

MEMORANDUM OF UNDERSTANDING (MoU)

BETWEEN

MOIL LIMITED

AND

**MINISTRY OF STEEL
GOVT. OF INDIA**

2022-23



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

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Brief about the CPSE

1	Name of the CPSE	MOIL LIMITED
2	Status	MINIRATNA – Category I
3	Schedule of the CPSE	SCHEDULE – A
4	Purpose for which CPSE has been setup and the main business now	Extraction and sales of manganese ore
5	Any capital restructuring during 2021-2022, i.e. buy-back of shares, issue of bonus shares, issue of fresh shares, splitting of shares and percentage of PAT given as dividend	<ol style="list-style-type: none"> 1. Buyback of shares has been completed amounting to Rs. 693.77 crores on 22.02.2022. 2. Dividend of Rs. 122.10 crores has been paid for FY 2021-22, which is 32.39% of PAT
6	Whether shares are listed (if yes, name of Stock Exchange and price of the share as on date).	Yes NSE : Rs. 184.35 AS ON 31-03-2022 BSE : Rs. 184.45 AS ON 31-03-2022
7	Any Change in Capacity during the year or next year (MoU year)	- NIL -
8	Any business unit hived off or to be hived off or added or to be added during the year or next year (MoU year)	- NIL -

9	Brief about the sector in which the CPSE is operating and national and international environment, regulatory environment etc.	<p>MOIL is the largest domestic producer of manganese ore which is the raw material for manufacturing ferro alloys (an essential input for steel making) and EMD for manufacturing dry batteries. It is presently operating eleven mines, seven of them in Maharashtra and four in Madhya Pradesh.</p> <p>Mining operations at seven of the mines of the company are carried out by underground methods, while opencast mining is carried at the other four mines. Balaghat is the deepest underground manganese mine in Asia. With MOIL's mines having been worked for last many years, mining operations are being undertaken at deeper horizons.</p> <p>As a diversification measure and in order to meet part of power requirements of Balaghat mine and ferro manganese plant located in Balaghat district (MP), MOIL has set up 4.80 MW wind turbine power generation units at Dewas (MP) during 2006-07. Further, in 2nd phase, 15.20 MW wind turbine power generations units has been set up in 2007-08 and the power generated from the second phase is being sold to Madhya Pradesh state electricity board. MOIL has also taken up solar power project in its mines having aggregate capacity of 10.50 MW.</p>
10	Details of revival plan if approved	- NIL -
11	Any adverse comment by statutory auditors and its impact on Revenue/Profit/Loss/Assets/Liabilities	NIL
12	Whether C&A supplemented the comments of Statutory Auditor. If not, give details alongwith impact	- NIL -
13	Number and Name of subsidiary companies along with amount invested and share in its profit during last five years	- NIL -
14	Number and name of Joint venture companies along with amount invested and share in its profit during last five years	Two joint venture has been made with SAIL and RINL. Both joint ventures have initiated for windup.

MOIL Ltd. (Standalone) - MoU 2022-23

S.No.	Name of Parameter	Unit	Weightage	Target 2022-23
1	Revenue from Operations	Rs. in Cr.	10	1627
2	Production of Manganese Ore	Lakh Tonne	8	15.40
3	Production of Electrolytic Manganese Dioxide	Tonne	8	1500
4	Production of Ferro Manganese	MT	7	12000
5	CAPEX	Rs. in Cr.	10	305
6	EBITDA as a percentage of Revenue	%	10	41.80
7	Return on Net Worth	%	15	17.59
8	Asset Turnover Ratio	%	5	60.09
9	Acceptance/ Rejection of Goods & Services through TReDS Portal	%	5	100
10	Procurement from GeM as % of total procurement	%	2	25

11	Trade Receivables as no. of days of Revenue from Operations	Number of Days	3	30
12	Expenditure on R&D / Innovations Initiatives as % of PBT	%	2	2.29
13	Total Return to Shareholders (over BSE 500 Index)	%	15	0.00
		Total	100	
<p>Notes:</p> <ul style="list-style-type: none"> • The targets are based on actuals for the FY 2021-22. • Vision provided by the administrative Ministry is also considered for Benchmarking. • CAPEX targets of CPSEs - As per Budget Document of Union Govt. (Statement 26). • Target for Expenditure on R&D/Innovations Initiatives is based on PBT of FY 2022-23 and achievement to be confirmed based on Annual Report of CPSE. • Proportionate marks for achievement of 50% to 100% Targets except for the parameter on TRS. • No marks for achievement below 50.00% of Targets. 				

Compliance parameters for 2022-23			
S.No.	Parameter	Marks	Source/ Verification
1	DPE guidelines issued from time to time on CSR expenditure by CPSEs.	-1	Administrative Ministry
2	Compliance of provisions in the Companies Act, 2013 (or SEBI (LODR) regulations in case of listed entities) on Corporate Governance such as: (i) Composition of Board of Directors (ii) Board Committees (Audit Committee etc.) (iii) Holding Board Meetings (iv) Related Party Transaction (v) Disclosures and Transparency	-3	Administrative Ministry on the basis of CAG/ Statutory/ Secretarial Auditor Report(s)
3	Target as given by NITI Aayog on Assets Monetization Milestones	-1	Administrative Ministry on the basis confirmation from NITI Aayog
4	(i) Procurement of goods or services through MSEs as % of Total procurement of goods and services - 25 %	-1	Administrative Ministry on the basis of Sambandh portal
5	(ii) Procurement of goods or services through SC/ST MSEs as % of Total procurement of goods and services - 4%	-1	Administrative Ministry on the basis of Sambandh portal
6	(iii) Procurement of goods or services through Women MSEs as % of Total procurement of goods and services - 3%	-1	Administrative Ministry on the basis of Sambandh portal
7	Steps and initiative taken for Health & Safety improvement of Human Resources in CPSEs (Target to be prescribed by the Administrative Ministry)	-1	Administrative Ministry

Usha Singh

CMD / MD, MOIL Ltd.

Date -

Secretary, Ministry of Steel

Date -

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