WISE BREAK UP OF EXPENDITURE OF THE PROJECT:**

1.	Total Cost of the Project comprising construction of 1.5 Kms. length of tar road with culverts, side drains and street lights at village Sitasaongi, Dist. Bhandara.	Rs.100.00 lakhs	
2.	Year wise break up:	2012-13	2013-14
	Amount Rs. in Lakhs	50.00	50.00

DEVELOPMENT OF LITERACY PARK AT HILL TOP SLUM AREA IN NAGPUR

The Corporate Headquarters of MOIL is located in Nagpur. Earlier, the Company has taken up a number of CSR projects in Nagpur such as medical camps, free cataract surgeries, development of greenery, setting up of a bio-diversity park, etc. The Company had earlier received a request from the Corporator of Ambazhari locality to help the slum people of his area by carrying out some developmental work and also setting up a literacy park. It is a fact that slums are integral part of any big city in India and Nagpur is no exception. People living in slums are not having many civic amenities and the children living there are not having any open space for playing and other activities. Considering the need for these people, the Company examined the proposal for setting up a children's park cum playground and also a theme park which would consist of murals depicting various educational themes. This park shall not only serve as play ground for children but also help the senior citizens of this area to breathe fresh air as well as help the children to gain knowledge. This project when completed shall not only give face lift to the slum area but also improve the quality of life of the residents of the slum. The total cost of the project shall be Rs.80 lakhs and shall be done in co-ordination with Nagpur Municipal Corporation and Corporator of the locality. The execution of the project shall be through competitive bidding.

YEAR-WISE BREAK UP OF EXPENDITURE OF THE PROJECT:

1.	Development of Literacy Park at Hill Top Slum area in Nagpur.	Rs.80.00 lakhs	
2.	Year wise break up:	2012-13	2013-14
	Amount Rs. in Lakhs	40.00	40.00

**INCREASING FEMALE LITERACY & TRAINING FOR SKILL DEVELOPMENT FOR  
WOMEN EMPLOYMENT**

MOIL has already adopted 3 villages at each group of Mines namely Chargaon, Kurmunda and Manzara situated at nearby the Mines Munsar, Dongri Buzurg and Balaghat Mines respectively. These villages has near about 5,000 to 6,000 population, these areas are very weaker in financial and education support. To improve their situation we organized a group of 20 ladies at each villages and shall be arranging a educational programmes with the help of **Shrishti Mahila Swayam Rojgar Prashikshan Kendra, Nagpur**. It has planned to conduct educational seminars for financial aid to these peoples. During these programmes the practical knowledge and demonstration for preparation of candal, washing power phenyal craft materials etc. We are also giving a swing machine training for preparation of kid"s dresses. The above seminars shall be conducted during a financial year 2012-13. We shall also carrying the responsibilities for marketing of the above materials. Reports on the above may be submitted time to time within due course.

**YEAR-WISE BREAK UP OF EXPENDITURE OF THE PROJECT:**

1.	INCREASING FEMALE LITERACY & TRAINING FOR SKILL DEVELOPMENT FOR WOMEN EMPLOYMENT	Rs. 5.00 lakhs
2.	Year wise break up:	2012-13
	Amount Rs. in Lakhs	5.00

**ANNEXURE -VI**  
SD Performance Target Setting Cum Evaluation Template

Sl.No.	Activity	
1	Whether Specific SD Plan and Budget passed by Board or its Designated Committee	Yes/No No. and date of Board Resolution

**Table -1**  
SD Committee details

Board level Designated Committee Name	Chairman of Board level Designated Committee	Number of regular meeting held	Key decisions during the year
1	2	3	4
<b>Total Score for this Table</b>			
<b>Score allotted by the Task Force</b>			<b>0.5</b>


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Table -2

Total SD Expenditure as a percentage of PAT

Target Value as % of PAT	Total expenditure (₹/lakhs)	Profit after Tax (Previous FY)(₹/lakhs)	Actual expenditure as% of PAT
Excellent - 0.35%	119.35		
Very Good - 0.31%	107.00		
Good - 0.28%	95.65		
Fair - 0.25%	83.30		
Poor - 0.21%	71.95		
<b>Total Score for this Table</b>	<b>1.00</b>	<b>33982</b>	
<b>Score allotted by the Task Force</b>			

Table -3  
SD Projects

Sl.No.	Schedule A/B	Project/activity	Performance Indicator	Total expenditure on project/Activity (₹ lakhs)	Weight age	Duration S/M/L	Target Set					Actual
							Excellent	V.Good	Good	Fair	Poor	
1	Schedule -A	Afforestation through social forestry mode	%age of survival	70.00	1.00		80	70	60	50	40	
2	Schedule - A	Installation of Rain water harvesting scheme at Mine colony quarters	200 Nos. of quarters covered	30.00	0.5		32	30	29	27	26	
3	Schedule - A	Biodiversity park with fodder & fuel in one of the model village		3.00	0.5		3.15	3	2.85	2.70	2.55	
4	Schedule - B	Training/workshop for executives on sustainable Development to total executives	2% of executives to total executives	4.00	0.5		4.20	4	3.8	3.60	3.4	
<b>Total Score for this Table</b>				<b>107.00</b>	<b>2.50</b>		<b>119.35</b>	<b>107.00</b>	<b>95.65</b>	<b>83.30</b>	<b>71.95</b>	
<b>Score allotted by the Task Force</b>												

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**Table 4  
Evaluation of Projects**

No. of Projects evaluated by an Independent External Agency/Expert/Consultant etc.	
Total Score for this Table	0.5
Score allotted by the Task Force	

**Table -5  
Publication of SD Performance Report**

Activity	Yes/No	Mode of SD Report (If Reported, whether a stand-alone SD Report or a part of Annual Report)
SD performance Report		
Total Score for this Table		0.5
Score allotted by the Task Force		

ICU 2012-13  
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## SUSTAINABLE DEVELOPMENT

The term was used by the Brundtland Commission which coined what has become the most often quoted definition of sustainable development as development that "meets the needs of the present without compromising the ability of future generations to meet their own needs"

Sustainable development (SD) is a pattern of resource use, that aims to meet human needs while preserving the environment so that these needs can be met not only in the present, but also for the generations to come.

In 1987, United nations released the Brudtland Report which included that what is now one of the most widely recognized definitions.

Sustainable development is said to set limits on the developing world. While current first world countries polluted significantly during their development, the same countries encourage third world countries to reduce pollution, which some times impedes growth. Some consider that the implementation of sustainable development would mean a reversion to pre-modern lifestyles.

The field of sustainable development can be broadly conceptually broken into four constituent parts :

- 1) Environmental sustainability
- 2) Economic sustainability
- 3) Socio-political sustainability
- 4) Cultural sustainability

### MOIL's Role in Sustainable development:

Present national policies for Environmental Management are contained in the national Forest Policy 1988, the National Conservation Strategy and Policy Statement on Environment and Development, the Policy Statement on Abatement of pollution, 1992.

These policies have recognized the need of sustainable development in their specific contexts and formulated necessary strategies to give effect to such recognition.

MOIL limited has taken various measures for environment protection/restoration and pollution control at miens and ore processing plants and those are as under:

1. Self contained wet drilling provision in large diameter drilling equipment,
2. Commissioning Effluent Treatment Plant (ETP) and dust collection system.
3. Water spraying on haul roads, providing settling tank for underground water discharge, use of PPE by operators,
4. Controlled blasting by NONEL (Non electric blast initiation system)
5. Afforestation: providing green cover around mines and residential colonies to provide natural barrier for arresting dust and absorbing noise.

6. Generation of 20 MW wind power at Nagda & Ratedi hills of Dewas District, Madhya Pradesh in order to reduce pollution and save conventional energy system. This is a positive step towards Clean Technology development Mechanism (CTDM)
7. Rain water harvesting : MOIL management has undertaken for reuse of rainwater before it reaches aquifer. Rain water collected from the roof of the houses and making an important contribution for subsoil water level and increase in greenery.
8. Waste dump management : MOIL management had taken up various projects in collaboration with National Environment Engineering Research Institute for bio-diversity.

In addition to the above MOIL recognizes the need to protect environment in order to allow sustained economic development for long term benefit of the community. The company is committed to ensure the environmental responsibility is incorporated as part of normal business practice.

#### **4R Practice of MOIL**

- |          |   |   |
|----------|---|---|
| Reduce   | : | The consumption of natural resources and pollution by using latest technologies.  |
| Recharge | : | Human Resource by upgrading the skills through Training and motivating the employees and interested parties augmenting environmental system and objectives. |
| Recycle  | : | Waste material by using appropriate process reuse.  |
| Reuse    | : | Committed to utilize waste / rain water through water harvesting schemes.   |



**PROJECTS TO BE UNDERTAKEN DURING FINANCIAL YEAR 2012-13  
FOR SUSTAINABLE DEVELOPMENT**

**Rain Water Harvesting** : Water is the source of all lives on the earth and it is the part of the three principle components of our environment. Over exploitation of ground water through dugwell and borewells poses a great danger to availability of water.

Rain water harvesting is accumulation of storing of rain water for reuse before it reaches it aquifer. It has been used to provide drinking water, water for life stock as well as for other typical uses. Rain water collected from the roofs of houses in mining colonies can make an important contribution for various purposes. It can supplement the subsoil water level and can increase greenery.

**Aim and objective of the scheme :**

- To investigate the feasibility of artificial recharge of ground water through rainwater harvesting in crystalline rock terrain.
- To improve the ground water storage in the area.
- To improve the ground water quality by diluting the effluents by recharging.

**Methodology of rain water harvesting:** Rain water harvesting system channel rain water from a roof into storage via an arrangement of gutters and pipes. The first flush of rainwater after a dry season are allowed to run to waste , as it will be contaminated with dust, bird droppings etc. Roof gutters are kept large enough to carry peak flows. Storage tanks are covered to prevent mosquito breeding and to reduce evaporation losses, contamination and algal growth. Rainwater harvesting systems requires regular maintenance and cleaning to keep the system hygienic.

**Ground water recharge:** Rain water are used for ground water recharge, where the run off on the ground is collected and allowed to be absorbed, adding to the groundwater. The rain water is collected and stored in sump.

**Rainwater harvesting projects for 2012-13 :** For the period of 2012-13 total 200 quarters has been taken up for different mines of MOIL Ltd.

**Average rainfall.** : Average rainfall in different mines of Moil 600 mm to 850mm per year .

**Total project cost :** There are total 50 blocks each block consists of 04 quarters to be covered under rain harvesting scheme for 2012-13.

Soak pits and charge pits are to be constructed. Charge pit will be filled with filling material, sand, gravel, bolder, briquette, covered with mosquito net with perforated slab cover.

Approximate cost per block Rs. 60,000/- and total cost of 50 blocks shall be Rs. 30.00 lac.

**Time period of completion of project:** The project will be completed within 2012-13.

**PROJECT TO BE UNDERTAKEN DURING FINANCIAL YEAR 2012-13  
FOR SUSTAINABLE DEVELOPMENT**

**Afforestation : A short recital**

INDIA is a large developing country known for its diverse forest ecosystems and is also mega-biodiversity country. Forest ecosystems in India are critical for biodiversity, watershed protection, and livelihoods of indigenous and rural communities. The National Communication of the Government of India to the UNFCCC has reported that the forest sector is a marginal source of CO<sub>2</sub> emissions. India has formulated and implemented a number of policies and programmes aimed at forest and biodiversity conservation, afforestation and reforestation. Further, India has a goal to bring one-third of the geographic area under forest and tree cover by 2012. All forest policies and programmes have implications for carbon sink and forest management.

**Afforestation in MOIL :** MOIL started afforestation on planned pattern in consultation with divisional forest officers (Social forestry) of concerned areas with objectives such as increasing the density around the project and township, stabilization of degraded land and waste dump for preventing soil erosion, rehabilitation of mined out areas, improving the condition of the catchment areas and stream course and aesthetic look of the township areas. At present, out of total lease hold area of 1632.693 hectare about 42% areas has been covered under plantation and about 17 lacs trees has been planted with an average survival rate over 80%.

**Objectives :** The environmental policy is framed specifically to fulfil the following objectives:

- To create a work environment which enhances / motivates production and productivity.
- To Create a residing environment for the enjoyment and peace of employee.
- To encourage safe and scientific mining and other engineering practices.
- To Promote awareness amongst the employees and the neighbourhood population for adopting environmentality acceptable procedures and restricting environmental degradation and pollution to the barest minimum.
- Establishing "Eco-lable" for its finished products so as to promote domestic and international markets.
- To achieve communal harmony and peace amongst the employees and the local villagers for heading fast towards "sustainable development"
- Meaningful use of forest lands within the lease areas.
- Restoration of the post mining land.

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**Project of afforestation for the year 2012-13** : Plantation of 40000 of saplings shall be done including fencing, during the financial year 2012-13 in the mines of MOIL.

**Total cost of the afforestation** : The total cost of the afforestation of 40000 saplings including fencing and maintenance will be around Rs. 70 lacs.

**Time schedule** : The project will be completed within 2012-13.

**PROJECT TO BE UNDERTAKEN DURING FINANCIAL YEAR 2012-13  
FOR SUSTAINABLE DEVELOPMENT**

**Training of Executives on Sustainable development :**

Sustainable development (SD) is a pattern of resource use, that aims to meet human needs while preserving the environment so that these needs can be met not only in the present, but also for the generations to come.

In this context, it is essential to impart training of executives on sustainable development as SD is not main for present only but for the need of future generation also.

**Training of Sustainable Development :**

The total strength of executives in MOIL is 344 and they are to be trained in phased manner on sustainable development.

**Project on Training of executives during 2012-13 on Sustainable development.**

Training on sustainable development will be given to executives of different discipline and cadre during 2012-13 and total project cost towards training on SD shall be 4 lacs during 2012-13.

**Format for grading Central Public Sector Enterprises (CPSEs) on the basis of their compliance of Guidelines on Corporate Governance**

Name of CPSE \_\_\_\_\_

Name of Ministry/Department \_\_\_\_\_

Listed/Unlisted \_\_\_\_\_ Year \_\_\_\_\_ Quarter \_\_\_\_\_

**1.1 Composition of Board (2 Marks)**

Sl.No.	Indicator	Prescribed Marks	Criteria for Measurement	Awarded Marks
i.	Does the Board have an optimum combination of functional, nominee and independent directors? (The optimum number of members in the board may be decided by the DPE)	1	Yes=1 No=0	
ii.	Does the number of functional directors in the company (including CMD/MD) constitute 50% of the actual strength of the board?	1	Yes=1 No=0	

**1.2 Non-official Directors (5 Marks)**

Sl.No.	Indicator	Prescribed Marks	Criteria for Measurement	Awarded Marks
i.	Is the number of Nominee Directors appointed by Government/other CPSE as per the DPE Guidelines.	1	Yes=1 No=0	
ii	Is the number of Independent Directors at least 50% of Board Members (in the case of listed CPSE with an executive chairman) and at least one-third (in the case of listed but without an executive chairman or not listed CPSE).	4	Yes = 4 No = 0	

**1.3 Part-time Directors' Compensation and Disclosure (1 Marks)**

Sl.No.	Indicator	Prescribed Marks	Criteria for Measurement	Awarded Marks
i	Is the fee/compensation of part-time Directors including Independent Directors fixed by Board as per the DPE Guidelines and Companies Act, 1956	1	Yes = 1 No = 0	

**1.4 Board Meetings (2 Marks)**

Sl.No.	Indicator	Prescribed Marks	Criteria for Measurement	Awarded Marks
i	Over the last 12 months, did the Board meet at least 4 times without exceeding the time gap of three months between two meetings?	1	Yes = 1 No = 0	
ii	Over the last 12 months, did all members of the Board receive notification of Board meetings with meeting agenda at least 7 working days in advance of meetings?	1	Yes = 1 No = 0	

**1.5 Review of Compliance of Laws (5 Marks)**

Sl.No.	Indicator	Prescribed Marks	Criteria for Measurement	Awarded Marks
i	Does the management certify to the Board that all laws and statutes as applicable to the company have been obeyed and complied with?	5	Yes = 5 No = 0	

**1.6 Code of Conduct (2 Marks)**

Sl.No.	Indicator	Prescribed Marks	Criteria for Measurement	Awarded Marks
i	Does the company have a manual on Corporate Governance approved by the Board applicable to directors and senior management of the company?	1	Yes = 1 No = 0	
ii	Do the members of the Board having conflict of interest abstain from participating in the agenda item in which he/she has personal interest?	1	Yes = 1 No = 0	

**1.7 Risk Management (4 Marks)**

Sl.No.	Indicator	Prescribed Marks	Criteria for Measurement	Awarded Marks
i	Does the company have risk management plan approved by the full Board?	2	Yes = 2 No = 0	
ii	Does the Board review and take remedial action to implement the risk management plan?	2	Yes = 2 No = 0	

**1.8 Training of New Board Members (4 Marks)**

Sl.No.	Indicator	Prescribed Marks	Criteria for Measurement	Awarded Marks
i	Does the Board have a policy specifying training requirements for board members?	2	Yes = 2 No = 0	
ii	Did the Board members receive institutional training of one week per year after appointment to the Board?	2	Yes = 2 No = 0	



**2.1 Constitution of Audit Committee (4 Marks)**

Sl.No.	Indicator	Prescribed Marks	Criteria for Measurement	Awarded Marks
i	Does the Board of Directors have a qualified and independent Audit Committee with a Terms of Reference?	1	Yes = 1 No = 0	
ii	Does the Audit Committee have Minimum three directors as members and two-third of its members as Independent Directors?	1	Yes = 1 No = 0	
iii	Is the Audit Committee chaired by an Independent Director?	1	Yes = 1 No = 0	
iv	Do all members of the Audit Committee have knowledge of financial matters of the company and at least one member has expertise in accounting and financial management?	1	Yes = 1 No = 0	

**2.2 Audit Committee Role (6 Marks)**

Sl.No.	Indicator	Prescribed Marks	Criteria for Measurement	Awarded Marks
I	Do the procedures governing the Audit Committee specify that the Audit Committee is responsible for the oversight of the company's financial reporting process and the disclosures of its financial information?	1	Yes = 1 No = 0	
ii	Do the procedures governing the Audit Committee specify that it can recommend to the Board the fixation of audit fees?	1	Yes = 1 No = 0	
iii	Do the procedures governing the Audit Committee specify that it can approve the payment to statutory auditors for any other services rendered by	1	Yes = 1 No = 0	

	them?			
iv	Do the procedures governing the Audit Committee specify that the Audit Committee is responsible for reviewing with the management and ensuring that the company's annual financial statements and audits are in compliance with applicable laws, regulations, and company policies before submission to the Board for approval?	1	Yes = 1 No = 0	
v	Do the procedures governing the Audit Committee specify that the Audit Committee is responsible for reviewing with the management the performance of internal auditors and adequacy of the internal control systems.	1	Yes = 1 No = 0	
vi	Are the procedures and rules governing the Audit Committee approved by the full Board?	1	Yes = 1 No = 0	

### 2.3 Audit Committee Powers (5 Marks)

Sl.No.	Indicator	Prescribed Marks	Criteria for Measurement	Awarded Marks
i	Is the Audit Committee empowered to seek information on and from any employee of the CPSE?	1	Yes = 1 No = 0	
ii	Does the Audit Committee have powers to secure help of outside legal or any other experts when necessary?	1	Yes = 1 No = 0	
iii	Does the Audit Committee have powers to mitigate conflicts of interest by strengthening auditor independence?	1	Yes = 1 No = 0	
iv	Is the Audit Committee empowered to ensure the effectiveness of internal controls and risk	1	Yes = 1 No = 0	

	management?			
v	Is there a system of protection for employees and others who report infractions to the internal audit function or the external auditors (to protect "whistle blowers")?	1	Yes = 1 No = 0	

#### 2.4 Meeting of Audit Committee (5 Marks)

Sl.No.	Indicator	Prescribed Marks	Criteria for Measurement	Awarded Marks
I	Did the Audit Committee meet at least four times during the last 12 months?	1	Yes = 1 No = 0	
ii	Did the frequency of the Audit Committee meetings as per the norms (i.e not more than four months shall elapse between two meetings)?	2	Yes = 2 No = 0	
iii	Did the minimum of two Independent Directors attend the meeting of the Audit Committee?	2	Yes = 2 No = 0	

#### 2.5 Review of Information by Audit Committee (5 Marks)

Sl.No.	Indicator	Prescribed Marks	Criteria for Measurement	Awarded Marks
i	Does the Audit Committee review the management discussion and analysis of financial condition and results of operations?	1	Yes = 1 No = 0	
ii.	Does the Audit Committee review the statement of related party transactions submitted by management?	1	Yes = 1 No = 0	
iii.	Does the internal audit department report relating to internal control weaknesses reviewed by the Audit Committee?	1	Yes = 1 No = 0	
iv.	Is the information regarding appointment and/or removal of Chief Internal Auditor placed before the Audit Committee?	1	Yes = 1 No = 0	
v.	Does the Audit Committee review the declaration of financial statements by the	1	Yes = 1 No = 0	

CEO/CFO?			
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### 3.1 Constitution of Remuneration Committee (5 Marks)

Sl.No.	Indicator	Prescribed Marks	Criteria for Measurement	Awarded Marks
i.	Does the Board have Remuneration Committee?	1	Yes = 1 No = 0	
ii	Does the remuneration committee comprise of at least 3 directors who are all part-time directors (Nominee or Independent)?	2	Yes = 2 No = 0	
iii	Is the remuneration committee chaired by an Independent Director?	2	Yes = 2 No = 0	

### 4.1 Board of Subsidiary Companies (3 Marks)

Sl.No.	Indicator	Prescribed Marks	Criteria for Measurement	Awarded Marks
i.	Does the Board of Subsidiary company include at least one independent director of the holding company as a director?	1	Yes = 1 No = 0	
ii	Are the minutes of meetings of Board of Directors of subsidiary company placed in the Board meetings of the holding company?	1	Yes = 1 No = 0	
iii	Does the number of functional directors (including CMD/MD) constitute 50% of the actual strength of the board?	1	Yes = 1 No = 0	

### 4.2 Review of Financial Statement of Subsidiary by Audit Committee (1 Marks)

Sl.No.	Indicator	Prescribed Marks	Criteria for Measurement	Awarded Marks
i.	Does the Audit Committee of the holding company review the financial statements of the subsidiary company?	1	Yes = 1 No = 0	

#### 4.3 Review of Performance of Subsidiary by Board (1 Marks)

Sl.No.	Indicator	Prescribed Marks	Criteria for Measurement	Awarded Marks
i.	Does the Board of Directors of the holding company review the performance of the subsidiary company as per the DPE Guidelines?	1	Yes = 1 No = 0	

#### 5.1 Transactions (3 Marks)

Sl. No.	Indicator	Prescribed Marks	Criteria for Measurement	Awarded Marks
i.	Is the summary of transactions with related parties in the normal and ordinary course of business placed the Audit Committee of the Board?	1	Yes=1 No=0	
ii.	Are the details of material individual transactions with related parties undertaken in extraordinary circumstances of business placed before the Audit Committee?	1	Yes=1 No=0	
iii.	Are the details of material individual transactions with related parties or others, which are not on an arm's length basis placed before the Audit Committee along with Management's Justification for the same?	1	Yes=1 No=0	

#### 5.2 Accounting Standards (3 Marks)

Sl. No.	Indicator	Prescribed Marks	Criteria for Measurement	Awarded Marks
i.	Do the company's accounting procedures comply with the Accounting Standards adopted by ICAI?	2	Yes=2 No=0	
ii.	Is the deviation from the prescribed Accounting Standards disclosed and explained in the financial statements and in the Corporate Governance Report	1	Yes=1 No=0	

	of the Company?			
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### 5.3 Consolidated Financial Statements (3 Marks)

Sl. No.	Indicator	Prescribed Marks	Criteria for Measurement	Awarded Marks
i.	Are the Consolidated Financial Statements of the Company prepared in accordance with the Accounting Standards, namely, AS21, AS23, and AS27 issued by ICAI.	3	Yes=3 No=0	

### 5.4 Segment-wise Profit and Loss Statement (3 Marks)

Sl. No.	Indicator	Prescribed Marks	Criteria for Measurement	Awarded Marks
i.	Does the company disclose segment-wise profit & loss as per Accounting Standard 17 issued by ICAI?	3	Yes=3 No=0	

### 5.5 Board Disclosures – Risk Management (3 Marks)

Sl. No.	Indicator	Prescribed Marks	Criteria for Measurement	Awarded Marks
i.	Do the company's latest Annual Report include management's assessment of the company's outlook for the future and identify important risks that the company may face in future?	2	Yes=2 No=0	
ii.	Has the company included in its latest Annual Report a statement of its corporate objectives (Mission) and does it periodically update this statement?	1	Yes=1 No=0	

### 5.6 Remuneration of Directors (3 Marks)

Sl. No.	Indicator	Prescribed Marks	Criteria for Measurement	Awarded Marks
i.	Does the company's latest Annual Report disclose all pecuniary relationship or transactions of the part-time directors vis-à-vis the	2	Yes=2 No=0	

	company?			
ii.	Does the company disclose in its latest Annual Report the details on remuneration of Directors?	1	Yes=1 No=0	

### 5.7 Management Discussion and Analysis (1 Markss)

Sl. No.	Indicator	Prescribed Marks	Criteria for Measurement	Awarded Marks
i.	Does the Management Discussion and Analysis Report include (a) Industry structure and developments; (b) Strength and weakness; (c) Opportunities and threats; (d) Outlook for the future; (e) Risks and concerns; (f) Internal control systems and their adequacy; (g) Analysis of finances and operations; (h) Human resources, industrial relations, and talent management issues; (i) Environmental conservation, renewal energy use and R&D issue; and (j) Social responsibility issues for the company (CSR)	1	Yes=1 No=0	

### 5.8 Disclosures by Senior Management (1 Marks)

Sl. No.	Indicator	Prescribed Marks	Criteria for Measurement	Awarded Marks
i.	Does the company's latest Annual Report disclose significant "related party" transactions of senior management where they have personal interest?	1	Yes=1 No=0	

### 6.1 Report on Corporate Governance (4 Marks)

Sl. No.	Indicator	Prescribed Marks	Criteria for Measurement	Awarded Marks
i.	Does the company's latest Annual Report have a separate section on Compliance to Corporate Governance Guidelines issued by DPE?	2	Yes=2 No=0	
ii.	Does the company produce periodic reports and press releases to indicate significant developments impact on corporate governance (such as, legal and environmental issues; commitment to workforce, suppliers, customers and local communities etc.)?	1	Yes=1 No=0	
iii.	Does the company have a dedicated cell responsible for information sharing with stakeholders through the use of information and communication technologies (ICT)?	1	Yes=1 No=0	

### 6.2 Compliance Certificate (4 Marks)

Sl. No.	Indicator	Prescribed Marks	Criteria for Measurement	Awarded Marks
i.	Has the company obtained a Certificate from the auditors and/ or practicing Company Secretary regarding Compliance of Corporate Governance Guidelines and Annexes?	2	Yes=2 No=0	
ii.	Does the latest Annual Report of the company include the Compliance Certificate along with the Directors' Report, which is also sent to all shareholders?	2	Yes=2 No=0	



**6.3 Chairman's Speech in AGM and Annual Report (4 Marks)**

Sl. No.	Indicator	Prescribed Marks	Criteria for Measurement	Awarded Marks
i.	Does the Chairman's speech at the latest AGM include a section on compliance with Corporate Governance guidelines?	2	Yes=2 No=0	
ii.	Does the Chairman's speech at the latest AGM from part of Annual Report of the company?	2	Yes=2 No=0	

**6.4 Holding AGM, Adoption of Audited Accounts and Filing of adopted Accounts with the registrar of Companies within the stipulated time (4 Marks)**

Sl. No.	Indicator	Prescribed Marks	Criteria for Measurement	Awarded Marks
i.	Did the company hold an Annual General Meeting (AGM) at a convenient time and place that was open to all shareholders?	1	Yes=1 No=0	
ii.	Are the year-end Audited Accounts placed in the AGM for adoption by the shareholders of the company?	2	Yes=2 No=0	
iii.	Are the year-end Audited Accounts adopted in the AGM filed with the Registrar of Companies within the stipulated time?	1	Yes=1 No=0	

**6.5 Timely Submission of Grading Report (4 Marks)**

Sl. No.	Indicator	Prescribed Marks	Criteria for Measurement	Awarded Marks
i.	Did the company submit quarterly grading report regarding DPE Guidelines on Corporate Governance in the prescribed format to respective Administrative Ministries within 15 days from the close of each quarter?	4	Yes=4 No=0	

*K. J. Singh*  
(K. J. SINGH)

(CHAIRMAN-CUM-MANAGING DIRECTOR)

**Note :-**

1. The grading report in the above format is to be filled for each quarter and total marks(out of 100) are to be calculated for each quarter. The scores for each of the four quarters are to be averaged for arriving at annual score.
2. The grading would be awarded as under.

<b>Grade</b>	<b>Annual Score</b>
Excellent	85 and above
Very Good	75 - 84
Good	60 - 74
Fair	50 - 59
Poor	Below 50

3. In case, a particular indicator is not applicable to a CPSE, the same may be mentioned in the format along with justification for non-applicability and the score may be calculated after excluding the marks of that indicator and the marks may be pro-rata calculated for arriving at total score out of 100.

Implementation of 2007 pay revision guidelines

(The list is just illustrative)

S.No.	Provision to be implemented	Relevant para/O.M.	Whether complied	
			Yes	No
1.	Affordability Clause for adoption of 2007 pay revision	Para 3 of O.M. dtd.26.11.2008		
2.	No intermediary pay scale and 3% increment rate with no predetermined stages	Para 2 (vi) & Para 5 of O.M. dtd.26.11.2008		
3.	Fitment to be given only once, no revision during currency of pay revision	Para 1 (i) of O.M. dtd.26.11.2008		
4.	Perks & Allowances limited to 50% of Basic Pay	Para 10 of O.M. dtd.26.11.2008		
5.	Only four specified allowances will be outside the purview of ceiling of 50% of basic pay. No other allowances/perks to be kept outside 50% limit	Para 10 of O.M. dtd. 26.11.2008		
6.	PMS in place with 'Bell Curve Approach' (not more than 15% graded as 'outstanding' and 10% to be graded as 'below par (no PRP for 'below par')	Annex-III (iii) of O.M. dtd.26.11.2008		
7.	Constitution of Remuneration Committee headed by Independent Director (for PRP purpose)	Annex-III (iv) of O.M. dtd.26.11.2008		
8.	Company's car can be allowed to Executive Director/GM only if they head the projects	Para 14 of O.M. dtd. 26.11.2008		
9.	Allowances are allowed w.e.f. the date of issue of Presidential Directive or w.e.f. 26.11.2008 (if the Presidential Directive is issued by 01.05.2009)	Para 17 & Para 2 (v) of O.M. dtd 26.11.2008 and 02.04.2009		
10.	No conflict between officers pay revision and wage revision of workmen	Para (viii) of O.M. dtd. 09.11.2006		