

**Building The Nation
Pellet by Pellet**

75

**Azadi Ka
Amrit Mahotsav**



**46th
ANNUAL
REPORT**
2021-22



KIOCL Limited

(A Government of India Enterprise)
CIN:L13100KA1976GOI002974



Hon'ble Minister of Steel laid Foundation stone for Residential Complex at Company's Township at Mangalore on 19.02.2022



CMD along with Hon'ble Minister of State in Ministry of Steel met Hon'ble Governor of Karnataka on 06.02.2022

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Vision, Mission & Objectives

Vision

To emerge as a world class mining company with the highest international standards of quality, productivity, technological & environmental excellence and also as a leader in Beneficiation & Pelletisation Industry in India and establish a global credence.

Mission

- Lasting relations with customers and Vendors to ensure smooth supply chain based on trust and mutual benefits.
- Business with ethics & integrity.
- To thrive to improve the socio-economic condition in the neighbourhood of Company’s production centre.
- Continuous learning.
- Adaptability to Technology and changing Global Scenario.
- Growth, recognition and reward for employees.

Objectives

- Growth through expansion and diversification.
- Explore new markets and segments.
- Be competitive through cost reduction by change in processes.
- Open new vistas of business by creating diversified Business Units.
- To continue to invest in the capacity building of personnel for improving the knowledge, skill & attitude.



OUR CORE VALUES

CUSTOMER FOCUSED CULTURE	INTEGRITY	TEAM WORK	RESPECT	EXCELLENCE	OWNSESHIP MINDSET
We continuously strive to provide security & achieve customer satisfaction.	We are sincere, kind, fair and just in all our dealings with everyone.	We achieve mutual growth by respecting one another’s individuality & by sharing knowledge & ideas.	We treat people how we wish to be treated ourselves.	We continue to make effort for improvement of performance, standards & capability building for sustained long term success.	We take ownership create understanding & develop solutions by communicating with date & transparency.

BOARD OF DIRECTORS

FUNCTIONAL DIRECTORS



Shri T Saminathan
Chairman-cum-Managing Director
& Director (Comml-Addl Chrg) w.e.f. 07.09.2021



Shri S K Gorai
Director (Finance)
(CMD Addl Chrg w.e.f. 01.07.2021 upto 07.09.2021)



Shri K V Bhasakara Reddy
Director (Prod. & Proj.)



Shri MV Subba Rao
Chairman-cum-Managing Director
(Upto 30.06.2021)

GOVT. NOMINEE DIRECTORS



Smt Sukriti Likhi
Addl. Secretary & Financial Advisor
Ministry of Steel (w.e.f. 23.04.2021)



Shri Devidatta Satapathy
Deputy Secretary,
Ministry of Steel (w.e.f. 30.04.2022)



Shri T Srinivas
Joint Secretary,
Ministry of Steel (Upto 28.02.2022)



Shri Shashank Priya
Financial Advisor (Addl. Charge)
Ministry of Steel (Upto 23.04.2021)

INDEPENDENT DIRECTORS



Shri Nirmalendu Mohapatra



Shri G Ramasamy



Shri Changdev S. Kamble
(w.e.f. 01.11.2021)



Dr. Usha Narayan
(w.e.f. 01.11.2021)








Shri Jagdish P Joshi
(Upto 13.12.2021)








Late Shri Ranjit Sreenivas
(Upto 19.12.2021)

BOARD SUB-COMMITTEES OF THE COMPANY





AUDIT

NAME OF DIRECTOR	DESIGNATION	COMMITTEE POSITION
Shri N. Mohapatra	Independent Director	
Shri G. Ramasamy	Independent Director	
Shri Changdev Sukhadev Kamble	Independent Director	
Shri K.V. Bhaskara Reddy	Director (Production & Projects)	
Shri S. K. Gorai	Director (Finance)	




CORPORATE SOCIAL RESPONSIBILITY

NAME OF DIRECTOR	DESIGNATION	COMMITTEE POSITION
Dr. Usha Narayan	Independent Director	
Shri N. Mohapatra	Independent Director	
Shri G Ramasamy	Independent Director	
Shri S. K. Gorai	Director (Finance)	
Shri K.V. Bhaskara Reddy	Director (Production & Projects)	








NOMINATION AND REMUNERATION

NAME OF DIRECTOR	DESIGNATION	COMMITTEE POSITION
Shri N. Mohapatra	Independent Director	
Shri Changdev Sukhadev Kamble	Independent Director	
Shri G. Ramasamy	Independent Director	
Shri T. Saminathan	Chairman-cum-Managing Director	







STAKEHOLDERS RELATIONSHIP

NAME OF DIRECTOR	DESIGNATION	COMMITTEE POSITION
Shri G. Ramasamy	Independent Director	
Dr. Usha Narayan	Independent Director	
Shri K.V. Bhaskara Reddy	Director (Production & Projects)	

RISK MANAGEMENT

NAME OF DIRECTOR	DESIGNATION	COMMITTEE POSITION
Shri G. Ramasamy	Independent Director	
Shri Changdev Sukhadev Kamble	Independent Director	
Dr. Usha Narayan	Independent Director	
Shri S. K. Gorai	Director (Finance)	
Shri T. Saminathan	Director (Commercial) Addl. Charge	
Shri K.V. Bhaskara Reddy	Director (Production & Projects)	
Shri Vasudha Chandra S	Ex-Officio Invitee	

INVESTMENT, PROJECT APPRAISAL & MONITORING

NAME OF DIRECTOR	DESIGNATION	COMMITTEE POSITION
Shri Changdev Sukhadev Kamble	Independent Director	
Shri N. Mohapatra	Independent Director	
Dr. Usha Narayan	Independent Director	
Shri S. K. Gorai	Director (Finance)	
Shri T. Saminathan	Director (Commercial) Addl. Charge	
Shri K.V. Bhaskara Reddy	Director (Production & Projects)	



Chairperson



Member



Permanent / Ex-Officio Invitee



CORPORATE INFORMATIONS

COMPANY SECRETARY

SHRI PUSHP KANT MISHRA

LISTED AT

NSE Exchange Plaza, C-1, Block G, BKC, Bandra (E) Mumbai - 400 051 Stock Code: KIOCL	BSE 25 th Floor, P.J. Towers, Dalal Street, Fort, Mumbai - 400 001 Scrip Code: 540680	MSEI Vibgyor Towers, 4 th Floor, Plot No.C 62, G-Block, BKC, Bandra (E), Mumbai - 400 098 Stock Code: KIOCL
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DEPOSITORIES

National Securities Depository Ltd.
Central Depository Services (India) Ltd.

REGISTRAR & TRANSFER AGENT

M/s Integrated Registry Management Services Pvt. Ltd.
30, Ramana Residency
4th Cross, Sampige Road,
Malleswaram, Bengaluru - 560 003
Tel No.: 080 2346 0815 - 818
Fax No.: 080 2346 0819
Email: irg@integratedindia.in

OUR BANKERS

IndusInd Bank	Union Bank of India
ICICI Bank Ltd.	State Bank of India
Canara Bank	HDFC Bank
Yes Bank Ltd.	

OUR CREDIT RATING AGENCY

ICRA Limited
3rd Floor, Electric Mansion,
Appasaheb Marathe Marg, Prabhadevi,
Mumbai - 400 025

Brickwork Ratings India Pvt. Ltd.
3rd Floor, Raj Alkaa Park, Kalena Agrahara,
Bannerghatta Road, Bengaluru - 560 076

OUR AUDITORS

STATUTORY AUDITOR	INTERNAL AUDITOR	COST AUDITOR	SECRETARIAL AUDITOR
M/s YCRJ & Associates Chartered Accountants, No.236, Pushpagiri Bhavan, 3 rd Floor, F Block, 14 th Main Sahakara Nagar, Bengaluru - 560 092	M/s Manohar Chowdhry & Associates, Chartered Accountants, #71, 2 nd Floor, 8 th Main, 2 nd Block, Jayanagar, Bengaluru - 560 011	M/s R.M. Bansal & Co. Cost Accountants, 80,1 st Floor, Central Complex, Subedar Chathram Road, Rajiv Gandhi Circle, Bengaluru - 560 020	Shri S. N. Mishra Practising Company Secretary, M/s SNM & Associates P.41, 9 th 'A' Main, LIC Colony, Jeevanbhimannagar, Bengaluru-560075

REGISTERED OFFICE

KIOCL LIMITED

II Block, Koramangala, Bengaluru - 560 034, Karnataka, India

Tel No.: 080 2553 1461- 466 | Fax: 080 2553 2153 - 5941

Website: www.kioclltd.in

CIN No. : L13100KA1976GOI002974



PERFORMANCE AT A GLANCE

Quantity in ' 000 Dry Metric Tonnes/ ₹in lakhs

Particulars	2021-22	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13
Production (quantity)										
a) Pellets	2030	2210	2375	2238	2327	1460	100	785	1710	1265
b) Pig Iron	-	-	-	-	-	-	-	-	-	-
Capacity Utilization (%)										
a) Pellets	58	63	68	64	66	42	3	22	49	36
b) Pig Iron	-	-	-	-	-	-	-	-	-	-
Sales (quantity)										
a) Pellets	2072	2311	2356	2206	2301	1387	409	680	1615	1236
b) Pig Iron	1	3	3	2	3	-	-	1	2	4
Total Sales (US \$ Million) *	399.65	317.44	265.71	261.06	241.07	128.68	29.82	102.57	-	-
Export Sales (US \$ Million)*	392.71	249.94	222.45	178.45	148.93	75.95	10.74	12.14	-	-
DTA Sales (US \$ Million) *	6.94	67.50	43.26	82.61	92.14	52.73	19.08	90.43	-	-
Total Sales (in ₹ Lakhs) **	298130	234735	188417	182877	157015	86753	19980	62884	153237	115912
Export Sales (in ₹ Lakhs)	292897	184606	157413	124698	99959	51751	7217	7391	-	-
DTA & Indigenous Sales (in ₹ Lakhs) **	5233	50129	31004	58179	57056	35002	12763	55493	153237	115912
Gross Margin from operation	37646	34727	(1845)	8610	(3483)	(9133)	(22358)	(11535)	(5037)	(6847)
Income earned from Deposits / Mutual Funds etc.	6566	9041	10923	11692	12503	14393	15618	17508	15663	14439
Profit on sale of assets	9	1	39	37	1454	64	24	63	4	7
Cash Profit	44221	43769	9117	20339	10474	5324	(6716)	6036	10630	7599
Depreciation & DRE	3118	2746	2749	1927	1865	2202	2251	3209	4232	4322
Profit before Prior period adjustment/ extraordinary items	41103	41023	6368	18412	8609	3122	(8967)	2827	6398	3277
Prior period adjustment/ extraordinary items	-	-	-	-	-	-	-	299	(258)	(43)
Profit before Tax (PBT)	41103	41023	6368	18412	8609	3122	(8967)	3126	6140	3234
Profit after Tax (PAT)	31341	30117	4348	11186	8148	4793	(8015)	3082	3994	3105
Dividend -to Government ***	10653	9871	4312	8194	6659	2324	-	628	816	628
- to others ***	104	96	42	78	67	24	-	6	8	6
- Dividend Tax	-	-	-	1700	1369	481	-	127	140	108
- % of Share Capital	17.70	16.40	7.00	13.30	10.60	3.70	-	1.00	1.30	1.00
Transfer to General Reserve	-	-	-	-	-	1964	(8015)	2321	3029	2362
Paid-up Capital	60775	60775	62193	62193	63451	63451	63451	63451	63451	63451
No of shipments (Despatch)	39	45	44	42	44	26	7	15	42	24
Value added	69071	66549	28605	37314	28403	18552	3431	23095	29987	23530
No. of employees	699	746	805	841	888	922	938	947	957	1251
Value added per employee	98.81	89.21	35.53	44.37	31.99	20.12	3.66	24.39	31.33	18.81
Value added per Rupee payment to employee	3.67	3.57	1.69	2.22	1.46	1.24	0.29	1.75	1.98	1.52

Pellets includes Pellet Fines

Pig Iron includes Auxiliary material

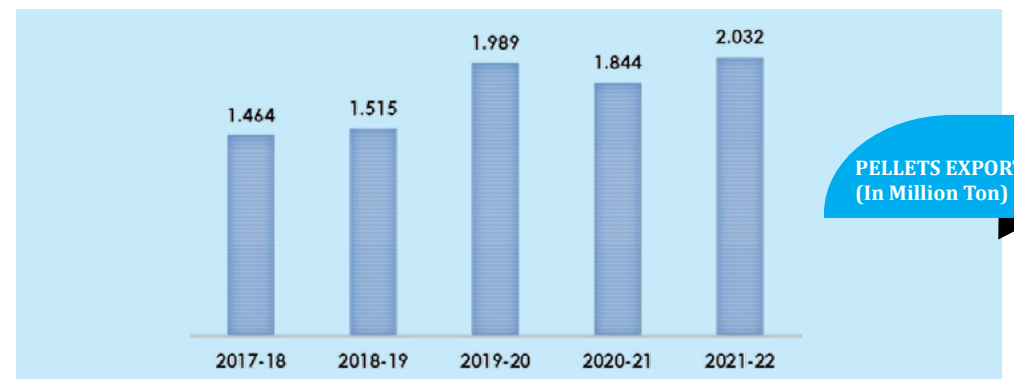
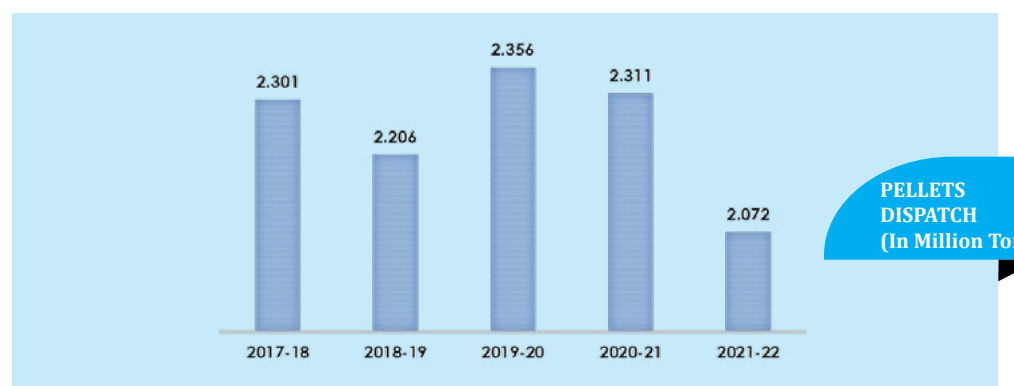
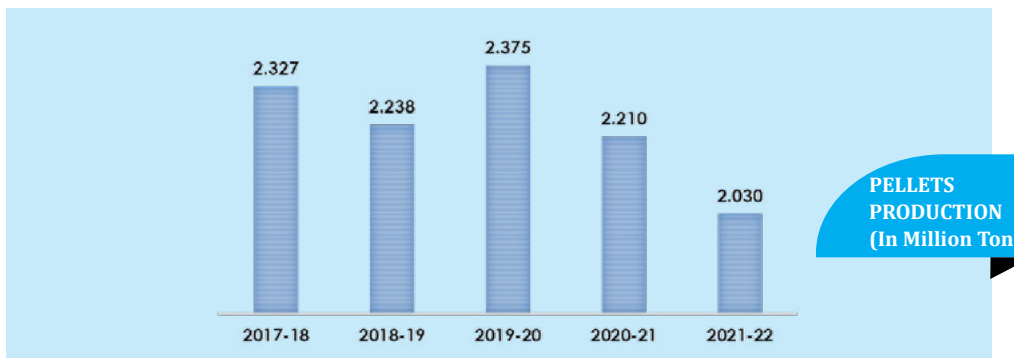
* Value in Foreign Exchange relates to Pellet plant (Export Oriented Unit)

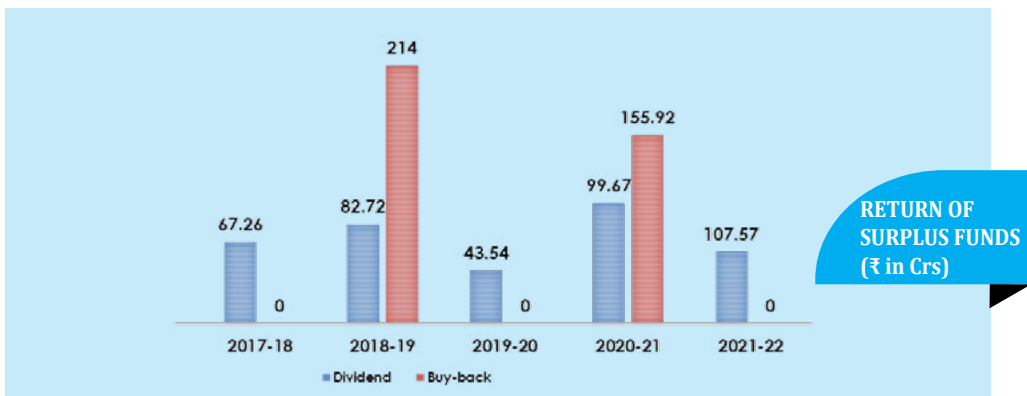
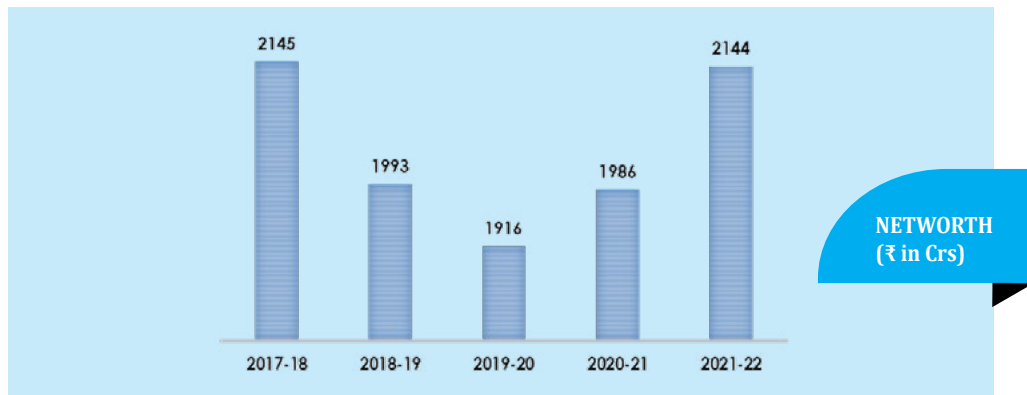
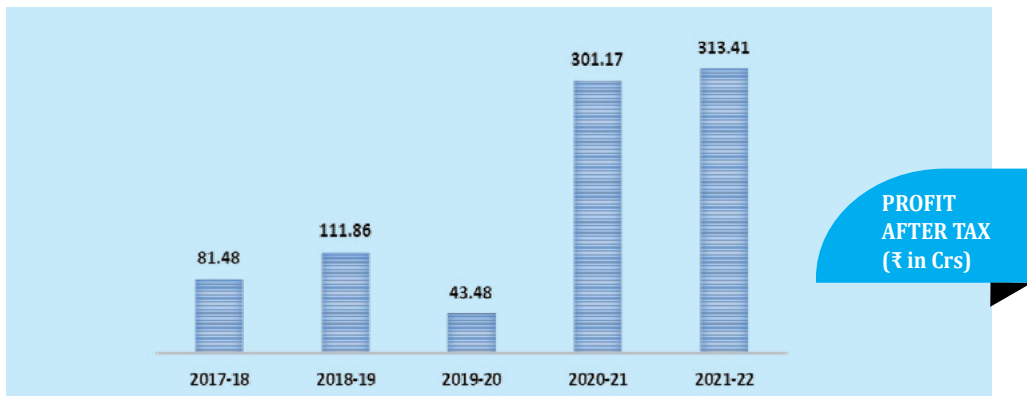
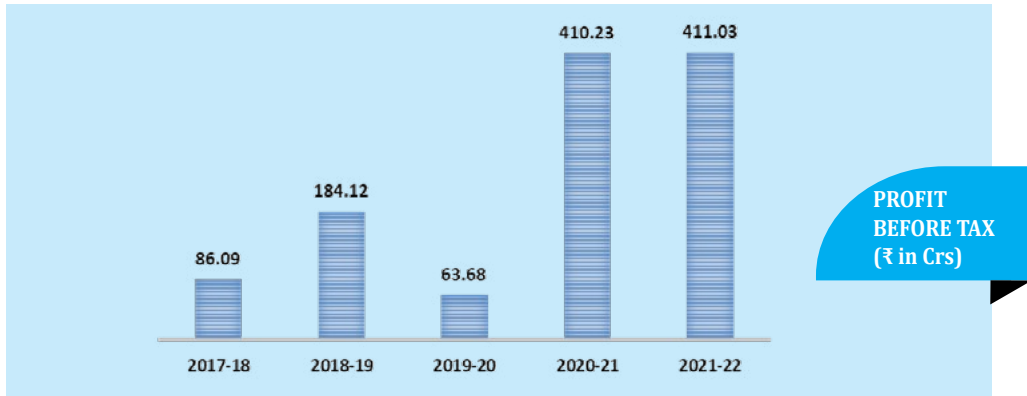
** Value in Rs lakhs include sale of Pig Iron in Indigenous market.

***Includes proposed final dividend.



PERFORMANCE HIGHLIGHTS





Chairman's communiqué



"Your Company continued to deliver promising financial performance thereby achieving total income of ₹ 3080.74 crores and PBT of ₹ 411.03 crores during the year"

Dear Stakeholders,

It is my privilege to write to you and present the Annual Report for FY 2021-22. I hope this letter finds you safe and in good health.

Continuing to Enhance Shareholder Value

It gives me immense pleasure and sense of pride in stating that, during the Financial Year 2021-22 your Company has performed exceptionally well despite uncertainty in international market for iron ore Pellets since outbreak of COVID-19 Pandemic as well as an intense competitive market. The performance is reflective of the hard work and perseverance of dedicated employees working relentlessly for your Company's success. Please join me in congratulating the leadership and employees of the Company for delivering an exceptionally successful Financial Year. Let me share the key performance highlights for the Financial Year 2021-22. During the year your Company had:

- Produced 2.030 million tons and dispatched 2.072 million tons of Pellet;
- Export sales of 2.032 million tonnes, highest post closure of captive mine;
- Dispatch of 3,79,150 MT, during March 22, post closure of captive mine;
- Earned revenue from operations of ₹ 3006.45 crores, highest since inception;
- Earned total Income of ₹ 3080.74 crores, highest since inception;
- Earned a PBT of ₹ 411.03 crores and PAT of ₹ 313.41 crores, highest post closure of captive mine;
- Earned a Net Foreign Exchange of ₹ 2809.50 crores; highest post closure of captive mine;
- Incurred a CAPEX of ₹ 290.45 crores, highest post closure of captive mine;
- Paid Interim Dividend of ₹ 59.56 crores for the FY 2021-22, i.e., 9.8% of the Paid-up Equity Share Capital;
- Proposed to pay a final dividend of ₹ 48.01 crores for the FY 2021-22 i.e., 7.9% on the Paid-up Equity Share Capital, subject to approval of shareholders;
- Contributed ₹ 10 crores to PM CARES FUND during the year to support and strengthen the hands of Government of India to combat the third wave to control COVID-19 Pandemic.

Future Outlook

The National Steel Policy, 2017 envisage 300 million tonnes of production capacity by 2030-31. The per capita consumption of steel has increased from 57.6 kgs to 74.1 kgs during the last five years. The government has fixed objective of increasing rural consumption of steel from the current 19.6 to 38 kg/per capita by 2030-31. The industry is witnessing consolidation of players, which has led to investment by entities from other sectors. The ongoing consolidation also presents an opportunity to global players to enter the Indian market. In October 2021, the Government of India announced guidelines for the approved specialty steel production-linked incentive (PLI) scheme and under the Union Budget 2022-23, ₹47 crore (US\$ 6.2 million) was allocated to Ministry of Steel. The government's thrust on infrastructure, coupled with an increase in demand from the construction, engineering, and other sectors, is expected to push up domestic steel consumption in 2022. Apart from the production and consumption equation of steel, supply chain performance and logistical arrangements are expected to play a crucial role in 2022 amid the ongoing pandemic and Russia Ukraine conflict. On the back of these factors, it is reported that India to grow at 8.3-8.8% during FY 2021-22, followed by equally strong growth of more than 7.5% and 6.5% in the next two fiscal years, respectively. This will likely mean that the baton for the fastest-growing emerging country will be passed on from China to India in the coming years.

However, Govt. of India vide customs notice no. 29/2022 - Customs dated 21.05.2022 imposed 45% Export Duty on Export of pellets, w.e.f., 22.05.2022. India's pellet export market has turned silent after the announcement of the steep export duty. In an indication of the sharp fall in the domestic steel raw materials market after the recent export duty revision, many buyers who had booked iron ore from different miners have slowed down lifting of material. In the domestic market also, most of the sellers and buyers across regions preferred to remain silent. They are eagerly looking for some relief from the government as submissions have been sent to the government. Market participants are still under pressure after the duty imposition.

As a result of levy of export duty, the sale of Iron Ore Pellets in Export Market and prevailing price in Domestic Market has fallen below the viability level, so much so that it is not covering even the Iron Ore Fines landed cost at Pellet Plant at Mangalore. Consequently, the Company's Pellet Plant has been put under temporary shutdown with effect from 05.06.2022 due to non-viability. The Company has taken up with Ministry for waiver of export duty, since KIOCL is an Export Oriented Unit (EoU).

Way forward - Creating KIOCL of tomorrow

For a sustainable future, your Company is continuously working on various long term / short term expansion / diversifications projects, which are at different stages of implementations / approvals from different regulatory authorities at the level of State Government and Central Government.

Corporate Social Responsibility - Growth with Goodness

Your Company continued its comprehensive and need based support to the communities in and around its projects area. In its commitment to the underprivileged communities, the Company carried out various CSR activities during the year to have an impactful social development. Your Company also contributed to the PM CARES FUND.

Corporate Governance

The philosophy of your Company in relation to corporate governance is to ensure transparency, disclosures and reporting that confirms fully with the laws and regulations of the country in order to promote ethical conduct & practices throughout the organisation for enhancing stakeholders' value. Your Company is committed to complying with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to Corporate Governance and the guidelines on Corporate Governance for Central Public Sector Enterprises issued by Department of Public Enterprises, Government of India from time to time.

Acknowledgements

I take this opportunity to thank the Board Members and particularly distinguished Govt. Nominee Directors, Independent Directors for their continued leadership support to the Company and its employees. I also thank employees of Company without whose efforts and commitment, the Company could not have performed so well in the current challenging conditions. I would also like to deeply thank and acknowledge the continued co-operation, trust and support of Ministry of Steel, Central and State Governments / Regulatory authorities, Company's valued customers, suppliers, vendors, investors, bankers and shareholders.

Warm Regards.

Sd/-

T. Saminathan

Chairman-cum-Managing Director

BOARD'S REPORT

Dear Shareholders,

It gives me great pleasure to present, on behalf of the Board of Directors of your Company, the 46th Annual Report on the business and operations of your Company ("the Company" or "KIOCL") and its Audited Financial Statements for the financial year ended March 31, 2022 (FY'22), together with the Auditors' Report and Comments on the Accounts by the Comptroller and Auditor General (CAG) of India.

FINANCIAL RESULTS AND STATE OF COMPANY'S AFFAIRS

(₹ in crores, Except EPS & Book Value)

Particulars	FY 2022	FY 2021
Total Income	3080.74	2477.78
Revenue from Operations	3006.45	2376.44
Other Income	74.29	101.34
Earnings Before Interest and Tax (EBIT)	423.24	425.09
Profit Before Tax (PBT)	411.03	410.23
Tax Expense (including deferred taxes)	97.62	109.06
Profit After Tax (PAT)	313.41	301.17
Add: Other Comprehensive Income (Net of Tax)	3.47	1.37
Total Comprehensive Income	316.88	302.54
EPS (Basic & Diluted)	5.16	4.87
Average Net Worth	2064.81	1950.96
Average Capital Employed	2270.62	2152.16
Book Value per Share	35.27	32.68
Return (EBDITA) on average Capital Employed (%)	20.01	21.03
Return on Average Net Worth (%)	15.18	15.44
Capital expenditure	290.45	41.05
Contribution to Exchequer: -		
Central	167.97	147.97
State	3.06	2.00

Despite the challenges posed by the COVID-19 pandemic, your Company's production during the year was 2.030 Million Tonnes (Mt) and dispatch was 2.072 Million Tonnes (against FY'21 production and dispatch of 2.210 Mt and 2.311 Mt respectively).

Impact of COVID-19 Pandemic

Since the outbreak of COVID-19 Pandemic, International market for iron ore Pellet was under severe pressure as manufacturing and economic activities across the globe were affected. Further, due to outbreak of 2nd and 3rd wave of COVID-19 pandemic in India, movement of raw material was affected. KIOCL being a shore-based pellet plant, could continue its sales activities without much hindrance and service the contracts. Due to outbreak of pandemic in India during the FY 2021-22, lockdown was imposed across the countries and quarantine measures were introduced for Indian Vessels in China. Further, several international traders were not showing interest in Indian Pellet cargoes due to quarantine restrictions. However, your Company could overcome the challenges posed by pandemic, by making specific agreements with its customers. During the period, your Company faced two-fold responsibility of uninterrupted operations of plant and protecting the health and safety of its employees. The Company responded with a mix of cautious engagement, social distancing, virtual engagement and 100% vaccination of the employees including contractual workers and their dependents.

While the country was on track to a healthy recovery from the strict lockdown during 2020, India's economy got another shock from a more severe second wave in April-June 2021, which caused output across all sectors to fall. However, the economic impact of the third wave was much less severe compared with the 1st and 2nd wave, due to more localized lockdowns. Since July, a healthy recovery has resumed for all sectors. As a result, India's steel demand suffered only a minor downward revision and showed a strong recovery in 2021.



Hon'ble Minister of Steel reviewed Company's performance on 19/02/2022 at Mangalore



Hon'ble Minister of Steel reviewed Company's performance on 19/02/2022 at Mangalore

Impact of Russia-Ukraine War

The Indian Pellet Export market has seen a significant shift during the end of FY 22 after global tensions erupted due to Russia-Ukraine War. Seaborne Indian Pellet Market to China was almost silent and with better price realisations in Europe, Indian Producers were not actively chasing the Chinese market. There was demand gap between China and Europe and the price difference was very wide but Chinese buyers were not willing to pay such prices. However, quality was the main concern in Europe and low Fe content and high alumina pellets were facing some head winds in Europe.

Revenue

During the year, your Company earned a Revenue from Operations of ₹ 3006.45 crores as compared to ₹ 2376.44 crores in the previous year, with a growth of 26.51%. Revenue from export sales increased by 58.66% to ₹2928.97 crores as compared to the previous Financial Year figure of ₹1846.06 crores. Your Company achieved export sales of 2.032 million tonnes of Pellets, which is highest since closure of captive mine at Kudremukh, against previous years export of 1.844 million tonnes. Your Company achieved 97.42% of total revenue from operations through export. Income from Sale of Services (O&M Operations and Mineral Exploration Services) during the year was ₹24.91 crores against ₹14.01 crores of previous year. Other Income comprising of Income from Treasury Operation and other Miscellaneous Income has decreased to ₹ 74.29 crores from ₹101.34 crores, mainly due to payment of final dividend and interim dividend of approx. ₹ 159.23 crores during the FY 2021-22 and payment of ₹ 174.14 crores towards statutory dues to Govt. of Karnataka for Stage-I forest clearance of Devadari Iron Ore Mine.

Profits

Your Company continued to deliver promising financial performance and had earned a Profit Before Tax of ₹ 411.03 crores against a Profit Before Tax of ₹410.23 crores in the previous year, an increase of 0.19%. Your Company had

earned a Profit After Tax of ₹ 313.41 crores during the year as compared to ₹301.17 crores during previous year, an increase of 4.06%.

DIVIDEND AND APPROPRIATIONS

Your Company being a CPSE, pays dividend in compliance with DIPAM guidelines issued from time to time by Ministry of Finance and Board approved Dividend Distribution Policy in terms of the Regulation 43A of SEBI (LODR) Regulations, 2015 which is available at weblink <https://kioclltd.in/table.php?id=282>.

Interim Dividend

During the year the Board of Directors of the Company at its Meeting held on 12/11/2021 declared an interim dividend of ₹ 0.98/- per equity share of face value of ₹ 10/- each for the FY 2021-22 (9.8% on the paid-up equity share Capital). The Interim Dividend amounting to ₹ 59.56 crores was disbursed to all the shareholders of the Company on 07/12/2021.

Final Dividend

Your Directors have recommended a final dividend of ₹ 0.79 per equity share of face value of ₹10/- each for the FY 22 (7.9% on the Paid-up Share Capital), subject to the approval of Members at the ensuing AGM to be held on 17/09/2022.



Secretary (Steel) reviewed Company's performance on 18/03/2022 at Mangalore

The total dividend pay-out for FY 2021-22 will thus amount to ₹ 107.57 crores (inclusive of TDS) i.e., ₹ 1.77 per equity share of face value of ₹10/- each for FY 22 (17.7% on the paid-up equity share capital) against ₹1.64/- per equity shares during the previous year. The total outflow towards dividend payment would be ₹107.57 crores against previous years dividend cash outflow of ₹ 99.67 crores. The total dividend pay-out for the FY 22 represents 34.32% of the profit after tax and 5.01% of Net Worth. The Dividend history of last 6 years including the current FY is as: -

(Excluding DDT)

Years	Rate (%)	Per Share (₹)	Amount (₹ in crs)
2016-17			
Interim	1.1	0.11	6.98
Final	2.6	0.26	16.50
2017-18			
Interim	2.7	0.27	17.13
Final	7.9	0.79	50.13
2018-19			
Final	13.3	1.33	82.72
2019-20			
Final	7.0	0.70	43.54
2020-21			
Final	16.4	1.64	99.67
2021-22			
Interim	9.8	0.98	59.56
Final (Proposed)	7.9	0.79	48.01

The Company remits payment of dividend in the registered banking details as available in the records of members / beneficial holders through ECS / NEFT. In case of non-availability of bank account number, shareholders concerned are requested to submit cancelled cheque along with copy of identification proof for remittance of dividend.

Liquidity

Your Company maintains sufficient cash to meet its strategic and operational requirements. As on March 31, 2022, the Company had a net cash and cash equivalent balance of ₹1107.58 crores as against ₹1422.04 crores as on 31/03/2021.

Capital Expenditure (CAPEX)

During the year, the total CAPEX was ₹ 290.45 crores, which was 44.44% of the Budget Estimate (BE) of ₹ 653.60 crores. The shortfall was mainly on account of Forward and Backward integration project of Blast Furnace Unit not taking off as the Public Procurement Policy for domestic tendering for less than ₹200 crores entailed re-tendering of the same; delayed finalization of Pressure Filters project for Pellet Plant Unit and pending stage-II forest clearance for Devadari Iron Ore Mine.

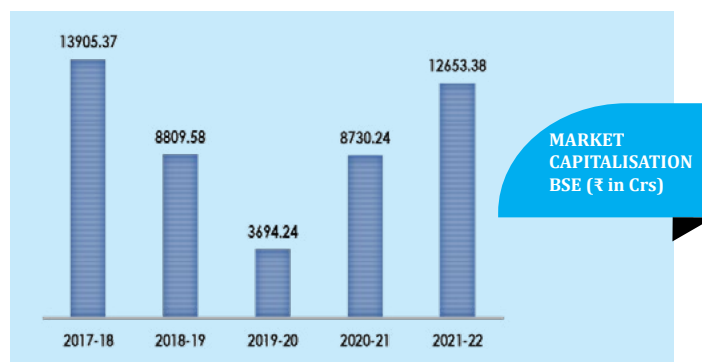
Credit Rating

During the year, your Company's credit worthiness for availing Bank Facilities were evaluated by ICRA Limited and Brickwork Ratings India Pvt Ltd as under: -

Name of Agency	Facilities	Amount (₹ in crores)	Rating	Remarks
ICRA Limited	Line of Credit (LOC)	1050	Long-term rating at [ICRA] AA- (Pronounced ICRA double A minus). Short-term rating at [ICRA] A1+ (Pronounced ICRA A1+).	The rating of [ICRA] AA- is one notch lower than [ICRA] AA. The rating of [ICRA] A1+ is one notch higher than [ICRA] A1.
M/s Brickwork Ratings India Pvt Ltd	Line of Credit (LOC)	1050	Long-term rating at [BWR] AA- (Pronounced BWR double A minus). Short-term rating at [BWR] A1+ (Pronounced BWR A1+).	The rating of [BWR] AA- is one notch lower than [BWR] AA. The rating of [BWR] A1+ is one notch higher than [BWR] A1.

Market Capitalization - Top 500 Companies

Your Company had been included amongst the top 500 listed Companies as per Market Capitalization on NSE and BSE and stands at No. 286 and 289 with Market Capitalisation of ₹ 12683.77 crores and ₹ 12653.38 crores, respectively.



MoU Performance

Performance of your Company in terms of the Memorandum of Understanding (MoU) with the Ministry of Steel, Government of India for the Financial Year 2020-21 was rated as "Very Good". The MoU evaluation for the Financial Year 2021-22 is under finalisation and is expected to achieve a "Very Good" rating.



Add. Secretary & Financial Advisor, MoS, inspected Pellet Stack area during her visit to Pellet Plant

Risk Management

Pursuant to the requirement of Regulation 21 of the Listing Regulations, the Company had constituted a Board level Risk Management Committee w.e.f. 26/03/2019 and has a robust Risk Management Policy framework to identify, evaluate and prevent / reduce impacts of the risks on Company's Business. Risk preventive work culture with strength to mitigate / reduce the risks impacts are developed within the organisation to enhance Company's performance. The details of Committee and its terms of reference are set out in the Corporate Governance Report. In line with Risk Management Policy, your Company have an established procedure to proactively identify, analyse and mitigate risks.



Particulars of Loans, Guarantees or Investments

There was no loan, guarantee or investment u/s 186 of the Companies Act, 2013.

Related Party Transactions (RPTs)

No transaction entered into with Related Parties as defined under the Section 188 of Companies Act, 2013 read with Regulation 34(3) and Para A of Schedule V of the SEBI (LODR) Regulations, 2015, as such annexure AOC-2 is not furnished. The Board approved Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions is available on the Company's Website.

Material Changes and Commitments, if any, affecting Financial Position

There was no material change / commitment occurred affecting the financial position of the Company subsequent to the financial year ended March 31, 2022 till the date of this report and there was no change in the nature of business.

However, Department of Revenue, Ministry of Finance vide its notification no. 29/2022-Customs dated 21st May 2022 levied export duty at the rate of 45% on iron ore Pellets w.e.f., 22.05.2022. As a result of which, the sale of Iron Ore Pellets in Export Market and prevailing price in Domestic Market has fallen below the viability level so much so that it is not covering even the Iron Ore Fines landed cost at Pellet Plant at Mangalore. Consequently, the Company's Pellet Plant has been under temporary shutdown with effect from 05.06.2022 due to non-viability. The Company has taken up with Ministry for waiver of export duty, since KIOCL is an Export Oriented Unit (EoU).

Management Discussion and Analysis Report

The Management's discussion and analysis report is set out in this Annual Report in terms of the provisions of Regulation 34(2)(e) of the SEBI (LODR) Regulations, 2015.

Business Responsibility Report (BRR)

Your Company continued to be in top 500 listed companies in term of market capitalization. Accordingly, in compliance with the Regulation 34(2)(f) of SEBI (LODR) Regulations, 2015, BRR disclosures have been integrated in the Annual Report.

BUSINESS AND OPERATIONAL REVIEW

Pellet Plant Unit

Your Company produced 2.030 million tons of Pellets during the year 2021-22 as compared to 2.210 million tons in the previous year and sold 2.072 million tons of Pellets as against 2.311 million tons in the previous year, against a MoU target of 2.800. Out of the total quantity sold, exported quantity was 2.032 million tons which was about 98% of the total sales, which is the highest since closure of captive mines at Kudremukh and balance 0.04 million tons was sold to domestic customers.



Hon'ble Minister Shri RCP Singh visited Pellet Plant facilities at Mangalore

Blast Furnace Unit

The Blast Furnace Unit (BFU) remained under suspension due to uneconomic price of Pig Iron and high Coke Price since August 2009. Your Company is in the process of implementing the backward integration of BFU (Coke Oven) to make its operations economically viable.

A snapshot of production target vis-a-vis actual achievement with capacity utilization and sales performance during last five years including current year are depicted at Table 1 & 2.

Table 1: Capacity Utilisation

(Qty. In Million Tons)

Year	MOU Target	Actual Production	Capacity utilisation (%)
2021-22	2.800	2.030	58
2020-21	2.500	2.210	63
2019-20	2.300	2.375	68
2018-19	2.170	2.238	64
2017-18	1.925	2.327	66



(Installed capacity of Pellet Plant is 3.500 million tons / annum).



Pellet loading at NMPA Berth at Mangalore

Table 2: Sales Performance

(Qty: in Million Tons, Value: ₹ In Crs.)

Year	Pellets		Pig Iron		Total	
	Qty	Value	Qty	Value	Qty	Value
2021-22	2.072	2980.15	0.001	1.15	2.073	2981.30
2020-21	2.311	2343.80	0.003	3.55	2.314	2347.35
2019-20	2.356	1878.97	0.003	5.20	2.359	1884.17
2018-19	2.206	1,825.97	0.002	2.80	2.208	1,828.77
2017-18	2.301	1,553.09	0.003	0.40	2.304	1,553.49

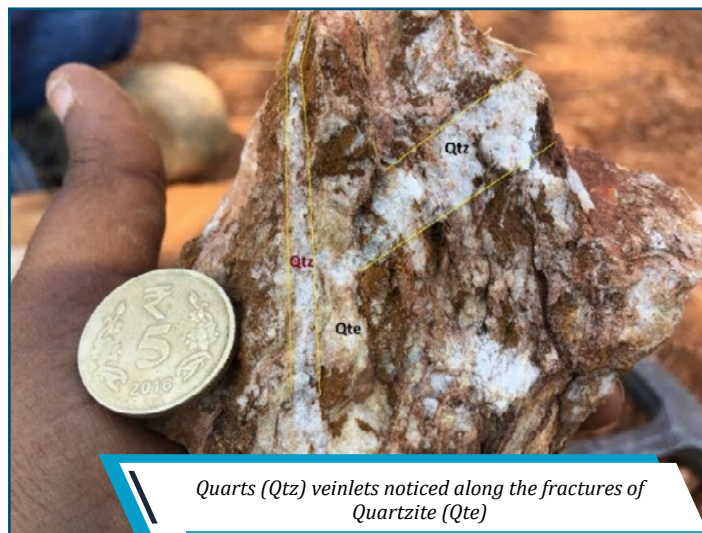


(Note: Pig Iron includes Auxiliary)

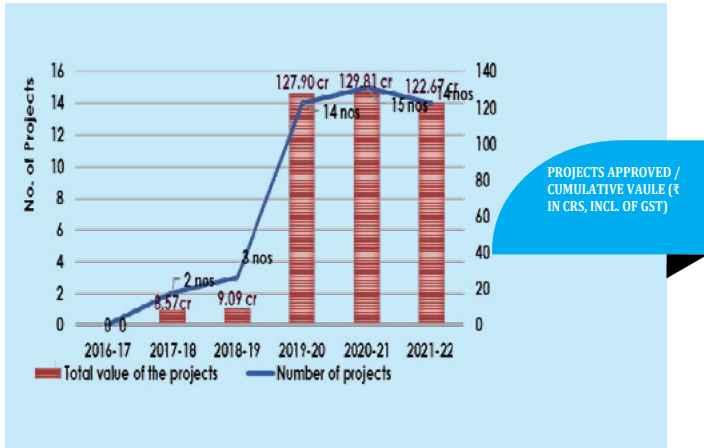
Mineral Exploration Works

Performance highlights of Mineral Exploration Works during the Year was as under: -

- Entered into regime of carrying out Mineral Exploration works of base metals by securing 2 base metal projects from NMET, Ministry of Mines, Govt of India.
- Received sanction orders for carrying out G4 level of Exploration works for base metals in Anaji Basemetal Block in Davangere and Bellary Districts and Obalapura Basemetal Block in Chitradurga District of Karnataka with a project approved cost of ₹ 3.06 crores (including GST). Projects are planned for execution during the Financial Year 2022-23.
- 14 numbers of Projects with cumulative project cost of ₹122.68 crores (including GST) were handled, including Detailed Geological Mapping works at Devadari Iron Ore Block (captive mine). However, the Project Cost for works in captive mine are not included in the above annual projections.

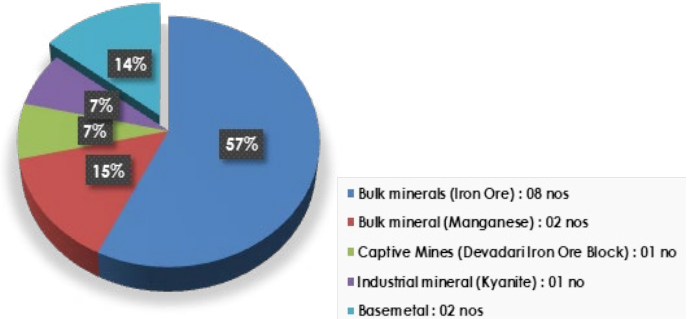


Quartz (Qtz) veinlets noticed along the fractures of Quartzite (Qte)

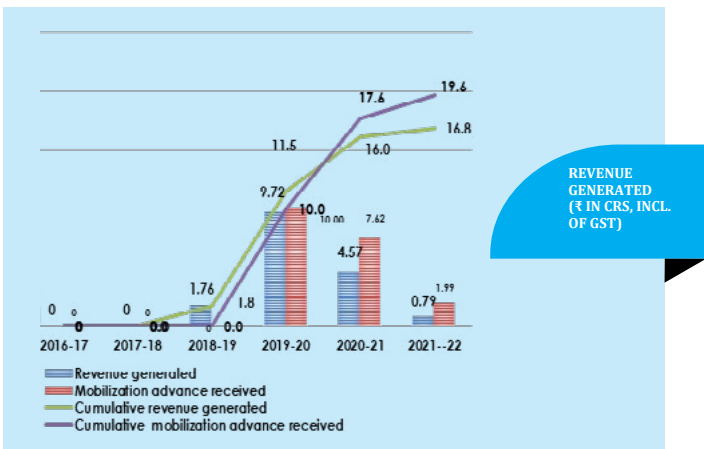


Mineral Exploration Laboratory established at BFU, Mangalore acquired NABL (National Accreditation Board for Testing and Calibration Laboratories) certification in accordance with ISO/IEC 17025 on 13.04.2022.

COMMODITY WISE PROJECTS BEING HANDLED



➤ Total revenue of ₹ 67,55,303 and interest free advance amount (mobilization amount) of ₹ 1,99,10,344/- (including GST) were received.



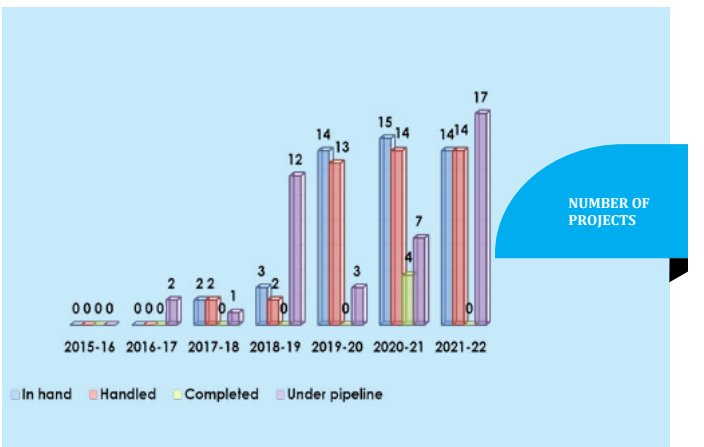
Operation and Maintenance Portal - M/s. OMC at South Kaliapani, Odisha: -

KIOCL has taken up the project of completing the balance works of COBP 2, OMC at South Kaliapani through a Mutual contract agreement. The work involves erection, commissioning and handover the chrome ore beneficiation plant of OMC, which also includes procurement of required equipment, components on cost plus basis. The total project cost is estimated around 27 crores. The work is increased by 40% of initial estimate. All equipment erection jobs are completed. The plant is expected to be commissioned by end Sept. 2022.

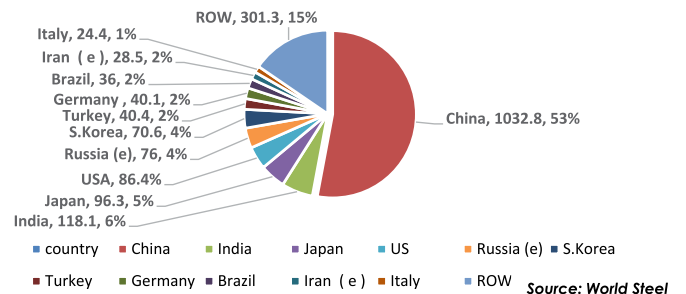
MARKET SCENARIO

Global crude steel production reached 1,950.5 Mt. in 2021, a 3.78% increase compared to 1,880.40 Mt. in 2020. China's crude steel production in 2021 reached 1032.8 Mt, down by 3.0% on 2020 at 1064.7 Mt. China's share of global crude steel production decreased from 56.50% in 2020 to 52.95% in 2021. India's crude steel production for 2021 was 118.10 Mt, up by 17.80% on 2020 at 100.30 Mt. India remained as the second largest steel producer in the world. Japan produced 96.30 Mt in 2021, up by 15.80% on 2020. The United States produced 86.0 Mt in 2021, up by 18.30% on 2020. Japan and United States remained at third and fourth largest steel producers in the world during 2021.

➤ Continual efforts are in place for securing additional ME works. 17 potential areas in the State of Karnataka for bulk and base metals are identified for future ME works through GoK and NMET funding.



WORLD CRUDE STEEL PRODUCTION 2021-1,950.50 Million Tons





DIVERSIFICATION OF EXPORT MARKET

Your Company had continued efforts to develop non-Chinese Market and during the year under review about 58 % of the total exports made were to markets other than China vis-à-vis 56% during the previous year. Pellets were sold to the non-Chinese steel Mills in Oman, Brazil, Malaysia, Bahrain, South Korea, Indonesia, Austria, Finland, Romania and Poland.

CAPEX AND GROWTH PLAN

For long term sustainability / viability of your Company in the competitive market environment and forward consistent steady growth, your Board made the following efforts:

Statutory clearances for Commencement and Development of Devadari Mine

Company had initiated actions for obtaining statutory clearances like Mining Plan approval, Environment Clearance, Forest Clearance and Consent for Establishment (CFE) from regulatory bodies for execution of mining lease deed for the reserved area of 470.40 ha in Devadari Range, Sandur Taluk, Bellary District.



Aerial view of Devadari Iron Ore Mine at Sandur Taluk, Bellary District

On obtaining Stage-I Forest clearance, as per additional details sought by EAC, the EC proposal was presented in 33rd EAC meeting held on 13.07.2021 and EAC recommended the EC proposal for Devadari mine vide Minutes of meeting issued on 27.07.2021.

MoEF&CC, GoI vide letter dated 13.08.2021 accorded Environmental Clearance for Devadari Iron Ore Mine with a mine capacity of 2 MTPA Iron ore (ROM) and 500TPA manganese ore with 2 MTPA wet Beneficiation plant.

On obtaining Environmental Clearance, Company submitted online application for CFE (Air / Water) on 20.12.2021 through KSPCB portal. Regional Office, Ballari made inspection on 08.02.2022 and submitted the inspection report to KSPCB, Bengaluru for recommendations of Senior Environment Officer (SEO). MoEF&CC, GoI accorded In-Principle approval of Stage-I forest clearance for Devadari Mine project on 24.06.2021 with standard/specific conditions.

As a compliance, on receipt of demand notice from the Dy. Conservator of Forest, Ballari, the Company paid ₹174.14 Crores to "Karnataka CAMPA" account on 29.10.2021 towards payment of NPV, Compensatory afforestation charges for double the degraded forest land, safety zone plantation charges, Fencing of Safety zone charges and afforestation charges 1.5 times of safety zone. For compliance to phase-I, FC conditions, Company has obtained Catchment Area Treatment plan approval, Wildlife management Plan approval from state forest department, Form II under FRA, 2006 was issued by DC, Ballari. Company submitted condition-wise compliance report of Stage-I FC conditions to DCF, Ballari on 15.03.2022 for obtaining Stage-II forest clearance. Currently, the compliance report of Stage-I FC conditions is under process with State Govt.

On obtaining FC Stage-II from MoEF&CC, GoI, Mining lease deed will be executed with the Government of Karnataka for commencement of mine development and setting up of infrastructure. Mining lease deed registration is expected to complete by the end of August 2022.

Setting up of Coke Oven and DISP projects of BFU

KIOCL Limited has planned to re-activate the existing Blast Furnace of 350 cu m capacity by suitable upgradation and simultaneously go for forward and backward integration of the plant by expanding its activities towards manufacturing of Ductile Iron Spun pipes. In line with this, KIOCL had envisaged for setting up of 1.8 Lakh TPA capacity of Coke Oven plant with waste recovery Power Generation Plant under back ward integration and 2.0 Lakh TPA capacity Ductile Iron Spun pipe (DISP) project under forward integration projects of existing Blast Furnace Unit of KIOCL Ltd, Mangaluru. KIOCL's Board and PIB has approved the project with total capital outlay of ₹ 836.90 Crores. MoEF & CC has granted environment clearance (EC) and KSPCB has accorded Consent for Expansion (CFE) in June 2021 which is valid up to June 2026.



Contract agreement with M/s Tauman Engineering Limited for setting-up of Coke Oven Plant at BFU

M/s MECON has been appointed as EPCM Consultant for the project. Main technological packages envisaged are NRHR type Coke Oven Plant, Waste heat recovery Power Plant, DISP Plant, Pulverised Coal Injection plant (PCI), Oxygen and Nitrogen plants. Captive coke oven and PCI system will reduce the input raw material cost of Blast furnace operation.



Hon'ble Steel Minister, Shri RCP Singh laid the foundation stone for Coke Oven Plant at BFU on 20.02.2022

Due to COVID-19 pandemic and change in GFR Rules of GoI under the 'Atmanirbhar Bharat', tender's finalisation for various packages is getting delayed especially for the DISP & PCI Packages. Further, as per the revised Public Procurement Policy of Govt. of India, foreign companies sharing border with India require mandatory registration at DPIIT, GoI for participation in the tender. Site Levelling and retaining wall jobs are completed. Contract for setting up of 1.8 LTPA capacity Non-Recovery Coke Oven Plant project has been awarded. Civil and piling jobs are under progress at site for Coke Oven Plant. The other main technological packages viz captive power plant, PCI, DISP, Oxygen & Nitrogen Plants, BFU upgradation etc are under tendering stage. Finalization of tender for placement of order delayed due to COVID-19 pandemic.

5 MW Solar Power Plant at Tumkur Dist. Karnataka

KIOCL has set up a 5 MWac (6.5 MWp) Solar Power Plant at Katrikehal village in Chikkanayakanhalli Taluk, Tumkuru District in order to fulfil the Government's commitment to develop Renewable Energy Projects, support the GoI's National Solar Mission and meet the partial power requirements at Mangalore Unit. The Project was commissioned in the year 2021-22 and total 77,17,200 kWh energy units were generated during the year and was wheeled to Pellet Plant Unit for captive consumption resulting into total savings of ₹ 4.94 Crores.



View of Solar Power Panels at Katrikehal village in Chikkanayakanhalli

MODERNIZATION OF PELLETT PLANT UNIT

Installation of Vertical Pressure Filters

The existing vacuum disc filters at Pellet Plant are not suitable to filter the iron ore having high alumina content and slimy in nature. Accordingly, the Board approved the project in its 257th Meeting held on 26/03/2019 with the estimated cost of ₹ 158.60 crores. The Company is installing vertical pressure filter equipment to have flexibility to utilize ore received from any part of the country at a competitive price. Company appointed M/s MECON as consultant for installation of vertical pressure filters.



View of equipment erection for VPF project at PPU site

Purchase Order was placed on M/s METSO for procuring main equipment and major portion of the equipment is received at site. Auxiliary equipment and Electrical equipment are being procured. Civil and Structural jobs are at the verge of completion. Erection of the main equipment is under progress. The total savings in production cost by installation of vertical pressure filters is expected to be ₹ 45.3 crores per annum and it would enable the plant to improve capacity utilization with flexibility in using various types of ores.

INFORMATION TECHNOLOGY FOR DIGITAL TRANSFORMATION

Single Integrated Information System / ERP

M/s Tech Mahindra Limited is engaged as System Integrator (SI) for end-to-end implementation of ERP solution i.e., SAP S/4 HANA on (IaaS) Cloud as ‘Ctrl-S’ being the MeitY empanelled Cloud Service Provider. The Design and Development work i.e., realisation phase is completed and the project is in the testing phase. The project is expected to Go-Live in the month of September, 2022.

Upgradation of Networking System

Upgradation of existing network with managed L2 and L3 core managed switches with OFC and copper cables with managed network architecture with NMS server having Active Directory (AD) and Authentication, Authorisation and Accounting (AAA) software for central management admin console to monitor the data traffic is completed.

HUMAN RESOURCE MANAGEMENT & INDUSTRIAL RELATIONS

Human Assets

Total number of employees on the rolls of the Company as on 31.03.2022 is 699 consisting of 201 Executives, 37 Supervisors and 461 Non executives.

Table: 3 Breakup of employees on rolls as on March 31, 2022

Group	Total No. of employees	SC	ST	Ex-Servicemen	PWD	No of women employees
A	201	38	15	--	4	12
B	37	5	2	--	3	7
C	433	63	27	--	1	3
D&D(S)	28	4	4	--	3	1
Total	699	110	48	--	11	23

Persons with Disabilities Act, 1995

Your Company ensures compliance under Persons with Disabilities act, 1995. Suitable provisions / modifications are made in the work place to meet the requirements of persons with disability.

Prevention of Sexual Harassment of Women at Workplace

Your Company has duly constituted an Internal Complaint Committees (ICC) to redress Sexual Harassment Complaints. No complaint was filed during the year under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Further, the Internal Complaint Committee is also imparting training about Sexual Harassment Act to all male and female employees of the Company.

Women in the Workforce and their Empowerment

KIOCL is a Corporate Life Member of the Forum of Women in Public Sector (WIPS) a body functioning under Aegis of Standing Conference of Public Enterprises (SCOPE). Women employees are life members of the Forum. Conducting several constructive programmes for the betterment of Women. Several training sessions on empowerment of Women have been conducted for enlightening women and for the contract workers.



Women’s Day Celebration at Mangalore

Industrial Relations and Employees Welfare

Your Company continued to maintain harmonious industrial relations, co-operation between the elected representative bodies of employees and management.



Dakshina Kannada MP, Shri Nalin Kumar Kateel distributed Atal Pension Yojana certificates to beneficiaries



Recruitment & Superannuation

During the year: -

- Company recruited ten (10) Graduate Engineer Trainee in group 'A';
- Forty-eight (48) employees superannuated on attaining the age of superannuation.
- No employee was released under VRS scheme.

Human Resource Development

Various activities were carried out during the year for Human Resource Development. Assessment study of People Capability Maturity Model (PCMM) was undertaken and Company achieved level 2 of PCMM. This study was carried out through external agency M/s. QAI India Limited. Promotions for Executives and Non-executives were held and orders were issued on time as per Promotion Policy. Various Training programs including in-house training programs, nominations for external seminars, conferences, participation in training programs organized by DPE etc., were carried out to enhance the skillsets of employees.

During the year 3675 number of man-days training was imparted to the employees. Further, to enhance the employability skills of students, training program was conducted for students in the Company and around 35 number of students were trained on employability enhancement training program through an external agency. The Company has provided various amenities to its employees, such as well-planned Township, First Aid Centre, Ambulance, Recreation centre, Sports events, Canteen, Parks, Auditorium, IT infrastructure to conduct various virtual, Meeting, Training etc. To combat COVID-19, the Company arranged thermal scanners while entering the office premises, vaccination was arranged for all employees and their family members including Contract labours. 100% vaccination drive was achieved to prevent COVID-19. As a preventive measure Company issued Face mask, Hand Sanitizers etc. to employees.

Status of Applications filed under Trade Marks Act, 1999

In pursuance to the Trade Marks Act, 1999, your Company had filed four applications during the year 2018. Two applications were filed under Class 16 (Device Mark – Kudremukh - Paper, Cardboard & Goods Made from These Materials, Not Included in Other Classes; Printed Matter; Bookbinding Material; Photographs; Stationery; Adhesives For Stationery or Household Purposes; Artists Materials; Paint Brushes; Typewriters and Office Requisites (Except Furniture); Instructional And Teaching Material (Except Apparatus); Plastic Materials For Packaging (Not Included In Other Classes); Printers Type; Printing Blocks) and two application each under Class 35 (Device Mark - Advertising, Business Management, Business Administration, Office Functions) and Class 6 (Device Mark - Iron Oxide Pellet, Pig Iron Ore Concentrate) of the Act during the year 2013. Registration certificates under two applications filed under class 16 were registered during the year 2018 whereas for applications under Class 35 and Class 6 hearing is awaited.

Particulars of Employees

Ministry of Corporate Affairs vide its notification dated June 5, 2015 exempted Government Company with the applicability of Section 197 of the Companies Act, 2013. However, the remuneration received by the employees of the Company, had not exceeded the limit prescribed under Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during the Financial Year 2021-22.

Public/Staff Grievance Redressal

Your Company has framed a well-defined grievance procedure, evolved under the 'Code of Discipline'. Staff Grievances received are redressed to the satisfaction of the aggrieved. With respect to public grievance, as and when any complaints are received, necessary remedial action is taken promptly. Complaints/grievances other than the staff grievance are categorized into customer / consumer complaints / grievances from the Contractors, NGOs / General Public etc. The respective project heads are empowered to dispose of the grievances concerning their areas.

CORPORATE GOVERNANCE

Pursuant to Regulation 34(3) and Para-C of SEBI (LODR) Regulations, 2015, a separate section on Corporate Governance along with certificate from Practising Company Secretary confirming the level of compliance is attached and forms a part of the Board's Report.

Directors and Other Key Managerial Personnel

As on financial year ended 31st March, 2022, the Board consists of eight members, three of whom were executive or whole-time Directors, one non-executive Director, representing Ministry of Steel and four Independent Directors. Details of sitting fees / remuneration paid to Directors and to KMP's respectively are provided at table 15 in Corporate Governance Report.

Declaration by Independent Directors

The Company received necessary declaration from Independent Directors under Section 149(7) of the Companies Act, 2013, that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the Listing Regulations. The Board of Directors at its 278th Meeting held on 05/04/2022, noted the declarations. Independent Directors of the Company have registered themselves with Independent Directors databank in compliance with Companies (Creation and Maintenance of database of Independent Directors) Rules, 2019 and Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019.

Women Directors

During the year ended 31st March 2022, the Company had two women Directors, Smt Sukriti Likhi, Non-Executive Nominee Director with effect from 23.04.2021 and Dr. Usha Narayan, Independent Director w.e.f. 01.11.2021.



Changes in the Composition of the Board

Inductions / Cessations

In terms of Article 91 of the Articles of Association of the Company, the President of India is vested with the power to appoint the Directors of the Company from time to time and shall determine the term of office of such Directors. Accordingly, the following appointments/cessations on the Board of your Company were affected as per the directives of the President of India: -

- Smt Sukriti Likhi, Additional Secretary and Financial Advisor, Ministry of Steel was appointed as an Additional Director and designated as Govt. Nominee Director on the Board of the Company with effect from 23.04.2021 vice Shri Shashank Priya, Ex-Additional Secretary and Financial Advisor, Ministry of Steel. Shri Shashank Priya ceased to be Director on the Board of the Company w.e.f. 23.04.2021. Having so appointed, Smt Sukriti Likhi was regularised at 45th Annual General Meeting of the Company held on 15.09.2021.
- Shri M.V. Subba Rao ceased to be the Chairman-cum-Managing Director on the Board of the Company w.e.f. 30.06.2021, consequent upon attaining the age of superannuation.
- Shri S.K. Gorai, Director (Finance) was assigned additional charge for the post of CMD w.e.f. 01.07.2021 and he continued to hold the additional charge up to 7th September 2021 (F/N).
- Ministry of Steel vide its Order dated 7th September 2021 had appointed Shri T. Saminathan, Director (Commercial) as the Chairman-cum-Managing Director of the Company. In pursuance to aforesaid order, Shri T. Saminathan, Director (Commercial) had assumed the charge of Chairman-cum-Managing Director, KIOCL w.e.f. 7th September 2021 (A/N). Further, Shri T. Saminathan is also holding the additional charge of Director (Commercial) w.e.f. 7th September, 2021.
- Dr. Usha Narayan and Shri Changdev Sukhadev Kamble were appointed as an Additional Directors and designated as Independent Directors on the Board of the Company w.e.f. 01.11.2021. Having so appointed, Dr. Usha Narayan and Shri Changdev Sukhadev Kamble were regularized with the approval of shareholders by way of postal ballot on 23.07.2022 by virtue of Section 110 of the Companies Act, 2013 read with Regulation 17(IC) of SEBI (LODR) Regulations, 2015.
- Shri Jagdish P. Joshi ceased to be the Independent Director on the Board of the Company w.e.f. 13/12/2021 on completion of his tenure.
- With deep regret, we report the sad demise of our Independent Director, Shri Ranjit Sreenivas on 19/12/2021. Your Directors would like to place on record their gratitude and appreciation for the guidance given by Shri Ranjit Sreenivas to the Board during his tenure as an Independent Director.

- Shri T. Srinivas ceased to be Govt. Nominee Director on the Board of the Company w.e.f. 28/02/2022 upon his resignation consequent upon superannuation from Ministry of Steel.

Appointments / Resignations of KMP

During the year, pursuant to Ministry of Steel Order F. No. 5/3/2017-BLA dated 30/01/2018, Shri MV Subba Rao, ceased to be the Chairman-cum-Managing Director of the Company w.e.f. 30.06.2021 on account of his retirement from the Company on attaining the age of superannuation. Further, Ministry of Steel vide its Order F. No. 5/1/2020-BLA dated 30/06/2021 had assigned the Additional Charge of the post of Chairman-cum-Managing Director, KIOCL to Shri S.K. Gorai, Director (Finance), w.e.f. 01.07.2021 for a period of three months or till the joining of a regular incumbent or until further orders, whichever is the earliest.

Ministry of Steel vide its Order F. No. 5/1/2020-BLA dated 7th September, 2021 appointed Shri T. Saminathan, Director (Commercial) as the Chairman-cum-Managing Director of the Company from the date of his assumption of charge till the date of his superannuation i.e., 31.05.2024 or until further orders, whichever is earlier. In pursuance to aforesaid order, Shri S.K. Gorai, Director (Finance) relinquished the additional charge of Chairman-cum-Managing Director of the Company and Shri T. Saminathan, Director (Commercial) assumed the charge of Chairman-cum-Managing Director, KIOCL w.e.f. 7th September 2021.

Ministry of Steel vide its order F. No. 05/01/2021-BLA dated 14.09.2021 had assigned additional charge of Director (Commercial) to Shri T. Saminathan for a period of three months w.e.f. 07.09.2021, which was further extended vide order No. 5(1)/2021-BLA dated 30.11.2021 and order No. 5(1)/2021-BLA dated 21.03.2022, upto 06.09.2022.

Directors Retiring by Rotation

In terms of Section 152 (6) of the Companies Act, 2013, Smt. Sukriti Likhi, Govt. Nominee Director and Shri S. K. Gorai, Director (Finance) being longest in office shall retire by rotation at the ensuing AGM and being eligible for re-appointment, offers themselves for re-appointment. The Board recommends their re-appointment.

Number of Meetings of the Board

The Board met Six (6) times during the year under review, the details of which are given in the Corporate Governance Report. The maximum interval between any two Meetings did not exceed 120 days. The Meetings were conducted in compliance with relevant regulations of Listing Regulations and Secretarial Standard -1 issued by The Institute of Company Secretaries of India (ICSI).

Directors Responsibility Statement

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors



make the following statement in terms of Section 134 (5) of the Companies Act, 2013 that:

- a) In the preparation of the Annual Accounts for the Financial Year ended March 31, 2022, the applicable Accounting Standards had been followed along with proper explanation relating to material departure.
- b) The Company has selected such Accounting Policies and applied them consistently and made judgments & 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 & Loss of the Company for that period.
- c) The Company has taken proper and sufficient care towards the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The Company have prepared the Annual Accounts on a going concern basis.
- e) The Company has laid down Internal Financial Controls, which are adequate and are operating effectively.
- f) The Company has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Annual Return

Pursuant to Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company as on March 31, 2022 in the format MGT-7 is available on the Company's website at weblink <https://kioclltd.in/data.php?id=191>.

Compliance with Secretarial Standards

The Company complies with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

Statutory Auditor

The C&AG of India vide its letter dated 18.08.2021 had appointed M/s YCRJ & Associates, Chartered Accountants as the Statutory Auditor of the Company under Section 139 of the Companies Act, 2013 for the financial year 2021-22. The Auditors have confirmed that they are not disqualified from being appointed as Auditors of the Company. The Auditors remuneration for the year was fixed at ₹ 8.50 Lakhs plus applicable taxes for Statutory Audit. The total amount paid to the Statutory Auditors for all services rendered to the Company during 2021-22 was ₹ 12.05 Lakhs.

Cost Records and Cost Audit

The Company is maintaining the cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013. The Cost Audit Report

for the Financial Year 2020-21 was filed with the Ministry of Corporate Affairs on 31/08/2021. The Cost Audit Report for Financial Year 2021-22 is under finalisation and will be submitted to the Ministry of Corporate Affairs within the prescribed timeline.

Cost Auditor

The Company maintains cost records as required under the provisions of the Companies Act. The Company had appointed Cost Auditors for conducting the audit of the cost records maintained for its Pellet Plant Unit during the FY 22. A remuneration of ₹ 50,000/- was fixed by the Board for payment to the cost auditors for FY 2021-22, which was ratified by the shareholders in the last AGM. The cost audit reports are filed with the Central Government in the prescribed form within the stipulated time. For the FY 23, the Board on the recommendations of the Audit Committee, had re-appointed M/s R. M. Bansal & Co., Cost Accountants to audit the cost records. The remuneration payable to the Auditor being placed before the members in this Annual General Meeting (AGM) for their ratification vide Resolution at Item No. 6 of the Notice convening the AGM.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company appointed Shri S. N. Mishra, Practicing Company Secretary for conducting the Secretarial Audit for the Financial Year 2021-22. The Secretarial Audit Report for the Financial Year 2021-22 forms part of the Directors Report.

Reporting of Frauds by Auditors

The Auditors in their report for the year have not reported any instance of fraud committed by the officers / employees of the Company.

C&AG Audit

The Comptroller & Auditor General of India (C&AG) vide its letter dated 28/07/2022 has conveyed "Nil" comments on the accounts of the Company for the year ended March 31, 2022. Copy of the same is annexed to this Report.

Adoption of new set of Memorandum of Association and Articles of Association

In line with the approval of the Board at its Meeting held on 11.02.2020, the proposal for adoption of new set of Memorandum of Association and Articles of Association had been taken up with the Administrative Ministry for its approval vide Company's letter dated 11.03.2020. The approval from Ministry is awaited.

CORPORATE SOCIAL RESPONSIBILITY

The brief outline of the Corporate Social Responsibility (CSR) initiatives undertaken by the Company during the year under review form a part of this Report as an Annexure in the format prescribed in the Companies (Corporate Social Responsibility



Policy) Rules, 2014 and amendments. For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which is a part of this report. The CSR policy is available on weblink <https://kioclltd.in/table.php?id=310>.

KEY INITIATIVES

Environmental Management and Pollution Control Measures

Your Company has taken initiatives to address the cause of Global environmental issues and as a part of the initiatives, following has been carried out:

- Plantation activity is taken up every year with-in the plant premises and neighbouring areas around Mangaluru.
- The solid wastes generated in the plant premises are composted and used as manure.
- The Hazardous wastes are segregated at source and stored in closed sheds category wise. These wastes are sold to agencies authorised by CPCB and KSPCB.
- Action has been taken to implement energy efficient lighting systems such as Solar and LED in the plant areas.
- Solar panels have been installed over roof top of buildings with 294 KW peak capacity. Additionally, two more Solar plants of capacity 1 MW and 5 MW have been commissioned and are operational.
- At the Blast Furnace Unit, the process has in-built online Dust Catcher and Gas Cleaning Plant for processing the gases generated in the Blast Furnace. Further, the CO gas, which is a by-product of Blast Furnace, is not let out to the atmosphere but effectively utilised to generate power in our 2 x 3.5 MW Captive Power Plant. A part of this gas is also used to preheating process air at stoves.
- KIOCL is equipped with following facilities to monitor various pollutants in the plant: -
 - Three high volume air samplers for AAQ status.
 - Apart from this all the stack gas emissions are regularly monitored by a recognized laboratory.
 - Noise level meter
 - Other facility-Occupational Health & Safety-Health Center in the plant premises with qualified doctor and staff nurses.

Safety

Pellet Plant and Blast Furnace Units are covered under Factories act and all the safety parameters, standards are complied with as per the Rules and Regulations provided therein the Factories act 1948 and its subsequent amendments. Following are the activities of Training & Safety Department during the year 2021-22: -

1. The Onsite emergency plan approved by Director of Factories is in existence for both Pellet plant and Blast

furnace unit. The same will be updated as and when there is change in plant condition or emergency team members and emergency mock drills are conducted to practice role of each member of emergency teams.

2. Worker's participation in Safety Management system is one of the important subjects as per factories act. The Company has formed area wise safety committees. Worker's participation in these Safety Committees is ensured in PPU and BFU units of KIOCL.
3. Safety Inspections are carried out regularly once in a week and once in two months, by the Safety officer along with concerned department engineers and Safety committee members.
4. The Internal Safety audit has been conducted as per Standard checklist IS: 14489. In the year – 2020 a safety audit by third party is planned in year – 2022.
5. Suitable standard Personal Protective equipment's such as Safety helmets, Shoes, Respirators, Raincoats, Gloves, Safety Goggles, Face shields, Aprons, Ear plugs/muffs are purchased and issued to all employees including Contract labours to protect them against workplace hazards.
6. Various Training programmes are being conducted to inculcate Safety consciousness and to develop the human resources. The Refresher Training on SOPs and Maintenance activities, first aid, Firefighting training, Awareness programme on Environment, Occupational health, Safety, Vigilance Sustainable development, Productivity. A total man days 3322 training is provided to company regular employees on the above said subjects. A total 775 contractors workmen are provided with training on Workplace Safety.
7. 36 ATS trainees were provided with 50 RI classes each as per ATS act 1961 which amounts to 1800 Man days along with 12000-man days of on-the-job training to them. Also 120 Technical UG students are provided with one week Internship training during year 2021 - 22.
8. The Onsite Emergency Mock drills are conducted in Pellet plant and Blast furnace unit, to check the Emergency preparedness for any Major accident.
9. The Safety Board's and boards having Emergency contact telephone numbers are Purchased and displayed in KIOCL PPU and BFU sites to increase the Safety awareness among the employees.
10. Regular tool box talk is conducted by safety dept on daily basis at both units (PPU and BFU) which resulted in continuously reducing of accidents.
11. The safety committee meetings were conducted on regular interval on 21-08-2021, 30-12-2021 and 24-03-2022 in PPU with worker participation
12. Productivity Week was celebrated during the year and lectures on productivity were conducted for one week

besides conducting competitions.

13. National Safety Week was celebrated during the year.

As a part of safety week celebrations, Safety training programs were conducted for a week through internal as well as external faculties. Many safety competitions were conducted such as Safety slogans (in Kannada, English and Hindi), Safety Posters and Safety poem (in Kannada, English and Hindi) and prizes were distributed to the winners on 12.03.2022 during the function.

ISO Certification

Your Company is certified with ISO 9001: 2015 for Quality Management System, ISO 14001:2015 for Environmental Management System and ISO 45001:2018 for Occupational Health and Safety Management System. All certifications are valid up to 08/11/2024.

Implementation of Official Language Policy



Hon'ble Ministers awarded Ispat Rajbhasha Prerana Puraskar

To ensure compliance of Official Language Policy of the Union the Rajbhasha Department of KIOCL takes proactive action. This covers activities broadly divided into three main categories, i.e. Training, Translation, and Implementation. It was a successful year in terms of Official Language Excellence and KIOCL was awarded with Ispat Rajbhasha Prerana Puraskar during Hindi Salahkar Samiti meeting chaired by Honourable Union Minister held in Madurai on 9th March, 2022. Ispat Rajbhasha Prerana Shield was received by CMD, KIOCL. As another achievement Corporate Office of KIOCL Limited secured third prize from TOLIC (PSU), Bengaluru. Award was received by Director (Finance). On similar note Pellet Plant Unit of KIOCL Limited also grabbed third prize for Official Language excellence from TOLIC, Mangaluru.

These achievements motivate us to act promptly to ensure compliance of Official Language Policy of the Union and the Rajbhasha Department of KIOCL Limited takes various initiatives to promote Hindi in its offices. During the year Rajbhasha Department scheduled Official Language Implementation Committee meetings, organised workshops & conducted Official Language inspections as per targets of the

Annual Program, 2021-22 of Department of Official Language (Ministry of Home Affairs). In view of Corona pandemic this year activities were scheduled by ensuring safety measures of COVID-19 and by maintaining social distancing norms.

Rajbhasha Department organised various Hindi competitions through online mode as well as through offline mode by maintaining social distance during Hindi Pakhwada, 2021 in which all groups of employees participated. An online webinar was organised by Pellet Plant Unit of KIOCL Limited Mangaluru, in which participants from member offices of TOLIC, Mangaluru, along with KIOCL employees made their presence. Incentive scheme for original work in Hindi has been implemented in the organisation and total 38 employees were rewarded with cash prizes this year.

Various documents pertaining to website of the company, correspondence with Ministry of Steel, Reports on Standing Committees, Annual Report, House Journals, Press Releases, RTIs and other documents along with documents as per section 3(3) of OL Act and rule 5 of OL rule made available for translation were translated by the Rajbhasha department. The E-Magazine of KIOCL Limited 'Shrigandha' was published on quarterly basis and it was circulated through Email & WhatsApp. The link of the E-magazine was also provided on the website of the company and web-portal of Official Language Department (Ministry of Home Affairs) under E-Pustakalay segment.

During the year employees were nominated for classes conducted through online mode and for Correspondence courses of Hindi Teaching Scheme conducted by Central Hindi Training Institute, Department of Official Language, Ministry of Home Affairs. After successful completion of respective courses employees were rewarded with cash prizes. One employee was given one increment for one year after clearing final examination of Hindi Teaching Scheme.

Vigilance

Preventive vigilance has been the thrust area of Vigilance Department all these years and the same has received focused attention during the year. A climate of preventive vigilance is generated to sensitize officials at all levels about the ill effects of corruption and malpractices. Regular Structured Meeting of Vigilance with the management is being conducted and issues related to e-governance, Leveraging Technology, Tender Management, Award of Works, Recruitment Policy have been discussed. The Vigilance Department is certified for compliance to ISO certification 9001-2015 standards to ensure continuous improvement in Quality Management System. Certificate was renewed and is valid till 29th January, 2025. E-Procurement is in vogue and the threshold value for this is fixed at ₹2 Lakhs and above. During the year, 93.87% contracts by value are covered under this. All payments are being made through electronic mode.

During the Year, 158 work/purchase/sale orders have been issued incorporating Integrity Pact Clause, covering 98.56% of contracts by value. No complaints have been received

under Integrity Pact. 46 Scrutiny/examinations, 65 checks/inspections are carried out during the period and corrective actions, if any are suggested. Necessary action is taken as regards to the complaints received during the year.

Vigilance Awareness Week was observed from 26th October to 1st November, 2021 at all the locations/offices of KIOCL Limited. The theme of this year's Vigilance Awareness Week is "Independent India @ 75: Self-Reliance with Integrity; स्वतंत्र भारत @ 75: सत्यनिष्ठा से आत्मनिर्भरता". Workshops, Guest Lectures and Sensitization programs were conducted during the week through web based/hybrid mode observing Covid-19 prevention guidelines. Essay, slogan writing and quiz competitions were conducted among the employees. On this occasion, the importance of observing the Vigilance Awareness Week and steps taken to strengthen vigilance activities were highlighted.



Vigil Mechanism

Your Company has a Whistle Blower Policy and has established the necessary vigil mechanism for Directors and Employees in confirmation with Section 177(9) of the Act and Regulation 22 of Listing Regulations, to report concerns about unethical behaviour. The details of the policy have been disclosed in the Corporate Governance Report, which forms part of this report and is available on link <https://kioclltd.in/table.php?id=279>.

Compliance of recommendations made by the Committee on Papers Laid on the Table (Rajya Sabha) in its 150th Report

Details of cases initiated / disposed-off during 2021-22: -

The details of vigilance cases initiated / disposed-off during 2021-22 are as under: -

-	No. of cases pending as on 31-03-2021	1
-	No. of cases initiated during 2021-22	3
-	No. of cases disposed-off during 2021-22	1
-	No. of cases pending as on 31-03-2022	3

Nature of pending cases: -

1. Favouritism in various recruitment and promotions made in KIOCL.

2. Excess payment of ₹ 30.66 lakhs in empanelment of medical shops tender 2018-19 at NMPT while on deputation from KIOCL.
3. Irregularities in appointment of First Aid Superintendent in Port Trust Hospital, NMPT while on deputation from KIOCL.

Officers involved	: 2
Charge sheets issued on	: 26.08.2021 & 07.09.2021
Disciplinary proceedings	: Under progress.

Audit Paras:

There is no pending Audit Para from C&AG during the year under review.

Expenditure on R&D

At KIOCL, R&D activities and innovative initiatives are being taken up departmentally based on the need on continuous basis to improve upon the existing process system, bring down the cost of production and to achieve the set targets. The expenses are also covered as per the provisions made in the budget. It is also part and parcel of the MoUs being signed annually with Ministry of steel. During the financial year 2021-22, following R&D activities have been taken up.

- The Agitator blades of Slurry storage tank TK 204 in Port Facilities department have been modified during the year 2021-22 which has ensured smooth evacuation of slurry from the tank thus avoiding housekeeping problems, damage to equipment and saving in cost and manpower while retaining the same production efficiency of the Agitator as before. The expenditure on supply of Modified Agitator Impellor Blade is ₹ 5,81,424/-. The above Blades received at site and commissioned on 25th Sept. 2021.

INNOVATIONS

Expenditure on Innovations Initiatives -ERP

An expenditure of ₹ 4.91 crores incurred during the year for development and end-to-end implementation of ERP solution in the company.

Savings from other Innovative Initiatives

The savings from IEX, wind energy and MESCOM special incentive scheme for FY 2021-22 is as following: -

Sl. No.	Innovations	Savings
1.	IEX utilised energy - 55,16,133 kWh units	₹ 0.52 Crores
2.	Wheeling of Wind Energy - 66,00,000 kWh units. Savings	₹ 0.90 Crores
3.	Savings from availing MESCOM special incentive scheme	₹ 5.03 Crores
Total Savings from above three for FY 2021-22		₹ 6.45 Crores



Implementation of Public Procurement Policy for MSEs

In line with the Govt. of India guidelines as per MSMED Act 2006 and keeping in view of the effective implementation of Public Procurement Policy for Micro and Small Enterprises (MSEs) Order 2012, following steps were taken:

- List of item components that could be sourced from MSEs were posted on the Company's website at www.kioclltd.in for the information of MSE vendors.
- Communication sent to all the registered vendors regarding the said policy with the objective of achieving an overall procurement from MSEs. Further, for enhancing the procurement from MSEs owned by SC/ST, all the vendors were approached for capturing necessary details and update the data bank.
- During 2021-22, Company placed orders for Goods & Services for a value of ₹111.19 crores from MSE's which constituted 33.92 % of the total procurement value of ₹327.75 crores (excluding iron ore fines and furnace oil).

Procurement from Government e-Marketplace (GeM)

During the Financial Year 2021-22, your Company placed 722 orders on GeM amounting to ₹ 260.72 crores against 6.97 crores during the previous Financial Year.

Right to Information

The Company has put in place an elaborate mechanism to deal with matters relating to the RTI as required under the Right to Information Act, 2005 to provide information to citizens and to maintain accountability and transparency. The RTI manual

have been hosted on Company's website and had designated Central Public Information Officers (CPIOs), Assistant Public Information Officers (APIOs) and Appellate Authorities to provide information's to the applicants. During the year, 29 RTI applications were received and were disposed-off within stipulated time.

Energy Conservation, R&D, Technology Absorption, Forex Earnings & Outgo

Details of Energy Conservation, R&D, Technology Absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 read with Rule, 8 of the Companies (Accounts) Rules, 2014, is annexed to this report.

Appreciations and Acknowledgement

Your Directors gratefully acknowledge the support, co-operation and guidance received from the Hon'ble Minister of Steel, Hon'ble Minister of State for Steel, Hon'ble Chief Minister of Karnataka, the Secretary, Ministry of Steel and other officials of the Ministry of Steel as well as other Ministries of the Government of India, Government of Karnataka, Odisha, Tamil Nadu and all other departments / agencies of Central and State Government in all the endeavours of the Company.

The Board is also thankful to all its stakeholders, including bankers, investors, members, customers, consultants, technology licensors, contractors, vendors, etc., for their continued support and confidence reposed in the Company.

Your Directors appreciate and value the contribution made by every member of the KIOCL family.

For and on behalf of the Board of Directors

Sd/-

(T. Saminathan)

Chairman-cum-Managing Director

Date: 03/08/2022

Place: Bengaluru

REPORT ON CORPORATE SOCIAL RESPONSIBILITY

KIOCL Limited has since inception proved through the years how a company can grow sustainably by contributing to the nation's economic development on the one hand and improving the quality of life of local communities and society at large on the other. KIOCL has been doing constant endeavours to maximize the positive impact of its initiatives and ensure that, it reaches to all beneficiaries. The Company has been following the mandates of the Companies Act, 2013 while considering CSR projects. All the ideas and intended developmental actions have been evaluated against Schedule-VII of the Companies Act, 2013.

The initiatives are also taken up by consulting a wide range of stakeholders, including local people and local administration. The projects are prioritized as per the needs of the community and continuous monitoring is done to improve their impacts. During FY 2021-22, KIOCL has spent ₹1341.47 lakhs on various CSR projects against the CSR budget allocation of ₹1438.70 lakhs under which CSR obligation was ₹438.70 lakhs under provisions of Companies Act, 2013 complying with the requirements of its CSR policy in line with the Companies Act, 2013. The Company has undertaken theme-based CSR activities on health and nutrition with special focus on COVID related measures. The excess amount spent during the year was ₹ 902.77 Lakhs, out of which ₹ 899.19 Lakhs has been carried forward for set-off in subsequent years as per Section 135 of the Companies Act, 2013 read with rules thereunder.

The thrust areas of implementation are Healthcare, Education, Drinking water, Environmental sustainability, Rural development etc. mainly in local areas of the Company. The Company has taken exemplary initiatives to fight the COVID-19 pandemic in the State of Karnataka and other parts of the country by strengthening the health care system/facility to meet the increased demand in this critical juncture and also spreading awareness about the preventive measures among the vulnerable communities to combat the spread of the disease.

Following are some of the major CSR initiatives carried out by KIOCL during the year 2021-22: -

HEALTH CARE

Setting up of Oxygen Plants: - During the year, to fight COVID-19 pandemic, KIOCL has set up Oxygen Concentrator Plant at Adichunchanagiri Institute of Medical Sciences, Nagamangala Taluk, Karnataka and at Govt. Hospitals at Sullia and Moodabidri, Dakshina Kannada District, Karnataka.

Wheel chairs and stretchers to Kidwai Memorial Institute of Oncology, Bengaluru: - Company provided 12 Wheel Chairs and 5 Stretchers to M/s Kidwai Memorial Institute of Oncology to support cancer patients. The project has benefitted cancer patients who are visiting the hospital in which 90% of patients are from Below Poverty Line and taking the treatment in this hospital.

ICU consumables to Sir C V Raman Govt. Hospital, Bengaluru: - To render helping hand to Govt. hospitals to fight COVID-19 pandemic, KIOCL has provided ICU Consumables such as Nebulizer Mask, Oxygen Mask, N-95 Mask Disposable Apron, Bed sheets etc. to Sir CV Raman Govt. Hospital, Bengaluru. This has helped the hospital to treat Covid-19 patients effectively during 2nd wave of Covid-19 pandemic. 100 Nos of Hospital cots with lift & drop railing, back rest with mattress to Government Hospital, Moodabidri and Belthangady, Dakshina Kannada.

One Tata Winger Ambulance was provided to the DC office of Dakshina Kannada to benefit to the local population at Dakshina Kannada especially during Covid-19 Pandemic and for any other medical emergencies.

CONTRIBUTION TO PM CARES FUND

To take care of medical emergency to combat Covid-19 situation in the country due to outbreak of third wave of Covid-19 pandemic, KIOCL has contributed towards PM CARE FUND to support Government to fight Covid-19 pandemic.

DRINKING WATER FACILITY

Pure drinking water facility to Henk Bruna Swamy Vivekananda round table school, Hoskote, Bangalore Rural Dist: - To provide pure drinking water facility to children studying in rural areas, KIOCL has provided Drinking Water Facility with Reverse Osmosis Plant to Henk Bruna Swamy Vivekananda Round Table School, Hoskote, Bangalore Rural District. This project has benefitted around 400 students from rural area.

ENVIRONMENT SUSTAINABILITY, ANIMAL WELFARE



CMD handed over cheque for financial assistance to ISKCON

Financial Assistance for construction of room in Goshala, ISKCON: - To support animal welfare to maintain better hygiene and safety of animals, KIOCL provided financial assistance for Construction of Room in Goshala, ISKCON, for Fodder Store, Avalabetta Campus -Chikkaballapura District, Karnataka to develop state-of-the-art facility.

PROMOTION OF EDUCATION

Solar based smart classes in Yadgir District, Karnataka: - Yadgir District is identified as aspirational district in Karnataka. In order to implement developmental activities in Yadgir District in the field of education, KIOCL has supported for introduction of solar based smart classes in 06 Govt. schools in rural areas of Yadgir. More than 500 students of rural areas are benefitted with this project.

Green Chalk Board and School Bags: - To support education of students studying in Govt schools in around Corporate Office, KIOCL has provided 150 Green Board to various Govt. Primary Schools and 750 nos school bags to Primary students of various

Govt. Schools in and around Koramangala, Bengaluru.

Tables & chairs for Government Primary School, Kodange, Bantwal Taluk, Dakshina Kannada District

LCD projector and water purifiers to DKZP Higher Primary School, Murullya, Sullya, Dakshina Kannada District

To support education of students studying in Govt schools in around Mangaluru, KIOCL has provided tables, chairs for Government Primary School, Kodange, Bantwal Taluk and LCD projector and water purifiers to DKZP Higher Primary School, Murullya, Sullya, Dakshina Kannada District under CSR.



KIOCL provided RO water plant at Henk Bruna Swamy Vivekananda Round Table School Hoskote.

REPORT ON CORPORATE GOVERNANCE

In accordance with the Corporate Governance provisions specified in Regulations 17 to 27 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the report containing the details of Corporate Governance systems and processes presented as detailed below:

Company's Philosophy

The Corporate Governance Policy of your Company rests upon the four pillars of Transparency, Full Disclosures, Independent Monitoring and Fairness to all. The Company believes that conducting business in a manner that rests with these four pillars would deliver long-term returns to the shareholders, favourable outcomes to the customers, attractive opportunities to the employees and making the suppliers as partners in progress resulting in the enrichment of the Society. The Company has set itself the objectives of expanding its capacities and becoming competitive in its business. As its progress on its growth path, the Company believes in adopting the 'best practices' that strengthen the Corporate Governance objectives of delivering sustainable value to all its stakeholders. The Board of your Company considers itself as a trustee of its stakeholders and acknowledges its responsibilities towards them for creation and safeguarding their wealth.

Policies

The SEBI listing regulations mandated the formulation of certain policies for all listed Companies. Accordingly, your Company has formulated its Corporate Governance policies, which are hosted on its website. These policies are reviewed periodically by the Board and are updated based on the need and new compliance requirements.

BOARD OF DIRECTORS

Composition of the Board

Your Company being a Government Company within the meaning of Section 2(45) of the Companies Act, 2013, the appointments / nominations of all Directors are vested with 'The President of India', acting through Ministry of Steel. The Articles of Association of the Company stipulate that the number of Directors shall not be less than five and not more than thirteen. As on 31st March, 2022, the composition of Board of Directors of the Company comprises of eight Directors, including three Functional Directors, one Director nominated by Ministry of Steel and four Independent Directors. The brief profiles of Directors are available at <https://kioclltd.in/table.php?id=128>.

The Board of Directors comprises of professionals of eminence drawn from diverse fields of expertise. They collectively bring to the fore a wide range of skills and experience to the Board, which elevates the quality of the Board's decision-making process.

Attendance at Board Meeting, Last AGM and Directorships held

As mandated by Para 'C' of Schedule V of SEBI (LODR) Regulations, 2015, neither of the Directors are members of more than ten Board level Committees, nor the Chairman of more than five Committees across all the Companies, in which they are Directors. The composition of Board of Directors and their attendance to various Meetings during the Financial Year 2021-22 is given in Table 1.

Table 1: Composition & Attendance Record of the Board Meetings

Name of Director (S/Shri/Smt/Dr.)	C a t e g o r y	Atten- dance / Total Meet- ings	Whether attended last AGM (Yes/No)	Number of Committees#		Sharehold- ing (Equity shares of Rs. 10/- each)	No. of Directorships in other Listed companies as on 31.03.2022	Name of other Listed Co.'s in which Directorship holds Directorship as on 31.03.2022	Category of Directorship in other Listed com- panies
				Member	Chairman				
T. Saminathan ³ (DIN 08291153)	E X E C U T I V E	6/6	Yes	NIL	NIL	NIL	NIL	NA	NA
M.V. Subba Rao ¹ (DIN 06495576)		2/2	NA	NIL	NIL	NIL	NIL	NA	NA
S.K. Gorai ² (DIN 07223221)		6/6	Yes	NIL	NIL	NIL	NIL	NA	NA
K V Bhaskara Reddy (DIN 08672764)		6/6	Yes	2	NIL	200	NIL	NA	NA



Name of Director (S/Shri/Smt/Dr.)	C a t e g o r y	Atten- dance / Total Meet- ings	Whether attended last AGM (Yes/No)	Number of Committees#		Sharehold- ing (Equity shares of Rs. 10/- each)	No. of Directorships in other Listed companies as on 31.03.2022	Name of other Listed Co.'s in which Directors holds Directorship as on 31.03.2022	Category of Directorship in other Listed com- panies
				Member	Chairman				
Shashank Priya* ⁴ (DIN 08538400)	N O N E X E C U T I V E	0/0	NA	NIL	NIL	NIL	NA	NA	NA
Sukriti Likhi* ^{4,9} (DIN 01825997)		6/6	No	NIL	NIL	NIL	3	1. NMDC Limited 2. MOIL Limited 3. Steel Authority of India Limited	Nominee Director
T. Srinivas* ^{5,9} (DIN 07238361)		6/6	No	NIL	NIL	NIL	NIL	NA	NA
Jagdish P. Joshi ⁶ (DIN 03385677)	I N D E P E N D E N T	5/5	Yes	NIL	NIL	NIL	NIL	NA	NA
Nirmalendu Mohapatra (DIN 07352648)		6/6	Yes	1	1	NIL	NIL	NA	NA
Ranjit Sreenivas ⁷ (DIN 08539909)		5/5	Yes	NIL	NIL	NIL	NIL	NA	NA
G Ramasamy (DIN 08632590)		6/6	Yes	2	1	NIL	NIL	NA	NA
Changdev Sukhadev Kamble ⁸ (DIN 09351638)		2/2	NA	1	0	NIL	NIL	NA	NA
Usha Narayan ⁸ (DIN 09351511)		2/2	NA	1	0	NIL	NIL	NA	NA

Notes:

#Chairmanship and membership as on 31/03/2022 of Audit and Stakeholders Relationship Committee in KIOCL Limited only are considered. Further while calculating Membership in Committees, chairmanship & Membership both are considered.

* Nominees of Govt. of India (Non-Executive & Non-Independent Directors).

1. Shri M.V. Subba Rao ceased to be CMD w.e.f. 30/06/2021 on attaining the age of superannuation.
2. MoS vide Order F. No. 5/1/2020-BLA dated 30/06/2021 assigned the Addl. Charge of CMD to Shri S.K. Gorai w.e.f. 01/07/2021 & was holding the post upto 07/09/2021.
3. Shri T. Saminathan was appointed as CMD w.e.f. 07/09/2021 vide MoS Order F. No. 5/1/2020-BLA dated 07/09/2021. Further, MoS vide Order F. No. 05/01/2021-BLA dated 14/09/2021 assigned Addl. Charge of Director (Commercial) to Shri T. Saminathan w.e.f. 07/09/2021 initially for three months, which was further extended upto 06/09/2022.
4. MoS vide Order No.1/16/2015-BLA dated 23/04/2021 appointed Ms. Sukriti Likhi as Govt. Nominee Director vice Shri Shashank Priya.
5. Shri T. Srinivas ceased to be the Govt. Nominee Director on 28/02/2022 consequent upon his superannuation from MoS.
6. Shri Jagdish P. Joshi ceased to be Independent Director w.e.f. 13/12/2021, on completion of his three-year tenure.
7. Shri Ranjit Sreenivas passed away on 19/12/2021, hence ceased to be an Independent Director.
8. Shri Changdev Sukhadev Kamble and Dr Usha Narayan were appointed as an Independent Directors w.e.f. 01/11/2021 vide MoS Order No.1/10/2015-BLA (Vol-V) (pt.) dated 01/11/2021.
9. Due to pre-occupation, Govt. Nominee Directors could not attend the 45th AGM.

Details of Meetings of the Board held along with the dates are given at Table 2 below:

Table 2: Meetings of the Board of Directors

Sl. No.	Meeting No.	Date of Meeting	Intervening Gap
1.	272 nd	27/05/2021	-
2.	273 rd	29/06/2021	32
3.	274 th	05/08/2021	36
4.	275 th	28/09/2021	53
5.	276 th	12/11/2021	44
6.	277 th	04/02/2022	83

Due to the exceptional circumstances caused by the COVID-19 pandemic, all Board Meetings in FY 2022 were held through Video Conferencing. The intervening gap between the Meetings were within the prescribed limit.

Disclosure of Relationships between Directors inter-se

As per declarations received from Directors, there is no *inter-se* relationship between Directors of the Company.



Visit of Independent Directors to Coke Oven site as a part of Familiarization Programme

Familiarization Programme to Independent Directors

The Independent Directors of the Company are nominated for suitable training / programmes / seminars / plant visit from time to time. During the year under review, the familiarization program of Independent Directors was conducted at Company's Plant at Kudremukh and Mangalore and Company's Corporate Office at Bangalore. The details of the familiarization programmes imparted to Independent Directors is available on Company website at weblink <https://kioclltd.in/table.php?id=222>.

Chart or Matrix setting out the Skills/ expertise/ competence of the Board of Directors

Being a Government Company, under the administrative control of the Ministry of Steel, the power to appoint Directors vests with the Government of India. The Functional Directors having specified skills / expertise / competencies in the context of Company's business and sector to function effectively from a mix of eminent personalities are appointed by Ministry of Steel, Govt. of India. Independent Directors are also appointed by Ministry of Steel, Govt. of India. In view thereof, the Board of

Directors have not identified the list of core skills / expertise / competencies required by a Director in the context of Company's business, as required under Listing Regulations.

Resolution through Circulation

Circular Resolutions passed during the year under review were in accordance with the provisions of Sub-Section 1 of Section 175 of the Companies Act, 2013 read with Rule 5 of the Companies (Meeting of Board and its Powers) Rules, 2014 and Rule 6 of the Secretarial Standard on Meeting of the Board of Directors. The same were placed before the subsequent Meetings of the Board and were recorded in the Minutes of the Board Meeting.

Declaration of Independence

Independent Directors have given declaration under Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence as laid down under Section 149(6) of the said Act. Independent Directors of the Company have registered themselves with Independent Directors databank in compliance with Companies (Creation and Maintenance of database of Independent Directors) Rules, 2019 and Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019.

Board Meetings and Procedure

Meetings of Board of Directors are governed by a structured Agenda item, supported with comprehensive notes, containing all the relevant information, so as to enable the Directors to have meaningful discussion at the Meeting and informed decision taking. All relevant information as specified in Regulation 17(7) read with Part A of Schedule II of SEBI (LODR) Regulations, 2015 and Annexure - IV of the Guidelines on Corporate Governance for CPSE's issued by DPE, was placed before the Board. The Agenda Notes are circulated to the Directors in advance of each meeting of the Board of Directors. Wherever it is not practical to send the relevant information as a part of the Agenda papers, the same is tabled during the Meeting. The presentation covering the Company's performance, operations and business strategy are also made to the Board. The Board also reviews periodically the compliance status of all the applicable laws. The members of the Board have unfettered and complete access to information in the Company. As a mandatory part of the procedure, the Company presents a comprehensive Action Taken Report (ATR) of the previous Meetings to the Board of Directors at the ensuing Meetings.

Code of Conduct

In compliance with Regulation 26(3) of SEBI (LODR) Regulations 2015 and DPE guidelines, the Company has framed and adopted a Code of Conduct applicable to Board level and below Board level i.e., one grade below Board level up to General Manager Cadre of the Company. The same is also available on the website of the Company. The Code of Conduct is incorporated with the duties of Independent Directors as laid down in the Companies Act, 2013 and aligned with Company's mission and objectives and aims at enhancing ethical and transparent process in

managing the affairs of the Company. All the Members of Board and senior Managerial Personnel have affirmed compliance to the Code. A declaration to this effect, signed by the Chairman-cum-Managing Director forms part of this Report.

Whistle Blower Mechanism

The Company has formulated and adopted a “Whistle-Blower Policy” to provide Employees including Directors an avenue to lodge complaints, in line with the commitment of Company to the highest possible standards of ethical, moral and legal business conduct and its commitment to open communication and to provide necessary safeguards for protection of Directors and Employees from reprisals or victimization, for whistleblowing in good faith.

Prohibition of Insider Trading

A “Code of Practices & Procedures” for fair disclosure of unpublished price sensitive information and Conduct of Regulating, Monitoring & Reporting of Trading by Insiders of the Company “(Code)” in compliance with the Regulations 8 and 9 of the SEBI (Prohibition of Insider Trading) Regulations, 2015 is in vogue in the Company and is available on Company website at <https://kioclltd.in/table.php?id=283>.

Director Shareholding

Except, Shri K.V. Bhaskara Reddy, Director (Production & Projects) who is holding 200 equity shares of the Company, none of the other Directors are having any shareholding in the Company as on March 31, 2022.

Committees of the Board

The Board constituted / reconstituted various Sub-Committees of Directors. These Committees monitor the activities falling within their terms of reference. There are six Board Sub-Committees as on March 31, 2022, which comprises five statutory Committees and one other non-statutory Committee. Committee Meetings in FY 2022, were held through Video Conferencing / physical mode, details of which are as follows:



AUDIT COMMITTEE

Brief Description of Terms of Reference

The Term of Reference (ToR) of the Audit Committee are in line with Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, Regulation 18 and Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE guidelines, issued from time to time, including any statutory modification(s) or re-enactment thereof, for the time being in force.

Meetings and Attendance during the Year








The total number of meetings along with the date of meetings which were held during the financial year 2021-22 is given at Table 3.

Table 3: Meeting of Audit Committee

Sl. No.	Meeting No.	Date of Meeting	Intervening Gap
1	110 th	27/05/2021	-
2	111 th	05/08/2021	69
3	112 th	12/11/2021	98
4	113 th	04/02/2022	83
5	114 th	25/03/2022	48

The Composition of the Committee as on March 31, 2022 and the attendance of the members at the Meetings are given at Table 4. Director (Finance) is the permanent Invitee to the Audit Committee Meetings.

Table 4: Composition and Attendance of Audit Committee Meetings

Name (S/Shri)	Designation	Position	Attendance
Nirmalendu Mohapatra (Chairman w.e.f. 14/12/2021 Member w.e.f. 12/11/2021)	Independent Director		2/2
Changdev Sukhadev Kamble (w.e.f. 12/11/2021)	Independent Director		2/2
G. Ramasamy	Independent Director		5/5
K.V. Bhaskara Reddy (w.e.f. 12/11/2021)	Director (P&P)		2/2
Jagdish P. Joshi (upto 13/12/2021)	Independent Director		3/3
Ranjit Sreenivas (upto 12/11/2021)	Independent Director		3/3
T. Saminathan* (upto 12/11/2021)	Director (Commercial)		3/3

Note: The Board at its 276th Meeting held on 12/11/2021 reconstituted the Audit Committee.

* Shri T. Saminathan is holding the additional charge of Director (Commercial)

NOMINATION & REMUNERATION COMMITTEE

Brief Description of Terms of Reference

The Board has constituted a Nomination & Remuneration Committee, which is functioning w.e.f. May 16, 2014 with terms

of reference in pursuance to Section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 19 read with Part D of Schedule II of SEBI (LODR) Regulations, 2015 and DPE guidelines, issued from time to time, including any statutory modification(s) or re-enactment thereof, for the time being in force.

Composition of the Committee

The Committee, consists of three Independent Directors and Chairman-cum-Managing Director of the Company. The Chairman of the Committee is an Independent Director. Company Secretary acts as a Secretary to the Committee.








Meeting and attendance during the year

The total number of Meetings along with the date on which they were held during year are given at table 5 and the composition and attendance of the members is given at Table 6 respectively:

Table 5: Nomination and remuneration Committee Meetings

Sl.No.	Meeting No.	Date of Meeting	Intervening Gap
1	35 th	25/05/2021	-
2	36 th	18/06/2021	23
3	37 th	28/01/2022	223

Table 6: Composition and Attendance of Nomination & Remuneration Committee Meetings

Name (S/Shri)	Designation	Position	Attendance
Nirmalendu Mohapatra	Independent Director		3/3
G. Ramasamy	Independent Director		3/3
Changdev Sukhadev Kamble (w.e.f. 12/11/2021)	Independent Director		1/1
T. Saminathan (w.e.f. 07/09/2021)	CMD		1/1
M.V. Subba Rao (upto 30/06/2021)	CMD		2/2
Jagdish P. Joshi (upto 13/12/2021)	Independent Director		2/2
Ranjit Sreenivas (w.e.f. 12/11/2021 upto 19/12/2021)	Independent Director		NA

Note: The Board at its 276th Meeting held on 12/11/2021 reconstituted the Nomination & Remuneration Committee.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In line with Section 135 read with Schedule VII of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 applicable w.e.f. 01/04/2014, the Company has constituted Corporate Social Responsibility (CSR) Committee. The role of the CSR Committee inter-alia includes formulation and recommendation of CSR Policy to the Board; Recommendation of CSR Expenditure; Monitoring & implementation of CSR Projects.






Meeting and attendance during the year

The total number of Meetings along with the date on which they were held during the financial year 2021-22 are given at table 7 and the composition and attendance of the members is given at Table 8 respectively: -

Table 7: Corporate Social Responsibility Committee Meetings

Sl. No.	Meeting No.	Date of Meeting	Intervening Gap
1	23 rd	06/05/2021	-
2	24 th	04/08/2021	89
3	25 th	10/11/2021	97
4	26 th	28/01/2022	78

Table 8: Composition and Attendance of CSR Committee Meetings

Name (S/Shri/Dr.)	Designation	Position	Attendance
Usha Narayan (w.e.f. 12/11/2021)	Independent Director		1/1
Nirmalendu Mohapatra, (Chairman upto 11/11/2021, Member w.e.f. 12/11/2021)	Independent Director		4/4
G. Ramasamy (w.e.f. 12/11/2021)	Independent Director		1/1
S.K. Gorai	Director (Finance)		4/4
K.V. Bhaskara Reddy	Director (P&P)		4/4

Note: The Board at its 276th Meeting held on 12/11/2021 reconstituted the CSR Committee.

STAKEHOLDERS RELATIONSHIP COMMITTEE

In pursuance to Section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 20 read with Part D of Schedule II of SEBI (LODR) Regulations, 2015, a Stakeholders Relationship (SR) Committee has been constituted by the Board and has been functioning in the Company w.e.f. May 16, 2014. The role of SR Committee inter-alia includes the following:

- 1 Resolving the grievances of the security holders including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- 2 Review of measures taken for effective exercise of voting rights by shareholders.
- 3 Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by Registrar & Share Transfer Agent.
- 4 Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders.







Meeting and attendance during the year

The total number of Meetings along with the date on which they were held during the financial year 2021-22 are given at table 9 and the composition and attendance of the members is given at Table 10 respectively: -

Table 9: Stakeholders Relationship Committee Meetings

Sl. No.	Meeting No.	Date of Meeting	Intervening Gap
1	4 th	28/01/2022	-

Table 10: Composition and Attendance of Stakeholders Relationship Committee Meetings

Name (S/Shri/Dr.)	Designation	Position	Attendance
G. Ramasamy	Independent Director		1/1
Usha Narayan (w.e.f. 12/11/2021)	Independent Director		1/1
K.V. Bhaskara Reddy	Director (P & P)		1/1
Jagdish P. Joshi (upto 13/12/2021)	Independent Director		N.A.
Ranjit Sreenivas (upto 19/12/2021)	Independent Director		N.A.
T. Saminathan (upto 12/11/2021)	Director (Commercial)*		N.A.

Note: The Board at its 276th Meeting held on 12/11/2021 reconstituted the Stakeholders Relationship Committee.

*Shri T. Saminathan is holding the additional charge of Director (Commercial)

Company Secretary is the Compliance Officer of the Company. There was no grievance from any of the shareholders during the year. Securities and Exchange Board of India (SEBI) has introduced an online compliant redressal system namely SEBI Complaint Redressal System (SCORES). During the year, no complaint was received through SCORES.

RISK MANAGEMENT COMMITTEE

In pursuance to Regulation 21 of the SEBI (LODR) Regulations, 2015 read with the role and responsibilities specified in Part D of Schedule II of the regulation, a Risk Management Committee has been constituted by the Board and has been functioning in the Company w.e.f. March 26, 2019.

The role of Risk Management Committee is in line with Regulation 21 read with Part D of Schedule II of SEBI (LODR) Regulations, 2015.









Meeting and attendance during the year

The total number of Meetings along with the date on which they were held during the financial year 2021-22 are given at table 11 and the composition and attendance of the members is given at Table 12 respectively:

Table 11: Risk Management Committee Meetings

Sl. No.	Meeting No.	Date of Meeting	Intervening Gap
1	4 th	11/11/2021	-
2	5 th	28/01/2022	77

Table 12: Composition and Attendance of Risk Management Committee

Name (S/Shri/Dr.)	Designation	Position	Attendance
G. Ramasamy (w.e.f. 04/02/2022)	Independent Director		0/0
Nirmalendu Mohapatra (w.e.f. 12/11/2021 upto 03/02/2022)	Independent Director		1/1
Changdev Sukhadev Kamble (w.e.f. 12/11/2021)	Independent Director		1/1
Usha Narayan (w.e.f. 12/11/2021)	Independent Director		1/1
Ranjit Sreenivas (upto 19/12/2021)	Independent Director		1/1
S. K. Gorai	Director (Finance)		2/2
T. Saminathan	Director (Commercial)*		2/2
K.V. Bhaskara Reddy	Director (P & P)		2/2

Note: The Board at its 276th Meeting held on 12/11/2021 and 277th Meeting held on 04/02/2022 reconstituted the Risk Management Committee.

*Shri T. Saminathan is holding the additional charge of Director (Commercial) Shri Ramagopal G (up to 30/11/2021) and Shri Vasudha Chandra S (w.e.f. 01/12/2021) Risk Officer, is Ex-officio Invitee to the Committee.

INVESTMENT, PROJECT APPRAISAL & MONITORING (IPAM) COMMITTEE

To examine major proposals on investment and monitor the progress of the investments and advise suitability to the Board to take decision, an Investment, Project Appraisal & Monitoring (IPAM) Committee has been constituted by the Board w.e.f. May 16, 2014. The role of the Committee inter-alia includes the following:

1. To examine all plan schemes/projects which requires approval of the Board with financial implication of ₹ 5 crores and more or such other limit as fixed by the Board from time to time.
2. To make preliminary appraisal of the projects identified by the Company for investment and recommend for perusing with the project.
3. To monitor the progress of all major projects and corrective measures to be suggested/ taken to achieve the milestone within approved time and cost.
4. To examine and recommend to the Board for engagement of consultants for the purpose of preparation of feasibility report/DPR.

5. To scrutinize the Feasibility Report/DPR prepared by the Consultants and recommend to the Board for investment.









Meeting and attendance during the year

The total number of Meetings along with the date on which they were held during the financial year 2021-22 are given at table 13 and the composition and attendance of the members is given at Table 14 respectively: -

Table 13: Investment, Project Appraisal & Monitoring Meetings

Sl. No.	Meeting No.	Date of Meeting	Intervening Gap
1	19 th	22/07/2021	-
2	20 th	03/02/2022	195

Table 14: Composition & Attendance of Investment, Project Appraisal & Monitoring Committee Meetings

Name (S/Shri/Dr.)	Designation	Position	Attendance
Changdev Sukhadev Kamble (w.e.f. 12/11/2021)	Independent Director		1/1
Nirmalendu Mohapatra (w.e.f. 12/11/2021)	Independent Director		1/1
Usha Narayan (w.e.f. 12/11/2021)	Independent Director		1/1
Jagdish P. Joshi (Chairman upto 11/11/2021 Member w.e.f. 12/11/2021 upto 13/12/2021)	Independent Director		1/1
Ranjit Sreenivas (w.e.f. 12/11/2021 upto 19/12/2021)	Independent Director		N.A.
K V Bhaskara Reddy	Director (P & P)		2/2
S.K Gorai	Director (Finance)		2/2
T Saminathan	Director (Commercial)*		2/2

Note: The Board at its 276th Meeting held on 12/11/2021 reconstituted the Investment, Project Appraisal & Monitoring Committee. *Shri T. Saminathan is holding the additional charge of Director (Commercial)

Separate Meeting of Independent Directors

In pursuance to Regulation 25(3) of the SEBI (LODR) Regulations, 2015, the 8th Meeting of Independent Directors was held once during the year on 25/03/2022 at Bangalore to discuss issues as defined in the Para VII of Schedule IV of Companies Act, 2013 and DPE Guidelines. The Meeting was attended by all the Independent Directors. In this Meeting, Independent Directors assessed the quality, quantity and timeliness of flow of information between the Company, management and the Board which was necessary for the Board to effectively and reasonably perform their duties.

Ministry of Corporate Affairs vide notification dated 5th July, 2017 had exempted Government Companies from applicability of clause (a) and (b) of sub-paragraph (3) of paragraph VII of Schedule IV of the Companies Act, 2013 which requires that the

Independent Directors in their separate Meeting shall review the performance of Non-Independent Directors, performance of the Board as a whole, performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors.

Performance Evaluation Criteria for Independent Directors

Govt. of India, Ministry of Corporate Affairs vide notification dated 5th June, 2015 exempted Govt. Companies from the applicability of Section 134(3)(p) of the Companies Act, 2013, which deals with Board's Report to include statement giving manner of annual evaluation by the Board of its performance, and that of its committees and Individual Directors.

Performance Evaluation of the Board Members

Ministry of Corporate Affairs (MCA) vide General Circular dated 5th June, 2015 has exempted Government Companies from the provisions of Section 178 (2) which provides about manner of performance evaluation of Board of Directors, Committee of Board of Directors and director by the Nomination & Remuneration Committee. The aforesaid circular of MCA further exempted listed Govt. Companies from provisions of Section 134 (3) (p) which requires mentioning the manner of formal evaluation of its own performance by the Board and that of its Committees and Individual Director in Board's Report, if Directors are evaluated by the Ministry or Department of the Central Government which is administratively in charge of the Company, or, as the case maybe, the State Government as per its own evaluation methodology. In this regard, Department of Public Enterprise (DPE) has already laid down a mechanism for performance appraisal of all Functional Directors. DPE has also initiated evaluation of Independent Directors.

It may also be noted that KIOCL enters into Memorandum of Understanding (MoU) with Government of India each year, containing key performance parameters for the Company. The MoU targets are cascaded down and form an integral part of the performance appraisal of the individuals. The performance of the Company is being evaluated by the Department of Public Enterprise vis-à-vis MoU entered into with the Government of India. Hence, no separate policy was framed by the Board to evaluate the performance of Board members.

The appointment / remuneration and other matters in respect of other KMPs and Senior Management are governed by the Company's Recruitment and Promotion Rules and other related manuals as approved / amended by the Board of the Company from time to time. Hence, the Board has adopted the appointment / remuneration etc. of KMPs and Senior Management Personnel as per the Company's Recruitment and Promotion Rules and other related manuals.

Remuneration to Directors and KMP

Whole Time Directors

Being a Central Government Public Sector Enterprise, the appointment, tenure and remuneration of Directors are



decided by Government of India. The Government order indicate the detailed terms and conditions of the appointment of Directors, including the period of appointment.

Non-official Part Time Govt. Nominee Directors

Non-official Part Time Government Nominee Directors are neither paid any remuneration nor paid sitting fees for attending Board Meetings. Further, none of the Govt. Nominee Directors had any pecuniary relationship or transactions with the Company during the year.

Independent Directors

Independent Directors were paid sitting fee of ₹ 20,000/- per Meeting of the Board and ₹18,000/- per Meeting of the Committee of the Board attended which was within the overall limit prescribed under the Companies Act, 2013 read with Rule 4 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules 2015 and Regulations 17(6) of the SEBI (LODR) Regulations, 2015. There was no payment of commission nor any stock option scheme was offered during the year.

Table 15: The details of Remuneration / Sitting Fees paid to Directors and Key Managerial Personnel (KMP) during the year 2021-22:
(₹ in lakh)

Director / KMP (S/Shri/ Dr.)	Designation	Salary	Perquisites	Sitting fees	Total	
T Saminathan (w.e.f. 07/09/2021)	CMD & Director (Comm) -Addl. Charge	47.14	7.03	Not Applicable	54.17	
MV Subba Rao (upto 30/06/2021)	CMD	54.65	2.76		57.41	
S K Gorai*	Director (Finance)	48.03	7.20		55.23	
KV Bhaskara Reddy	Director (Production & Project)	38.20	5.69		43.89	
Jagdish P Joshi (upto 13/12/2021)	Independent Director	Not Applicable		2.08	2.08	
N Mohapatra	Independent Director		3.18	3.18		
Late Ranjit Sreenivas (upto 19/12/2021)	Independent Director		1.72	1.72		
G Ramasamy	Independent Director		3.00	3.00		
Changdev S Kamble (w.e.f. 01/11/2021)	Independent Director		1.30	1.30		
Usha Narayan (w.e.f. 01/11/2021)	Independent Director		1.12	1.12		
Pushp Kant Mishra	Company Secretary		20.57	-	NA	20.57

*Shri MV Subba Rao ceased to be CMD w.e.f. 30/06/2021, Shri S K Gorai had been assigned the Additional Charge of CMD w.e.f. 01/07/2021 upto 07/09/2021 and Shri T Saminathan had been appointed as CMD w.e.f. 07/09/2021

Adequacy of Internal Financial Controls w.r.t the Financial Statements

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit (IA) function is well defined. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee. Based on the report of Internal Audit, different departments of the Company undertake corrective actions in their respective areas and thereby strengthening the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Company.

Significant and Material Orders

During the year under review, no significant and material orders passed by the Regulators or Courts or Tribunals that impact the going concern status and company's operations in future.

FRQRR for FY 2019-20 issued by NFRA

The Financial Reporting Quality Review Report (FRQRR) dated 28th September 2021 was issued by the National Financial Reporting Authority (NFRA) in respect of Financial Reporting for the Accounting year 2019-20. NFRA conclusions/ recommendations in respect of its observations were categorized into High (7 observations), Moderate (28 observations) and Low impact (13 observations). NFRA has recommended KIOCL to prepare and publish revised financial statement including restatements, wherever required as per Ind As 8 and Section 131 of the Companies Act 2013 and to place FRQRR before its Board of Directors for information and for taking appropriate actions. Accordingly, the same was placed before 112th Audit Committee Meeting held on 12.11.2021 and 276th and 277th Meeting of Board, held on 12.11.2021 and 04.02.2022 respectively for its information and taking appropriate actions. The Board of the Company took note of the management's view that restatement of the financial statement for the FY 2019-20 was not necessary. Intimation to this effect was also forward to NFRA vide Action Taken Report dated 8th February, 2022. Further, services of an external expert agency were availed to comply with presentation, measurement and disclosure requirements while preparing the Financial Statement for the FY 2021-22.

Reporting of frauds by Auditors

During the year under review, neither the Statutory Auditors nor the Secretarial Auditor have reported to the Audit Committee, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its Officers or Employees, the details of which would need to be mentioned in the Board's report.



CEO and CFO Certification

As required by Reg. 17(8) and Part B of Schedule-II of Listing Regulations, the CEO and CFO certification is appended as an Annexure to this Report.

Review of Compliance of Laws

In terms of Regulation 17(3) of the Listing Regulations, Para 3.3.3 of the DPE Guidelines and applicable provisions of the Companies Act, 2013, the Board reviewed the Compliance reports relating to various laws applicable during the Year.

Disclosure regarding appointment of Directors

The Company has provided brief resume(s) of the Directors seeking appointment at the ensuing Annual General Meeting, in the Notice attached with this Report.

Reconciliation of Share Capital Audit

As required by the Securities and Exchange Board of India (SEBI), quarterly audit of the Company's Share Capital is being carried out by an Independent External Auditor with a view to reconcile total Share Capital admitted with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and held in physical form with the issued and listed capital. The certificate is regularly submitted to the Stock Exchange(s).

General Body Meetings

Locations and Time of last three AGMs & details of special resolution passed:-

Date	AGM	Location	Time	Special Resolution Passed
15/09/2021	45 th	KIOCL Limited, II Block		No Special resolution was Passed
29/09/2020	44 th	Koramangala through VC / OAVM		Approval to deliver document through a particular mode as may be sought by the member
03/09/2019	43 rd	Conference Hall No.1, Golden Jubilee Block, St. John's Medical College, Sarjapur Main Road, Koramangala, Bengaluru-560 034	12:00 Noon	No Special resolution was Passed

The AGM was conducted in compliance with Secretarial Standard on General Meeting (SS-2) issued by The Institute of Company Secretaries of India (ICSI).

Details of Special Resolution proposed to be conducted

No Special Resolution is proposed to be conducted during the 46th AGM.

Extraordinary General Meeting

During the year under review, no Extraordinary General Meeting was held.

Means of Communication

Quarterly results have been published in prominent daily newspapers as per the requirement on the following dates:

Quarter Ending	30 th June 2021	30 th Sept. 2021	31 st Dec. 2021	31 st Mar. 2022
Published on	07/08/2021	13/11/2021	05/02/2022	26/05/2021
Newspapers				
English	Business Line and Business Standard	Business Line and Business Standard	Business Line and Business Standard	Business Line and Business Standard
Kannada	Prajavani	Prajavani	Prajavani	Prajavani

The Quarterly/Annual results are also made available at the website of the Company <https://kioclltd.in/table.php?id=267>.

The notices w.r.t. Annual General Meeting were published in widely circulated National Newspapers.

Dividend Payment Date

- Dividends were paid within 30 days of declaration as per the provisions of the Companies Act, 2013.
- During the FY ended March 31, 2022, the Board at its meeting held on 12/11/2021 declared interim dividend of ₹ 0.98/- per share and paid the Interim Dividend to all the shareholders of the Company on 07/12/2021.
- The Final Dividend of ₹ 0.79 per share was recommended for the approval of shareholders by the Board in its Meeting held on 24.05.2022 and the same, if approved will be paid through electronic mode of payment.

Distribution of Shareholding as on March 31, 2022

No. of shares held	No. of holders	% to holders	No. of Shares	% to equity
1	1,301	7.15	1,301	0.00
2-10	3,799	20.87	22,979	0.00
11-50	5,201	28.57	1,62,751	0.03
51-100	3,081	16.92	2,73,298	0.04
101-200	1,958	10.76	3,24,770	0.05
201-500	1,583	8.69	5,53,135	0.09
501-1000	661	3.63	5,22,625	0.09
1001-5000	531	2.92	11,40,562	0.19
5001-10000	48	0.26	3,44,749	0.06
10001 and above	42	0.23	60,44,04,926	99.45
Total	18,205	100.00	60,77,51,096	100.00



View of 45th Annual General Meeting held on 15th September, 2021

General Shareholders Information

Annual General Meeting for the Financial Year 2021-22

Day and Date	Saturday, 17 th September, 2022
Time	12:00 Hrs
Venue	The Company is conducting the AGM through Video Conference / Other Audio-Visual Means (VC/OAVM) pursuant to the MCA Circular dated 5 th May, 2020, 13 th January, 2021 & 5 th May, 2022. For details, please refer to the Notice of this AGM.

Financial Year

The Company's Financial Year is from 1st April to 31st March.

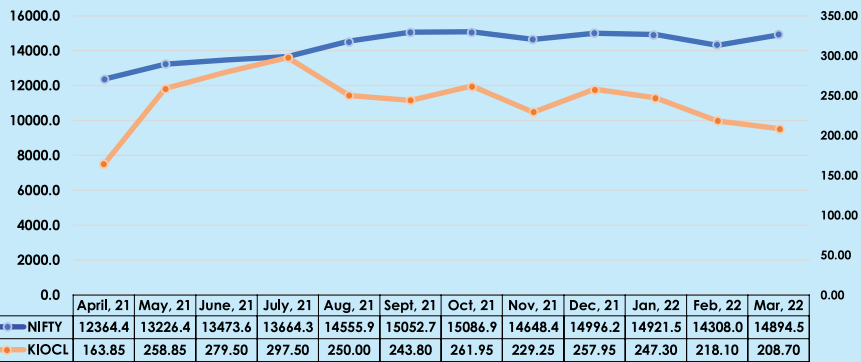
Company's Equity Shares are listed on the following stock exchanges

Sl. No.	Stock Exchange where equity shares are listed	Security Code / Symbol
1.	National Stock Exchange of India Limited (NSE)	KIOCL
2.	BSE Limited (BSE)	540680 / KIOCL
3.	Metropolitan Stock Exchange of India Limited (MSEI)	KIOCL

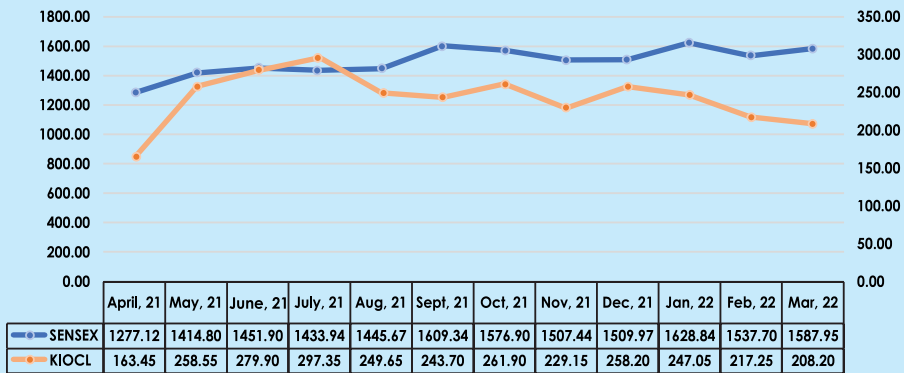
Listing fees to Stock Exchanges and Custodial Fees to Depositories has been paid for the FY 2022-23.

Monthly High & Low prices at BSE & NSE (In ₹)

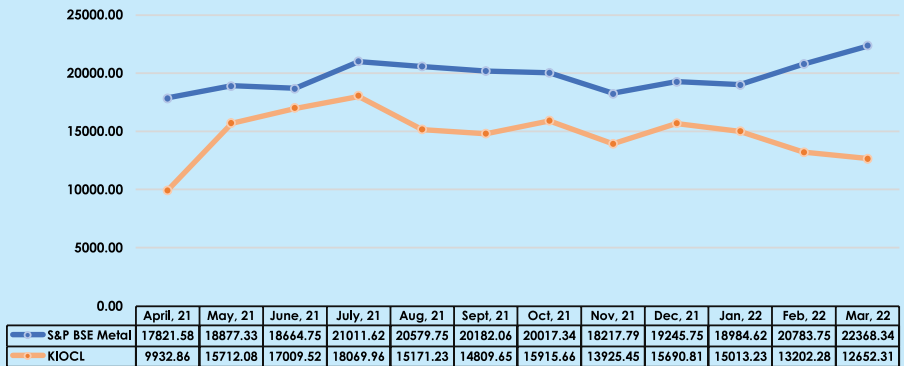
Month	NSE				BSE			
	High	Low	Closing	Volume	High	Low	Closing	Volume
April, 2021	170.00	140.25	163.85	21,89,619	169.40	140.20	163.45	5,31,955
May, 2021	258.85	162.65	258.85	56,62,752	258.55	160.85	258.55	9,17,258
June, 2021	306.50	245.95	279.50	41,14,087	306.80	245.65	279.90	8,24,007
July, 2021	301.90	258.00	297.50	22,74,638	302.80	258.05	297.35	5,81,189
Aug, 2021	315.00	238.90	250.00	29,92,004	314.00	239.35	249.65	4,88,364
Sept, 2021	282.00	235.35	243.80	15,16,653	280.00	236.00	243.70	3,24,813
Oct, 2021	319.00	240.80	261.95	33,67,589	318.50	243.00	261.90	4,63,278
Nov, 2021	275.00	209.40	229.25	9,66,176	274.05	221.50	229.15	1,05,817
Dec, 2021	308.40	215.50	257.95	38,93,509	308.00	216.10	258.20	3,14,495
Jan, 2022	274.05	239.00	247.30	10,85,044	274.35	240.00	247.05	1,23,429
Feb, 2022	270.10	191.00	218.10	24,00,140	269.45	191.05	217.25	1,97,872
Mar, 2022	260.90	207.00	208.70	23,27,993	261.10	207.00	208.20	1,95,049



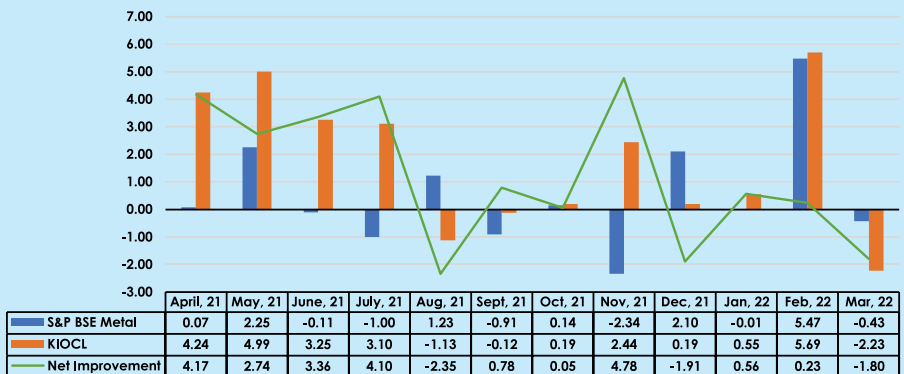
SHARE PRICE COMPARED TO NSE NIFTY 500



SHARE PRICE COMPARED TO BSE CPSE SENSEX



MARKET CAPITALISATION - S&P BSE METAL (₹ IN CRS)



NET IMPROVEMENT IN MARKET CAPITALISATION - S&P BSE METAL (IN %)

Registrars and Transfer Agents

M/s Integrated Registry Management Services Private Limited.

Regd. Office: 30, Ramana Residency,

4th Cross, Sampige Road, Malleswaram,

Bengaluru - 560003

Tel. No.: 080-23460815-818

Email id: irg@integratedindia.in

Shareholding Pattern as on March 31, 2022

Category	No. of Shares	Demat	Physical	Holding%
Central Govt.	60,18,77,627	60,18,77,627	0	99.03
Mutual Funds/UTI	20,286	20,286	0	0.00
Financial Institutions/Banks	0	0	0	0.00
Foreign Portfolio Investors	259	259	0	0.00
Insurance Companies	7,93,685	7,93,685	0	0.13
Bodies Corporate	8,76,102	8,75,802	300	0.14
Resident Indians & others	41,83,137	41,39,641	43,496	0.70
Total	60,77,51,096	60,77,07,300	43,796	100.00

Top ten equity shareholders (Other Than Promoters) as on March 31, 2022:

Name of Shareholder		Shareholding at the end of the year	
		No. of Shares	% of total shares
1	The New India Assurance Company Limited	7,30,300	0.12
2	Dharampal Satyapal Ltd	5,06,147	0.08
3	Kunal Ahuja	2,06,150	0.03
4	Lalitha Mahalingam	1,24,314	0.02
5	Prashant Tandon	97,269	0.02
6	MSPL Limited	77,630	0.01
7	The Oriental Insurance Company Limited	63,385	0.01
8	Ramgad Minerals and Mining Limited	50,130	0.01
9	Pace Commodity Brokers Private Limited	41,414	0.01
10	ASG Trading Pvt Ltd.	35,013	0.01

Share Transfer System

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized

form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.

Dematerialization of Shares and Liquidity

The Shares of the Company continue to be an eligible security in dematerialized form by CDSL and NSDL with ISIN No. INE880L01014. As on March 31, 2022, 99.99% of the Company's total paid up capital representing 60,77,07,300 share was in dematerialized form and balance 43,796 shares were in physical form.

To eliminate various risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form.

Dematerialisation of Shares and Liquidity (as on 31.03.2022)

Description	No. of Folios / holders	No. of Shares	% of total Equity Capital
CDSL	12,197	20,68,599	0.34
NSDL	5,704	60,56,38,701	99.65
Physical	304	43,796	0.01
Total	18,205	60,77,51,096	100.00

* Folio numbers having same PAN are not clubbed.

Share transfer /transmission system

SEBI vide circular dated 28.03.2018 has done away with the transfer of securities in physical form w.e.f. 01.04.2019. Accordingly, shareholders, who continue to hold shares of the Company in physical form will not be able to lodge the shares with Company / RTA for further transfer. Therefore, members holding shares in physical form are requested to dematerialize their holdings at the earliest.

Common and Simplified Norms for Processing Investor's service requests

SEBI vide its circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 03.11.2021 and circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated 14.12.2021 had issued 'Common and simplified norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC details and Nomination'. The details of said circulars and respective forms for entertaining such requests are hosted at Company's website at <https://kioclltd.in/data.php?id=68>.

Issuance of Securities in dematerialized form in case of Investor Service Requests

SEBI vide its notification no. SEBI/LAD-NRO/GN/2022/66 dated 24.01.2022 and further its circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25.01.2022 had notified with immediate effect that in case of investor's requests with

respect to 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 certificate/folios; Transmission; Transposition, the Company shall issue the securities in dematerialized form only. The respective form ISR-4 to be submitted by the shareholder for entertaining such requests is hosted at the website of the Company at link <https://kioclltd.in/data.php?id=68>.

Outstanding GDRs/ADRs/Warrants

There are no outstanding GDRs/ADRs/Warrants or any convertible instruments.

Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

Not Applicable, since the Company had no exposure to commodities.

Plant Locations

Pellet Plant Unit and Blast Furnace Unit of the Company are located at Mangaluru in Dakshina Kannada District of Karnataka.

Address for Investor Correspondence

In order to facilitate quick redressal of grievance/queries, the investors and shareholders may contact the Company Secretary at below mentioned address:

Company Secretary
KIOCL Limited,
II Block, Koramangala,
Bengaluru - 560034
Tele/fax: 080-25531525
E-mail: cs@kioclltd.in

The following table provides a list of years for which unclaimed dividends as on 31/03/2022 and their corresponding shares would become eligible to be transferred to the IEPF on the dates mentioned as:

Dividend for the year	Type of Dividend	Account No.	Dividend per Share (₹)	Date of Declaration	Due date for transfer to IEPF	Unclaimed amount (in ₹)
2014-15	Final	0693103000000116	0.10	07.09.2015	13.10.2022	4,707.00
2016-17	Interim	0693103000000125	0.11	24.01.2017	01.03.2024	4,861.12
2016-17	Final	0693103000000134	0.26	31.08.2017	06.10.2024	13,220.74
2017-18	Interim	0693103000000143	0.27	19.03.2018	24.04.2025	15,390.27
2017-18	Final	201002713091	0.79	31.08.2018	06.10.2025	42,187.58
2018-19	Final	201003694672	1.33	03.09.2019	09.10.2026	57,396.15
2019-20	Final	201004395400	0.70	29.09.2020	04.11.2027	29,656.90
2020-21	Final	201013506064	1.64	15.09.2021	21.10.2028	69,101.96
2021-22	Interim	201014873699	0.98	12.11.2021	18.12.2028	35,394.22

Investor Education & Protection Fund (IEPF)

Pursuant to the applicable provisions of the Companies Act, 2013 read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF, after completion of seven years. Further, according to the Rules, the Shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority. Accordingly, the Company has transferred the unclaimed and unpaid Dividends amount up to the Financial Year 2013-14 (Final) and the corresponding Shares to the IEPF Authority. The details of shares transferred to the IEPF Authority along with the list of unclaimed / unpaid Dividend is available on Company website at <https://kioclltd.in/data.php?id=117>. Shareholders are advised to visit the website and claim the unclaimed dividend, if any.

Unclaimed Dividend

Section 124 of the Companies Act, 2013, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules 2016, mandates that companies transfer dividend that has remained unclaimed for a period of seven years from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). The Rules mandate that the shares on which dividend has not been paid or claimed for seven consecutive years or more are to be transferred to the IEPF.



The Company sends periodic intimation and gives notices in newspapers to the Shareholders concerned, advising them to lodge their claims with respect to unclaimed dividend. Shareholders may note that both the unclaimed dividend and corresponding shares transferred to IEPF can be claimed back from IEPF by making application to the authority by filing Form IEPF-5 online available on website www.iepf.gov.in. The detail procedure to claim refund is available on link <https://www.iepf.gov.in/IEPF/corporates.html>.

Dividend remitted to IEPF during last three years

Year	Type of Dividend	Dividend declared on	Date of transfer to IEPF	Amount transferred to IEPF (₹)
2013-14	Final	06/09/2014	13/10/2021	5,229.12
2012-13	Final	30/08/2013	13/10/2020	35,191.00
2011-12	Final	21/06/2012	25/07/2019	1,02,963.00

Shares Transferred to IEPF

During the year, the Company transferred 1600 shares on 26.10.2021 to IEPF Authority. The shares transferred were on account of dividends unclaimed for seven consecutive years since 2013-14.

Nodal Officer to Co-ordinate with IEPF Authority

Shri Pushp Kant Mishra, Company Secretary has been designated as Nodal Officer of the Company for the purpose of coordination with IEPF Authority. Contact details of Nodal officer are as follows: Email Id: - cs@kioclltd.in, Tele/fax: -080-25531525

Participation and voting at 46th AGM

Pursuant to the General Circular numbers 20/2020, 14/2020, 17/2020, 39/2020, 02/2021, 21/2021 and 02/2022 issued by the Ministry of Corporate Affairs and Circular number SEBI/HO/CFD/CMD1/ CIR/P/2020/79, SEBI/HO/CFD/CMD2/CIR/P/2021/11 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 issued by SEBI, the 46th AGM of the Company will be held through video-conferencing and other audio-visual means, the detailed instructions for participation and voting at the Meeting is available in the notice of the 46th AGM.

Resolution passed through Postal Ballot

During the year, no resolution was passed by way of postal ballot.

Shareholders Voting

Shareholders are requested to cast their votes on the resolutions mentioned in Notice of the 46th Annual General Meeting of the Company by using any of the following options:

- **Voting in advance of the Meeting and during the Meeting-**

Remote e-voting & during the meeting at <https://www.evotingindia.com/>. The Company has engaged CDSL to provide e-voting facility to all the members whose names appear on the register of members as on 10.09.2022.

- **Voting through proxy**

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 this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

- **Vote in person at the Meeting**

Please refer to the Notes section in the Notice for details on admission requirements to attend the Annual General Meeting. The MCA vide general circulars dated 8th April, 2020, 13th April, 2020, 5th May, 2020, 13th January, 2021, 14th December, 2021 and 5th May, 2022 read with SEBI Circular dated 12th May, 2020, 15th January, 2021 and 13th May, 2022 have mandated the Listed entities to hold the AGM through Video Conference or any other Audio-Visual means and to provide the remote e-voting facility before the AGM and e-voting facility during the AGM. This requirement of holding the AGM through video conference is due to the ongoing COVID-19 Pandemic. In view of the aforesaid circulars there will be no voting in person at the Meeting and no physical presence will be required at the AGM.

Financial Calendar for 2022-23 (Tentative)

1 st Quarter ending June 30, 2022	on or before 14/08/2022
2 nd Quarter ending September 30, 2022	on or before 14/11/2022
3 rd Quarter ending December 31, 2022	on or before 14/02/2023
4 th Quarter ending March 31, 2023	on or before 30/05/2023
AGM for the year 2022-23	on or before 30/09/2023

These dates are tentative and subject to change and the last date for submission of the unaudited quarterly and year to date financial results to the Stock Exchange is within forty-five days of end of each quarter (except the last quarter). The last date for submission of the financial results of the last quarter and year ended is within sixty days from the end of the financial year.

Book Closure

The Register of Members and Share Transfer Books of the Company shall remain closed from 11.09.2022 to 17.09.2022 (both days inclusive).

Compliance Certificate

As required under Regulation 34(3) and Para E of the Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the certificate from a Practicing Company Secretary pertaining to compliance of conditions of Corporate Governance is annexed with the Directors' Report.

The quarterly report on compliance with the Corporate Governance requirements prescribed by DPE is also sent to Administrative Ministry regularly.

Registered Office

KIOCL Limited
II Block, Koramangala,
Bengaluru - 560034, Karnataka
Phone: 080-25531461-466
Fax: 080-25532153-5941

Other Disclosures

Besides the mandatory requirements as mentioned above, the other disclosures as specified in Schedule V(C)(10) of SEBI (LODR) Regulations, 2015 is reproduced below:

	Particulars	Details
A.	Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large	No transactions were entered into with Related Parties as defined under the Act and Para A of Schedule V of the Listing Regulations, during the Year which attract the provisions of Section 188 of the Act, as such annexure AOC-2 is not furnished.
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	<p>Stock Exchange(s) imposed penalty for non-compliance of Regulation 17(1) of Listing Regulations with regard to composition of the Board for the period from 01.04.2021 to 31.10.2021.</p> <p>Issue is regularly placed before the Board, which noted the same and advised to refer to Ministry of Steel, Government of India for filing the vacant post of Independent Directors and seek waiver from Stock Exchange(s) from payment of penalty levied, since the appointment of Directors on the Board of KIOCL is done by the Government of India.</p> <p>Accordingly, the Company is continuously taking up with Ministry of Steel for filing the vacant post of Independent Directors.</p>
C.	Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel have been denied access to the audit committee	Whistle Blower Policy duly approved by the Board is hosted on Company website and no personnel have been denied access to the Audit Committee.
D.	Details of compliance with mandatory requirements and adoption of the non-mandatory requirements	Complied
E.	Web link where policy for determining 'material' subsidiaries is disclosed	Not Applicable
F.	Web link where policy on dealing with related party transactions is available	https://kioclltd.in/table.php?id=280
G.	Disclosure of commodity price risks and commodity hedging activities.	Not Applicable
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 from a Company Secretary in Practice is annexed to the Board's Report.
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 shall be disclosed along with reasons thereof: Provided that the clause shall only apply where recommendation of / submission by the committee is required for the approval of the Board of Directors and shall not apply where prior approval of the relevant committee is required for undertaking any transaction under these Regulations.	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.	Total fees paid for all services to the statutory auditors amounts to ₹12.05 Lakhs including reimbursement, audit, taxation and other services fees.
L.	Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013	Disclosures forms part of the Board's Report.



Non-Compliance

In pursuance to Schedule V (C) (11) of the SEBI (LODR) Regulations, 2015, we report non-compliance to Regulation 17(1) of SEBI (LODR) Regulations, 2015 for the year till 31.10.2021.

The extent to which the discretionary requirements specified in Part E of Schedule II have been adopted

A.	The Board A non-executive chairperson may be entitled to maintain a Chairperson's Office at the listed entity's expense and is also allowed reimbursement of expenses incurred in performance of his duties.	Company is having Executive Chairman.
B.	Shareholder Rights A half-yearly declaration of financial performance including summary of the significant events in last six-months, may be sent to each household of shareholders.	Results are placed on the Company's website and published in leading newspapers. Significant events are placed on the Company's website and also intimated to the stock exchanges for the information of public at large.
C.	Modified opinion(s) in Audit Report The listed entity may move towards a regime of financial statements with unmodified audit opinion.	Statutory Auditors have given unmodified opinion on the financial results for the period ended on 31 st March, 2022 and a declaration to that effect to the Stock Exchange(s) was given while publishing the Annual Audited Financial Results on the website of the Company as per Regulation 33(3)(d) of the SEBI (LODR) Regulations, 2015.
D.	Reporting of Internal Auditor The Internal Auditor may report directly to the Audit Committee.	Internal Auditor reports to the Audit Committee.

COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS

Except those Non-Compliances as observed in the Corporate Governance Certificate and in Secretarial Audit Report, the Company has complied with Corporate Governance Requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulations 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

BUSINESS OVERVIEW

India - the world's second largest crude steel producer

India is the world's second largest producer of crude steel. Supported by end-use industries and positive outlook across both developed and developing economies, steel demand is projected to increase in 2022. The industry is likely to gain from eventual stabilization of ongoing COVID-19 waves along with vaccination programs, facilitating gradual return of primary steel-consuming nations to normalcy. The steel industry has experienced faster-than-expected recovery from the impact of lockdowns and production disruptions amid the COVID-19 outbreak. Amid the COVID-19 crisis, the global market for Iron Ore estimated at 2.3 billion Metric Tons in the year 2022, is projected to reach a revised size of 2.7 billion Metric Tons by 2026, growing at a CAGR of 3.7% over the analysis period. The Indian Steel Industry is modern with state-of-the-art steel mills. It has always strived for continuous modernisation of older and up-gradation to higher energy efficiency levels. Indian steel industry is classified into three categories – major producers, main producers, and secondary producers.



View of Pellet Stacker

Road Ahead - The National Steel Policy, 2017

The National Steel Policy, 2017 envisage 300 million tonnes of production capacity by 2030-31. The per capita consumption of steel has increased from 57.6 kgs to 74.1 kgs during the last five years. The government has fixed target of increasing rural consumption of steel from the current 19.6 to 38 kg/per capita by 2030-31.

Increasing Investments & consolidation of players

The industry is witnessing consolidation of players, which has led to investment by entities from other sectors. The ongoing consolidation also presents an opportunity to global players to enter the Indian market.

Policy support

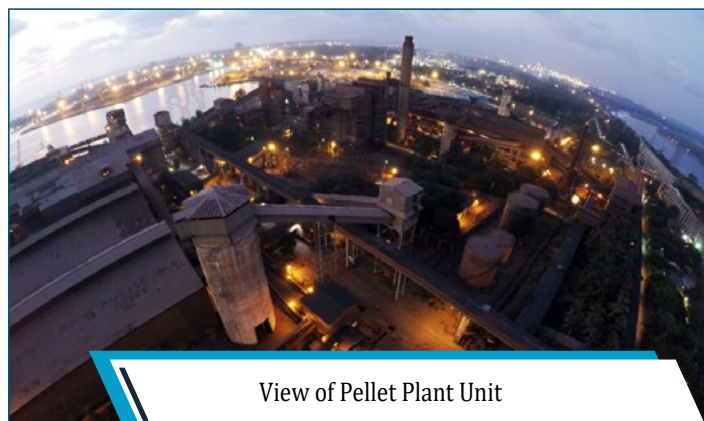
In October 2021, the Government of India announced guidelines for the approved specialty steel production-linked incentive (PLI) scheme and under the Union Budget 2022-23, Rs. 47 crore (US\$ 6.2 million) was allocated to Ministry of Steel.

Competitive advantages

Easy availability of low-cost manpower and presence of abundant iron ore reserves make India competitive in the global set up. India is home to fifth-highest reserves of iron ore in the world and world's second-largest producer of crude steel.

India's economic recovery and pandemic

Right when the global economy seemed to be at the cusp of witnessing green shoots of recovery after leaving the worst of the COVID-19 pandemic behind (despite uncertainties associated with subsequent waves of infection and rising global inflationary pressures), the Russia-Ukraine crisis escalated. Consequently, prices of crude oil and gas, food grains such as wheat and corn, and several other commodities have shot up. The conflict has also brought in severe financial sanctions and political pressure on Russia from the rest of the world, primarily the western powers. It is obvious that this will likely have an unpredictable and undesired implication(s) on the global financial system and economy. It is, therefore, no surprise that the war in Ukraine and its potential economic impact have forced several economic forecasters to revise their growth projections for 2022. Even though there is little visibility into how long the conflict will last, it is believed that the crisis could hurt growth in the United States and the United Kingdom by 0.3–0.5% in 2022.



View of Pellet Plant Unit

It's not just India, but almost all emerging economies are reeling under these external shocks. However, India's underlying economic fundamentals are strong and despite the short-term turbulence, the impact on the long-term outlook will be marginal. The results of growth-enhancing policies and schemes (such as production-linked incentives and government's



push toward self-reliance) and increased infrastructure spending will start kicking in from 2023, leading to a stronger multiplier effect on jobs and income, higher productivity, and more efficiency—all leading to accelerated economic growth. Furthermore, the emphasis on manufacturing in India, various government incentives such as lower taxes, and rising services exports on the back of stronger digitization and technology transformation drive across the world will aid in growth. Also, several spillover effects of geopolitical conflicts could enhance India's status as a preferred alternate investment destination. Global in-house centers and multinationals, for instance, may prefer India over Eastern European markets (especially those that border Ukraine) to shift their current operations or open new facilities. On the health front, a large, vaccinated population will likely help contain the impact of subsequent infections waves, if any.

The flagship United Nations World Economic Situation and Prospects (WESP) 2022 report, indicated that India's GDP is forecast to grow at 6.5 per cent in fiscal year 2022, a contraction from the estimated growth of 8.4 per cent in fiscal year 2021. Growth is projected to further slow down to 5.9 per cent in the financial year 2023. The government's thrust on infrastructure, coupled with an increase in demand from the construction, engineering and other sectors, is expected to push up domestic steel consumption in 2022, according to brokerages and rating agencies. India's steel consumption is expected to jump to 111 million tonnes in calendar year 2022 (CY22) after a severely impacted CY20, which saw steel consumption falling to 89.3 Mt, India's steel consumption numbers for CY21 could be around 104 Mt, which would mean a 17 per cent increase from last year. Between April-November 2021, the consumption was 66 Mt, up from 55 Mt in the corresponding period of 2020.

On the other hand, China, the world's largest consumer and producer of steel, due to continued production curbs to curtail carbon emissions, has tapered exports, in turn keeping world export prices at elevated levels. It is reported that China's state planner will reduce crude steel output this year after cutting about 30 million tonnes of production in 2021. The world's top steel producer met its annual target last year by slashing steel output to 1.033 billion tonnes from 1.065 billion tonnes in 2021, logging its first annual drop in six years. The industry has been expecting the government to maintain output controls as it aims to bring its carbon dioxide emissions to a peak by 2030. The ferrous sector contributes some 15% of China's total greenhouse gas discharge. The National Development and Reform Commission would strictly implement requirements in line with energy consumption and environment controls while ensuring the steel sector's supply-side reform. China's first quarter crude steel production stood at 243.4 million tonnes, down 10.5% from the same period a year earlier. Apart from the production and consumption equation of steel, supply chain performance and logistical arrangements are expected to play a crucial role in 2022 amid the ongoing pandemic,

and Russia, Ukraine conflict. On the back of these factors, it is reported that India to grow at 8.3–8.8% during FY:2021–22, followed by equally strong growth of more than 7.5% and 6.5% in the next two fiscal years, respectively. This will likely mean that the baton for the fastest-growing emerging country will be passed on from China to India in the coming years.

IRON ORE - SCENARIO

Iron ore prices (62%, CFR) were volatile over the first half of financial year 2022, with the spot index ranging between \$87/DMT and \$223/DMT, averaging around \$136/DMT. That is -\$47 lower than in the prior half year, but +\$10/MT higher than the corresponding half of financial year 2021. Seaborne lump premia were also volatile, trading in the range of \$0.03 to \$0.74/dmtu, averaging \$0.23/dmtu. Global iron ore market is expected to Reach 2.7 billion Metric Tons by 2026. Iron ore Pellets preferred over sinter and lump ore as their shape, size, strength, and excellent metallurgical properties. The use of pellets results in increasing the productivity of the iron making units without any capital investment. The known chemistry facilitate reduction in coke rate and the slag generation over the conventional burden. Pellet consumption is increasing year by year due to implementation of stringent environmental norms, to reduce coke consumption, low slag generation and low flux addition, improve productivity by about 10 to 20%. Global pellet capacity is around 700 Mt, and the production is about 600 Mt, export market demand is about 399 Mt. Top iron ore pellet producing countries are China, India, Brazil, Russia, Ukraine, USA, Canada, Iran, Sweden, Mexico, Bahrain, Australia, Oman, Japan etc. Dominating players in the global market are Vale, Cliff, GIIC, Ferro Expo, LKAB, AMNS, JSWL, JSPL etc whereas first 5 are 100% merchant producers with captive mines. Gas based steel plants especially in Middle East uses 80 to 90% pellets in their charge mix, European steel mills also uses 50 to 80% including Blast furnace route, whereas steel mills in Asia uses 10 to 20% on an average only.

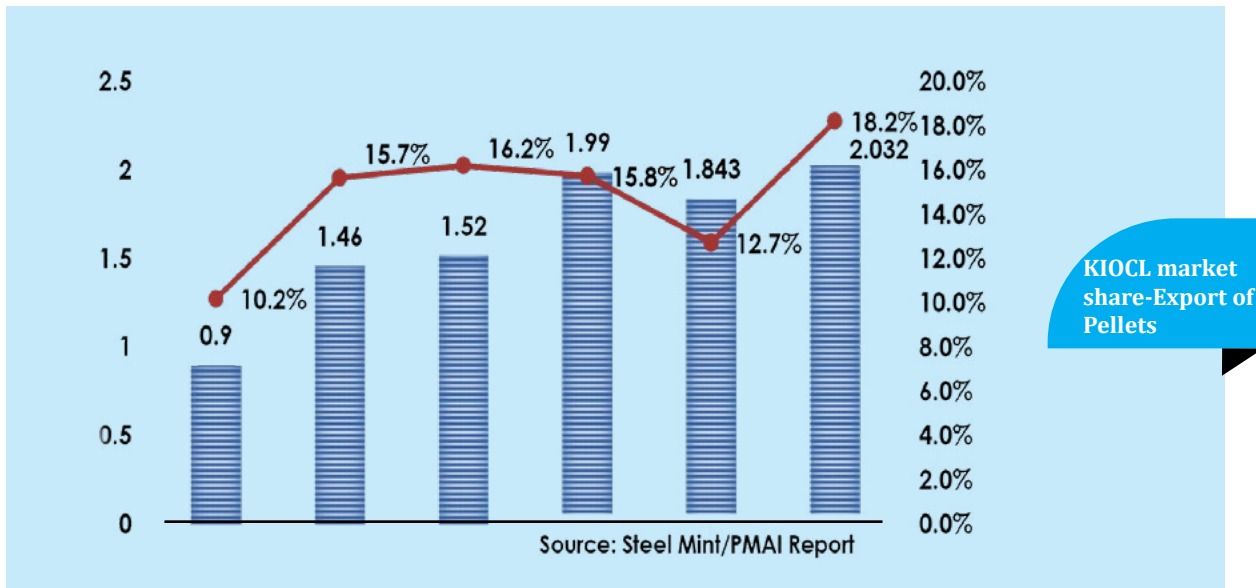
IRON ORE PELLETS - SCENARIO

Indian pellet plant capacity has increased to around 109 million tons per annum. Under the total capacity of 109 Mt Odisha has the highest capacity with 36.34 Mt followed by Karnataka with 27.70 Mt, Jharkhand with 10.70Mt Chhattisgarh 9.90Mt, West Bengal with 8.10Mt, Andhra Pradesh 8.00Mt, Maharashtra with 4.30Mt rest of India Contributing to 3.97Mt. Iron ore pellets produced in India during the FY: 2021-22 (Till end Feb'22) was about 69.869 million Tons. KIOCL produced 2.03 million tons of pellets during the FY: 2021-22. Steel production cuts implemented by China during the second half of the year 2021 and also stringent environmental norms reduced demand for Indian pellets in China, resulting in reduction in pellet production in comparison with the previous year. Around 50% of pellet capacity is by integrated steel mills which use pellets for captive consumption and the rest is from merchant pellet manufacturers.



EXPORT OF IRON ORE PELLET

Pellet Exports from India stood at about 11.14 million tons during 2021-22 as against 14.46 million tons in the previous year, down by about 22.960 % on Year-on-Year. China continued to be the largest importer of pellets from India at 7.44 million tons in FY'22. However, exports to China witnessed a decrease of 33% y-o-y compared to 11.04 million tons in the corresponding period last year (CPLY). Pellets shipments to China declined y-o-y on the considerably higher base of 2020 as well as the bleak steel production scenario in China that unfolded since the beginning of second half of the year 2021. Indonesia occupied the second position among the top importers at 0.83 million tons followed by South Korea at 0.49 million tons. Export volumes to Indonesia & South Korea witnessed a sharp increase of 84% and 158%, respectively. KIOCL with export volume of 2.032 million tons achieved 18.2% of total Exports from India. KIOCL's export share has increased from 12.70% in the FY: 2020-21 to 18.20% during the current FY: 2021-22. During the FY: 2021-22, KIOCL registered downward trend in DTA sale of pellets, which stood at 02.0% as against 20.20%. KIOCL is facing competition from merchant pellet manufacturers in India whose capacity has increase over the year. Domestic pellet manufacturers are based in and around mining areas and nearer to end users.

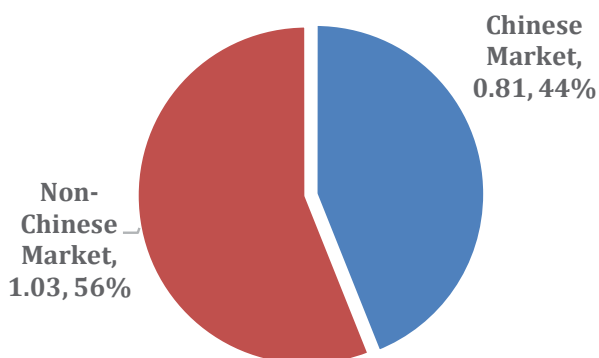


EXPANSION OF MARKET BASE

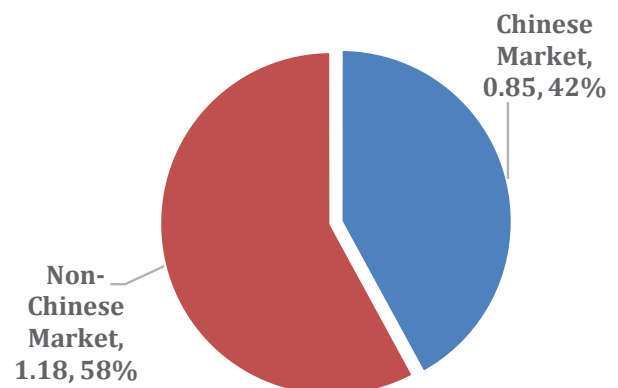
China, being the consumer of more than 50% of the iron ore produced in the world has been the major market for KIOCL pellets. In continuation with its efforts to sell pellets in the non-Chinese Market to minimize dependency on the Chinese market and to expand its Market presence, about 58 % of the total exports made were to markets other than China in comparison with about 56% during the previous year. Pellets were sold to the non-Chinese steel Mills in Oman, Brazil, Malaysia, Bahrain, South Korea, Indonesia, Austria, Finland, Romania, and Poland.

[Source: PMAI, Steel Mint, MoS, IBEF, World Steel, Media Report etc]

Pellet Export Details for 2020-21-Qty in Mt.

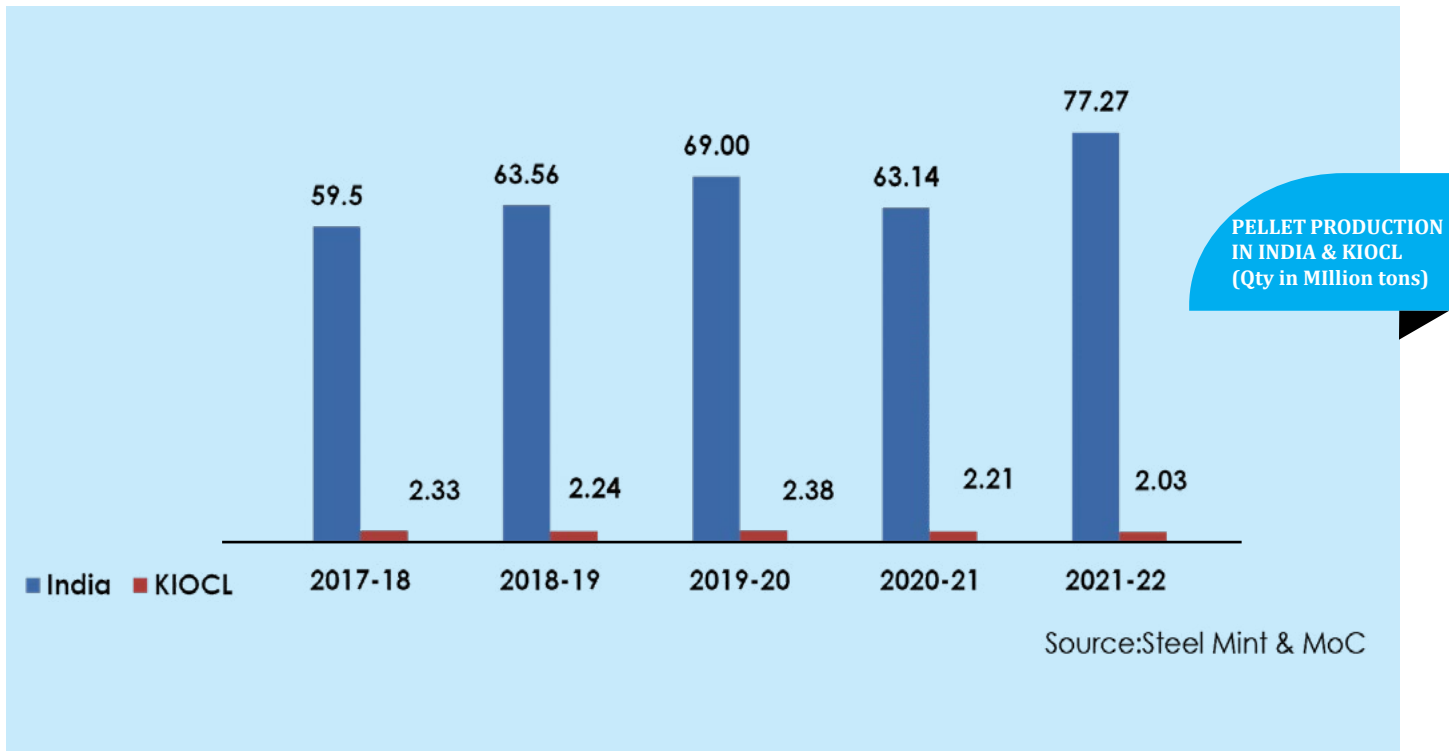


Pellet Export Details for 2021-22-Qty in Mt.



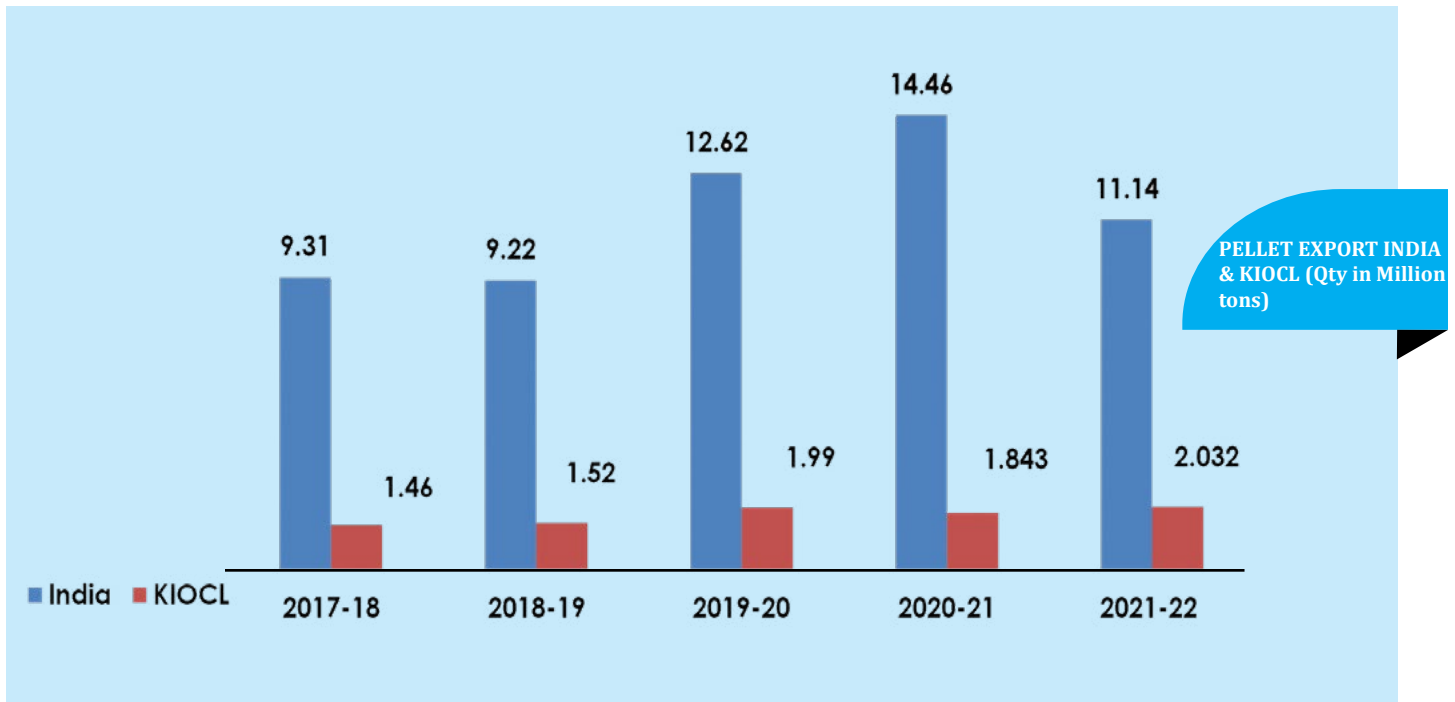


DOMESTIC PELLET PRODUCTION VIS-À-VIS KIOCL SHARE



During the FY: 2021-22, KIOCL produced 2.03 Mt of pellets and dispatched 2.07 Mt of pellets against MoU targets of 2.80 Mt. Though, KIOCL has fallen short of MoU target, the performance in the backdrop of the global pandemic was commendable. KIOCL has achieved the highest ever Sales Revenue during the FY: 2021-22. The March, 2022 dispatch of 3,79,150 MT was the highest ever monthly dispatches after closure of captive mines, i.e., from 2006-07 onwards.

PELLET EXPORT VIS-À-VIS KIOCL SHARE



FINANCIAL PERFORMANCE OF OPERATION

a) The Financial performance of the Company for the year 2021-22 in brief is furnished below:

(₹ in Crores)

Particulars	2021-22	2020-21
Revenue from Operations	3006.45	2376.44
Profit/(Loss) Before Tax for the year	411.03	410.23
Profit/(Loss) After Tax	313.41	301.17

b) Cash Flow information: - An abstract of Cash Flow statement for the year ended on 31st March 2022 is as under:

(₹ in Crores)

A)	Cash and Cash Equivalents as at 01.04.2021	578.96
B)	Net Cash from Operating Activities	69.92
C)	Net Cash from Investing Activities	(132.39)
D)	Net Cash used in Financing Activities	(164.78)
E)	Cash and Cash Equivalent as at 31.03.2022	351.71

PRODUCT-WISE PERFORMANCE

The production target vis-a-vis actual achievement with capacity utilization during last five years including current year is depicted as under: -

(Qty. In Million Tons)

Year	MoU Target	Actual Production	Utilization of installed Capacity in %
2021-22	2.800	2.030	58
2020-21	2.500	2.210	63
2019-20	2.300	2.375	68
2018-19	2.170	2.238	64
2017-18	1.925	2.327	66

(Installed capacity of Pellet Plant is 3.500 Million Tons / Annum).

SWOT ANALYSIS

In the ever-changing business environment, your Company has identified the following Strengths, Weakness, Opportunities and Threats:

STRENGTHS

- Sound financial and credit worthiness.
 - Surplus funds that can be leveraged for growth.
- Notification of 470.40 ha of Iron & Manganese ore mine by Govt. of Karnataka.
- Niche Expertise
 - Expertise in handling iron ore from different sources (Magnetite/ Hematite) with different ore characteristics in pellet making.

- Expertise in Mining, Beneficiation, Pelletization & Exploration.
- Material Handling advantage
 - Proximity to National Highway, Railway line & Port.
 - Shore based Plant with dedicated berth & mechanical ship loading facility.
- Qualified, skilled and experienced manpower.
- Well defined HR policies.
- Authorized Economic Operator Export Oriented Unit
- Strong environmental and social commitment.
- Committed Management team with high professional acumen.
- Diversified Board having vast professional expertise.
- Risk Management Plan and its mitigation in place.

WEAKNESS

- Raw Material Sourcing
 - Lack of an operative captive mine since 2006.
 - Due to high basic price and stiff competition, uneconomical to procure IOF from Karnataka through e-auction.
 - Plant located away from mine head as well as domestic consumer locations.
- High logistics cost for transportation of Iron Ore Fines.
- Restricted to produce only BF Grade Pellets due to non-availability of high-grade ore indigenously and absence of beneficiation facilities.
- Single product portfolio since BFU operation is suspended.
- Lack of forward or backward integration for its Blast Furnace Unit.
- Non availability of deep draft berths/ facilities to handle cape size vessels.

OPPORTUNITIES

- Anticipated strong growth in the Indian Steel Industry driven by the Govt.'s focus on manufacturing and infrastructure.
- Production-linked incentive for steel manufacturing.
- Sustained Demand for value added products like Pellet, DISP etc.
- Potential growth through JVs with other steel majors in India and overseas.
- Best located for serving Steel plants in Middle East, China under Make in India.

THREATS

- Govt. of India vide Customs Notice No. 29/2022 - Customs dated 21.05.2022 imposed 45% Export Duty on Export of pellets, w.e.f., 22.05.2022.
- Fluctuations in IOF price due to monthly pricing under LTC with NMDC.
- Severe competition in the Pellet Industry.
- Commissioning of captive pellet plants by all integrated steel plants.
- Inflow of Pellet and high-grade lump from overseas at lower rates.
- Constrained development due to continuation of policy, regulatory and environmental limitations.
- Volatility in raw material prices on account of policy and regulatory actions.
- Threat of substitute's viz., use of sinter or lumps in place of Pellets.
- Highly dependent on China for selling of Pellets.

INTERNAL CONTROL SYSTEMS

The Risk Based Internal Audit (RBIA) is in place in the Company since 2011. It helps to strengthen the Internal Control Systems of the Company which is very important to ensure compliance of audit related regulatory guidelines, to bring the desired improvement and give timely feedback to the Top Management for taking-up immediate corrective steps. The report of Internal Auditor is placed before the Audit Committee on quarterly basis.

FUTURE OUTLOOK

The following projects are in different stages of implementation:-

DEVELOPMENT OF DEVADARI IRON ORE BLOCK	
Brief of Project	<ul style="list-style-type: none"> Develop Iron ore Mine of capacity 2.0 MTPA on execution of mining lease deed. Set up 2.0 MTPA capacity Beneficiation Plant. Set up 2.0 MTPA capacity Pellet Plant
Time Schedule	Commencement of mining activities by end of January, 2023 and 24 months from the date of placement of order on the Main technological package supplier for Beneficiation Plant.
CAPEX	₹ 1500 – 2000 Crores
Status	Mine plan for the project of an area 470.40 ha was approved by IBM on 08.03.2018. Environment Clearance for the project granted by MoEF &CC, GoI on 13.08.2021 for iron ore mine capacity of 2 mtpa, 2 mtpa Beneficiation Plant. MoEF&CC, GoI on 24.06.2021 accorded Stage-I / in-principle approval for diversion of 401.5761 ha. forest land (388.00 ha for Mining + 13.5761 ha for conveyor corridor, power transmission line, approach road). Company paid ₹174.14 Crores on 29.10.2021 to Karnataka CAMPA fund towards net present value, compensatory afforestation charges and other statutory charges as compliance to Stage I FC conditions. Site-specific Wildlife Management Plan is approved by PCCF (Wildlife), GoK on 21.02.2022. Catchment Area Treatment Plan is approved by Principal Chief Conservator of Forests, GoK on 28.02.2022. GoK on 03.02.2022 acceded to KIOCL's request for extending the compliance period for a further period of one-year upto 22.01.2023 for submission of statutory clearances as well as for entering into mine development and production agreement & registration of mining lease deed of Devadari mine. Condition wise Compliance's report of Stage-I FC conditions is submitted to DCF Ballari on 15.03.2022 for onward submission to MoEF&CC, GoI for obtaining Stage-II Forest Clearance. Compliance report submitted has been forwarded by DCF Bellary to CCF Bellary and is in process.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATION FRONT

The Company aims at providing motivation and growth opportunities for its employees. It also encourages them and creates an environment for best utilization of their skills in achieving the Company's objectives. In this direction, during the year, 3675 man-days training was provided. Industrial Relations situation remained peaceful throughout the year. As on March 31, 2022, the Company had 699 employees on its rolls.

KEY FINANCIAL RATIOS:

Particulars	2021-22	2020-21
Current Ratio	6.62	7.25
Operating profit as a % of Revenue from Operations	11.20	13.00
Net Profit Margin (%)	10.42	12.67
PAT / Average Net Worth (%)	15.18	15.44
Return on Assets (%)	11.78	12.13
Return on Average Net Worth (%)	15.18	15.44
Return (EBITDA) on Average Capital Employed (%)	20.01	21.03
Market to Book Ratio	4.04	4.40

DETAILS OF ANY CHANGE IN RETURN ON NET WORTH

The return on Average Net-worth during the year was 15.18% as compared to 15.44% during the previous year.

SETTING UP OF COKE OVEN PLANT & DISP PLANT WITH MODERNIZATION OF BFU	
Brief of Project	Setting up of 2.0 LTPA DISP Plant under forward & 1.80 LTPA Coke Oven Plant under backward integration projects by KIOCL Limited and carrying out the necessary modifications to the Blast Furnace Unit of KIOCL to make the unit economically viable.
Time Schedule	Coke Oven Plant- May 2023 and DISP- 24 months from the date of placement of order on the Main technological package supplier.
CAPEX	₹ 836.90 Crores
Status	<p>EPCM contract is awarded to M/s MECON for this project. The project is divided into 13 packages, out of which 3 packages, i.e., Topographical Survey, Geotechnical Investigation and Site levelling works have been completed. For Coke Oven Plant, agreement was signed with M/s Tuaman Engg. Ltd, Kolkata on 22.11.2021 and Tripartite agreement was entered among KIOCL, M/s Tuaman Engg. Ltd and M/s. CIMFR, Dhanbad (Technology supplier). Detailed Engineering is under progress and civil foundation works for Coke Oven Battery are going on at the site. Major equipment has been ordered for the project by the contractor. Power plant package was re-tendered on 07.03.2022. Offers received are under technical evaluation. DISP global tender floated on 09.03.2020. During the period of tender, GFR rules were amended accordingly, participants from the borders sharing countries with India needs mandatory registration with DPIIT, GoI. For the said tender, bidders applied with DPIIT and are under consideration. KIOCL has submitted necessary inputs to the 8th meeting of Registration Committee dated on 27.01.2022. The agenda point was deferred and KIOCL has submitted necessary inputs once again on 12.04.2022 to DPIIT, as sought on MoM of 9th registration committee held on 17.03.2022.</p> <p>Tender floated for the packages-Power Plant, Pulverized Coal Injection (PCI), Oxygen and Nitrogen plants, which are cancelled. On retender, offers received for Power Plant is under evaluation. Pulverized Coal Injection (PCI) are re-tendered and remaining are under re-tendering.</p>

MODERNIZATION OF PELLET PLANT UNIT, MANGALURU	
Brief of Project	Installation of 4 Nos. of Vertical Pressure Filters
Time Schedule	Expected to be completed by Sept-2022
CAPEX	₹ 158.60 Crores
Status	Order Placed on M/s METSO for supply of 4 nos. of vertical pressure filters. Major equipment supply is completed and Auxiliary equipment (off shore items) is expected to be completed by 15 th April, 2022. Procurement action for other miscellaneous items completed except instrumentation and expected to receive the items by July 2022. Civil works for the filtration building is completed. Erection of equipment & structure is in progress.

DIGITAL TRANSFORMATION	
Brief of Project	ERP Implementation
Time Schedule	24 months for ERP
CAPEX	₹ 20.31 Crores for ERP [Est.]
Status	ERP-Business blue print for all modules is finalised based on which design & development is in progress.

CAUTIONARY STATEMENT

Certain statements in this report regarding our business operations may constitute forward-looking statements. These include all statements other than statements of historical fact, including those regarding the financial position, business strategy, management plans and objectives for future operations. Forward looking statements are necessarily dependent on assumptions, data or methods that may be incorrect or imprecise and that may be incapable of being realised, and as such, are not intended to be a guarantee of future results, but constitute our current expectations based on reasonable assumptions. Actual results could differ materially from those projected in any forward-looking statements due to various events, risks, uncertainties and other factors. We neither intend to nor assume any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.



CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[SECTION 134(3) (M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014]

A. CONSERVATION OF ENERGY

a) Steps taken by the company for utilizing alternate sources of Energy

- i) 3.78421 lakh units of Solar Power generated from BFU roof top solar power plant and 1.8681 lakh units from CPP Roof top solar power plant in the FY 2021-22.
- ii) Self-owned 1.3MWp (1 MW AC) ground mounted Solar Power Plant generation is 15.90366 lakh units for the FY 2021-22.
- iii) Self-owned 5 MW AC capacity Solar plant is commissioned in March 2021. The total solar power generated from this Power Plant is 77.178 lakh units for FY 2021-22.
- iv) Wind Energy (Non-Solar) is purchased through Non captive Wheeling route for utilization in Pellet plant. 66 lakh units of Wind energy is used for FY 2021-22.

b) Energy cost management

As part of Company's effort towards cutting down the cost of energy consumed, Company purchased almost 3.51% of total energy utilized in Pellet Plant unit from IEX. Company adopted "Special Incentive Scheme" from MESCOM which is risk free compared to IEX energy bidding and has resulted in a savings of Rs. 5.03 Crores in the FY 2021-22. Company purchased Renewable Wind Energy of 6.6 GWh, 4.2% of total energy utilized through wheeling which saved energy cost and fulfill the RPO. The total savings from IEX bidding and Wheeling of Renewable energy is Rs. 1.429 Crores in the year 2021-22.

The total savings works out to Rs. 6.459 Crores for the year 2021-22.

Company has also saved around Rs.26.24 lakhs for the year by installing energy efficient motors and LED fittings.

c) Steps taken towards Energy Conservation:

- i) Purchased and installed 37 kW and 30 kW energy efficient SCI motors in the plant.
- ii) LED fittings of 1361 nos. (street light and working area) have been replaced in place of conventional fluorescent tubes in various location in PP unit and BFU.

iii) Replaced 20 nos of normal fan with Brushless DC fans in PPU & BFU.

iv) Installed 02 nos of LED High Mast Poles in BFU.

d) Investment towards Energy Conservation / Impact of measures implemented

Invested: -

- Rs. 31.44 lakhs towards procurement of energy efficient motors and LED fittings in PPU & BFU.
- Additionally, indent has been raised for Rs.67.48 lakhs for procurement of energy efficient motors and LED fittings in PPU.

e) Energy Management

a) Heat Consumption in '000 K Calories:-

2020-21- 240.83

2021-22- 237.34

b) Energy consumption in last two years in Pellet plant unit

2020-21 - 164.34 GWh

2021-22 - 157.02 GWh

Maximum Demand - 20.055 MVA recorded in August 2021.

c) Energy consumption per ton in last two years in Pellet plant unit

2020-21 - 74.36 kWh/T

2021-22 - 77.35 kWh/T

d) Average Energy consumed per ton of pellet produced for the year 2021-22 is 38.60 kWh / T

e) Pellet plant Energy consumption for the year 2021-22 is 78.36 GWh.

f) Energy conservation Day 2021 - 22

Company has celebrated Energy Conservation Day on 17.12.2021 at PPU Resource Centre. Shri Mahesh Kotiyani, Accredited Energy Auditor, IDEC (Infrastructure Development Corporation of Karnataka Ltd) delivered speech along with presentation on Energy audit and conservation of energy. Slogan writing and essay competition on energy conservation was also conducted during the celebration.



B: TECHNOLOGY ABSORPTION

Research & Development (R & D)

- (a) During the financial year 2021-22, following R&D activities have been taken up: -

The Agitator blades of Slurry storage tank TK 204 in Port Facilities department have been modified during the year 2021-22 which has ensured smooth evacuation of slurry from the tank thus avoiding housekeeping problems, damage to equipment and saving in cost and manpower while retaining the same production efficiency of the Agitator as before. The expenditure on supply of Modified Agitator Impeller Blade is ₹ 5,81,424/-. The above Blades received at site and commissioned on 25th Sept. 2021.

(b) Expenditure on R & D

(₹ in lakhs)

Particulars	2020-21	2021-22
a) Capital	Nil	Nil
b) Revenue	Nil	5.81
c) Total	Nil	5.81
d) As % of total turnover	NA	0.00

C: FOREIGN EXCHANGE EARNINGS & OUTGO

Export revenue constituted 97.42% of the total revenue from operations in FY 2022 (77.45% in FY 2021).

(₹ in Lakhs)

	2020-21	2021-22
Foreign exchange earned	1,84,605.96	2,92,897.11
Foreign exchange used	8,644.53	11,946.88

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES FY 2021-22

1) Brief outline on CSR Policy of the Company:

CSR is an essential ingredient of Corporate Governance. CSR is fundamentally a philosophy or a vision about the relationship of business and Society. It is the continuing commitment of business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large. The emerging concept of CSR go beyond charity and requires the company to act beyond its legal obligations and to integrate social, environmental and ethical concerns into company's business process. The Public Sector Enterprises in pursuit of the triple bottom line' of people, planet and profit have to assign a high priority to the adherence of ideals of CSR. The company endeavors to make CSR for sustainable development.

The projects undertaken are within the broad framework of Schedule VII of the Companies Act, 2013. Details of the CSR policy and projects or programs undertaken by the Company are available on links given below:

CSR POLICY: - <https://kioclltd.in/table.php?id=310>

CSR STATEMENTS: - <https://kioclltd.in/table.php?id=311>

2) Composition of CSR Committee:

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Dr Usha Narayan (w.e.f. 12/11/2021)	Chairperson / Independent Director	4	1
2	Shri Nirmalendu Mohapatra (Chairman upto 11/11/2021, Member w.e.f. 12/11/2021)	Member / Independent Director	4	4
3	Shri G. Ramasamy (w.e.f. 12/11/2021)	Member / Independent Director	4	1
4	Shri Swapan Kumar Gorai	Member / Director (Finance)	4	4
5	Shri Bhaskara Reddy KV	Member / Director (Production & Projects)	4	4

3) Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

COMMITTEE COMPOSITION: - <https://kioclltd.in/data.php?id=130>

CSR POLICY: - <https://kioclltd.in/table.php?id=310>

CSR PROJECTS: - <https://kioclltd.in/table.php?id=311>

4) Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:

Not applicable, as the Company did not have an average CSR obligation of ten crore rupees or more in pursuance of sub-section (5) of section 135 of the Act, in the three immediately preceding Financial Years.

5) Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sl No	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1	2020-21	66207465.47	-



- 6) Average net profit of the company as per section 135(5): Rs. 21934.41 Lakhs
- 7) (a) Two percent of average net profit of the company as per section 135(5): Rs. 438.70 Lakhs
- (b) Surplus arising out of the CSR projects or programs or activities of the previous financial years: NIL
- (c) Amount required to be set off for the financial year, if any: NIL
- (d) Total CSR obligation for the financial year (7a+7b- 7c).: Rs. 438.70 Lakhs.
- 8) a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs. Lakh)	Amount Unspent (in Rs. Lakh)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
1341.47	NIL	-	-	NIL	-

b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl No	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project.		Project Duration	Amount allocated for the project (Rs in lakhs)	Amount spent in the current financial year (Rs. in lakhs)	Amount transferred to unspent CSR account for the project as per Sec.135(6) (Rs.in Lakhs)	Mode of implementation -Direct (Yes/No).	Name.	CSR registration number.
				State	District							
1	-	-	-	-	-	-	-	-	-	-	-	-

c) Details of CSR amount spent against other than ongoing projects for the financial year:

1	2	3	4	5		6	7	8	
Sl. no.	Name Of the project	Item from the list Of activities in schedule VII to the act	Local area (yes/no)	Location of the project		Amount spent for the project (Rs. in lakhs)	Mode of implementation	Mode of implementation - through implementing agency	
				State	District		Direct (yes/no)	Name	CSR registration number
1	Procurement of 100 hospital cots with mattresses to provide at Govt Hospital Moodabidri & Belthangadi, Dakshina Kannada District, Mangalore as per the request from Deputy Commissioner, Mangalore	Health Care	Yes	Karnataka	Dakshina Kannada	15.10	Yes	-	-
2	One Tata Winger Ambulance to District Authorities, Mangaluru	Health Care	Yes	Karnataka	Dakshina Kannada	14.57	Yes	-	-
3	Procurement of 2 units of oxygen generation plants to provide at Govt Hospitals at Moodabidri and Sulia in Dakshina Kannada Dist.	Health Care	Yes	Karnataka	Dakshina Kannada	96.23	Yes	-	-



Sl. no.	Name Of the project	Item from the list Of activities in schedule VII to the act	Local area (yes/no)	5		6	7	8		
				Location of the project				Amount spent for the project (Rs. in lakhs)	Mode of implementation	Mode of implementation - through implementing agency
				State	District		Direct (yes/no)			Name
4	Procurement of Oxygen Concentrator Plant for AIMS, Belur, Nagamangala Tq, Mandya Dist., Karnataka	Health Care	No	Karnataka	Mandya	97.52	Yes	-	-	
5	Providing N-95 Mask & Sanitizers [4000 No's Each] to Socio Economic Research Institute(SERI), Tripura towards Health Camps & Distribution of Pandemic Prevention materials in Amarpur and Karbook, Gomti District, Tripura	Health Care	No	Tripura	Gomti	1.28	Yes	-	-	
6	ICU Consumables to Sir CV Raman Hospital, Bengaluru	Health Care	Yes	Karnataka	Bengaluru	0.63	Yes	-	-	
7	Wheel Chairs & Stretchers to Kidwai Memorial Institute, Bengaluru	Health Care	Yes	Karnataka	Bengaluru	2.77	Yes	-	-	
8	Providing Ambulance on hire basis to District Authorities, Dakshina Kannada Dist	Health Care	Yes	Karnataka	Dakshina Kannada	1.15	Yes	-	-	
9	Contribution to PM Cares Fund to Support Government to combat COVID-19 Pandemic	PM Cares	NA	NA	NA	1000	NA	-	-	
10	Providing foodgrains kits to local poor residents and migrant at Mangaluru due to COVID-19 Pandemic	Eradicating Hunger & Poverty, Nutrition	Yes	Karnataka	Dakshina Kannada	2.40	Yes	-	-	
11	Providing free ration kits to local poor residents and migrant labourers due to COVID-19 Pandemic at Kaliapani	Eradicating Hunger & Poverty, Nutrition	Yes	Odisha	Jajpur	0.48	Yes	-	-	
12	Financial Assistance for construction of room in Goshala, ISKCON, for fodder store, Avalabetta Campus -Chikkaballapura District, Karnataka	Animal Welfare	No	Karnataka	Chikkaballapura	3.80	Yes	-	-	
13	Financial Assistance For construction of Research & Development Center Building at Gou Swarga Project, Sri Ramadeva Bhankuli Math, Uttara-Kannada District for Indian Heritage Breed of Cows in rural areas of Western Ghats	Animal Welfare	No	Karnataka	Uttara Kannada	4.00	Yes	-	-	

1	2	3	4	5		6	7	8			
				Location of the project				Amount spent for the project (Rs. in lakhs)	Mode of implementation	Mode of implementation - through implementing agency	
				State	District					Name	CSR registration number
14	Provision of vehicles to strengthen the Protection of Forest & Wild life, conservation of forest etc. by Intensive Patrolling by improving the Infrastructure in Forest Department, Karnataka state	Protection of Flora and Fauna Animal Welfare	Yes	Karnataka	Bengaluru	41.24	Yes	-	-		
15	Solar Based smart classes in Yadgir District, Karnataka which is identified as Aspirational Dist in the state of Karnataka	Promotion of Education	No	Karnataka	Yadgir	10.00	Yes	-	-		
16	Providing Green Chalk Boards & School Bags to various schools in & around Corporate Office, Bengaluru	Promotion of Education	Yes	Karnataka	Bengaluru	14.99	Yes	-	-		
17	Repair of class-rooms, doors and windows and college name board etc. at Govt. first Grade College, Kavoor, Mangaluru	Promotion of Education	Yes	Karnataka	Dakshina Kannada	0.51	Yes	-	-		
18	Financial Assistance for Providing Cup-Boards, Furnitures Etc. to Dkzp, Hr. Primary School, Panjimogaru, Mangaluru	Promotion of Education	Yes	Karnataka	Dakshina Kannada	5.28	Yes	-	-		
19	Providing Aluminium roof top at Anganwadi, Kulur, Mangaluru	Promotion of Education	Yes	Karnataka	Dakshina Kannada	2.95	Yes	-	-		
20	Repair of School Building including flooring jobs at Dk Zp Hr. Pry. School, Moodusheede, Mangaluru.	Promotion of Education	Yes	Karnataka	Dakshina Kannada	2.36	Yes	-	-		
21	Development of Dkzp Hr. Pry. School such as providing interlock to school area, construction of toilets, drinking water facility etc.	Promotion of Education	Yes	Karnataka	Dakshina Kannada	9.98	Yes	-	-		
22	Financial Assistance for distribution of Books & Stationaries, Masks, Sanitizers to Govt. Hr.pry. school, Kombaru, Dakshina Kannada.	Promotion of Education	Yes	Karnataka	Dakshina Kannada	0.95	Yes	-	-		
23	Financial Assistance for Providing Roof Sheetting and Compound Fencing at Anganwadi, Shanthinagar, Mangalore	Promotion of Education	Yes	Karnataka	Dakshina Kannada	3.84	Yes	-	-		
24	Financial Assistance to Mogaveera Mahasabha, Mangaluru Under Education	Promotion of Education	Yes	Karnataka	Dakshina Kannada	1.00	Yes	-	-		



Sl. no.	Name Of the project	Item from the list Of activities in schedule VII to the act	Local area (yes/no)	Location of the project		Amount spent for the project (Rs. in lakhs)	Mode of implementation Direct (yes/no)	Mode of implementation - through implementing agency	
				State	District			Name	CSR registration number
25	Repair/Refurbishment of Govt. High School Building, Kudremukh	Promotion of Education	Yes	Karnataka	Kudremukh	0.47	Yes	-	-
26	Financial Assistance for Refurbishment of Kudremukh Anganwadi, Vinoba Nagar, Kudremukh, Chickmagalur District	Promotion of Education	Yes	Karnataka	Kudremukh	0.083	Yes	-	-
27	Pure drinking water facility with reverse Osmosis Plant to Henk Bruna Swamy Vivekananda Round Table School, Hoskote, Bangalore Rural Dist	Drinking Water	Yes	Karnataka	Bangalore Rural	4.31	Yes	-	-
28	Financial Assistance / Contribution for Organizing Fit India Cyclothon [Organized by Cadd-Community against Drunken Driving]	Promotion of Sports- Training to Promote Nationally Recognized Sports	Yes	Karnataka	Bengaluru	2.00	Yes	-	-
29	Financial Assistance for Providing Mesh to the dining hall to Mogaveera Samudaya Bhavan, Meenakalia, Baikampady, Mangaluru	Community Development	Yes	Karnataka	Dakshina Kannada	1.57	Yes	-	-
Total						1341.47		-	

d) Amount spent in Administrative Overheads: NIL

e) Amount spent on Impact Assessment, if applicable: NA

f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 1341.47 Lakhs

g) Excess amount for set off, if any: -

Sl No	Particular	Amount (Rs.in Lakhs)
(i)	Two percent of average net profit of the Company as per Section 135	438.70 Lakhs
(ii)	Total amount spent for the Financial Year	1341.47 Lakhs
(iii)	Excess amount spent for the Financial Year	902.77
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous Financial Years, if any	NIL
(v)	Amount available for set off in succeeding financial years(iii)- (iv)	902.77

9) (a) Details of Unspent CSR amount for the preceding three financial years:

Sl No	Preceding Financial Year	Amount transferred to Unspent CSR Account under Sec.135 (6) (Rs.in lakhs)	Amt spent in the reporting Financial Year (Rs.in lakhs)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding financial years (Rs.in lakhs)
				Name of the fund	Amount (Rs in lakhs)	Date of transfer	
	-	-	-	-	-	-	-



b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl No	Project ID	Name of the Project	Financial Year in Which Project is commenced	Project Duration	Total amount allocated for the project (Rs.in lakhs)	Amount Spent on the project in the reporting Financial Year (Rs. in lakhs)	Cumulative amount spent at the end of reporting Financial Year (Rs.in lakhs)	Status of the project Completed/ Ongoing
-	-	-	-	-	-	-	-	-

10) In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)

a	Date of creation or acquisition of the capital asset(s)	NIL
b	Amount of CSR spent for creation or acquisition of capital asset	NIL
c	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Not Applicable
d	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)	Not Applicable

11) Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

Date: 03/08/2022
Place: Bengaluru

Sd/-
(T Saminathan)
[Chairman-cum-Managing Director]

Sd/-
(Dr. Usha Narayan)
[Chairperson, CSR Committee]



BUSINESS RESPONSIBILITY REPORT 2021-22

[As per Regulation 34 (2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. INTRODUCTION

As per the Securities and Exchange Board of India (SEBI) mandate, the top 500 listed entities, based on market capitalisation (calculated as on March 31 of every Financial Year), should include a Business Responsibility Report (BRR) as part of their Annual Report. KIOCL is presenting its BRR for the Financial Year 2021-22 as per the framework suggested

by SEBI. The Report covers the key initiatives in line with the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' (NVGs), released by the Ministry of Corporate Affairs in July 2011.

The Business Responsibility Report of FY 2021-22 describes KIOCL initiatives towards economic, social and environmental fronts in India.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number (CIN) of the Company	L13100KA1976GOI002974		
2	Name of the Company	KIOCL LTD		
3	Registered address	II Block, Koramangala, Bengaluru - 560034		
4	Website	www.kiocltd.in		
5	E-mail id	cs@kiocltd.in		
6	Financial Year reported	April 1, 2021 - March 31, 2022		
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Product	Iron Ore Pellets	Pig Iron
NIC Code		0710	24101	
8	List three key products / services that Company manufactures / provides (as in balance sheet)	a) Iron Ore Pellets b) Pig Iron		
9	Total number of locations where business activity is undertaken by the Company			
	i. Number of International Locations (Provide details of major)	None		
	ii. Number of National Locations	Manufacturing Units: 2 Corporate Office: 1 Site / Liasioning: 6		
10	Markets served by the Company - Local/State/National/International	KIOCL serves by selling Pellets to the national market and international market across the Globe.		

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (INR)	₹ 607.75 Crs
2	Total Turnover (INR)	₹ 3006.45 Crs
3	Total Profit Before Taxes (INR)	₹ 411.03 Crs
4	Total Profit After Taxes (INR)	₹ 313.41 Crs
5	Total Spending on Corporate Social Responsibility (CSR) as percentage of net profit after tax (%)	4.28 % (i.e., ₹ 13.41 crs on PAT of ₹ 313.41crs)
6	List of CSR activities in which expenditure has been incurred:	
	a. Contribution to PM CARES Fund	
	b. Disaster management - Flood Relief Activities	
	c. Health Care	
	d. Drinking Water Facility	
	e. Promotion of Education/ Skills	
	f. Environmental Sustainability	
	g. Promotion of Rural Arts and Culture	
	h. Community Development	
	i. Promotion of sports	



SECTION C: OTHER DETAILS

1 Does the Company have any Subsidiary Company/ Companies?

The Company does not have any subsidiary.

2 Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)
Not Applicable

3 Do any other entity/entities (e.g., suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? {Less than 30%, 30-60%, More than 60%}

The Company is not aware of any BR initiatives of any of its vendors.

b) Details of the BR head

1	DIN Number (If applicable)	NA
2	Name	Shri P. K. Mishra
3	Designation	Company Secretary
4	Telephone Number	080-25531525
5	Email Id	cs@kioclltd.in

2. NVG PRINCIPLES

The Nine Principles to be followed in areas Economic / Social / Environment for conducting in Business in a Responsible way:

P1	Ethics, Transparency and Accountability
P2	Product Life Cycle
P3	Wellbeing of all employees
P4	Stake Holder Engagement
P5	Human Rights
P6	Environment
P7	Public and Regulatory policy
P8	Inclusive growth / CSR
P9	Engage with and provide value to customers and consumers

SECTION D: BUSINESS RESPONSIBILITY INFORMATION

1. Details of Director/Directors responsible for BR

a) Details of the Director/Directors responsible for implementation of the BR policy/policies

1	DIN Number	: 08672764
2	Name	: Shri K. V. Bhaskara Reddy
3	Designation	: Director (Production & Projects)
4	Telephone number	: 080-25531150
5	e-mail id	: dpp@kioclltd.in

2 (a) Details of compliance (Reply in Y/N)

S.No.	Questions	P1	P2*	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy / policy for	Y	N	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Yes, the policies are formulated in consultation with stakeholders & as per the Government Guidelines, as the Company is a CPSE under Ministry of Steel.								
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Yes, the Sustainable Development (SD) Policy addresses the essence of the nine NVG principles issued by Ministry of Corporate Affairs, Government of India.								
4	Has the policy been approved by the Board? If yes, has it been signed by MD/ Owner/CEO/ appropriate Board of Director?	The policies are approved at appropriate levels by the Competent Authority including the Board, whenever required.								
5	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	NA	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	All policies can be viewed online at Company website at https://www.kioclltd.in .								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	"Y", the communication with internal and external stakeholders on such matters is a continuous process.								
8	Does the company have in-house structure to implement the policy/policies?	Y	NA	Y	Y	Y	Y	Y	Y	Y

S.No.	Questions	P1	P2*	P3	P4	P5	P6	P7	P8	P9
9	Does the Company have a grievance redressal mechanism to address stakeholders' grievances related to the policy/policies?	Y	NA	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit evaluation of the working of this policy by an internal or external agency?	Y	NA	Y	Y	Y	Y	Y	Y	Y

*The products of Company are not end products, as such there is no policy on product life cycle

2 (b) If answer to S. No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sl. No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principles									
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

Not Applicable, as the company has formulated policies based on all nine principles except P2. Since products of company are not end products, as such there is no policy on product life cycle.

3. GOVERNANCE RELATED TO BR

1 Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assesses the BR performance of the Company.

The Board of Directors annually reviews the BRR.

2 Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The BR Statement is part of KIOCL's Annual Report. The hyperlink for viewing the Annual Report for the Financial Year 2021-22 is available at link <https://kioclltd.in/table.php?id=265>.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Ethics, Transparency and Accountability

The Company acknowledges the vitality of image and reputation in adding value to the organisation. It believes that conducting business on the pillars of ethics and transparency, full disclosure and independent monitoring fosters trust of stakeholders as well as improves the reputation of the Company.

It has a Code of Conduct which provides an ethical road map to its Directors and senior management in order to facilitate the management to steer the Company in the right path. The Code of Conduct for all other employees is included in Company's service rules.

1 Coverage of policy relating to ethics, bribery and corruption (e.g., Joint Ventures, Suppliers, Contractors, NGOs etc.)

The Company's policy on bribery and anti-corruption covers all individuals working at all levels and grades. This mechanism includes directors, senior executives, officers, employees (whether permanent, fixed-term or temporary) and third parties including consultants, contractors or any other person associated with it. The well-defined policy lists tenets on ethical business conduct, definitions and the framework for reporting concerns.

2 Number of Stakeholder complaints received in the past financial year and percentage of complaints satisfactorily resolved by the management in the FY 2021-22

There is constant effort to enhance stakeholders' satisfaction level. As part of the business responsibility; a process is in place for Redressal of Stakeholders' Grievance. All the stakeholders are free to share their concerns and grievances with the Company through this structured mechanism. During the year, no stakeholder complaint was received.

Principle 2: Product Produced should be safe and contribute to sustainability throughout their life cycle

1 List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

The Company is currently producing **Pellets**, made from

Iron Ore Fines, generated during mining which otherwise would add to the environmental pollution.

It converts these Iron Ore Fines into Pellets through value addition using Pelletisation Technology. It thus produces a product (Pellets) which not only protects environment but also conserves mineral resources.

It also addresses the adverse impact on environment due to huge dump of Iron ore fines generated during mining over a period by producing Pellets using these iron ore fines.

2 For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

The Company believes in optimum consumption of electricity, furnace oil, water and other additives. It sets targets for specific consumption of major parameters. In order to achieve the target, it conducts energy audit at project site. The energy audit also helps to identify and prioritise energy efficient technological measures and saving opportunities.

The parameters in respect of major inputs like IOF, anthracite coal or coke fines, bentonite, limestone, energy, water, furnace oil for previous year and current year as per production rate is furnished below. The reduction during sourcing/production/ distribution as achieved throughout the value chain is detailed as:

Target Vs. Achieved

Description	Target	Achieved for 2020-21	Target	Achieved for 2021-22
Energy Kwh/MT for Pelletisation including grinding and ltration	64	74.36	64	76.95
Anthracite Coal or Coke Fines consumption Kg/MT	17	17.38	17	16.76
Bentonite consumption Kg/MT	7	6.63	7	7.46
Furnace oil Ltr/MT	17	15.0	17	15.17
*Water consumption M3/ MT	<1	0.57 M3	<1	0.58
Lime stone + Brunt Lime (Kg/MT)	29	26.00	29	27.90
IOF to pellets	1:1	1:1	1:1	1:1

- ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

There has been slightly higher consumption of inputs i.e., power as above compared to previous year. The energy consumption has gone up due to variations in the quality parameters of IOF utilised during current year,

when compared to previous year 2020-21. The low Fe, higher percentage of silica, moisture, alumina and LOI has resulted in excessive consumption of energy and other inputs. However, the consumption of other raw material are within the targeted value.

3 Does the Company have procedures in place for sustainable sourcing (including transportation)?

The main raw material used in **Pellet making is Iron Ore Fines** and Company has a sustainable plan as under:

Short term plan: The Company has tied up with NMDC, a sister CPSE under Ministry of Steel for supply of upto 3 million tons of iron ore fines per year from NMDC Bailadila mines through Long Term Agreement. The Company is also processing iron ore fines from other mines from the State of Odisha and high-grade iron ore fines / concentrate from offshore.

Long Term Plan: The Company's mine at Kudremukh has been closed since January, 2006. The Government of Karnataka has notified for the mining lease of Devadari Iron Ore Mine in Bellary District, Karnataka in January, 2017 for captive consumption of Iron Ore and Manganese Ore. The action plan is in position to get various statutory clearances in order to start mining operation.

Company will undertake development of iron ore mines, Construction and commissioning of beneficiation plant along with infrastructure development viz Railway siding, water pipeline, power transmission line, conveyor corridor with capital investment of around ₹ 1500-2000 Crores. The iron ore produced from this mine will be transferred through road, railways and utilized in the existing pellet plant and pig iron plant at Mangaluru. Setting up of pellet plant at Devadari site is envisaged at later stage.

4 Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Being a CPSE, KIOCL follows Public Procurement Policy for Micro and Small Enterprises (MSEs) in pursuance to the Micro, Small and Medium Enterprises Development (MSMED), Act, 2006 from the year 2015-16.

As a part of the procurement policy, the Company identifies items and **exclusively reserves them for purchase** from Micro and Small Enterprises & had procured 33.92 % **from only MSE** out of total procurement in the FY 2021-22.

5 Does the company have a mechanism to recycle products and waste? If yes what is the % of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.



The waste generated from the manufacturing of pellets is recycled and reused. A process is in place to recycle wastes generated during the manufacturing cycle. Apart from the production waste, other general wastes produced are also recycled and the details are as follows:

1. Waste Generated During Manufacturing

- a) The Pellet manufacturing process generates waste of 3% (5mm size) approximately of pellet fines. Hence the waste generated is reused again for pellet making through recycling process.
- b) IOF processing, slime generated is own out through thickener over flow to dump pond which is again recycled during dry season.
- c) Pellet fines collected through de-dusting and wet scrubbing is reused for pellet making through recycling.

2. Other Wastes

- a) **Canteen Waste and Garden waste-** The canteen waste, which includes food waste, vegetable waste as well as the garden waste which constitutes dead and dry leaves and flowers are used for making compost in the plant premises itself so as to avoid the use of pesticide and chemical fertilisers.
- b) **Sewage Sludge** generated during the sewage treatment is used as manure in the garden. The entire quantity of treated sewage effluent is completely recycled in the Process.
- c) **Grey Water** is also recycled in the Process after treatment in the STP.
- d) **Bio Medical waste** is disposed of through authorised KSPCB agencies.

Principle 3: Wellbeing of all employees

KIOCL believes that its people are its most valuable asset for progressive growth of Company. Their knowledge, experience and passion to perform are fundamental to the progress of the organisation and its upward growth. KIOCL provides its employees with opportunities that encourage them to excel and ensures a work environment that promotes well-being. KIOCL neither discriminates among present employees nor during the recruitment process, on the grounds of religion, race, colour, gender and disability. Providing equal opportunities to all is an integral aspect of the Company’s responsibility towards its employees.

KIOCL’s Management believes in the freedom of association and hence the Company has two recognized workers’ unions. The Company’s management is accessible at all points of time to redress any employee / worker concerns and complaints as per well-defined procedures.

KIOCL endeavours to keep its employees abreast with the latest technical knowledge. Skill refresher courses are regularly

conducted at KIOCL and necessary training sessions are held for its workforce as and when required.

Key employment related data as of the end of the reporting year 2021-22 is provided in the table below:

1	Total Number of Employees (On Company Roll)	699
2	Total number of employees hired on temporary/contract/ casual basis	579
3	Total number of permanent women employees	23
4	Total number of permanent employees with disabilities	11
5	Do you have an employee association that is recognized by the management?	Yes
6.	What percentage of your permanent employees or members of this recognized employee association? Employee’s & Officer’s Union	Employee – 94 % Officers – 76 %

7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

As on the end of the Financial Year 2021-22, there was no complaint relating to child labour, forced labour, involuntary labour, sexual harassment, discriminatory employment. For protection against sexual harassment of women at work place, KIOCL has constituted an internal complaints committee in lines with the requirement of the sexual harassment of women at the work place (Prevention, Prohibition and Redressal) Act, 2013 to redress sexual harassment complaints.

8 What percentage of under mentioned employees were given safety and skill upgradation training in the last year?

a.	Permanent employees	65 %
b.	Permanent women employees	91 %
c.	Casual/temporary/contractual employees	84 %
d.	Employees with disabilities	91 %

Principle 4: Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

1 Has the company mapped its internal and external stakeholders?

Yes, KIOCL has mapped its internal and external stakeholders which includes:

- Government and regulatory authorities
- Employees



- Customers
- Local community
- Investors and shareholders
- Suppliers
- Trade unions

2 Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

Yes, the Company identifies the disadvantaged, vulnerable & marginalized stakeholders in the vicinity of its projects / operations and conducts various activities under CSR to benefit them. In addition, the Company follow a system of timely feedback and response through formal and informal channels of communication.

3 Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders?

The Company engages with the marginalised section as and when required in terms of help in the field of medical assistance as in provision of an ambulance, holding medical camps in villages, educational institutions where children from the underprivileged communities are provided scholarship. These special initiatives are taken on merit basis.

Principle 5: Respecting and Promoting Human Rights

KIOCL strongly believes in respecting and upholding the human rights of all its internal and external stakeholders. In pursuance to this policy, KIOCL follows International Labour Organization guidelines and the Indian Factories Act, 1948 which provides the framework for the organization to comply with all applicable laws of the land pertaining to human rights.

1 Does the policy of the company on human rights cover only the Company or extend to the Group / Joint Ventures/ Suppliers/ Contractors/ NGO's / Others?

KIOCL believes that a sustainable organisation rests on a foundation of ethics and respect for human rights. KIOCL's policies demonstrates its commitment towards the preservation of human rights.

KIOCL promotes awareness of the importance of respecting human rights within its value chain and discourages instances of abuse.

2 How many stakeholder complaints have been received and in the past financial year and what percentage was satisfactorily resolved by the management?

During FY 2021-22, the Company has received 4 complaints from society and the same were disposed off by the management. The Company has well defined process in place including Public Portal for receiving complaints from stakeholders.

Principle 6: Environment Management

Business should respect, protect and make efforts to restore the environment

The Company has a Quality, Occupational Health, Safety and Environmental Policy in place and steps are being taken to extend it to the major contractors and sub-contractors. KIOCL Production unit has subscribed to the ISO 9001, ISO 14001, (Environmental Management System) and ISO 45001 Occupational Health and Safety Standard. The Company continually identifies and assesses potential environmental risks associated with its operations and complies with applicable environmental regulations.

1 Does the policy related to Principle 6 cover only the Company or it extends to the Group/ Joint Ventures/ Supplier/Contractors/ NGOs/others?

KIOCL's Health, Safety and Environmental policy is a comprehensive document which identifies environmental preservation and pollution prevention as their responsibility. KIOCL's policy is not extended to the others. However, the suppliers / contractors may have their own policies.

2 Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

KIOCL, as a responsible company has taken initiatives to address the cause of Global environmental issues and as a part of the initiatives, following has been carried out:

- The Company has taken up plantation work within the Plant and have planted 200 saplings in plant area during the year 2021-22.
- 1 MW solar power plant is operational in Blast Furnace Unit area.
- The Company has completed the feasibility studies with regard to changing the fuel from Furnace Oil to LNG for operating DG sets in Captive power plant (CPP) and for burners in the indurating machine of Pellet Plant. Consultant is being appointed for basic and detailed engineering for installation of gas burners in indurating machine.

3 Does the company identify and assess potential environmental risks? Y/N

Yes, the Corporate environment policy guides the Company's efforts on environmental management. Company attempts to resolve the environmental issues and mitigates the problem whenever observed at plant level through its environmental cell. The Company is certified for environmental management standard hence as part of compliance to this, aspect-impact registers are in place which identifies potential environmental risks along



with appropriate mitigation plans. Further, environment risks are identified in the risk matrix and discussed in the internal audit review meeting.

4 Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

Pellet plant is using furnace oil as the fuel in Indurating machine furnace. M/s Gas Authority of India Limited (GAIL) has established an LNG terminal in Cochin and laid a pipeline from Cochin to Mangalore to provide Natural Gas (NG) to industrial users. Natural Gas is a new age fuel. With only one carbon and four hydrogen atoms per molecule, Natural Gas has the lowest carbon to hydrogen ratio, hence it burns completely, making it the cleanest of fossil fuels. Company has prepared TEFR for use of LNG in the plant.

5 Has the Company undertaken any other initiatives on clean technology, energy efficiency, renewable energy, etc? Y/N. If yes, please give hyperlink for web page etc.

As a part of clean development mechanism, the following initiatives were taken as a commitment to reduce emissions, energy efficient lighting, improvement of air quality, reduction of costs too.

1. Grid connected Roof Top Solar plants have been set up in the Captive Power Plant (CPP) area of Pellet Plant Unit (PPU). The total capacity of the plant is 83.2KW. These solar plants have been setup on top of the cooling Water Plant and the CPP office buildings.
2. A similar grid connected plant has also been set up in the Blast Furnace Unit (BFU) with a total capacity of 293 KW. Four units have been set up on top of the stores (140 KW), Welfare Building (51 KW), Administration Building (64 KW) and MSDS building (38 KW). All units are in operation.
3. A ground based solar system of 1 MW capacity has been commissioned and in operation from Nov 2018 onwards. The generated energy is being consumed at PPU.
4. The total solar generation for the year 2021-22 is as under:
 - (i) Roof top solar plant at CPP = 1.8681 Kwh Units
 - (ii) Roof tops solar plant at BFU = 3,78,421 Kwh Units
 - (iii) 1MW ground based solar system = 15,90,366 Kwh Units
 - (iv) 5MW ground based solar system = 77,17,200 Units
Total Solar Energy Generated = 97,94,668 Units
5. 5MW capacity solar plant is commissioned in Chikkanayakanhalli, Tumkur District in March 2021, the generation of which is wheeled to Bangalore

Electric Supply Company for Captive use @ Company's Mangalore establishments.

6. The savings from the wheeling of 5MW solar Energy is 4.95 Crores, from 1MW solar system is one crore and from roof top Rs. 9.74 lakhs. The total saving from the solar energy generation for the year 2021-22 is Rs. 6.0474 Crores.
 7. As part of our effort towards cutting down the cost of energy consumed, we have utilised 5.516 GWh by bidding in Indian Energy Exchange (IEX) which is 3.51% of our total energy utilized in Pellet Plant Unit.
 8. The Company had purchased renewable energy of 6.60 GWh through wheeling which is 4.2% of our total energy utilized in Pellet Plant Unit. This has also saved our energy cost as well as fulfilled Non-Solar Renewable Energy Purchase Obligation.
 9. The Company had opted "Special Incentive Scheme" from MESCOM which is risk free compared to IEX energy bidding and saving is at par with the savings from IEX bidding. Savings from this incentive scheme is Rs 5.03 Crores in the year 2021-22.
 10. The total saving from IEX bidding and Wheeling of renewable energy is Rs. 1.429 Crores in the year 2021-22.
 11. Another cost saving measure is taken up with MESCOM to increase the Contract Demand (CD) from 20 MVA to 23 MVA thus reducing number of DG operation and maximize the bidding from IEX which is cheaper than MESCOM energy, thereby reducing the monthly electricity bills. However, this is yet to be considered by MESCOM.
- 6 Is the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

The environmental monitoring is being carried out as stipulated in the 'Consent to Operate' issued by the KSPCB. The details are as under:

- a. Analysis of treated Sewage effluent - Once in a month by KSPCB (5 Parameters).
- b. Ambient air quality monitoring - 4 Stations within the Plant premises and all parameters stipulated as per the National Ambient Air Quality Standards.
- c. Stack Emissions (10 No's) in Pellet Plant - Particulate Matter, Sox & Nox.
- d. Stack Emissions from DG Sets (3 No's at CPP & 3 Diesel DG Sets in PP) Monitoring of 4 parameters (PM, CO, Nox & NMHC).
- e. The noise levels are being monitored at four stations (Day & Night Time).



The environmental monitoring data is being forwarded to the Regional Office of the KSPCB, Mangalore on a monthly basis and the half yearly data is being submitted to the MOEF.

7 Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e., not resolved to satisfaction) as on the end of Financial Year.

The Company fully complies the Environmental regulations and has not been issued any legal notice whatsoever during the FY 2021-22.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

1 Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

- a. Standing Conference of Public Enterprises, New Delhi (SCOPE)
- b. Federation of Indian Mineral Industries, New Delhi (FIMI)
- c. Pellet Manufacturer Association of India, New Delhi (PMAI)
- d. Institute of Directors, New Delhi (IOD)
- e. Federation of Karnataka Chamber of Commerce & Industry, Bangalore (FKCCI)
- f. Federation of Indian Exporters Organisation, New Delhi (FIEO)
- g. Indian Institute of Materials Management (IIMM)

2 Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

KIOCL has not lobbied / advocated through any association for advancement or improvement of public good so far.

Principle 8: Businesses should support inclusive growth and equitable development

The CSR activities are guided by KIOCL's vision and philosophy of ethical, value-based and transparent functioning. The Company implements various CSR initiatives through Company's own internal team, based on inputs received from Local Authorities, Business Associations, Social and Philanthropic Organisations of repute and Civil Society, wherever deemed necessary. The Company believes that its success is interlinked with the well-being of all sections of the society and equal opportunity for all sections. The Company continues to ensure no discrimination

of any type to socially disadvantaged sections at the work place. The key contributions of 'inclusive growth and equitable development', is a part of KIOCL's CSR Report which is a part of 2021-22 Annual Report.

1. Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

Yes, KIOCL believes in creating opportunities for the people around its operations to enable a sustainable future and ensure inclusive growth.

KIOCL's community development activities focus on areas of health, sanitation, education and infrastructure.

KIOCL's CSR initiatives are aligned to aspects such as education, healthcare, skill enhancement, infrastructure development, promoting sportsmanship, women empowerment among others.

The various initiatives undertaken during FY 2021-22 are a part of CSR Report as published along with 2021-22 Annual Report.

2 Are the programmes/projects undertaken through in-house team/own foundation/ external NGO/ government structures/any other organization?

The Company has an **in-house CSR team** at the Corporate & Plant level and at each level. Dedicated CSR teams are in place to plan, implement, monitor and review various community development initiatives/programs.

Company believes in a participatory approach towards implementing CSR initiatives and collaborates directly with end beneficiaries to deliver the programs and projects.

3 Have you done any impact assessment of your initiative?

The CSR Policy is formulated to commit for enhanced value-creation for the Society, shareholders, other stakeholders and the communities by taking-up activities and initiatives for sustainable growth for the Society, with environmental concern. The programmes / projects are generally chosen in the local areas of the Company's manufacturing units. These programmes / projects are implemented by the teams of the Company. However, considering the nature of the projects undertaken, the Company did not do the impact assessment in the Financial Year 2021-22.

4 What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

During the FY- 2021-22 a sum of ₹ 1341.46 Lakhs has been spent on various Community Development Projects. Project Details are part of our CSR Report published in 2021-22 Annual Report.



5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Our CSR initiatives are implemented based on a collaborative and participatory approach. Community development is an on-going process & is carried out on a regular basis.

Project selection is based on requests received from local representatives and selected after studying and understanding the need, geographic location and available funds. Implementation plans are prepared for project execution with the help of various local representatives for community development projects. The CSR team interacts with the beneficiaries at various stages of the project implementation to ascertain the efficacy of the project.

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

Customers & Customer service is a part of KIOCL focus; hence customer focused metrics are of crucial importance. KIOCL has a structured customer complaint redressal system to address any sort of customer concern or grievance.

Any customer complaint lodged is directed to the respective department for action. A process is in place at the Company to address the customer complaint. All complaints received from the customers are acknowledged, investigated and responded to as per the Standard Operating Procedures.

1 What percentage of customer complaints/consumer cases are pending as on the end of financial year?

No Complaint is pending for the FY 2021-22

2 Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)

The Company is in the business of manufacturing Pellets from Iron Ore. The shipment of the product happens in bulk and no specific product label over and above what is mandated as per the local law is displayed.

3 Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.

During last five years there are no cases filed with regard to unfair trade practices, irresponsible advertising and/or anti-competitive behaviour.

4 Did your company carry out any consumer survey/ consumer satisfaction trends?

Yes, as a part of ISO-9001:2015 Quality Management System, the Company had conducted the customer satisfaction survey for the Financial Year 2021-22 and was rated as 'Delighted' with 901 points out of 1000.



CEO/ CFO CERTIFICATION

We, the undersigned in our respective capacities as Chief Executive Officer and Chairman cum Managing Director and Chief Financial Officer and Director (Finance) of KIOCL Limited to the best of our knowledge and belief certify that:

- a) we have reviewed the financial statements and Cash Flow Statement for the year ended 31st March, 2022 and that to the best of our knowledge and belief:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- b) to the best of our knowledge and belief, no transactions were entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct;
- c) we accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and we have taken steps to rectify these deficiencies;
- d) We have indicated to the Auditors and the Audit Committee:
 - i) significant changes in internal control over financial reporting during the year;
 - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-
(T. Saminathan)
Chairman-cum-Managing Director &
Chief Executive Officer
DIN: 08291153

Sd/-
(S.K. Gorai)
Director (Finance) &
Chief Financial Officer
DIN: 07223221

Place: New Delhi
Date : 24/05/2022

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

COMPLIANCE WITH CODE OF CONDUCT

In Compliance with Regulation 17(5) & 26(3) read with Part D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Members of the Board and senior management personnel have affirmed compliance with the Code of Conduct for the year ended 31st March 2022.

Place: Bengaluru
Date : 14/06/2022

Sd/-
(T. Saminathan)
Chairman-cum-Managing Director



FORM MR-3

ANNEXURE TO BOARD'S REPORT

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members,
KIOCL Limited
CIN: L13100KA1976GOI002974
II Block, Koramangala,
Bangalore- 560 034

I, S.N. Mishra proprietor of SNM & Associates, Bengaluru bearing Membership No. 6143 and C.P. No. 4684, have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by KIOCL Limited (hereinafter called "the Company") CIN: L13100KA1976GOI002974 listed at the BSE Limited (BSE), National Stock Exchange of India Limited (NSE), Metropolitan Stock Exchange of India Limited (MSE) for the financial year ended March 31, 2022. 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, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 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, registers and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
- iii. The Depositories Act, 1996 and the regulations and the by-laws framed there under;
- iv. The SEBI Act 1992 and its applicable rules and regulations as under:-
 - SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
 - SEBI (Prohibitions of Insider Trading) Regulations, 2015
 - SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
 - SEBI (Depositories and Participants) Regulations 2018
- v. Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India;
- vi. Labour Laws as applicable and the rules and regulations made thereunder;
- vii. Tax Laws as applicable and the rules and regulations made thereunder;

I have also examined compliance with the requirements under Chapter IV of SEBI (LODR), Regulations, 2015.

During the period under review, based on verification of the records maintained by the Company and on the review of compliance reports / statements by respective department heads / Company Secretary taken on record by the Board of Directors of the Company, in my opinion, adequate systems and process and control mechanism exists in the Company to monitor and ensure compliance with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc., mentioned above.

I have not reviewed the applicable financial laws, direct and indirect tax laws since the same have been subject to review and audit by the Statutory Auditors of the Company.

I report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and is in compliance with Section 149 of the Companies Act, 2013 read with Rule 3 of the Companies (Appointment & Qualification of Directors) Rules, 2014 and Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 since November 1, 2021. However, the Company was not in compliance with the provisions of Regulation 17(1) (a) & 17(1)(b) of SEBI LODR till October 31, 2021.

The Board met 6 (Six) times during the year on 27.05.2021, 29.06.2021, 05.08.2021, 28.09.2021, 12.11.2021 and 04.02.2022. The intervening gap between the Meetings was within the period prescribed under Section 174 of the Companies Act, 2013 and Regulation 17(2) of SEBI LODR.

The participation of Directors in the meetings is duly recorded. During the period under review the requisite quorum was present in all the Board Meetings by participation of Directors in the meetings in person/ through video conferencing.



Notices are given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent for all board meetings held during the year under consideration. The Company has a system for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. The Company is in compliance with Regulation 29 of SEBI (LODR) Regulations, 2015 (SEBI LODR) w.r.t. prior intimation of Board Meetings as applicable.

Declarations provided by Directors of the Company under Section 184(1) of the Companies Act, 2013 and under Regulation 25 of SEBI LODR were placed before the Board at the first meeting of the financial year held on 27.05.2021.

Circular resolutions passed during the period under review were duly recorded in the subsequent meetings.

Majority decisions are taken unanimously by the Board Members. While the views of the Board Members are captured and recorded as part of the minutes.

2. The annual general meeting for the financial year ending on 31st March 2021 was held on September 15, 2021 through electronic mode [Video Conferencing/Other Audio-Visual Means] pursuant to the circulars issued by the Ministry of Corporate Affairs (MCA) and by Securities Exchange Board of India (SEBI) in that respect; after giving due notice to the members of the Company, with the requisite quorum and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.

No extraordinary general meeting or postal ballot was conducted by the Company during the period under review.

3. The Company has the following committees in place and the members of the committees meet at regular intervals to discuss and execute the relevant functions/operations as per the terms of the policy framed for the purpose:
 - Audit Committee,
 - Corporate Social Responsibility Committee,
 - Nomination and Remuneration Committee,
 - Stakeholders Relationship Committee,
 - Risk Management Committee,
 - Investment, Project appraisal and Monitoring Committee.
4. In accordance with Schedule IV of the Act and Regulation 25(3) of SEBI (LODR), 2015, an exclusive meeting of Independent Directors was held without the presence of Non-independent Directors & members of management, on March 25, 2022 at which all Independent Directors were present.
5. The Company has not taken up any major events like issue of share to public, rights issue, buy back of shares, mergers & amalgamations, decisions under Section 180 of Companies Act, 2013 during the period under audit.
6. The Company is regular in filing forms and returns with the Registrar of Companies, and other statutory bodies as

applicable from time to time within the time prescribed under the Act and the rules made there under.

7. The Company is in regular compliance with Regulation 76 of the SEBI (Depositories and Participants) Regulations, 2018.
8. The Registrar and Transfer Agent of the Company as provided hereunder, is duly registered as per The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 who on behalf of the Company, maintains the records of holders of securities issued by the company and deals with all matters connected with the transfer and transmission of securities.

M/s Integrated Registry Management Services Pvt. Ltd.

30, Ramana Residency 4th Cross,
Sampige Road, Malleswaram,
Bengaluru - 560 003

Tel No.: 080 2346 0815 - 818

Fax No.: 080 2346 0819

Email: irg@integratedindia.in

9. The Company is listed with the BSE Limited (BSE), National Stock Exchange of India Limited (NSE) and Metropolitan Stock Exchange of India Limited (MSE) is in compliance with the requirements under Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 except the following:

Reg 17(1a): The Company is among the top 500 listed entities and is required to have an independent woman director. However, the Company did not have an independent woman director till 31st October 2021

Reg 17(1b): The Chairman of the Board is an executive Director. At least half of the Board should comprise of Independent Directors. The Company is not in compliance with this requirement till 31st October 2021.

10. The Company is in regular compliance with SEBI Act 1992 and its applicable rules and regulations as detailed in Point (iv) of this report.
11. The Company has constituted an Internal Committee in compliance with the Sexual Harassment of Women at Workplace Act, 2013 (POSH) and its corresponding rules and regulations.
12. The compliances under the following Labour Laws have been scrutinised by me:
 - a. The Karnataka Shops and Establishments Act, 1961
 - b. Factories Act, 1948
 - c. The Minimum Wages Act, 1948
 - d. The Payment of Wages Act, 1936
 - e. The Payment of Bonus Act, 1965
 - f. Equal Remuneration Act, 1976
 - g. The Payment of Gratuity Act, 1972
 - h. The Employees' Compensation Act, 1923
 - i. The Maternity Benefit Act, 1961
 - j. The Child Labour (Prohibition and Regulation) Act, 1986



- k. The Contract Labour (Regulation and Abolition) Act, 1970
- l. The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959
- m. The Apprentices Act, 1961
- n. Industrial Employment (Standing Orders) Act, 1946 read with Industrial Employment (Standing Orders) (Karnataka) Rules, 1961
- o. Labour Welfare Fund Act
- p. Rights of Persons with Disabilities Act, 2016 (RPWD)
- q. The Employee State Insurance Act, 1948 (ESI)
- r. Food Safety and Standard Act, 2006 ("FSSAI")
- s. Employees Provident Fund and Miscellaneous Provisions Act, 1952

The Company is majorly in compliance with the applicable provisions, registrations, filing of returns, maintenance of records and display of abstracts as required under these various Labour laws their corresponding rules, regulations, and guidelines thereunder.

13. During the period under review, the Company has complied with the applicable provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above. Certain findings such as filing of Annual Return under Section 21 read with rule 14 of POSH Act, adoption of RPWD Act and compliance thereunder, registration under ESI Act,

FSSAI Act and filing of returns thereunder, licences under FSSAI Act for canteens as highlighted during the audit have been taken note of by the management with a confirmation to initiate necessary corrective action.

14. For compliances under various tax laws I have relied on the reports submitted by the Internal Auditors and the Statutory Auditors of the Company. As per the reports provided, the Company is in compliance under the various tax laws and the corresponding rules, regulations and guidelines as applicable to the Company.
15. 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.

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.

Place: Bangalore
Date : 15/07/2022

Sd/-
S.N.Mishra
Company Secretary
CP No. : 4684
FCS No. : 6143
UDIN: F006143D000630712

Annexure 'A'

To,
The Members
KIOCL Limited
CIN: L13100KA1976GOI002974
II Block, Koramangala,
Bangalore- 560 034

My Secretarial Audit Report for the financial year ended March 31, 2022 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. 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.

Place: Bangalore
Date: 15/07/2022

Sd/-
S.N.Mishra
Company Secretary
CP No. : 4684
FCS No. : 6143
UDIN: F006143D000630712

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
The Board of Directors
KIOCL Limited
Bangalore

We have examined all relevant records of M/s. KIOCL Limited, for the purpose of certifying compliance of the conditions of Corporate Governance pursuant with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2022.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the review of procedures and implementation thereof adopted by the Company for ensuring compliance of the conditions of Corporate Governance as stipulated in the said Regulation.

In our opinion from the examination of the records produced and to the best of our information and according to the explanations given to us, by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 as on March 31, 2022 *except the following*: -

Reg 17(1a): The Company is among the top 500 listed entities and is required to have an independent woman director. However, the Company has an independent woman director on its Board w.e.f. 1st November, 2021.

Reg 17(1b): The Chairman of the Board is an executive Director. Atleast half of the Board should comprise of Independent Directors. The Company is not in compliance with this requirement till 31st October, 2021.

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

Place: Bangalore
Date :30/06/2022

Sd/-
S.N Mishra
Company Secretary
CP No.: 4684
FCS No.: 6143
UDIN:F006143D000546056



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)

To,
The Members of
KIOCL Limited
II Block Koramangala
Bangalore-560034

I have examined the relevant registers, records, forms and returns of **M/s. KIOCL Limited** having CIN: L13100KA1976GOI002974 and having registered office at II Block, Koramangala, Bangalore-560034 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing 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, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Shri. T. Saminathan	08291153	09/01/2019
2.	Shri. S. K. Gorai	07223221	11/11/2016
3.	Shri. K. V. Bhaskara Reddy	08672764	01/03/2020
4.	Smt. Sukriti Likhi	01825997	23/04/2021
5.	Shri. Nirmalendu Mohapatra	07352648	21/10/2019
6.	Shri. G. Ramasamy	08632590	07/12/2019
7.	Shri. Changdev Sukhadev Kamble	09351638	01/11/2021
8.	Dr. Usha Narayan	09351511	01/11/2021

Ensuring the eligibility of / for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. 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.

Place: Bangalore
Date: 30/06/2022

Sd/-
S.N Mishra
Company Secretary
CP No.: 4684
FCS No.: 6143
UDIN:F006143D000546023

Independent Auditors' Report

To,
The Members of KIOCL Limited,
Report on the Standalone Ind AS Financial Statements:

Opinion

We have audited the accompanying Standalone Ind AS financial statements of **KIOCL Limited** ("the Company") which comprises the Balance Sheet as at 31st March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and Notes to the Financial Statements, including a summary of the significant accounting policies and other explanatory information (herein after referred to as "Standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("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 Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2022, the **profit** including Other Comprehensive Income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS 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 together with the ethical requirements that are relevant to our audit of the Standalone Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Ind AS financial statements.

Emphasis of Matters

1. Kudremukh Mining Operations

Attention is drawn to Note No. 3.1 along with footnote thereto and Note No. 28.3.4 of the Standalone Ind AS financial statements on Kudremukh mine site from where iron ore was extracted by KIOCL Limited and has been suspended due to the order of the Hon'ble Supreme Court in 2006 and all the assets located therein are either disposed of or transferred to Pellet Plant. Owing to disputes relating to land and pending issues on surrender of mines, the buildings in the township are reduced to 'NIL' value but value of the land continues to be shown in the books of accounts. The Company is of the view that pending the decision of the Government of Karnataka, since Lakhya dam therein is the main water source for the pellet plant, the asset continues to be shown under PPE.

2. Blast Furnace Unit (BFU)

Attention is drawn to Note No. 1.10, Note No. 3.1 along with additional information thereto and Note No. 28.3.7 of the Standalone Ind AS financial statements on Blast Furnace Unit (BFU) which is not in operation since 2009, since it is not economically viable in running the unit. As per the approved project for Backward and Forward Integration of the Blast Furnace Unit, the Company is in the process of setting up a Non-Recovery Coke Oven Plant as backward integration and Ductile Spun Pipe Plant as forward integration. As per the valuation report provided by the Independent Valuer, the recoverable amount in each class of BFU are more than the carrying amount and hence, no impairment loss is recognised.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Standalone Ind AS 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.



Sr. No.	Key Audit Matter	How the matter was addressed in our audit
1.	<p>Going Concern</p> <p>As included in Note No. 1.2 and Note No. 2 (related to 'Going Concern and estimation of uncertainties that may impact the Company's operations') to the Standalone Ind AS financial statements, the Company's financial statements have been prepared using the going concern basis of accounting.</p> <p>The World Health Organisation in February 2020 declared COVID 19 as a pandemic. Governments around the world including India have been taking significant measures to curb the spread of the virus including imposing mandatory lockdowns and restrictions in activities.</p> <p>These lockdowns have a significant impact on the overall economic activity in India. Accordingly, the future cash flow projections used to assess going concern are subject to significant estimation uncertainties.</p> <p>In view of the above, we have identified our assessment of the going concern basis of accounting as a key audit matter.</p>	<p>In view of the significance of the matter we have obtained appropriate audit evidence and assessed the adequacy of the disclosures related to application of the going concern assumption.</p> <p>The management has not identified a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern, and accordingly none is disclosed in the financial statements. Based on our audit of the Standalone Ind AS financial statements, we also have not identified such a material uncertainty.</p>
2	<p>Property, Plant & Equipment, Intangible Assets and its impairment</p> <p>There are areas where management judgement impacts the carrying amount of property, plant and equipment, intangible assets and their respective depreciation / amortization rates and impairment.</p> <p>These include the decision to capitalise or expense costs; the annual asset life review; the timeliness of the capitalization of the assets and the use of the management assumptions and estimates for the determination or the measurement and recognition criteria for assets retired from active use and its impairment.</p> <p>This capitalization and annual impairment test are considered to be a key audit matter due to the complexity of the accounting requirements and the significant judgement required in determining the key assumptions, including estimates of future sales volumes and prices, operating costs, terminal value growth rates, capital expenditure and the weighted-average cost of capital (discount rate), to be used to estimate the recoverable amount.</p> <p>[Refer Note No. 2, 3.1, 3.2, 4.1, 4.2 & 28.3 to the Standalone Ind AS financial statements]</p>	<p>Due to the materiality in the context of balance sheet of the Company and age of the PPE of the Company and the level of judgement and estimates required, we consider this to be as area of significance.</p> <p>We assessed the controls in place over the PPE life cycle, evaluated the appropriateness of capitalisation process, performed tests of details on costs capitalised, the timeliness of the capitalisation of the assets and de-recognition criteria for the assets retired from active use and its impairment.</p> <p>In performing these procedures, we reviewed the judgements made by the management including the nature of underlying costs capitalised; determination of realisable value of the assets retired from active use; the appropriateness of assets lives applied in the calculation of depreciation; the useful lives of the assets prescribed in Schedule II of Companies Act, 2013 and the useful lives of certain assets as per the technical assessment of management and its impairment. In case of realizable value for assets retired from active use, we have relied upon the independent valuation report obtained by the management and provided to us. We've observed that the management has regularly reviewed the aforesaid judgments and there are no material changes.</p>
3.	<p>Adoption of Ind AS 116 Leases</p> <p>The Company has adopted Ind AS 116 Leases. The application and transition to this accounting standard is complex and is an area of focus in our audit since the Company has a large number of leases with different contractual terms.</p>	<p>Our audit procedures on adoption of Ind AS 116 include:</p> <ul style="list-style-type: none"> • Assessed and tested the process and controls in respect of the lease accounting standard (Ind AS 116); • Assessed the Company's evaluation on the identification of leases based on the contractual agreements and our knowledge of the business; • Evaluation of reasonableness of the discount rates applied in determining the lease liabilities;



Sr. No.	Key Audit Matter	How the matter was addressed in our audit
	<p>Ind AS 116 introduces a new lease accounting model, wherein lessees are required to recognize a right-of-use (ROU) asset and a lease liability arising from a lease on the balance sheet. The lease liabilities are initially measured by discounting future lease payments during the lease term as per the contract / arrangement. Adoption of the standard involves significant judgements and estimates including, determination of the discount rates and the lease term. Additionally, the standard mandates detailed disclosures in respect of transition.</p> <p>[Refer Note No. 3.3, 13.2, 15.1 & 28.2.5 to the Standalone Ind AS financial statements]</p>	<ul style="list-style-type: none"> • On a sampling basis, we performed the following procedures: <ol style="list-style-type: none"> a. Assessed the key terms and conditions of each lease with the underlying lease contracts; and b. Evaluated computation of lease liabilities and challenged the key estimates such as, discount rates, escalation in lease payments and the lease term. • Assessed and tested the presentation and disclosure relating to Ind AS 116 <p>Based on the above audit procedures, the presentation and disclosures in the Standalone Ind AS financial statements are in accordance with the standard.</p>
4.	<p>Defined benefit obligation</p> <p>The valuation of the retirement benefit schemes in the Company is determined with reference to various actuarial assumptions including discount rate, rate of inflation and mortality rates. Due to the size of these schemes, small changes in these assumptions can have a material impact on the estimated defined benefit obligation.</p> <p>[Refer Note No. 1.16, 14, 17 & 28.2.1 to the Standalone Ind AS financial statements]</p>	<p>We have examined the key controls over the process involving member data, formulation of assumptions and the financial reporting process in arriving at the provision for retirement benefits. We tested the controls for determining the actuarial assumptions and the approval of those assumptions by senior management. We found these key controls were designed, implemented and operated effectively, and therefore determined that we could place reliance on these key controls for the purposes of our audit.</p> <p>We tested the employee data used in calculating the obligation and where material, we also considered the treatment of curtailments, settlements, past service costs, re-measurements, benefits paid, and any other amendments made to obligations during the year. From the evidence obtained, we found the data and assumptions used by management in the actuarial valuations for retirement benefit obligations to be appropriate.</p> <p>In this process, we have relied upon the valuation of 'actuary' in accordance with SA 620 issued by the ICAI.</p>
5.	<p>Provisions and Contingent Liabilities</p> <p>The Company has exposures towards litigations relating to various matters as set out in the Notes to the Standalone Ind AS Financial Statements.</p> <p>Significant management judgement is required to assess such matters to determine the probability of occurrence of material outflow of economic resources and whether a provision should be recognized, or a disclosure should be made. The management judgement is also supported with legal advice in certain cases as considered appropriate.</p> <p>As the ultimate outcome of the matters are uncertain and the positions taken by the management are based on the application of their best judgement, related legal advice including those relating to interpretation of laws/ regulations, it is considered to be a Key Audit Matter.</p> <p>[Refer Note No. 14, 17 & 28.1.2 to the Standalone Ind AS financial statements]</p>	<p>Our audit procedures in response to this matter included, among others,</p> <ul style="list-style-type: none"> • Understanding, assessing and testing the design and operating effectiveness of key controls surrounding assessment of litigations relating to the relevant laws and regulations; • Discussion with the Management any material developments and latest status of legal matters; • Evaluation of management's assessment around those matters that are not disclosed or not considered as contingent liability, as the probability of material outflow is considered to be remote by the management; and • Review of adequacy of the disclosures in the notes to the financial statements. <p>Based on the above work performed, management's assessment in respect of litigations and related disclosures relating to contingent liabilities/other significant litigations in the Standalone Ind AS Financial Statements are considered to be reasonable.</p>



Sr. No.	Key Audit Matter	How the matter was addressed in our audit
6.	<p>Inventory Management</p> <p>The Company was majorly dependent on a single vendor for procurement of raw material i.e., iron ore fines, required for production of its finished goods i.e., pellets.</p> <p>This could have impact on the uninterrupted production process of the Company if the raw materials required were not available on a timely basis as per the procurement or production schedule of the Company.</p>	<p>We observed that the Company was majorly dependent on a single vendor for procurement of raw material (iron ore fines) and during the year we observed that the production process was disrupted for a considerable amount of time due to non-availability of raw materials required.</p> <p>We were informed by the management that the Company is in the process of finding alternative source of raw material (Iron ore fines) from Odisha which require additional facilities in the manufacturing process like vertical pressure filter. The purchase order has already been placed for the installation of vertical pressure filter to process iron ore fines sourced from Odisha. We have relied upon the management replies and documents provided in this process.</p>
7	<p>Recognition of Intangible Asset under development</p> <p>Refer Note No. 1.6, 4.2 & 28.3.5 of the Standalone Ind AS Financial Statements, the Company has recognized costs incurred towards acquisition of mining rights amounting to Rs. 17457.62 Lakhs as 'Intangible Assets under Development'.</p> <p>As per the Ind AS-38, the development costs are recognized as Intangible Assets only when:</p> <ol style="list-style-type: none"> 1. Technical feasibility has been established 2. The Company has committed technical and commercial resources to complete the development and use the intangible asset and 3. It is probable the asset will generate future economic benefits. <p>The costs capitalized include the amount paid to Government, cost of technical knowhow expenses, materials, direct labour, inspecting and testing charges, designing cost, software expenses, contribution made to District CSR fund of Bellary District and directly attributable overhead expenditure incurred up to the date the intangible asset is available for use.</p> <p>The recognition of development cost as an intangible asset is considered to be a key audit matter given the assessment of the recognition criteria set out in Ind AS 38 'Intangible Assets' is made at an early stage of development and there are inherent challenges with accurately predicting the future economic benefit, which must be assessed as 'probable' for capitalisation to commence.</p> <p>Owing to the nature of intangible asset under development, there could be delay in ultimate implementation of the project.</p>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <p>Test of Controls</p> <ul style="list-style-type: none"> • Tested the Company's design, implementation and operating effectiveness of controls to comply with the recognition criteria set out in Ind AS 38 'Intangible Assets' for projects initiated during the year. <p>Test of details</p> <ul style="list-style-type: none"> • Evaluated and compared the inputs used in the assessment of future economic benefits; • Examined approvals and clearances of the project given by the concerned authorities, reviewed the source documents to determine the expected future economic benefits and feasibility of the project.

Information Other than the Standalone Ind AS Financial Statements and Auditor's Report thereon

1. The Company's Board of Directors is responsible for the preparation 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, Corporate Governance and Shareholder's Information, but does not include the Standalone Ind AS financial statements and our auditor's report thereon.
2. Our opinion on the Standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



3. In connection with our audit of the Standalone Ind AS 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 Ind AS 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.

Management's Responsibilities for the Standalone Ind AS Financial Statements

1. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act 2013, with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position and financial performance, changes in equity and cash flows of the Company in accordance with the Accounting Principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
2. In preparing the Standalone Ind AS 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.
3. The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

1. Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS 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 Ind AS financial statements.

2. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Standalone Ind AS 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Ind AS financial statements or, if such disclosure is 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 Ind AS financial statements, including the disclosures, and whether the Standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
3. Materiality is the magnitude of misstatements in the Standalone Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the



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 Ind AS financial statements.

4. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings that we identify during our audit.
5. 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.
6. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS 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. As per the information and explanations provided to us, the Company has requested its trade receivables and trade payables for confirmation of balances. However, we have not received all confirmations and hence, we have relied upon the balances appearing in the books for the reporting period.

Report on Other Legal and Regulatory Requirements

1. As required under the directions and sub-directions issued by the Comptroller and Auditor General of India in terms of Sub-section (5) of Section 143 of the Companies Act 2013, we are enclosing our report in "**Annexure A**".
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable our report thereon is enclosed as "**Annexure B**".
3. 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), Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) As per notification number G.S.R. 463(E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, section 164(2) of the Act regarding the disqualifications of Directors is not applicable to the Company, since it is a Government Company;
- (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 C**".
- (g) As per notification number G.S.R. 463 (E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, section 197 of the Act regarding remuneration to director is not applicable to the Company, since it is a Government Company;
- (h) 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 Ind AS financial statements. Refer Note No. 28.1.2 of the Standalone Ind AS 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Company.
 - iv. a) The management has represented that, to the best of its knowledge and belief, no funds 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 entity ("Intermediary"), 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 it’s knowledge and belief, no funds have been received by the company from any person or entity, including foreign entity (“Funding Party”), 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 mis-statement.
- v. The dividend paid during the year by the company is in compliance with section 123 of the Companies Act, 2013.

Place: New Delhi
Date: 24th May, 2022
UDIN: 22202465AJNDJ01144

For YCRJ & Associates
Chartered Accountants
FRN: 006927S

Sd/-
CA Rajnish Rama Rao
Partner
M. No. 202465

Annexure – A to the Auditors’ Report

Referred to in Paragraph 1 under “**Report on Other Legal and Regulatory Requirements**” section of our report to the Members of the Company of even dated

Report on Directions issued by the Comptroller and Auditor General of India under section 143(5) of the Companies Act, 2013

- The units of the Company have a system in place to process all the accounting transactions through IT system. Transactions relating to Inventory are recorded in a separate software called **Price Stores Ledger (PSL)** which is not integrated with the **Financial Accounting System**. Similarly, production details are not linked to the Financial Accounting System. During our audit, we have not come across any major implications (whether financial or otherwise) of processing of accounting transactions through IT system on the integrity of the accounts.
- According to the information and explanations given to

us, there is no restructuring of an existing loan or cases of waiver / write off of debts / loans / interest etc., made by a lender. As such, there is no financial implication involved.

- According to the information and explanations given to us, the Company has not received any funds for specific schemes from Central / State Government or its agencies during the financial year 2021-22.

However, as per information and explanations provided to us, in the year 2018-19, the Company had received a grant of Rs. 11.20 lakhs from the Government of India - Ministry of Steel for the purpose of Research and Development. Out of the said grant, Rs. 10.62 lakhs was disbursed to M/s Dayananda Sagar College of Engineering, Bengaluru for carrying out Research and Development on synthesis of Kudremukh Iron Ore Mine Tailings based on Geo-polymer Aggregate using Ash as a precursor in the Construction Industry during earlier years prior to FY 2021-22 and the balance amount of Rs.0.58 lakhs returned to the Ministry of Steel on 27.08.2021.

Place: New Delhi
Date: 24th May, 2022
UDIN: 22202465AJNDJ01144

For YCRJ & Associates
Chartered Accountants
FRN: 006927S

Sd/-
CA Rajnish Rama Rao
Partner
M. No. 202465



Annexure – B to the Auditors' Report

Referred to in Paragraph 2 under “**Report on Other Legal and Regulatory Requirements**” section of our report to the Members of the Company of even dated

As per the books and records produced before us and as per the information and explanations given to us and based on such audit checks that we considered necessary and appropriate, we report that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - a. (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plants and Equipment and relevant details of right-of-use assets.
 - (B) The comprehensive description of assets, their current location and asset numbering is to be updated in the fixed asset register.
 - b. According to the information and explanations given to us, the Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years.
As explained to us, in accordance with this programme, certain fixed assets were verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
 - c. According to the information and explanations given to us and based on our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
 - d. As per the information and explanation given us the Company has not revalued any of its Property, Plant and Equipment (including right of-use assets) during the year.
 - e. As per the information and explanation given us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. a. According to the information and explanations given to us, physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed.
- b. According to the information and explanations given to us, the Company has overdraft facility against deposits with banks in excess of Rs.5 crore, in aggregate. As explained to us, since the facilities were sanctioned against fixed deposits, there were no requirement of submission of quarterly returns or statements with the banks and hence the same were not submitted by the Company.
- iii. As per the information and explanation given to us, during the year, the company has not made investments in, provided any guarantee or security or granted any loans, secured or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties. Hence reporting under clause 3(iii) of paragraph 3 of the Order are not applicable.
- iv. As per the information provided and explanation given to us, there are no loans, investments, guarantees, and security under section 185 and 186 of the Companies Act 2013. Hence the provisions of clause 3(iv) of paragraph 3 of the Order are not applicable.
- v. As per the information provided and explanation given to us, the Company has not accepted any deposits from the public and does not have any unclaimed deposits as at March, 31, 2022 and therefore reporting under paragraph 3(v) of the Order is not applicable to the Company.
- vi. On the basis of records produced to us, we are of the opinion that, prima facie, the cost records prescribed by the Central Government of India under sub-section (1) of section 148 of the Companies Act, 2013 have been made and maintained. However, we are not required to and have not carried out any detailed examination of such accounts and records.
- vii. According to the information and explanations given to us and on the basis of our examination of the records of the Company,
 - a. The Company has generally been regular in depositing the amounts deducted / accrued in the books of account in respect of undisputed applicable statutory dues including provident fund, employees' state insurance, income-tax, sales tax, and service tax, duty of customs, duty of excise, GST, cess and any other statutory dues applicable to it with the appropriate authorities.
There were no outstanding of aforesaid statutory dues as on 31st March 2022 for a period of more than six months from the date they became payable.
 - b. As per the information and explanations given to us, the following statutory dues have not been deposited on account of dispute:

Statute	Nature of dues	Rs. in Lakhs	Period	Dispute Forum
The Central Excise Act, 1944	Non-payment of SAD on DTA clearance of Pellets	1454.11	2010-11	CESTAT
		1248.99	2011-12	
		3145.21	2011-12	
Finance Act, 1994	Service Tax	60.77	2012-14	CESTAT
Income Tax Act, 1961	Income Tax	633.28	2013-14	CIT (Appeals)
			2014-15	
		4973.66	2018-19	

- viii. As per the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Hence, reporting under clause 3(viii) of the Order is not applicable.
- ix. a. As per the information and explanations given to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b. As per the information and explanations given to us, the company has not been declared as wilful defaulter by any bank or financial institution or other lender.
- c. As per the information and explanations given to us, and as per our review, prima facie, the term loans were applied for the purpose for which the loans were obtained. However, we have not carried out any detailed examination of such accounts, records and utilisation.
- d. As per the information and explanations given to us, and as per our review, prima facie, funds raised on short term basis have not been utilised for long term purposes. However, we have not carried out any detailed examination of such accounts, records and utilisation.
- e. As per the information and explanations given to us, the company has not taken any funds during the year from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f. As per the information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. As per the information and explanations given to us, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year or has made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Hence, reporting under clause 3(x) of the Order is not applicable.
- xi. a. Based on the audit procedures performed and based on the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- b. No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- c. As per the information and explanation given to us, the Company has not received any whistle blower complaints during the year.
- xii. The company is not a Nidhi Company. Hence, reporting under clause 3(xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. a. In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b. We have considered, the internal audit reports for the year under audit, issued to the Company for the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. As per the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the company.
- xvi. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and also is not a Core Investment Company (CIC) as defined in the Core Investment Companies (Reserve Bank) Directions, 2016. Hence, reporting under clause 3(xvi) (a), (b), (c) and (d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year and hence clause 3(xviii) is not applicable to the company.
- xix. On the basis of the financial ratios, ageing and expected dates



of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and 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. a. As per the information and explanations given to us, there are no unspent amounts towards Corporate

Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

b. As per the information and explanations given to us, there are no ongoing projects, where the Company has any unspent Corporate Social Responsibility (CSR) amount as at the end of the year to be transferred to a Special account within a period of 30 days from the end of the year as per the provision of section 135(6) of the Act. Whereas, the amount of Rs.41.24 lakhs, which was accounted as provision towards CSR expenses based on the goods/ services received as at the end of the year and the same was paid on 09.05.2022.

xxi. As this report being given on the Standalone Financial Statements of the company, reporting under clause 3(xxi) is not applicable.

Place: New Delhi
Date: 24th May, 2022
UDIN: 22202465AJNDJ01144

For YCRJ & Associates
Chartered Accountants
FRN: 006927S

Sd/-
CA Rajnish Rama Rao
Partner
M. No. 202465

Annexure – C to the Auditors’ Report

Referred to in Paragraph 3(f) under “**Report on Other Legal and Regulatory Requirements**” section of our report to the Members of the Company of even dated

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **KIOCL LIMITED** (referred to as the “Company”) as of March 31, 2022, in conjunction with our audit of the Standalone financial statements of the company of the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the of the Holding company, its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls 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 the respective 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting 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 the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act,



2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide us for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting 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 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 unauthorized 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 over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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, the Company has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, 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.

Emphasis of Matters

1. Temporary Discrepancies between Real-time stock position as per stock register and bin card of Inventory Accounting System (IAS) resulting in the frequent use of Draft Stock Issue Vouchers (SIVs) has been observed in the internal audit report, which may have impact on the control over inventories. We have been informed by the Company, that the same will be addressed while implementing ERP which is under progress.
2. Non-Adherence to the procedure stipulated in the manual in arriving at Re-Order Level in respect of Automatic Replenishment (AR) category of stock has been observed in the internal audit report, which may have impact on the control over inventories. We have been informed by the Company, that the same will be addressed while implementing ERP which is under progress.
3. The Standard Operating Procedures (SOPs) and Manuals prepared earlier in the years are required to be updated/modified to reflect the current practices.

Our opinion is not modified in respect of these matters.

For YCRJ & Associates
Chartered Accountants
FRN: 006927S

Sd/-
CA Rajnish Rama Rao
Partner
M. No. 202465

Place: New Delhi
Date: 24th May, 2022
UDIN: 22202465AJNDJ01144

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF KIOCL LIMITED FOR THE YEAR ENDED 31ST MARCH, 2022

The preparation of financial statements of KIOCL Limited for the year ended 31 March 2022 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 the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on 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 Audit Report dated 24 May 2022.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of KIOCL Limited for the year ended 31 March 2022 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 Auditors and Company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit, nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report under Section 143(6)(b) of the Act.

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

Sd/-
(J.S. Karape)

Director General of Commercial Audit
Hyderabad

Place: Hyderabad
Date: 28/07/2022

Balance Sheet as at 31st March, 2022

₹ in Lakhs

Particulars	Note No.	As at 31 st March, 2022	As at 31 st March, 2021
ASSETS			
Non-Current Assets			
a) Property, plant and equipment	3.1	17,834.24	17,403.46
b) Capital work-in-progress	3.2	11,138.07	3,723.76
c) Right of use assets	3.3	9,791.82	9,649.49
d) Other intangible assets	4.1	94.59	73.07
e) Intangible assets under development	4.2	18,441.69	489.55
f) Financial assets			
i) Loans	5.1	248.95	137.54
ii) Other financial assets	5.2	1,031.56	1,038.04
g) Deferred tax assets (net)	6	651.29	571.17
h) Other non-current assets	7	2,641.70	2,641.70
Total non-current assets		61,873.91	35,727.78
Current assets			
a) Inventories	8	34,574.63	30,502.09
b) Financial assets			
i) Trade receivables	9.1	29,186.18	24,280.83
ii) Cash and cash equivalents	9.2	35,171.20	57,895.65
iii) Bank balances other than (ii) above	9.3	75,586.72	84,308.23
iv) Loans	9.4	82.20	73.37
v) Other financial assets	9.5	2,905.73	3,342.72
c) Current tax assets (net)	10	3,552.86	-
d) Other current assets	11	23,143.76	12,064.55
Total current assets		2,04,203.28	2,12,467.44
TOTAL ASSETS		2,66,077.19	2,48,195.22
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	12.1	60,775.11	60,775.11
b) Other equity	12.2	1,53,588.74	1,37,823.96
Total Equity		2,14,363.85	1,98,599.07
Liabilities			
Non-current liabilities			
a) Financial liabilities			
i) Borrowings	13.1	900.00	-
ii) Lease liabilities	13.2	10,447.91	10,792.59
iii) Other financial liabilities	13.3	59.89	50.63
b) Provisions	14	9,467.29	9,442.93
Total non-current liabilities		20,875.09	20,286.15
Current liabilities			
a) Financial liabilities			
i) Lease liabilities	15.1	1,229.29	1,242.35
ii) Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	15.2	800.66	581.58
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	15.2	12,550.62	14,049.10
iii) Other financial liabilities	15.3	10,649.32	9,154.43
b) Other current liabilities	16	3,341.40	2,325.80
c) Provisions	17	2,266.96	1,953.10
d) Current tax liabilities (net)	10	-	3.64
Total current liabilities		30,838.25	29,310.00
TOTAL EQUITY AND LIABILITIES		2,66,077.19	2,48,195.22
Significant accounting policies	1 and 2		
Notes forming part of financial statements	1-28		

For and on behalf of Board of Directors

Sd/-

(T. Saminathan)

Chairman cum Managing Director

Sd/-

(S K Gorai)

Director (Finance)

Sd/-

(P K Mishra)

Company Secretary

as per our report of even date
for M/s YCRJ & Associates
Chartered Accountants
(Firm Registration No: 006927S)

Sd/-

(Rajnish Rama Rao)

Partner

Membership No: 202465

Place: New Delhi
Date: 24th May, 2022

Statement of Profit and Loss for the period ended 31st March 2022

₹ in Lakhs

	Particulars	Note No.	Year ended 31 st March, 2022	Year ended 31 st March, 2021
I.	Revenue from operations	18.1	3,00,645.14	2,37,644.20
II.	Other income	18.2	7,429.28	10,133.97
III.	Total Income		3,08,074.42	2,47,778.17
IV.	Expenses			
	Cost of materials consumed	19.1	1,96,326.08	1,47,680.91
	Changes in inventories of finished goods and work-in -progress	19.2	3,417.53	2,088.45
	Cost of consumable stores spares & additives	19.3	11,127.17	7,626.51
	Power and fuel	19.4	24,754.45	19,828.61
	Direct cost towards service contracts	20	1,889.50	818.23
	Employee benefits expense	21	18,832.84	18,636.29
	Finance costs	22	1,220.66	1,485.97
	Depreciation and amortization expenses	23	3,118.23	2,745.96
	Other expenses	24	6,284.78	5,843.84
	Total expenses		2,66,971.24	2,06,754.77
V.	Profit before tax (III-IV)		41,103.18	41,023.40
VI.	Tax expense	25		
	(a) Current tax		9,959.43	11,028.40
	(b) Deferred tax		(196.90)	(121.55)
	Total tax expenses		9,762.53	10,906.85
VII.	Profit for the year (V-VI)		31,340.65	30,116.55
	Other comprehensive income			
	Items that will not be reclassified to profit or loss:			
	(i) Re-measurements of defined benefit obligation	26	463.99	(85.43)
	(ii) Less: Income tax relating to items that will not be reclassified to profit or loss	26	(116.78)	222.61
VIII.	Other comprehensive income for the year		347.21	137.18
IX.	Total comprehensive income for the year (VII+VIII)		31,687.86	30,253.73
	Earnings per equity share:			
	No of equity shares (Face value Rs.10/- each)		60,77,51,096	60,77,51,096
	Basic and diluted earning per share (Rs)	27	5.16	4.87
	Significant accounting policies	1 and 2		
	Notes forming part of financial statements	1-28		

For and on behalf of Board of Directors

Sd/-
T. Saminathan
Chairman and Managing Director

Sd/-
(S K Gorai)
Director (Finance)

as per our report of even date
for M/s YCRJ & Associates
Chartered Accountants
(Firm Registration No: 0069275)

Sd/-
(P K Mishra)
Company Secretary

Sd/-
(Rajnish Rama Rao)
Partner
Membership No: 202465

Place: New Delhi
Date: 24th May, 2022

Statement of Cash Flow for the year ended 31st March, 2022

₹ in Lakhs

	Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit before tax	41,103.18	41,023.40
	Adjustment for :		
	Depreciation and amortization expense	3,118.23	2,745.96
	Finance costs	1,220.66	1,485.97
	Net of Impairment Loss & Liabilities no longer required written back	-	(1,464.69)
	Interest income on financial assets at amortized cost	(6,227.10)	(8,825.90)
	Net gain on financial assets designated at fair value through profit or loss	(339.08)	(215.09)
	Net gain on disposal of property, plant and equipment	(8.69)	(1.38)
	Operating cash flow before working capital changes	38,867.20	34,748.27
	Adjustment for working capital changes:		
	(Increase)/Decrease in inventories	(4,072.54)	(4,817.61)
	(Increase)/Decrease in trade and other receivables	(19,060.78)	(13,503.27)
	Increase/(Decrease) in trade and other payables	4,157.76	87.74
	Cash generated from operations	19,891.64	16,515.13
	Income tax paid (Net of refunds)	(12,900.00)	(6,819.22)
	Net cash flow from operating activities	6,991.64	9,695.91
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of property, plant and equipment and intangible assets	(3,678.94)	(2,387.60)
	Proceeds from sale of property, plant and equipment	8.60	2.09
	(Increase)/Decrease in capital work in progress and intangible assets under development	(25,366.45)	(1,722.01)
	Purchase of investments - liquid mutual fund	(1,80,436.98)	(1,49,646.15)
	Redemption of investments- liquid mutual fund	1,80,668.13	1,49,861.25
	Interest income on financial assets at amortized cost	6,845.24	9,818.39
	Investment in term deposits with more than three months	8,721.51	23,922.18
	Net cash flow from investing activities	(13,238.89)	29,848.14
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from non-current borrowings	900.00	-
	Payment of dividend	(15,923.08)	(4,353.48)
	Buy back of equity shares and tax thereon	-	(18,894.00)
	Repayment of lease liabilities	(1,282.61)	(1,259.56)
	Finance cost paid	(171.51)	(121.45)
	Net cash flow from financing activities	(16,477.20)	(24,628.49)
	ABSTRACT		
	(A) Net cash from operating activities	6,991.64	9,695.91
	(B) Net cash from investing activities	(13,238.89)	29,848.14
	(C) Net cash from financing activities	(16,477.20)	(24,628.49)
	Net increase/(decrease) in cash and cash equivalents	(22,724.45)	14,915.56
	Net increase/(decrease) in cash and cash equivalents :		
	Cash and cash equivalents as at 1 st April, 2021 (opening balance)	57,895.65	42,980.09
	Cash and Cash Equivalents as at 31 st March, 2022 (closing balance)	35,171.20	57,895.65
	Net increase/(decrease) in cash and cash equivalents	(22,724.45)	14,915.56

**Notes:**

- 1 The above statement has been prepared using indirect method as set out in Ind AS 7.
- 2 Figures in brackets indicate cash outflows.
- 3 Reconciliation of liabilities arising from financing activities:

For the year ended 31st March 2022

₹ in Lakhs

Particulars	As at 1 st April, 2021	Financing cash flow	Non-cash changes	As at 31 st March, 2022
Borrowings	-	900.00	-	900.00
Lease liabilities	12,034.94	(1,282.61)	924.87	11,677.20
Total	12,034.94	(382.61)	924.87	12,577.20

For the year ended 31st March, 2021

₹ in Lakhs

Particulars	As at 1 st April, 2020	Financing cash flow	Non-cash changes	As at 31 st March, 2021
Lease liabilities	12,381.42	(1,259.56)	913.08	12,034.94
Total	12,381.42	(1,259.56)	913.08	12,034.94

For and on behalf of Board of Directors

Sd/-
T. Saminathan
Chairman and Managing Director

Sd/-
(S K Gorai)
Director (Finance)

as per our report of even date
for M/s YCRJ & Associates
Chartered Accountants
(Firm Registration No: 0069275)

Sd/-
(P K Mishra)
Company Secretary

Sd/-
(Rajnish Rama Rao)
Partner
Membership No: 202465

Place: New Delhi
Date: 24th May, 2022

Statement of Changes in Equity

A. Equity share capital

₹ in Lakhs

Particulars	Balance at the beginning of the reporting period	Changes in equity share capital during the period	Balance at the end of the reporting period
Current reporting year ended 31 st March 2022	60,775.11	-	60,775.11
Pervious reporting year ended 31 st March 2021	62,192.56	(1,417.45)	60,775.11

B. Other Equity

For the year ended 31st March 2022

₹ in Lakhs

Particulars	Reserves and Surplus			Other comprehensive income	Total
	Capital redemption reserve	General reserves	Retained earnings	Re-measurement of defined benefits obligation	
Balance as at 1 st April, 2021	2,676.27	1,02,249.37	31,367.36	1,530.96	1,37,823.96
Profit for the period	-	-	31,340.65	-	31,340.65
Re-measurement of the net defined benefit obligation	-	-	-	347.21	347.21
Dividends					
For the year 2020-21, paid during the current year	-	-	(9,967.12)	-	(9,967.12)
Interim Dividend for the year 2021-22 paid during the year	-	-	(5,955.96)	-	(5,955.96)
Balance as at 31st March, 2022	2,676.27	1,02,249.37	46,784.93	1,878.17	1,53,588.74

For the year ended 31st March 2021

₹ in Lakhs

Particulars	Reserves and Surplus			Other comprehensive income	Total
	Capital redemption reserve	General reserves	Retained earnings	Re-measurement of defined benefits obligation	
Balance as at 1 st April, 2020	1,258.82	1,21,143.37	5,604.29	1,393.78	1,29,400.26
Profit for the period	-	-	30,116.55	-	30,116.55
Re-measurement of the net defined benefit obligation	-	-	-	137.18	137.18
Dividends for the year 2019-20, paid during the year 2020-21	-	-	(4,353.48)	-	(4,353.48)
Buy Back of equity shares	1,417.45	(15,591.92)	-	-	(14,174.47)
Tax on Buy Back of equity shares	-	(3,302.08)	-	-	(3,302.08)
Balance as at 31st March, 2021	2,676.27	1,02,249.37	31,367.36	1,530.96	1,37,823.96

For and on behalf of Board of Directors

Sd/-
T. Saminathan
Chairman and Managing Director

Sd/-
(S K Gorai)
Director (Finance)

as per our report of even date
for M/s YCRJ & Associates
Chartered Accountants
(Firm Registration No: 0069275)

Place: New Delhi
Date: 24th May, 2022

Sd/-
(P K Mishra)
Company Secretary

Sd/-
(Rajnish Rama Rao)
Partner
Membership No: 202465

Notes to the Financial Statements

Background

KIOCL Limited (the “Company”) is a Schedule “A” Miniratna Government of India Enterprise, having its Head Office in Bangalore; it has Pelletisation and Pig Iron plant units in Mangalore. The Company was established as 100% Export Oriented Unit and is primarily engaged in the business of Iron Ore Mining, Beneficiation and Production of high-quality Pellets. The Company has diversified into Operation and Maintenance Services and Mineral exploration pertaining to its various core areas of expertise.

The Financial Statements have been approved for issue in accordance with a resolution of Board of Directors passed in its meeting held on 24th May, 2022.

1. Significant Accounting Policies

1.1. Basis of preparation

The Financial Statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2016] and other relevant provisions of the Act.

1.2. Basis of measurement

The financial statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for the following:

- (i) Certain financial assets and financial liabilities that are measured at fair value,
- (ii) Defined Benefit Plans - Plan assets are measured at fair value; and
- (iii) Derivative financial instruments- measured at fair value

Figures in the financial statements have been rounded off to rupees in lakhs.

1.3. Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non- current classification.

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, the Company’s normal operating cycle.
- it is held primarily for the purpose of being traded;
- it is expected to be realized within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company’s normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non-current only.

1.4 Revenue recognition

Revenue from operations

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services. When there is uncertainty on ultimate collectability, revenue recognition is postponed until such uncertainty is resolved.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold, and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

The Company’s revenue from contracts with customers is mainly from the sale of pellets, pig iron, iron ore fines and auxiliary services.

Sale of products

Revenue from sale of products is recognized when control of the goods or services is transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is dispatched to the customer or on delivery to the customer, as may be specified in the contract.

Rendering of services

Revenue from services is recognized over time by measuring

progress towards satisfaction of performance obligation for the services rendered and control transferred to the customer. Contract revenue is recognized at allocable transaction price which represents the cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs.

Unbilled revenue represents value of services performed in accordance with the contract terms but not billed.

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 when that right is conditional on Company's future performance.

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.

The Company does not adjust the transaction prices for any time value of money in case of contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer does not exceeds one year.

Other operating income

Revenue arising from incidental and ancillary activities of the Company are recognized under other operating income.

Despatch money is recognized as and when services are rendered and no significant uncertainty exists regarding the amount of consideration that will be derived from rendering the services.

Liabilities provided against operations and subsequent reversal thereon (if any) in excess of respective expenditure is considered as other operating income.

Other income

- Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, with reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

- Refunds of statutory duties and taxes, Export Duty and cess, are accounted for upon determination by the appropriate authority of the department concerned provided reasonable certainty exist for its ultimate realization.
- Insurance and Railway claims are accounted for on receipt.
- Export incentives are recognized as and when recovery of the amount is certain.

1.5. Property, plant and equipment

Freehold land is carried at historical cost. All other items of Property, Plant and Equipment are stated at historical cost less any accumulated depreciation and accumulated impairment losses (if any). Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is de-recognized when replaced. All other repairs and maintenance are charged to Profit or Loss during the reporting period in which they are incurred.

Carrying amount of an item of property, plant and equipment shall be reduced by government grants in accordance with Ind AS 20.

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gains and losses on disposal or retirement of an item of property, plant and equipment computed as the difference between the net disposal proceeds and the carrying amount of the asset is included in the statement of profit and loss when the asset is derecognized.

Capital Work in progress consists of costs incurred on projects and other capital works under feasibility/commission stage. Cost includes related incidental expenses.

Depreciation methods, estimated useful lives and residual value: Depreciation is calculated using the Straight-Line Method to allocate their cost, net of their residual values, over their estimated useful lives.

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act 2013, in order to reflect the actual usage of the assets. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Assets useful life (in years) from 1st April, 2014

Plant & Machinery	Useful Life (in Years)
Port Facilities- Continuous Process	10
Port Facilities- Non- Continuous Process	10
Pellet Plant - Continuous Process	8
Pellet Plant - Non- Continuous Process	8
Captive Power Plant	15
Blast Furnace Unit*	10

* The life of property, plant & equipment in BFU has been estimated as 10 years by expert committee constituted by the Management during the year 2016-17

Other assets are depreciated in accordance with useful life of the assets as indicated in Part C of Schedule II of Companies Act, 2013.

1.6. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Subsequently, intangible assets are measured at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortised over their estimated useful life on a straight-line basis.

Recognition of intangible assets:

An Intangible Asset shall be recognized if it demonstrates all of the following criteria:

- Probable that the expected future economic benefits that are attributable to the asset will flow to the entity
- Cost of the asset can be measured reliably

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.

The estimated useful lives of intangible assets for the current and comparative period for computer software ranges from 3-10 years.

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

Derecognition of intangible asset

Intangible Assets are derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gains or losses arising from derecognition of an intangible asset are measured

as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Recognition of intangible asset under development:

An Intangible asset under development phase shall be recognized if it demonstrates all of the following criteria:

- Technical feasibility of completing the intangible asset so that it will be available for use or sale.
- Intention to complete the intangible asset and use or sell it.
- Ability to use or sell the intangible asset.
- Entity can demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness.
- Availability of adequate technical, financial and other resources to complete the development and to use.
- Measure reliably the expenditure attributable to the intangible asset.

Recognition of costs as an asset is ceased when the project is complete and available for its intended use, or if these criteria are no longer applicable. Where development activities do not meet the conditions for recognition as an asset, any associated expenditure is treated as an expense in the period in which it is incurred.

1.7. Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as Investment Property. Investment Property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

When part of an Investment Property is replaced, the carrying amount of the replaced part is derecognized.

Investment Properties are depreciated using Straight Line Method over their estimated useful lives. The useful life is determined based on technical evaluation performed by the management's expert.

1.8. Leases

As a lessee

The company's lease assets satisfying the criteria of the right to control the use of an identified asset for a period of time in exchange for consideration providing substantially all of the economic benefits through the period of the lease are recognized as a lease liability with a corresponding 'right-of use' (ROU) asset at inception of contract except

for leases with a term of twelve months or less (short-term leases) and low value leases.

For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Payment made towards short term leases (leases for which non-cancellable term is 12 months or less) and low value assets (lease of assets worth less than Rs 5 Lakhs) are recognized in the statement of Profit and Loss as rental expenses over the tenor of such leases.

Variable lease payments based on market rental rate are part of the lease liability.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments that are not paid. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

As a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the

lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

1.9. Mining rights

Mining rights are treated as Intangible Assets and all related costs thereof are amortized on the basis of annual production to the total estimated mineable reserves. In case the mining rights are not renewed /crystallized, the balance related costs are charged to revenue in the year of decision of non- renewal/non-crystallization.

All expenditure associated with the acquisition of mining rights including related professional fee, payment towards statutory forest clearance before execution of Mining Lease Deed are treated as "Mining rights under acquisition" and are disclosed under the head "Intangible assets under development".

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in the Statement of Profit and Loss.

1.10. Impairment of non-financial assets

Non-financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period. Intangible asset acquired free of charge or for a nominal amount, by way of government grant, shall be recognized at a nominal amount.

Intangible assets which are not yet available for use are tested for impairment at least annually and whenever there is an indication at the end of a reporting period that the asset may be impaired.

Fair value less costs of disposal is the price that would be



received to sell the asset in an orderly transaction between market participants and does not reflect the effects of factors that may be specific to the Company and not applicable to entities in general.

Value in use is determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset in its present form and its eventual disposal. The cash flows are discounted 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 which estimates of future cash flows have not been adjusted.

Any reversal of the previously recognised impairment loss is limited to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

1.11. Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

Non-current assets classified as Held for Sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the Balance Sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the Balance Sheet.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortized while they are classified as held for sale. Interest and the other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognized. An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of de-recognition.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or

geographical area of operations, is part of a single co-ordinate plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of Profit and Loss.

1.12. Financial instrument

Financial assets

The Company classifies its financial assets in the following measurement categories:

- i) Those to be measured subsequently at fair value (either through Other Comprehensive Income, or through Profit or Loss), and
- ii) Those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses are recorded either in Profit or Loss or Other Comprehensive Income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this depends on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through Other Comprehensive Income.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through Profit or Loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through Profit or Loss are expensed in Profit or Loss.

Debt instrument

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories when an instrument is classified as debt instrument:

- (i) **Amortized cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost and is not part of a hedging relationship is recognized in Profit or Loss when the asset is de-recognized or impaired.
- (ii) **Fair value through other comprehensive income (FVOCI) :** Assets that are held for collection of



contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at Fair Value through Other Comprehensive Income (FVOCI). Movements in the carrying amount are taken through OCI except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Profit and Loss. When the financial asset is de-recognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Profit or Loss and recognized in other gains/ (losses).

(iii) Fair value through profit or loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at Fair Value through Profit or Loss and is not part of a hedging relationship is recognized in Profit or Loss and presented net in the Statement of Profit and Loss within other gains/ (losses) in the period in which it arises.

Changes in the fair value of financial assets at Fair Value through Profit or Loss are recognized in other gain/ (losses) in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets:

- Financial assets that are debt instruments and are measured at amortised cost.
- Financial assets that are debt instruments and are measured as at FVOCI
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables, contract assets and lease 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.

At each reporting date, for recognition of impairment loss on other financial assets and risk exposure, the Company determines 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

a 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 Company reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL 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, discounted at the original effective interest rate.

De-recognition of financial assets

A financial asset is derecognized only when: -

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

Financial liabilities

The Company classifies its financial liabilities in the following

- Those to be measured subsequently at fair value through Profit or Loss.
- Those to be measured at amortized cost.

Measurement

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss



include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI.

These gains/losses are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit or loss.

Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings and trade and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortization process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Derivative financial instruments

Initial recognition and subsequent measurement

In order to hedge its exposure to foreign exchange, the Company enters into forward contracts. The Company does not hold derivative financial instruments for speculative purposes.

Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value at the end of each reporting period.

Positive balance in derivatives are presented under financial Assets after Loans and negative balance in derivatives are presented as financial liabilities after trade payables as a separate line item.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss.

Equity instrument

An equity instrument is any contract that evidences residual interests in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Off-setting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

1.13. Cash and cash equivalents

For the purpose of presentation in the Statement of Cash Flows, Cash and Cash Equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

1.14. Inventories

Stock of finished goods namely, Pellets and Pig Iron (including stock with the Consignment Agents) and semi finished goods are valued at lower of cost and net realizable value. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its location and includes wherever applicable, appropriate overheads based on normal level of activity and are moved out of inventory on a weighted average basis. However, when the actual production is abnormally lower as compared to normal level, the expenditure of fixed nature is reduced in proportion to the shortfall.

Raw materials including materials in transit, stores & spares, consumables and additives are valued at lower of cost and net realizable value. However, these items are considered to be realisable at cost if the finished products in which they will be used, are expected to be sold at or



above cost. The cost is computed on weighted average basis and the same is charged off to revenue on its issue.

By-products are valued at estimated net realizable value. Stores, Spares and Consumables with value less than Rs. 1,000 each at the end of the year, are charged to consumption.

Impairment is recognised for Non-moving stores & spares for 5 years and above. Net realisable value is determined based on estimated selling price, less further costs expected to be incurred for completion and disposal.

1.15. Provisions, contingent liabilities and contingent assets

Provisions for legal claims, service warranties, volume discounts and returns are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the notes to financial statements.

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefit is probable.

The Company has significant capital commitments in relation to various capital projects which are not recognised but disclosed in the notes to financial statements.

1.16. Employee benefits

Short term obligations: Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees service up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current Employee benefits payable in the balance sheet.

Other long term employee benefit obligations: The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in Profit or Loss.

The obligations are presented as current liabilities in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Termination benefit

Compensation to employees under Voluntary Retirement Scheme is charged to Statement of Profit and Loss in the year of accrual.

Defined benefit plan

Gratuity: The liability or asset recognized in the Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

Provident fund: The Company's provident funds are administered by Trust set up by the Company where the Company's obligation is to provide the agreed benefit to the employees and the actuarial risk and investment risk if any fall in substance on the Company is treated as a defined benefit plan. Liability with regard to such provident fund plans are accrued based on actuarial valuation, based on Projected Unit Credit Method, carried out by an independent actuary at the Balance Sheet date.

The present value of the defined benefit obligation denominated in Indian Rupees is determined by discounting the estimated future cash outflows by reference to market



yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of Profit and Loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in Profit or Loss as past service cost.

Defined contribution plans

These are plans in which the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. These comprise of contributions to the Employees' Pension Scheme, 1995 with the Government, superannuation fund and certain state plans like Employees' State Insurance and Employees' Pension Scheme. The Company's payments to the defined contribution plans are recognized as expenses during the period in which the employees perform the services that the payment covers.

1.17. Borrowing cost

Borrowing costs consists of interest expense and other cost incurred in connection with the borrowing of funds. Interest expense are recognized in the statement of profit and loss using the effective interest method.

Borrowing cost that are attributable to the acquisition or construction of the qualifying asset are capitalised as part of the cost of such asset. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the Company during the year. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which the same are incurred.

1.18. Income tax

The Income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable Income Tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current Income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred Income tax is provided in full using the Balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements.

However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred Income Tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or deferred income tax liability is settled.

Deferred Tax Assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses. Deferred tax is not to be recognized in respect of non-taxable government grant where the grant is deducted from carrying amount of asset.

The carrying amount of deferred 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 in future to allow all or part of the deferred tax assets to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in Profit or Loss, except to the extent that it relates to items recognized in Other Comprehensive Income or directly in Equity. In this case, the tax is also recognized in Other Comprehensive Income or directly in Equity, respectively.



1.19. Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the Profit or Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Monetary Government grant related to assets shall be presented by deducting the grant from the carrying amount of the asset and non-monetary grant shall be recognized at a nominal amount.

1.20. Foreign currency translation

a) Functional and presentation currency:

Items included in the financial statement of the Company are measured using currency of the primary economic environment in which the entity operates ('the functional currency'). India being the primary economic environment of the company, the Financial Statements are presented in Indian Rupee (INR), which is Company's functional and presentation currency.

b) Transactions and Balances: Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognized in Profit or Loss.

1.21. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief operating decision maker (CODM). The Chairman cum Managing Director (CMD) assesses the financial performance and position of the Company and makes strategic decisions. Accordingly, the Chairman cum Managing Director has been identified as the Chief operating decision maker of the Company.

1.22. Earnings per share

Basic earnings per share: Basic earnings per share are calculated by dividing:

- i. The profit attributable to owners of the Company.
- ii. By the weighted average number of Equity Shares outstanding during the Financial Year, adjusted for bonus elements in Equity Shares issued during the year and excluding treasury shares.

Diluted earnings per share: Diluted earnings per Share adjusts the figures used in the determination of basic Earnings per Share to take into account:

- i. The after-income tax effect of interest and other financing costs associated with dilutive potential Equity Shares, and
- ii. The weighted average number of additional Equity Shares that would have been outstanding assuming the conversion of all dilutive potential Equity Shares.

1.23. Exceptional items

Exceptional items are disclosed separately in the Financial Statements where it is necessary to do so to provide further understanding of the financial performance of the company. They are material items of income or expense that have been shown separately due to the significance of their nature or amount.

2. Summary of significant judgements and assumptions

The application of Accounting Standards and Policies requires the Company to make estimates and assumptions about future events that directly affect its reported financial condition and operation performance. The accounting estimates and assumptions discussed are those that the Company considers to be most critical to its Financial Statements. An accounting estimate is considered critical if both (a) the nature of estimates or assumptions is material due to the level of subjectivity and judgement involved, and (b) the impact within a reasonable range of outcomes of the estimates and assumptions is material to the Company's financial condition or operating performance.

Revenue recognition

The Company uses the percentage of completion method using the input (cost expended) method to measure progress towards completion in respect of fixed price contracts. Percentage of completion method accounting relies on estimates of total expected contract revenue and costs. This method is followed when reasonably dependable estimates of the revenues and costs applicable to various elements of the contract can be made. Key factors that are reviewed in estimating the future costs to complete include estimates of future labour costs, materials and productivity efficiencies.

As the financial reporting of these contracts depends on estimates that are assessed continually during the term of these contracts, recognized revenue and profit are subject to revisions as the contract progresses to completion. When estimates indicate that a loss will be incurred, the loss is provided for in the period in which the loss becomes probable. 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.

Defined benefit plan assumption

The measurement of the Company's defined benefit obligation to its employees and net periodic defined benefit cost/income requires the use of certain assumptions, including, among others, estimates of discount rates and expected return on plan assets. Changes in these assumptions may affect the future funding requirements of the plans and actuarial gain/loss recognized in the statement of comprehensive income.

Net realizable value and client demand: The Company reviews the net realizable value of and demand for its inventory on a quarterly basis to ensure recorded inventory is stated at the lower of cost or net realizable value and that obsolete inventory is written off.

Depreciation

Depreciation on property, plant and equipment has been provided on Straight Line Method except certain assets for which higher rates were considered based on their estimated useful life as per the provisions of Schedule II of Companies Act, 2013.

Depreciation on property, plant and equipment other than Roads, Bridges and Culverts, Township, Furniture & Fittings, Computers, Vehicles are provided for their remaining value reduced by residual value over its remaining useful life as technically assessed. The residual values are reviewed periodically. As on 1st April, 2014 the remaining useful life for assets including plant buildings which are its integral part, in Pellet Plant was estimated at 8 years, Captive Power Plant 15 years and Port Facilities including grinding and balling unit and Blast Furnace Unit 10 years. However, the useful life of Blast Furnace Unit was technically assessed by the committee during the year 2016-17 at 10 years from 1st April, 2016. Addition during the year to the Plant and Machinery except Components/Machinery whose useful life are different and capable of independent use, are limited to those useful lives. Components/Machinery whose useful life are different from respective plant and machinery and capable of independent use depreciated with respective useful life.

Temporary Structures has been provided for in full, retaining a nominal value of Rs.1 per item.

The value of assets and the rate of depreciations adopted vis-a-vis the life and rate of depreciation as per Companies Act, 2013 are as follows:

Type of asset	Companies Act, 2013 (from the date of commissioning)		Technical Committee Assessment (from 1 st April, 2014)	
	Life	Depn. %	Life	Depn. %
Plant & Machinery:				
PF-Continuous process	25	3.80	10	9.50

Type of asset	Companies Act, 2013 (from the date of commissioning)		Technical Committee Assessment (from 1 st April, 2014)	
	Life	Depn. %	Life	Depn. %
PF-Non continuous	15	6.33	10	9.50
PP-Continuous process	25	3.80	8	11.88
PP-Non continuous	15	6.33	8	11.88
CPP	40	2.38	15	6.33
BFU	20	4.75	10	9.50

In respect of other assets i.e. Township Building, Roads-RCC and other than RCC, Furniture & Fittings - General, Furniture & Fittings - Canteen & Guest House, Motor Vehicles, Office Equipment's, Computers - Normal & Computers -Servers, the useful life as per Schedule II of the Companies Act, 2013 has been adopted.

Component accounting of tangible assets being mandatory, where cost of part of the asset significant to total cost of the asset and useful life of that part is different from useful life of principal asset, the useful life of that significant part determined separately for computation of depreciation charge.

COVID impact assessment

The Company has made assessment of impact of COVID-19 on its liquidity position for a period of at least one year from the Balance Sheet date, of the recoverability and carrying values of its assets comprising property, plant and equipment, intangible assets, trade receivables, inventory, investments, other current and non-current assets and ability to pay its liabilities as they become due and effectiveness of internal financial controls at the Balance Sheet date, and has concluded that there are no material impact or adjustment required in the Financial Statement.

Management believes that it has taken into account all the possible impact of known events arising from COVID-19 pandemic till the date of approval of its Financial Statements while preparing Financial Statements. Management is of the view that considering the nature of its business operations, existing customer and supplier relationship etc, impact on its business operations, if any, arising from COVID -19 pandemic is not expected to be significant

Based on the assessment, the Management feels that there shall not be any material impact on Going Concern Assumption due to COVID 19 as on the Balance Sheet date and next 12 months thereafter.

Application of new and amended standards

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23rd March, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1st April, 2022, as below:



Ind AS 103 – Reference to conceptual framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous contracts - costs of fulfilling a contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Standards notified but not yet effective

There are no new standards that are notified, but not yet effective, upto the date of issuance of the Company's financial statements.

For and on behalf of Board of Directors

Sd/-
(T. Saminathan)
Chairman-cum-Managing Director

Sd/-
(S K Gorai)
Director (Finance)

as per our report of even date
for M/s YCRJ & Associates
Chartered Accountants
(Firm Registration No: 006927S)

Sd/-
(P K Mishra)
Company Secretary

Sd/-
(Rajnish Rama Rao)
Partner
Membership No: 202465

Place: New Delhi
Date: 24th May, 2022



NOTE-3.1

PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Sl. No.	Description of Assets	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT	
		Carrying amount as at 1 st April, 2021	Additions during the year	Sales/ Adjustments	Gross carrying as at 31 st March, 2022	Accumulated Depreciation as at 1 st April, 2021	For the year	Sales/ Adjustments	Accumulated Depreciation as at 31 st March, 2022	As at 31 st March, 2022	As at 31 st March, 2021
PROPERTY, PLANT AND EQUIPMENT											
MINES & PLANT:											
1.	Land - Freehold	2143.28	98.27	-	2,241.56	-	-	-	-	2,241.56	2,143.28
	- Leasehold*	657.25	-	(657.25)	-	-	-	-	-	-	657.25
2	Buildings	4945.88	139.06	-	5,084.96	2738.38	460.08	-	3,198.45	1,886.50	2,207.51
3	Plant & equipment	20896.25	2933.18	-	23,829.44	9652.04	1845.69	-	11,497.73	12,331.70	11,244.22
4	Furniture & fixtures	44.90	31.88	-	76.77	22.83	7.93	-	30.76	46.01	22.07
5	Vehicles	139.97	236.83	-	376.80	99.85	24.01	-	123.86	252.94	40.12
6	Office equipments	404.21	112.31	(0.93)	515.59	242.38	67.14	(0.59)	308.92	206.67	161.83
7	Others										
	Roads, bridges & culverts	103.38	14.00	-	117.38	55.40	9.43	-	64.83	52.55	47.98
	Temporary structures	5.23	-	-	5.23	3.64	1.20	-	4.84	0.39	1.59
	Water supply, sewerage & fire prevention system	196.21	50.17	-	246.38	104.96	22.24	-	127.21	119.17	91.24
	Electrical Installation	1181.87	-	-	1,181.87	643.76	106.62	-	750.38	431.49	538.11
	SUB TOTAL	30,718.44	3,615.70	(658.17)	33,675.98	13,563.23	2,544.35	(0.59)	16,106.99	17,568.99	17,155.20



NOTE-3.1

PROPERTY, PLANT AND EQUIPMENT (Continued)

(₹ in Lakhs)

Sl. No.	Description of Assets	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT	
		Carrying amount as at 1 st April, 2021	Additions during the year	Sales/ Adjustments	Gross carrying as at 31 st March, 2022	Accumulated Depreciation as at 1 st April, 2021	For the year	Sales/ Adjustments	Accumulated Depreciation as at 31 st March, 2022	As at 31 st March, 2022	As at 31 st March, 2021
PROPERTY, PLANT AND EQUIPMENT											
TOWNSHIP											
1.	Land - Freehold	32.81	-	-	32.81	-	-	-	-	32.81	32.81
2	Buildings	238.85	-	-	238.85	39.89	5.72	-	45.62	193.23	198.95
3	Furniture & fixtures	9.82	1.18	-	11.00	7.15	0.71	-	7.86	3.14	2.67
4	Vehicles	8.09	13.80	-	21.89	7.13	1.58	-	8.71	13.18	0.97
5	Office equipments	16.26	12.18	(0.01)	28.43	7.67	1.90	-	9.56	18.87	8.60
6	Others	2.88	-	-	2.88	-	-	-	-	2.88	2.88
	Roads, bridges & culverts										
	Electrical installations	3.26	-	-	3.26	2.04	0.21	-	2.25	1.01	1.22
	Water supply, sewerage & fire prevention system	0.16	-	-	0.16	-	-	-	-	0.16	0.16
	SUB TOTAL	312.13	27.15	(0.01)	339.28	63.88	10.13	0.00	74.00	265.27	248.25
	GRAND TOTAL	31,030.57	3,642.85	(658.18)	34,015.26	13,627.11	2,554.48	(0.59)	16,180.99	17,834.24	17,403.46
	Previous year	29,101.72	1,972.68	(43.83)	31,030.57	11,483.50	2,183.13	(39.52)	13,627.11	17,403.46	17,618.22

Note:

- Freehold land of 114.31 Hectares located on Kudremukh wherein the Mining operation was closed w.e.f. 1st January, 2006 on the order of Hon'ble Supreme Court. The book value of the land is Rs 12.21 Lakhs. The land intended to be surrendered to Govt of Karnataka with retention of 15 hectares in lieu of compensatory land for raising of height of Lakya Dam during the year 1993-94. Pending acceptance from Govt. of Karnataka the land is classified under PPE.
- * Land taken on Lease cum Sales basis on 30th December, 2008 with a Lease period of 20 years which was included under PPE, has been re-classified under Right of use assets during the year and included under Note no 3.3 and after expiry of lease period and registration of the Sale Deed the said land will be reclassified under PPE.

Additional information to Note No 3.1

Fair value of property plant & equipment (Ind AS 16)

The following additional information is provided with reference to Ind AS 16, property plant and equipment.

(₹ in Lakhs)

S. No	Particulars	As on 31 st March, 2022	As on 31 st March, 2021
1	Carrying amount of temporarily idle property, plant and equipment	6,262.72	6,858.92
2	Gross carrying amount of any fully depreciated property, plant and equipment that is still in use	120.40	114.39
3	Carrying amount of property, plant and equipment retired from active use and not classified as held for sale in accordance with Ind AS 105	-	-
4	The fair value of property, plant and equipment, when this is materially different from the carrying amount.	85,332.61	84,043.44

The fair value of the property, plant and equipment (PPE) is determined on the basis of valuation carried out at the reporting date by independent valuer. The fair value measurement for PPE has been categorized as Level 3 based on the valuation techniques used and inputs applied. The main inputs considered by the valuer are government rates, property location, market research, market trend, contracted rentals, terminal yields, discount rates and comparable values, as appropriate. In estimating the fair value of the PPE, the highest and best use of the properties is their current use.

Impairment of Assets (Ind AS 36)

The Company is having following two cash generated Units:

Pellet Plant Unit: The Pellet Plant Unit is continuously in operation and resulted in positive cash flow.

Pig Iron Plant Unit: Due to un-economic price of Pig Iron, Pig Iron Plant / Blast Furnace Unit (BFU) could not be operated during the year. After impairment test based on the net selling price as assessed by Approved Valuer, the recoverable amount in each class of assets in BFU are found to be more than the respective carrying amount. Hence, there is no impairment loss to be recognized during the year.

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
3.2 : Capital work-in-progress		
Machinery under installation	6,418.24	753.34
Work in Progress*	5,339.15	3,523.50
Less : Impairment	(619.32)	(553.08)
	4,719.83	2,970.42
Total	11,138.07	3,723.76

* An amount of Rs 0.34 Lakhs included in capital work in progress for accrued interest on borrowing (term loan).

(i) Movement of Capital work in progress

(₹ in Lakhs)

Particulars	Machinery under installation	Work in progress	Total
For the year ended 31st March 2022			
Opening gross carrying amount	753.34	3,523.50	4,276.84
Additions	7,086.48	4,283.23	11,369.72
Capitalisation to property plant and equipment	(1,421.58)	(2,467.59)	(3,889.17)
Closing gross carrying amount (A)	6,418.24	5,339.15	11,757.39
Accumulated Impairment at the beginning of the year	-	553.08	553.08
Impairment/ (written off) during the year	-	66.24	66.24
Accumulated impairment at the end of the year (B)	-	619.32	619.32
Closing net carrying amount (A-B)	6,418.24	4,719.83	11,138.07
For the year ended 31st March 2021			
Opening gross carrying amount	56.23	2,703.67	2,759.90
Additions	916.42	2,707.17	3,623.59
Disposals	-	(200.82)	(200.82)
Transfer to intangible assets under development (SAP)	-	(4.25)	(4.25)

Particulars	Machinery under installation	Work in progress	Total
Capitalisation to property plant and equipment	(219.32)	(1,682.27)	(1,901.59)
Closing gross carrying amount (A)	753.34	3,523.50	4,276.84
Accumulated Impairment at the beginning of the year	-	753.90	753.90
Impairment/ (written off) during the year	-	(200.82)	(200.82)
Accumulated impairment at the end of the year (B)	-	553.08	553.08
Closing net carrying amount (A-B)	753.34	2,970.42	3,723.76

(ii) Capital work in progress ageing schedule:

For the year ended 31st March 2022

(₹ in Lakhs)

Capital work in progress	Amount in Capital work in progress for a period of				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
Projects in progress	10,238.34	829.00	70.00	0.73	11,138.07
Doubtful Projects	-	11.42	8.17	599.73	619.32
Total	10,238.34	840.42	78.17	600.46	11,757.39
Less: Accumulated Impairment*	-	(11.42)	(8.17)	(599.73)	(619.32)
Capital work in progress	10,238.34	829.00	70.00	0.73	11,138.07

For the year ended 31st March 2021

(₹ in Lakhs)

Capital work in progress	Amount in Capital work in progress for a period of				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
Projects in progress	3,479.33	127.04	117.39	-	3,723.76
Doubtful Projects	-	-	-	553.08	553.08
Total	3,479.33	127.04	117.39	553.08	4,276.84
Less: Accumulated impairment*	-	-	-	(553.08)	(553.08)
Capital work in progress	3,479.33	127.04	117.39	-	3,723.76

Note * Projects for which there is no further improvement are treated as doubtful and 100% impairment recognised.

(ii) Completion schedule regarding capital work in progress, whose completion is overdue:

(₹ in Lakhs)

Capital work in progress	To be completed in			
	< 1 year	1-2 years	2-3 years	> 3 years
Projects in progress				
Vertical pressure filter	6,886.07	-	-	-

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
3.3 : Right of use assets		
Land*	9,762.20	9,632.28
Building	29.62	17.21
Total	9,791.82	9,649.49

Movement of right of use assets

For the year ended 31st March 2022

(₹ in Lakhs)

Particulars	Category of right of use assets		Total
	Land*	Building	
Balance as at 1 st April, 2021	9,632.29	17.20	9,649.49
Additions	657.25	44.44	691.51
Deletion	-	(10.18)	-
Depreciation	(527.34)	(21.84)	(549.18)
Balance as at 31 st March, 2022	9,762.20	29.62	9,791.82

For the year ended 31st March 2021

(₹ in Lakhs)

Particulars	Category of right of use assets		Total
	Land*	Building	
Balance as at 1 st April, 2020	10,159.62	41.39	10,201.01
Additions	-	-	-
Deletion	-	-	-
Depreciation	(527.33)	(24.19)	(551.52)
Balance as at 31 st March, 2021	9,632.29	17.20	9,649.49

* The ROU of land includes a 99 years leasehold land which was acquired by the company on payment of upfront lease premium at the time of commencement of lease. The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

*52.86 hecter land valuing Rs 657.25 Lakhs taken under 20 years lease valid till 29.12.2028 and thereafter sale deed will be executed in favour of the company has been classified under ROU during the year, which was classified as PPE in the previous year.

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
4.1 : Other intangible assets		
Computer software	130.21	94.12
Less: Amortisation accumulated	35.62	21.05
Total	94.59	73.07
4.2 : Intangible assets under development		
Mining rights under acquisition (Refer Note No 28.3.5)	17,690.15	229.49
SAP Software under development/ acquisition	751.54	260.06
Total	18,441.69	489.55

(i) Movement of Other intangible assets (OIA) & Intangible assets under development (IAUD)

(₹ in Lakhs)

Note No/ Particulars	4.1 (OIA)	4.2 (IAUD)		
	Computer Software	Mining Rights	SAP Software	Total
Gross block				
Cost as at 1 st April, 2020	84.21	84.59	4.25	88.84
Additions	9.91	144.90	255.81	400.71
Disposals	-	-	-	-
Transfers	-	-	-	-
Cost as at 31st March, 2021	94.12	229.49	260.06	489.55
Additions	36.09	17,460.66	491.48	17,952.14
Disposals	-	-	-	-
Transfers	-	-	-	-
Cost as at 31st March, 2022	130.21	17,690.15	751.54	18,441.69
Accumulated amortisation & impairment	-	-	-	-
Accumulated amortisation as at 1 st April, 2020	9.73	-	-	-
Amortisation for the year	11.32	-	-	-
Disposals	-	-	-	-
Accumulated amortisation as at 31st March, 2021	21.05	-	-	-
Amortization for the year	14.57	-	-	-
Disposals	-	-	-	-
Accumulated amortisation as at 31st March, 2022	35.62	-	-	-
Net Carrying amount	-	-	-	-
As at 31st March, 2021	73.07	229.49	260.06	489.55
As at 31st March, 2022	94.59	17,690.15	751.54	18,441.69

(ii) Intangible assets under development ageing schedule:

For the year ended 31st March 2022

(₹ in Lakhs)

Intangible assets under development	Amount in intangible assets under development for a period of				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
Projects in progress					
Mining Rights under Acquisition	17,460.66	144.90	20.78	63.81	17,690.15
SAP Software under Development/ Acquisition	491.48	255.81	4.25	-	751.54
Total	17,952.14	400.71	25.03	63.81	18,441.69

For the year ended 31st March 2021

(₹ in Lakhs)

Intangible assets under development	Amount in intangible assets under development for a period of				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
Projects in progress					
Mining Rights under Acquisition	144.90	20.78	17.11	46.70	229.49
SAP Software under Development/ Acquisition	255.81	4.25	-	-	260.06
Total	400.71	25.03	17.11	46.70	489.55

(iii) Completion schedule regarding intangible assets under development, whose completion is overdue

(₹ in Lakhs)

Intangible assets under development	To be completed in			
	< 1 year	1-2 years	2-3 years	> 3 years
Projects in progress				
SAP Software under Development/ Acquisition	751.54	-	-	-

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
5.1 : Loans (Non-current)		
Loans to Others		
Considered good - unsecured	-	-
Loans to employees	248.95	137.54
Loans receivables- credit impaired*	1,800.00	1,800.00
Total	2,048.95	1,937.54
Less: Allowance for bad and doubtful loans*	1,800.00	1,800.00
Total	248.95	137.54

* The Company had extended Rs 18 Crores inter-corporate loans to Hindustan Photo Films Mfg Company Ltd (HPF Ltd) during 1992-93. HPF Ltd has been declared to be sick under Sick Industrial Companies (Special provisions) Act 1985 in January 1996. Provision towards 100% of the said loan made in the books. M/s HPF has informed that official liquidator has been appointed. The company has lodged the claim to the official liquidator on 09.09.2019.

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
5.2 : Other financial assets (Non-current)		
Security deposits - DISCOMs	981.62	985.31

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Deposit- with LIC for discontinued retired pension scheme	15.68	17.46
Deposit- others*	34.26	35.27
Total	1,031.56	1,038.04
*Deposit - Others includes security deposit and earnest money deposits		
6 : Deferred tax assets (net)		
Deferred tax assets	3,499.95	3,507.93
Deferred tax liabilities	2,848.66	2,936.76
Net deferred tax assets	651.29	571.17

Item wise details of deferred tax asset (Net)

For the year ended 31st March 2022

(₹ in Lakhs)

Particulars	As on 1 st April, 2021	Provided during the year in statement of Profit and Loss	Provided during the year in OCI	Balance as on 31 st March, 2022
Related to property plant & equipment & intangible assets	(2,936.77)	267.29	-	(2,669.48)
Right of use of assets	117.10	40.02	-	157.12
Provision for bad and doubtful loan	453.02	-	-	453.02
Provisions	2,836.17	170.42	(116.78)	2,889.81
Others	101.65	(280.83)	-	(179.18)
Total	571.17	196.90	(116.78)	651.29

For the year ended 31st March 2021

(₹ in Lakhs)

Particulars	As on 1 st April, 2020	Provided during the year in statement of Profit and Loss	Provided during the year in OCI	Balance as on 31 st March, 2021
Related to property plant & equipment & intangible assets	(2,892.65)	(44.12)	-	(2,936.77)
Right of use of assets	65.60	51.50	-	117.10
Provision for bad and doubtful loan	453.02	-	-	453.02
Provisions	2,534.40	79.15	222.62	2,836.17
Others	66.63	35.02	-	101.65
Total	227.00	121.55	222.62	571.17

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
7 : Other non-current assets		
Deposit with Government and other authorities paid under protest	2,641.70	2,641.70
Total	2,641.70	2,641.70

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
8: Inventories		
(a) Raw materials*	20,493.44	12,561.46
(b) Work in progress	5,571.36	5,858.40
(c) Finished goods- Pellets	1,515.02	4,645.51
(d) Stores and spares #^	7,225.72	8,644.08
Less : Provision for impairment	2,049.23	2,031.24
	5,176.49	6,612.84
(e) Consumables and additives	1,818.32	823.88
Total	34,574.63	30,502.09
* Raw materials includes goods in transit amounting to Rs. 14,597.35 lakhs (Rs. 7,597.17 lakhs as on 31 st March 2021)		
# Stores and spares includes goods in transit amounting to Rs. 7.75 lakhs (Rs. 3,152.60 lakhs as on 31 st March 2021)		
^Stores and spares includes stores which are non moving for more than 5 year for which 100% impairment has been made.		
-For method of valuation for each class of Inventories refer Note No. 1.14		
9.1 : Trade receivables (Current)		
(i) Considered good secured	27,988.88	23,221.39
(ii) Considered good unsecured	1,272.30	1,059.44
Gross Receivables	29,261.18	24,280.83
Less : Allowance for bad and doubtful debts	(75.00)	-
Total	29,186.18	24,280.83

The Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At regular intervals, the historically observed default rates are updated and changes in forward-looking estimates are analysed.

Estimated matrix at the reporting date:

Particulars	Aging				
	less than 90 days	90-180 days	180-270 days	270-360 days	More than 365 days
Default rate as at 31 st March 2022	0.08%	18.39%	38.36%	57.89%	100.00%

Movement in the expected credit loss allowance

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Balance as at beginning of the period	-	-
Provision for allowance of expected credit loss	75.00	-
Bad debts written off during the period	-	-
Balance as at end of the period	75.00	-

Trade receivable ageing schedule

For the year ended 31st March 2022

(₹ in Lakhs)

Particulars	Not Due	Outstanding for the following period from due date of payments:					Total
		< 6 months	6 months-1 year	1-2 years	2-3 years	> 3 years	
Undisputed trade receivables - considered good	825.18	28,381.05	10.69	39.72	0.17	4.37	29,261.18

For the year ended 31st March, 2021

Rs. in Lakhs

Particulars	Not Due	Outstanding for the following period from due date of payments:					Total
		< 6 months	6 months-1 year	1-2 years	2-3 years	> 3 years	
Undisputed trade receivables - considered good	340.53	23,926.80	5.27	1.89	6.34	-	24,280.83

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
9.2 : Cash and cash equivalents		
Balances with banks		
In current account	671.30	314.58
In deposit account (maturity of less than 3 months)*	34,499.83	57,581.00
	35,171.13	57,895.58
Stamps in hand (Unfranked balance)	0.07	0.07
Total	35,171.20	57,895.65
*The Company is having arrangement with Union Bank and Canara Bank regarding secured overdraft limit (against term deposit) as on 31 st March,2022, the respective bank marked lein on the term deposit valuing Rs. 3,399.98 lakhs and Rs. 7,399.98 lakhs.		
Refer note no 28.3.14.		
9.3 : Bank balances other than cash and cash equivalents		
(i) Other bank balances		
In term deposits (maturity of more than 3 months but less than 12 months)*	75,584.00	84,306.45
(ii) Earmarked unpaid dividend accounts	2.72	1.78
Total	75,586.72	84,308.23
*The Company is having arrangement with Union Bank and Canara Bank regarding secured overdraft limit (against term deposit) as on 31 st March,2022, the respective bank marked lein on the term deposit valuing Rs. 6,674.00 lakhs and Rs. 6,674.00 lakhs.		
Refer note no 28.3.14.		
9.4 : Loans (Current)		
Loans to others		
Considered good - unsecured	-	-
Loans to employees	82.20	73.37
Total	82.20	73.37

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
9.5 : Other financial assets (Current)		
Contract assets	67.55	-
Derivative assets	107.93	-
Accrued interest on bank deposits	2,649.69	3,267.83
Security deposit	6.18	2.68
Deposit- with LIC for discontinued retired pension scheme	0.85	-
Other receivables*	73.53	72.21
Total	2,905.73	3,342.72
*Other receivables comprises of receivable on account of rentals, recoveries from employees, electricity charges recovery etc.		
10. Current tax assets/(Liability) (Net)		
Advance income tax (including tax deducted at source)	33,540.12	22,467.49
Less : Provision for income tax	29,987.26	22,471.13
Net current income tax asset/ (liability) at the end	3,552.86	(3.64)
11 : Other current assets		
Balances with Government authorities	15,716.00	6,416.08
Advances		
Material advances provided to vendors	5,501.01	4,543.29
Others*	464.83	134.93
	5,965.84	4,678.22
Prepaid expenses	137.91	93.23
Prepaid toward CSR expenditure	899.19	-
Others**	424.82	877.02
Total	23,143.76	12,064.55
*Other advances contains advance provided for petrology works, railways claim etc.		
**Others include amount receivable from New Mangalore port Trust towards Wharfage charges, refund receivable for railway freight from railway authority, gold coin etc		
12.1 : Equity share capital		
Authorised :	67,500.00	67,500.00
67,50,00,000 Equity shares of Rs.10/- each (Previous year 67,50,00,000 Equity shares of Rs.10/- each)		
Issued, subscribed and fully paid-up :	60,775.11	60,775.11
60,77,51,096 Equity Shares of Rs.10/- each (Previous Year 60,77,51,096 Shares of Rs.10/- each)		
Total	60,775.11	60,775.11
Equity share capital reconciliation		
No of equity shares with the face value of Rs. 10 each at the beginning of the period	60,77,51,096	62,19,25,565
No of equity brought back during the period	-	(1,41,74,469)

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
No. of equity shares at the end of the period	60,77,51,096	60,77,51,096
Equity share capital	60,775.11	60,775.11

a) Terms and rights attached to Equity Shares - The Company has only one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholder in ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation of the Company, the shareholders will be eligible to receive remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

b) Details of shareholders holding more than 5% shares in the Company:

Particulars	No of Shares (%)	No of Shares (%)
Hon'ble President of India	60,18,77,627 (99.03%)	60,18,77,627 (99.03%)

c) Shareholding of promoters :

Promoter Name	Shares held by promoters at the end of the year		Shares held by promoters at the beginning of the year		% Change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Hon'ble President of India	60,18,77,627	99.03%	60,18,77,627	99.03%	Nil

For the period of preceding five years as on the Balance Sheet Date

Particulars	Number of shares
(a) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash	Nil
(b) Aggregate number of shares allotted as fully paid up by way of bonus shares	Nil
(c) Aggregate number and class of shares bought back	
- During FY 2020-21 (Dec 2020)	14174469
- During FY 2018-19 (Nov 2018)	12588235

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
12.2 : Other equity		
Capital redemption reserve	2,676.27	2,676.27
General reserve	1,02,249.37	1,02,249.37
Retained earnings	46,784.93	31,367.36
Other comprehensive income	1,878.17	1,530.96
Total	1,53,588.74	1,37,823.96

a) General reserve:

The general reserve is a free reserve which is used from time to time to transfer profits from retained earnings for appropriation purposes.

As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

b) Capital redemption reserve

As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium.

A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve.

The reserve is utilized in accordance with the provisions of Section 69 of the Companies Act, 2013.

c) Retained Earnings:

This reserve represents undistributed accumulated earnings of the Company as on balance sheet date.

d) Other Comprehensive Income:

Other comprehensive income consist of re-measurement of net defined benefit liability/asset.

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Capital redemption reserve		
Balance at beginning of the year	2,676.27	1,258.82
Movement	-	1,417.45
Balance at end of year	2,676.27	2,676.27
General reserve		
Balance at beginning of the year	1,02,249.37	1,21,143.37
Movement		
Less:- Buy Back of 1,41,74,469 Equity Shares @Rs.110 each	-	(15,591.92)
Less:- Tax on Buy Back of 1,41,74,469 Equity Shares	-	(3,302.08)
Balance at end of year	1,02,249.37	1,02,249.37
Retained earnings		
Balance at beginning of the year	31,367.36	5,604.29
Movement		
Add: Profit/ (Loss) for the year	31,340.65	30,116.55
Less : Dividend for the year 2019-20	-	(4,353.48)
Less : Dividend for the year 2020-21	(9,967.12)	-
Less : Interim dividend for the year 2021-22	(5,955.96)	-
Balance at end of year	46,784.93	31,367.36
Other comprehensive income		
Balance at beginning of the year	1,530.96	1393.78
Movement		
Add/(Less) : Re-measurements of defined benefits obligations (Net of Tax)	347.21	137.18
Balance at end of year	1,878.17	1,530.96
13.1 : Borrowings		
Secured		
Term Loan- Canara bank, Mangalore	900.00	-
Total	900.00	-

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Term loan availed from Canara bank for setting of non recovery coke oven and ductile iron spun pipe at BFU Mangalore with exclusive charge hypothecation on project assets currently, structure assets, civil work, structure work and plant & equipment's, financed out of the term loan. Applicable rate of interest is 3 months MCLR with annual reset. Loan tenure is 12 years (door to door tenure) including 4 years moratorium period, repayable in 32 quarterly instalments and interest to be served as and when due. The loan has been utilized for the purpose for which it was availed.		
13.2 : Lease Liabilities (Non-current)		
Land	10433.73	10784.32
Building	14.18	8.27
Total	10,447.91	10,792.59
Movement of Lease liability disclosed at Note No 28.2.5		
13.3 : Other financial liabilities (Non-current)		
Security deposits from suppliers, contractors and others	59.89	50.63
Total	59.89	50.63
14 : Provisions (Non-current)		
Provision for Employee Benefits		
Gratuity	62.79	163.66
Compensated absence - earned leave and sick leave	5,979.56	5,773.83
Provident fund interest guarantee obligation	713.54	794.04
	6755.89	6731.53
Provision for others		
Restoration of Kudremukh Mine and Mine Closure	2,711.40	2,711.40
Total	9,467.29	9,442.93
Movement of Provision for others		
Balance at the beginning of the year	2,711.40	2,711.40
Recognised/ (released) during the year	-	-
Utilised during the year	-	-
Balance at the end of the year	2,711.40	2,711.40
15.1 : Lease liabilities (Current)		
Land	1212.66	1231.61
Building	16.63	10.74
Total	1,229.29	1,242.35
15.2 : Trade payables		
Trade Payables		
(i) total outstanding dues of micro and small enterprises	800.66	581.58
(ii) total outstanding dues of creditors other than micro and small enterprises	12550.62	14049.10
Grand Total	13,351.28	14,630.68
Disclosure Relating to Micro and Small Enterprises		
i) The principal amount remaining unpaid to the supplier as at the end of the year	800.66	581.58
ii) The interest due on the above amount, remaining unpaid to the supplier as at the end of the year.	Nil	Nil

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
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

Trade Payables ageing schedule:

For the year ended 31st March 2022

(₹ in Lakhs)

Particulars	Unbilled	Not Due	Outstanding for the following period from due date of payments				Total
			< 1 year	1-2 years	2-3 years	> 3 years	
(i) MSME	588.37	170.32	41.97	-	-	-	800.66
(ii) Others	3,402.95	1,432.22	15.15	-	-	9.45	4,859.77
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	7,690.85	7,690.85
Total	3,991.32	1,602.54	57.12	-	-	7,700.30	13,351.28

For the year ended 31st March, 2021

(₹ in Lakhs)

Particulars	Unbilled	Not Due	Outstanding for the following period from due date of payments				Total
			< 1 year	1-2 years	2-3 years	> 3 years	
(i) MSME	484.95	4.24	92.39	-	-	-	581.58
(ii) Others	1,788.14	4,515.19	45.47	-	-	9.45	6,358.25
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	7,690.85	7,690.85
Total	2,273.09	4,519.43	137.86	-	-	7,700.30	14,630.68

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
15.3 : Other financial liabilities (Current)		
Security deposits from suppliers, contractors and others	1289.79	849.04
Earnest money deposit from suppliers, contractors and others	71.24	67.97

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Employee benefits payable	5,064.12	4,026.60
Interest on borrowings - term loan from Canara Bank	0.34	-
Accrued expenses	4,223.83	4,210.82
Total	10,649.32	9,154.43
16: Other current liabilities		
Contract liabilities	2,289.52	2,086.84
Unclaimed dividend	2.72	1.78
Statutory remittances	1,049.16	237.18
Total	3,341.40	2,325.80
17 Provisions (Current)		
Provision for Employee Benefits		
Gratuity	5.02	22.68
Other superannuation benefits	1,359.92	1,168.26
Compensated absence - earned leave and sick leave	902.02	762.16
Total	2266.96	1953.10

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
18.1 : Revenue from operations		
Sale of products		
Pellets	2,98,015.21	2,34,379.39
Auxiliary	114.60	355.35
Net sales	2,98,129.81	2,34,734.74
Sale of services	2,490.79	1,401.41
Other operating revenue		
Provision no longer required	-	1,464.69
Despatch money	24.54	43.36
	24.54	1,508.05
Total	3,00,645.14	2,37,644.20

1. Sale of Products are generally against advance payment by customers or are against letters of credit/ cash against documents and proceeds are realised within one month period. Accordingly, the amount of consideration does not contain any significant financing component.

2. Sale of Services are rendered to Departments of Central Government/State Government / Central PSUs/ State PSUs with short term credit period of one- two months and does not contain any significant financing component.

3. As per the terms of the contract with its customers, the Company has a right to receive consideration from its customers for all completed performance obligations. Accordingly, the Company has availed the practical expedient available under paragraph 121 of Ind AS 115 and dispensed with the additional disclosures with respect to performance obligations that remained unsatisfied (or partially unsatisfied) at the balance sheet date. Further, since the terms of the contracts directly identify the transaction price for each of the completed performance obligations there are no elements of transaction price which have not been included in the revenue recognized in the financial statements. Further, there is no material difference between the contract price and the revenue from contract with customers.

4. During the previous year an amount of Rs 1464.69 Lakhs has been shown as "Provision no longer Required" under "Other Operating Income" in the Statement of Profit and Loss, as while making the provisions the same was classified as Operating Expenditure in respective years

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
18.2 : Other Income		
Interest income on financial assets measured at amortised cost		
On deposits with banks	6,227.10	8,825.90

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
Others	53.48	49.08
Net gain on financial assets designated at fair value through profit or loss	339.08	215.09
Other Non-operating income		
Sale of Scrap	560.83	330.08
Net gain in foreign exchange fluctuation	-	490.88
Rent Income	170.03	169.84
Net gain on disposal of property, plant and equipment	8.69	1.38
Hire charges	7.34	0.89
Others*	62.73	50.83
Total	7,429.28	10,133.97
*Other includes sale of tender document, liquidated damage, forfeiture of Security Deposit etc.		
19.1 Cost of materials consumed		
Iron ore fines	196326.08	147680.91
Total	1,96,326.08	1,47,680.91
19.2 : Changes in Inventories (Increase)/Decrease		
Finished Stock-Pellet		
Balance as at the beginning of the year	4,645.51	10,611.58
Less: Balance as at the end of the year	1,515.02	4,645.51
Change in Inventories- Finished Goods	3,130.49	5,966.07
Work in progress-Pellet feed		
Balance as at the beginning of the year	5,858.40	1,980.78
Less: Balance as at the end of the year	5,571.36	5,858.40
Change in Inventories- Work- in progress	287.04	(3,877.62)
Total	3,417.53	2,088.45
19.3 Cost of consumable stores spares & additives		
Cost of stores & spares consumed	5,268.98	3,169.17
Cost of consumables & additives consumed	5,858.19	4,457.34
Total	11,127.17	7,626.51
19.4 Power & fuel		
Power	7,312.42	7,328.31
Fuel- furnace oil	17,442.03	12,500.30
Total	24,754.45	19,828.61
20 : Direct cost towards service contract		
Service contract	1,875.71	714.40
Exploration services	13.79	103.83
Total	1,889.50	818.23
21 : Employee benefits expense		
Salaries and wages	15,566.21	15,535.84
Contribution to provident and other funds	2,633.27	2,701.12

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
Staff welfare expenses	633.36	399.33
Total	18,832.84	18,636.29
22 : Finance costs		
Interest expenses in financial liabilities measured at amortized cost		
Interest on short term borrowings	171.51	121.45
Interest On lease liabilities	892.45	913.08
Interest on Income Tax*	156.70	451.44
Total	1,220.66	1485.97
*Interest on income tax for the year 2021-22 is Rs 293.28 lakhs. Excess interest of Rs 136.58 Lakhs booked for the financial year 2020-21 adjusted during the year.		
23: Depreciation and amortization Expenses		
Property plant and equipment	2,554.48	2,183.13
Right of use assets	549.18	551.52
Other intangible assets	14.57	11.31
Total	3,118.23	2,745.96
24 : Other Expenses		
Rent	13.64	9.39
Rates and taxes	117.78	455.27
Insurance charges	89.90	101.21
Travelling expenses	58.38	38.36
Repairs and Maintenance		
Building	481.03	459.97
Machinery	1,219.53	954.03
Others	249.41	175.19
	1949.97	1589.19
Postage and telephone charges	37.42	33.83
Advertisement and publicity	53.04	58.33
Expenses on security	1,198.87	1,093.75
Payment to auditors		
for Audit	8.50	7.75
for Taxation matters	1.65	1.50
for Other services	1.40	1.65
for Reimbursement of expenses	0.50	1.00
	12.05	11.90
Cost audit fee and reimbursement expenses	0.50	0.50
Demurrage charges	20.89	2 0.60
Port charges, sampling survey and cess	1,058.75	831.99
Bank charges including discounting of bills	19.69	32.44
Entertainment	11.41	4.38

(₹ in Lakhs)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
Forest, ecology & pollution control expenses	95.94	71.44
Directors Sitting fees	12.40	12.19
Corporate social responsibility*	442.28	884.66
Provision for Surplus Stores, DDRs and others	28.35	-
Exchange variation	211.77	-
Miscellaneous expenses	851.75	594.41
Total	6,284.78	5,843.84
*Information on CSR Expenditure		
CSR expenditure made during the year	1,341.47	884.66
CSR expenditure carry forward for set off in subsequent years	(899.19)	
CSR expenditure for the year	442.28	884.66
Additional disclosure with regard to CSR activities are summarized below:		
Amount required to be spent by the company during the year	438.70	222.59
Amount of expenditure incurred by the Company during the year	442.28	884.66
Shortfall at the end of the year	Nil	Nil
Total of previous years shortfall	Nil	Nil
Voluntarily	3.58	662.07
Nature of CSR Expenditure		
During the year the Company has spent Rs 341.47 Lakhs towards health care, promotion of education, eradicating hunger and poverty nutrition, community development. In addition to above an amount of Rs 1000.00 Lakhs contributed to PM care fund, out of which Rs 899.19 Lakhs has been carry forward for set off in subsequent years.		
25 : Tax expense		
(a) Current tax relating to		
Current tax	11,367.85	11,028.40
Earlier years	(1408.42)	-
Total current tax	9959.43	11,028.40
(b) Deferred tax	(196.90)	(121.55)
Total	9,762.53	10,906.85
Reconciliation between the average effective tax rate and the applicable tax rate:		
Profit before taxes	41103.18	41023.40
Tax rate as per applicable tax laws	25.17%	25.17%
Computed tax expense	10344.44	10324.77
Tax effect of		
Depreciation	243.86	409.10
CSR expenditure	111.33	222.64
Provisions	902.33	(5.42)



(₹ in Lakhs)

Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021
Lease/ROU	40.02	51.60
Donations	(251.67)	-
Other items	(22.46)	25.70
Total adjustment	1023.42	703.63
Current Tax	11367.85	11028.40
26 : Other Comprehensive Income		
Items that will not be re-classified to Profit and Loss		
Remeasurement of defined benefit plan	463.99	(230.79)
Less : Change in asset ceiling under para64(b) of Ind AS 19	-	145.36
Less : Tax (expenses)/benefit on OCI	(116.78)	222.61
Total	347.21	137.18
27: Earnings per Equity Share		
(a) Profit/ (loss) attributable to equity shareholders (Rs in Lakhs)	31340.65	30116.55
(b) Weighted average number of Equity Shares outstanding during the year	607751096	618119817
(c) Basic and Diluted EPS (Rs)	5.16	4.87
(d) Face value per share (Rs)	10.00	10.00



28.1.1 Ratios

S.NO.	Ratios	Numerator	Denominator	31 st March, 2022	31 st March, 2021	% Variance	Reason for variance
a)	Current Ratio (in times)	Total current assets	Total current liabilities	6.62	7.25	-8.65%	
b)	Debt - Equity Ratio (in times)	Borrowings	Total Equity	0.004	-	100%	During the current year, the Company availed the Term Loan.
c)	Debt Service Coverage Ratio (in times)	Earning available for debt service	Debt service	28	25	14.23%	
d)	Return on Equity Ratio (in %)	Net Profit after tax	Average Shareholders' Equity	15.18%	15.44%	-1.67%	
e)	Inventory Turnover Ratio (in times)	Sales	Average Inventory	9.16	8.34	9.78%	
f)	Trade receivables turnover ratio (in times)	Net Credit Sales	Average Accounts receivable	11.05	10.46	5.61%	
g)	Trade payables turnover ratio (in times)	Net Credit Purchase	Average Trade Payable	4.91	5.00	-1.85%	
h)	Net Capital Turnover Ratio (in times)	Net Sales	Average Working Capital	1.69	1.31	28.82%	Net Sales increased by 26.51% as compared to Previous year. And the working capital reduced by 6.81%.
i)	Net Profit Ratio (in %)	Net Profit after tax	Net Sales	10.42%	12.67%	-17.74%	
j)	Return on Capital Employed (in %)	Earning before Interest and Taxes	Capital Employed	21.51%	23.61%	-8.87%	
k)	Return on Investment-Liquid Mutual Fund (in %)	Time adjusted return	Investment	3.28%	3.92%	-16.43%	

28.1.2 Contingent liabilities and capital commitments

A. Contingent liabilities

1.1 Claims against the company not acknowledged as Debt

(₹ in Lakhs)

S. No	Particulars	As on 31 st March, 2022	As on 31 st March, 2021
A	Disputed claims under Excise Duty, Service Tax and Income Tax		
(i)	Excise Duty (Demand for Special additional duty on DTA sales of Pellet for the FY 2010-11 & 2011-12, order passed by Hon'ble CESTAT on 17 th Feb, 2022 upholding the benefit of Notification No 23/2003-CE dated 31.03.2003 with condition to produce proof of payment of VAT. The Company has filed a rectification of mistake (ROM) application and the same is pending for final decision.)	5,848.31	5,848.31
(ii)	Service Tax Service Tax demand on dispatch money for the FY 2012-13 & 2013-14, the department has filed appeal before CESTAT against the order of the Commissioner (Appeal).	60.77	60.77
(iii)	Income Tax The company has filed appeal against Income Tax assessment order for Assessment Year 2013-14, 2014-15 and 2018-19.	5,606.94	633.28
B	Claims by parties under Dispute/Arbitration/ Court Proceedings		
(i)	Demand raised by Forest Department, Govt of Karnataka for raising height of Lakya dam, Kudremukh, arrear lease rent, permit & supervision charges and afforestation charges & penalty.	18,052.37	18,052.37
(ii)	Distance based charges claimed by East Coast Railways and penalty thereon (refer Note no. 28.3.1)	34,704.58	34,704.58
(iii)	Forest Development Tax (NMDC)*	11,057.62	11,057.62
(iv)	M/s Haryana Khanak project- (HSIDC) (Bank Guarantee submitted towards security deposit, invoked by M/s HSIDC, the Company filed appeal before the Hon'ble Civil Court, Panchkula, Haryana and favorable order has been passed. M/s HSIDC filed appeal against order of Civil Court Panchkula, Haryana)	1,500.00	1,500.00
(v)	Others (Includes claims by employees, stock exchanges etc)	414.06	408.17
	Total	77,244.65	72,265.10

* Includes Rs.11,057.62 Lakhs (Previous year Rs 11,057.62 Lakhs) towards Forest Development Tax (FDT) at the rate of 12% of basic price of iron ore. The supplier NMDC Limited has filed a writ petition before the Hon'ble High Court of Karnataka challenging the levy of the same. The case was disposed of vide order dated 3rd December, 2015 directing the Govt. of Karnataka to refund the FDT within three months. However, the Govt. of Karnataka has filed Special Leave Petition before the Hon'ble Supreme Court of India. The matter was listed on 9th August, 2019 and the Hon'ble Supreme court directed to

list the appeal for hearing.

Further, out of Rs 11,057.62 Lakhs, an amount of Rs.2,617.43 Lakhs (Previous year Rs 2,617.43 Lakhs) (equivalent to 25% of FDT) collected earlier by NMDC as per the interim order of Hon'ble Court is shown under "Other Non-Current Assets" in Books of Accounts and the Bank Guarantee equivalent to Rs.2,734.87 Lakhs (Previous year Rs 2,734.87 Lakhs) furnished to NMDC in this regard has not been included under the contingent liabilities against Bills discounted/ Letter of Credits/ Bank guarantees.

1.2 Contingent liabilities against Bills discounted/Letter of Credits/ Bank guarantees

(₹ in Lakhs)

Particulars	As on 31 st March, 2022	As on 31 st March, 2021
Contingent liabilities against Bills discounted/Letter of Credits/ Bank guarantees	1,713.91	7,415.05

B. Capital commitments

(₹ in Lakhs)

Particulars	As on 31 st March, 2022	As on 31 st March, 2021
Estimated amount of the Contracts to be executed on Capital Account and not provided for (Net of Advances)	23,534.31	7,471.40

28.2.1 Employee Benefits as per Ind AS 19

a) The Company's contribution to the Provident Fund is remitted to a separate Trust based on a fixed percentage of the eligible employee's salary and charged to Statement of Profit and Loss. Further, the company makes good the shortfall, if any, in the return from investments of the Trust vis-à-vis the notified rate of interest, based on actuarial valuation and the same is charged to Statement of Profit and Loss.

During the year, the Company has recognized Rs. 1,303.55 Lakhs (previous year Rs. 1,444.90 Lakhs) as Employer's contribution to Provident Fund in the Statement of Profit and Loss.

The estimated interest short fall for the year is Rs. 394.76 Lakhs (previous year Rs. 305.23 Lakhs) and the same has been recognized and debited to Statement of Profit and Loss.

Provision for the year 2018-19 for Rs 220.59 Lakhs has been reversed during the year as there was no shortfall of interest payout based on notified rate of interest.

Present value of benefit obligation at period end 31st March, 2022 is Rs. 3,847.93 Lakhs (31st March, 2021 Rs. 3,820.42 Lakhs).

b) Liability with regard to gratuity benefits payable in future is determined by actuarial valuation at the end of the year using the projected unit method. Provision towards Gratuity fund for the year is Rs. 366.82 Lakhs (Previous year Rs. 285.21 Lakhs). The Company operates a gratuity plan administered by LIC under Group Gratuity Life Assurance Scheme of LIC of India. Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service subject to a maximum of Rs.20 Lakhs as per the Payment of Gratuity Act, 1972, as adopted by the Company through resolution in 257th meeting of the Board held on 26th March 2019. The same is payable at the time of separation from the company or retirement, whichever is earlier. The benefits vest after five years of continuous service. Net Liability recognized in Balance Sheet is Rs 67.81 Lakhs (Previous year Rs 186.34 Lakhs).

Contribution to Defined Contribution Plan, recognized as expense for the year is as under:

(₹ in Lakhs)

Particulars	For the year ended 31 st March, 2022	For the year ended 31 st March, 2021
Post retirement Pension scheme (LIC)	670.72	675.89
Employee pension scheme 1995 (EPFO)	91.78	99.08
Post retirement medical scheme	292.17	295.12

Disclosures as required by Ind AS 19- Employee Benefits (Refer Sl No. 18 (a) of Note 25)

DEFINED BENEFIT PLANS - GRATUITY		LONG TERM GRATUITY	
		31-Mar-22	31-Mar-21
I.	PRINCIPAL ACTUARIAL ASSUMPTIONS [Expressed as weighted averages]		
	Discount Rate	6.92%	6.68%
	Salary escalation rate	11.00%	11.00%
	Attrition rate	5.00%	5.00%
	Expected rate of return on Plan Assets	6.92%	6.68%
	Mortality rate during employment	Standard Indian Assured Lives (2006-08)	
II.	CHANGES IN THE PRESENT VALUE OF THE OBLIGATION (PVO) (₹ in Lakhs)		
	PVO as at the beginning of the period	9667.60	9735.62
	Interest Cost	612.96	608.41
	Current service cost	351.51	354.89

(₹ in Lakhs)

DEFINED BENEFIT PLANS - GRATUITY	LONG TERM GRATUITY	
	31-Mar-22	31-Mar-21
Past service cost	-	-
Benefits paid	(983.07)	(1255.50)
Actuarial loss/(gain) on obligation	(377.34)	224.18
PVO as at the end of the period	9271.66	9667.60
III. CHANGES IN THE FAIR VALUE OF PLAN ASSETS		
Fair value of plan assets as at the beginning of the period	9481.26	10108.33
Expected return on plan assets	601.11	633.36
Contributions	17.90	1.69
Benefits paid	(983.07)	(1255.50)
Actuarial gain/(loss) on plan assets	86.65	(6.62)
Fair value of plan assets as at the end of the period	9203.85	9481.26
IV. ACTUAL RETURN ON PLAN ASSETS		
Expected return on plan assets	601.11	633.36
Actuarial gain (loss) on plan assets	86.65	(6.62)
Actual return on plan assets	687.76	626.74
V. AMOUNTS RECOGNISED IN THE BALANCE SHEET		
Present value of the obligation	9271.66	9667.60
Fair value of plan assets	9203.85	9481.26
Net Defined Benefit Liability recognized in the balance sheet	67.81	186.34
Non-Current	62.79	163.66
Current	5.02	22.68
VI. AMOUNT RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS:		
Current service cost	351.51	354.89
Past service cost	-	-
Net Interest on Net Defined Benefit Obligations	11.85	(24.95)
Amount recognized in the statement of profit and loss	363.36	329.94
VII. AMOUNT RECOGNIZED IN THE OTHER COMPREHENSIVE INCOME [OCI]		
Actuarial (gain)/loss on Plan Obligations	(377.34)	224.18
Actuarial gain/(loss) on plan assets	(86.65)	6.62
Amount recognized in OCI	(463.99)	230.80
VIII. MAJOR CATEGORIES OF PLAN ASSETS (AS PERCENTAGE OF TOTAL PLAN ASSETS)		
Funds managed by Insurer	100%	100%

Notes :

- i) The plan assets of the Company are managed by Life Insurance Corporation of India through a trust managed by the company in terms of an insurance policy taken to fund obligations of the Company with respect to its gratuity plan. The categories of plan assets as a percentage of total plan assets is based on information provided by Life Insurance Corporation of India. Information on categories of plan assets as at 31 March 2022 and 31 March 2021 has not been provided by Life Insurance Corporation of India.
- ii) The plan assets have been primarily invested in insurer managed funds. The Company contributes all ascertained liabilities towards gratuity to the Fund. The Gratuity plan provides a lump sum payment to the vested employees at retirement, death, incapacitation or termination of employment based on the respective employees salary and tenure of the employment with the company.



- iii) Expected Contribution in respect of Gratuity for next year will be Rs. 100 Lakhs (For the year ended March 31, 2021 Rs. 17.90 Lakhs)."
- iv) Discount rate is based on the prevailing market yield of Indian Government securities as at the balance sheet date for the estimated term of the obligation.
- v) The salary escalation rate is arrived taking into consideration the seniority in the promotion and other relevant factors, such as demand supply in employment market.

Sensitivity Analysis Method

Sensitivity Analysis Method is determined based on the expected movement in liability if the assumptions were not proved to be true on different count.

Particulars	31 st March,2022	31 st Mar, 2021
A Discount Rate + 100 BP	7.92%	7.68%
Defined Benefit Obligation [PVO] (Rs. in Lakhs)	8,903.87	9,258.42
B. Discount Rate - 100 BP	5.92%	5.68%
Defined Benefit Obligation [PVO] (Rs. in Lakhs)	9,671.01	10,113.04
C. Salary Escalation Rate + 100 BP	12.00%	12.00%
Defined Benefit Obligation [PVO] (Rs. in Lakhs)	9,314.89	9,721.85
D. Salary Escalation Rate - 100 BP	10.00%	10.00%
Defined Benefit Obligation [PVO] (Rs. in Lakhs)	9,219.13	9,601.00

The weighted average duration of the Defined Benefit Obligation is 8.83 years (2018-19 - 8.74 years). The expected maturity analysis of undiscounted pension, gratuity and post-employment medical benefits is as follows :

(₹ in Lakhs)

Particulars	< 1Year	Between 1-2 years	Between 2-5 years	> 5 years	Total
31st March 2022					
Defined Benefit Obligation (Gratuity)"	1,561.16	1,540.19	3,532.94	6,404.17	13,038.46
Total	1,561.16	1,540.19	3,532.94	6,404.17	13,038.46
31st March 2021					
Defined Benefit Obligation (Gratuity)"	1,466.54	1,458.09	3,872.27	6,860.98	13,657.88
Total	1,466.54	1,458.09	3,872.27	6,860.98	13,657.88

Risk Exposure : Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below :

Inflation Risks : In the post retirement plans ie, gratuity, the payment is not linked to inflation, so this is a less material risk.

Life Expectancy : The post retirement plan obligations is to provide benefits for the life of the member, so regularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

- c) (i) Contribution to other long-term benefits plan (long term compensated absence)

(₹ in Lakhs)

Particulars	For the year ended 31 st March, 2022	For the year ended 31 st March, 2021
Earned leave (EL)	832.95	1,009.13
Sick leave (HPL)	413.52	243.47

(ii). Present Value of Future Obligations (as at the Balance Sheet date) as per actuarial for long term compensated absence

For the year ended 31st March 2022

(₹ in Lakhs)

Particulars	Current	Non- Current
Earned Leave (EL)	659.39	3,227.34
Sick Leave (HPL)	242.63	2,752.22

For the year ended 31st March 2021

(₹ in Lakhs)

Particulars	Current	Non- Current
Earned Leave (EL)	532.84	3,188.02
Sick Leave (HPL)	229.32	2,585.81

d) Voluntary Retirement Scheme

During the year, the company has incurred Nil (previous year Rs. 319.31 lakhs) towards VRS scheme included under the head "Employee benefits expense".

28.2.2 Segment Reporting as per Ind AS 108

The Company is having two main operating segments i.e., 'Pellet' and 'Pig Iron'. Expenses relating to Kudremukh unit and the Corporate Office have been fully allocated to Pellet segment. Segment Reporting as per Ind AS-108 is as follows:

Segment Reporting for the year ended 31st March 2022

(₹ in Lakhs)

Particulars	Pellets		Pig Iron		All Other		Total	
	Figures as at the end of		Figures as at the end of		Figures as at the end of		Figures as at the end of	
	Current Reporting Period 31-03-2022	Previous Reporting Period 31-03-2021	Current Reporting Period 31-03-2022	Previous Reporting Period 31-03-2021	Current Reporting Period 31-03-2022	Previous Reporting Period 31-03-2021	Current Reporting Period 31-03-2022	Previous Reporting Period 31-03-2021
REVENUE:								
External Sales	298,015.21	234,379.39	114.60	355.35	-	-	298,129.81	234,734.74
Sale of services Service	-	-	-	-	2,490.79	1401.41	2,490.79	1,401.41
Other operating revenue	-	-	-	-	24.54	1508.05	24.54	1,508.05
Total revenue	298,015.21	234,379.39	114.60	355.35	2515.33	2,909.46	300,645.14	237,644.20
RESULT:								
Segment result before interest	43099.89	40,150.01	(2510.11)	(2,219.98)	(4,832.12)	(4,461.65)	35,757.66	33,468.38
Less : Finance cost	(887.76)	(909.76)	(0.77)	(0.87)	(332.13)	(575.34)	(1,220.66)	(1,485.97)
Segment result before exception	42212.13	39,240.25	(2510.88)	(2,220.85)	(5,164.25)	(5,036.99)	34,537.00	31,982.41
Unallocated Income less expenses								
a) Interest income on financial assets measured at amortized cost							6,227.10	8,825.90
b) Net gain on financial assets designated at fair value through profit or loss							339.08	215.09
Profit before tax							41,103.18	41,023.40
Less: Income tax								
Current tax							(9,959.43)	(11,028.40)
Deferred tax							196.90	121.55

(₹ in Lakhs)

Particulars	Pellets		Pig Iron		All Other		Total	
	Figures as at the end of		Figures as at the end of		Figures as at the end of		Figures as at the end of	
	Current Reporting Period 31-03-2022	Previous Reporting Period 31-03-2021	Current Reporting Period 31-03-2022	Previous Reporting Period 31-03-2021	Current Reporting Period 31-03-2022	Previous Reporting Period 31-03-2021	Current Reporting Period 31-03-2022	Previous Reporting Period 31-03-2021
Net profit after tax							31,340.65	30,116.55
Other comprehensive income							347.21	137.18
Total comprehensive income							31,687.86	30,253.73
Other information :								
Segment assets	73,112.63	60,004.81	9,909.54	7,671.74	183,055.02	180,518.67	266,077.19	248,195.22
Segment liabilities	31,639.00	31,684.77	3,045.00	1,856.98	17,029.34	16,054.40	51,713.34	49,596.15
Capital expenditure	3,492.02	1,848.01	91.20	32.27	95.73	92.40	3,678.95	1,972.68
Depreciation and amortisation	2,343.63	2,081.36	687.92	667.72	86.68	667.72	3,118.23	2,749.08
Non-cash expenses other than depreciation	1,142.73	909.77	137.80	0.87	311.37	2.44	1,591.90	913.08

1. The Company is domiciled in India. Segment revenue by location of customer is shown in the table below:-

(₹ in Lakhs)

Particulars	2021-22	2020-21
External Sales		
Domestic	7,748.03	53,038.24
Overseas	292,897.11	184,605.96
Total	300,645.14	237,644.20

2. Revenue of approximately Rs 2,37,209.34 Lakhs (Previous Year Rs 1,72,496.26 Lakhs) are derived from few external customers attributed to pellet plant segment who are individually contributing more than 10% of the Total Revenue.

3. There are no transaction between reportable segments.

4. The total of non-current assets other than financial instruments, deferred tax assets, post-employment benefit assets are located in India.

28.2.3 Disclosure – Revenue (Ind AS 115)

(a) Disaggregate Revenue

(₹ in Lakhs)

Segment	Year ended 31 st March 2022	Year ended 31 st March 2021
Types of goods or services		
Sale of Goods		
-Iron Ore oxide Pellet	2,98,015.21	2,34,379.39
-Auxiliary	114.60	355.35
Sale of Services		
-Sale of Service	2,490.79	1,401.41
-Other Operating Revenue	24.54	1,508.05*
Total Revenue from Contracts with Customers	3,00,645.14	2,37,644.20
Domestic/ International Revenue		
India	7,748.03	53,038.24*
Outside India	2,92,897.11	1,84,605.96
Total Revenue from Contracts with Customers	3,00,645.14	2,37,644.20

(₹ in Lakhs)

Segment	Year ended 31 st March 2022	Year ended 31 st March 2021
Timing of Revenue Recognition		
Goods delivered (at a point in time)	2,98,129.81	2,34,734.74
Services rendered (over time)	2,515.33	2,909.46*
Total Revenue from Contracts with Customers	3,00,645.14	2,37,644.20

* Includes ₹ 1,464.69 Lakhs reversal of liabilities provided in earlier period towards operating expenditure

(b) Contract balances

(₹ in Lakhs)

	31 st March 2022	31 st March 2021
Trade Receivables	29,186.18	24,280.83
Contract Assets	67.55	-
Contract Liabilities	2,289.52	2,086.84

28.2.4 Related Party Disclosure (Ind AS 24)Key Management Personnel as on 31st March, 2022:

1	Shri T. Saminathan	:	Chairman-cum-Managing Director Director (Commercial) (Addl. Charge)
2	Shri Swapan Kumar Gorai	:	Director (Finance)
3	Shri K.V. Bhaskara Reddy	:	Director (Production and Projects)
4	Shri P K Mishra	:	Company Secretary

As per the requirement of Ind AS 24 total compensations paid to Key managerial personnel for the year 2021-22 are as follows:
(₹ in Lakhs)

S. No	Particulars	Shri M V Subba Rao	Shri T Saminathan	Shri Swapan Kumar Gorai	Shri KV Bhaskar Reddy	Shri P K Mishra
1	Short term employee benefits	19.17	54.17	55.23	43.89	20.57
2	Post-employment benefits	20.00	-	-	-	-
3	Other long-term benefits	18.24	-	-	-	-
	Total*	57.41	54.17	55.23	43.89	20.57

The total compensation paid to Key managerial personnel for the previous year 2020-21 are as follows:

(₹ in Lakhs)

S. No	Particulars	Shri M V Subba Rao	Shri T Saminathan	Shri Swapan Kumar Gorai	Shri KV Bhaskar Reddy	Shri P K Mishra
1	Short term employee benefits	57.74	43.64	46.21	44.84	18.62
	Total*	57.74	43.64	46.21	44.84	18.62

* Does not include the provision made for gratuity and leave benefits, as they are determined on an actuarial basis for all the employees together.

Independent and Nominee Directors as on 31st March, 2022:

1	Smt. Sukriti Likhi	:	Nominee Director (Addl. Secretary & Financial Advisor, Ministry of Steel)
2	Shri Nirmalendu Mohapatra	:	Independent Director
3	Shri G. Ramasamy	:	Independent Director
4	Dr. Usha Narayan	:	Independent Director
5.	Shri Changdev Sukhadev Kamble	:	Independent Director

Detail of sitting fees paid to Independent Directors:

(₹ in Lakhs)

Name of Independent Director	For the year 2021-22	For the year 2020-21
Shri G. Ramasamy	3.00	3.22
Shri Jagdish P. Joshi	2.08	3.37
Shri Nirmalendu Mohapatra	3.18	2.71
Shri Ranjit Sreenivas	1.72	2.89
Shri Changdev Sukhadev Kamble	1.30	-
Dr. Usha Narayan	1.12	-
Total#	12.40	12.19

The amount paid towards sitting fees is included in the "Other Expenses" under Note No 24.

The name of the government related entities and the nature of its relationship.

Sl.no	Name	Relation
1.	NMDC Limited	Entity under the control of same Government
2.	IOCL Ltd	Entity under the control of same Government
3	Shipping Corporation of India Limited	Entity under the control of same Government
4	MRPL	Entity under the control of same Government
5	New Mangalore Port Trust	Government related entity
6	Indian Railways (ECR & SWR)	Government Department

The nature and amount of each individually significant transactions with above government related entities:

(₹ in Lakhs)

Name of related party	Nature of transaction	As at March 31, 2022	As at March 31, 2021
NMDC Limited	Purchase of Raw Material (IOF)	150,354.48	101,183.28
IOCL Ltd	Purchase of Furnace Oil	16,484.85	15,276.79
Shipping Corporation of India Limited	Transportation of Raw Material through Sea	8,228.88	4,180.15
New Mangalore Port Trust	(a) Port Services	2,057.01	2,334.52
	(b) Land taken on Lease	1,909.67	1,240.03
Indian Railways (ECR & SWR)	Transportation of Raw Material through Rail	28,166.63	31,694.71

28.2.5 Leases (Ind AS 116)

As Lessee

The Company's significant leasing arrangements are in respect of operating leases for land and buildings. These arrangements generally range between 3 years and 30 years, except for certain land leases where the lease term ranges up to 99 years. In case of land taken on lease from New Mangalore port trust, termination option is exercisable only by the lessor. Hence, the management has considered the full term of the contract as the lease term, since the Company is liable to pay the lease rental as they do not have the right to terminate the contract.

The Company holds nine tracts of Land totaling 386,691 Sq. Mtrs. on long term lease from New Mangalore Port Trust

(MNPT). Lease of the following four tracts of land, pending for registration of lease deeds, are considered as "Lease continuing" in view of company's request for extension of lease with NMPT and the same being under their consideration and continuing in paying annual lease rent and the same is duly acknowledged and accepted by NMPT:

- 213,783 Sq Mtrs of land taken for Port facilities
- 9,120 Sq Mtrs of land taken for storage of iron ore fines
- 27,008 Sq Mtrs of land taken for pellet storage yard and
- 21,270 Sq Mtrs of land taken for Captive Power Plant

There are no sale and lease back transactions.

The impact of lease accounting on the financials for the year is as follows: -

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Expenses on account of Depreciation	549.18	551.52
Interest on Lease Liabilities	892.45	913.08
Accrual lease rent for the year	(1,275.14)	(1,252.27)
Total	(166.49)	(212.33)

Ind AS 116 has resulted into an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

The weighted average incremental borrowing rate applied lease liabilities towards land and building is 8.20% and 8.45% respectively.

The break-up of current and non-current lease liabilities is as follows:

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Current lease liabilities	1,229.29	1,242.35
Non-current lease liabilities	10,447.91	10,792.59
Total	11,677.20	12,034.94

The movement in lease liabilities (LL) is as follows:

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Balance as at the beginning of the year	12,034.94	12,381.42
Additions	44.44	-
Finance cost accrued during the period	892.45	913.08
Deletions	(12.02)	-
Payment of lease liabilities	(1,282.61)	(1,259.56)
Balance as at the end of the year	11,677.20	12,034.94

The details of the contractual maturities of lease liabilities on an undiscounted basis are as follows:

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Less than One Years	1,229.29	1,242.35
One to five years	4,812.10	4,825.51
More than five years	19,770.08	20,988.87
Total	25,778.20	27,056.73

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they become due.

Rental expenses recorded for short- term leases were Rs 147.94 Lakhs for the year ended 31st March, 2022 (Previous year Rs 162.92 Lakhs).

As lessor

Rental income on assets given on operating leases was Rs. 164.64 Lakhs for the year ended 31st March, 2022 (Previous year Rs 155.15 Lakhs).

The Company has leased out its land under operating lease for periods ranging up to 7 years. Lease payments are structured with periodic escalations consistent with the prevailing market conditions. There are no variable lease payments to be received.

Maturity analysis of operating lease payments to be received:

(₹ in Lakhs)

Period	As at March 31, 2022	As at March 31, 2021
Year 1	155.91	148.74
Year 2	153.61	157.43
Year 3	142.53	153.61
Year 4	121.11	142.53
Year 5	44.39	121.11
Year 6 onwards	8.84	53.23
Total	626.39	776.66

28.3 Others:

28.3.1 With the suspension of mining operations at Kudremukh mine site, the Company is procuring the iron ore fines from NMDC mines in Chhattisgarh state and transporting to its plant at Mangalore by rail cum sea route.

Railways vide letter No. H/C.474 Classification/11 dated 21st October, 2011 raised an issue regarding the applicability of distance-based charge (DBC) over and above normal freight on Iron ore transported through railway network for manufacture of pellets and their subsequent export. Both South Western Railway (SWR) and East Coast Railway (ECR) have raised demand of Rs.14,463.93 Lakhs and Rs. 10,361.38 Lakhs respectively towards distance-based charge (DBC) over and above normal freight on Iron ore transported.

As per the Company's view, DBC should attract only for iron ore fines and lumps which are directly exported and not on the Iron Ore so moved and utilized in the steel plants for manufacture of finished product and exported thereafter. The same is also not applicable to Pig iron and Sponge Iron Industry.

Accordingly, against the demand of Rs 14,463.93 Lakhs of SWR,

KIOCL had filed writ petition before the Hon'ble High Court of Karnataka. The writ petition was dismissed and KIOCL filed writ appeal challenging the dismissal of the writ petition. The Hon'ble High Court has granted interim order staying DBC, subject to the condition that 50% of the demand excluding penalty is to be deposited. Thus, Rs.8,325.16 Lakhs was paid and for the balance amount of Rs.6,138.77 Lakhs provision has been made in the books in the FY 2013-14.

Similarly, against the demand of Rs 10,361.38 Lakhs for DBC and Rs 31,084.14 Lakhs towards penalty, of ECR which after considering the freight already paid, DBC worked out to be Rs 6,740.94 Lakhs. KIOCL has filed WRIT petition before High Court of Orissa and High Court granted stay subject to deposit of 50% amount excluding the penalty. Against the worked-out liability, the Company paid Rs.5,188.86 Lakhs and the balance amount of Rs.1,552.08 Lakhs provision has been made in the books FY 2013-14. The balance demand toward DBC and penalty of Rs 34,704.58 Lakhs has been included in contingent liabilities.

Both the cases are not listed so far. Railway has filed transfer petition before Supreme Court and both the cases are stayed by Supreme Court.

28.3.2. During the FY 2008-09, the Company has claimed refund of congestion surcharge amounting to Rs.6,877.86 Lakhs from South Western Railway (SWR) in respect of 573 rakes moved during 1st April, 2007 to 21st May, 2008 through the Company's private Railway Siding at Panambur, Mangalore which was commissioned in January 2006. SWR refunded only Rs.2,725.39 Lakhs till FY 2013-14 which includes Rs.206.70 Lakh adjusted by SWR towards DBC. During the FY 2014-15, the Company had approached Railway Claims Tribunal (RCT), Bangalore for refund of the balance amount of Rs.4,152.70 Lakhs with interest. The Tribunal allowed the claim by its order dated 7th December, 2018 and directed SWR to compute and pay the amount together with interest at 6% per annum and in case SWR fails to comply with the order, interest at 9% per annum is payable from 1st April, 2019. SWR has filed petition against the order of Tribunal in Hon'ble High Court of Karnataka on 11th April, 2019 vide case no MFA/3165/2019. The Company has not recognized the above as income in line with the Company's significant accounting policy No.1.4, pending realization.

The Konkan Railway offered concessional freight to the Company for movement of rakes through Konkan route instead of shorter route i.e., Hassan-Mangaluru, which has been accepted by the Company and 110 rakes were booked for the Konkan route. Subsequently, Konkan Railway allowed concessional freight for 92 rakes only and balance 18 rakes were moved through shorter routes i.e., Hassan-Mangaluru. Hence, during the FY 2008-09 the Company claimed refund of Rs. 254.45 Lakhs from SWR towards differential freight. However, SWR has not refunded the amount. Hence, during the FY 2014-15 the Company approached RCT, Bengaluru and has claimed Rs. 254.45 Lakhs with interest. The Tribunal dismissed the claim and the Company filed appeal before

Hon'ble High Court of Karnataka during the FY 2018-19 and the same is pending.

East Coast Railway have collected 100% congestion surcharge instead of 30% for the rakes moved during the period from 15th April, 2008 to 21st May, 2008. During the FY 2008-09, the Company requested ECR for refunding Rs.436.83 Lakhs being 70% excess congestion surcharge collected in respect of 26 rakes. As ECR failed to refund the amount, the Company has filed a petition before the RCT, Bhubaneswar during the FY 2014-15 for refund of Rs.436.83 Lakhs with interest. The Tribunal dismissed the claim and the Company filed appeal before Hon'ble High Court of Odisha during the FY 2018-19 and the same is pending.

28.3.3. In pursuance of the directive of the Hon'ble Supreme Court, mining activities at Kudremukh were stopped with effect from 1st January 2006. Indian Bureau of Mines (IBM) has approved final mine closure plan (FMCP) of Kudremukh Iron Ore Mine and the same was communicated vide letter no. MS/CMG/Fe-38-52 dated 6th May, 2005. At the time of closure of the mine, the Company filed a petition with prayers for direction, inter-alia, to permit utilization of 54.01 hectares of land required for the purpose of safety and slope stability of the mine.

The Hon'ble Supreme Court, in its judgment (December 2006), directed IIT Delhi to issue global tender for, inter-alia, re-analyzing the stability of slopes, drawing up of mine closure plan, implementation of the above plan and drawing up of detailed terms for the work to be done, consistent with basic paradigm of "no or minimal disturbance to un-broken area".

The expenditure for this purpose was to be met out of Rs.1,900 Lakhs paid by the company before closure of mining i.e. 31st December, 2005, which is presently lying with the adhoc Compensatory Afforestation Fund Management and Planning Authority (CAMPA).

The Hon'ble Supreme Court has also directed that if any funds are required in excess of Rs.1,900 Lakhs, the agency or the designated officer shall move to the Court for necessary direction.

Ministry of Mines Government of India, vide letter dated 7th February, 2014, nominated the Regional Controller of Mines, IBM Bangalore as the 'Designated Officer' to take possession of Kudremukh Iron Ore Mines. Accordingly, the Company has handed over the possession of the Kudremukh Iron Ore Mines on 3rd April, 2014 to the Regional Controller of Mines, IBM Bangalore.

Subsequently, officials of IBM Bangalore and IIT, Delhi inspected the mine site on 20th May, 2014, in which IIT Delhi opined that, keeping in view of the environment and safety concerns, the residual task of mine closure is relatively minor as compared to what was originally envisaged. Hence, the amount of Rs.1,900 Lakhs paid by the company to Central Empowered Committee (CEC) already lying with the CAMPA would be utilized for

restoration of Kudremukh iron ore mine. In addition to above, the Company has also made provision to the extent of Rs.600 Lakhs during the FY 2003-04 to 2005-06.

28.3.4. Total mining lease areas of 4,605.02 hectares of land at Kudremukh include an extent of 1,220.03 hectares of government revenue land, apart from forest land as well as the Company's free hold land. Regional Controller of Mines IBM, the designated officer has taken over the entire mining lease area on 3rd April, 2014 for carrying out the mine closure activities in compliance with Hon'ble Supreme Court orders dated 15th December, 2006. However, the infrastructure and buildings located on Revenue land and other lands being the property of the Company shall continue to remain in their physical possession till the cessation of mine closure activities. Till the year 2013-14, the land records of revenue land were in the name of the Company. Meanwhile Government of Karnataka has changed the revenue records removing the Company's name. Hence the Company was constrained to file a suit before Civil Judge Court, Mudigere for an injunction against Government and others, restraining them from dispossessing the Company from the said revenue land. The court heard the arguments and passed an interim order on 5th November, 2013 restraining the defendants or anybody under them from dispossessing the Company from the schedule property (i.e. Revenue land) in any manner till the disposal of the suit or till the modalities have been worked out and implemented as directed by the Hon'ble Supreme court. The suit was dismissed on 20th November, 2017.

Taking into consideration of taking over the entire mining lease area of 4,605.02 hectors comprising forest land, revenue land, Company's own land and other lands by the designated officer IBM for carrying out the mine closure activities in the mine in compliance with the Hon'ble Court's direction, although their physical possession held with the Company, the Company depreciated all its township assets in full during the year 2014-15 as a prudent measure.

28.3.5. Govt. of Karnataka vide its Gazette notification dated 23rd January, 2017 reserved an area of 470.40 ha in Devadari Range in Bellary District for iron ore and manganese ore mining lease in favour of KIOCL under the provisions of Section 17A (2) of Mines and Minerals (Development and Regulation) Act, 1957.

The company is in the process of registration of Mining lease deed in its favour. During the process, the company has to obtain a prerequisite statutory clearance viz. Mining Plan, Environment Clearance (EC) and Forest Clearance (FC).

Company has obtained Mining Plan approval from Regional Controller of Mines, Indian Bureau of Mines, Bangalore and the Environment Clearance from MoEF&CC, GoI. The Company has also obtained in principle stage I forest clearance on 24.06.2021 from MOEF, Govt. of India with General and Specific Conditions for compliance. As a compliance of one of the conditions, the company paid Rs 17,414.22 Lakhs to Karnataka Campa fund on 29.10.2021 towards NPV, Compensatory Afforestation Charges and other forest dues. In addition to the above an

amount of Rs 43.40 Lakhs paid towards mining related expenditure during the year. Amount paid to Karnataka Campa and other expenditure incurred towards obtaining mining lease totaling Rs 17,457.62 Lakhs (Previous year Rs 144.90 Lakhs) is classified under Note No 4.2 "Intangible Assets under development".

The Company has complied with the conditions of Stage I FC and submitted compliance letter/ documents on 14th March, 2022 to Dy. Conservator of Forest, Bellary Dist for scrutiny and forwarding the same to PCCF (HoFF), GoK. The Govt. of Karnataka would recommend and forward the proposal to MoEF&CC, GoI for grant of final Stage II FC.

28.3.6. Since the closure of mining activities, consequent upon the judgment of Hon'ble Supreme Court w.e.f. 1st January, 2006, Mangalore Pellet Plant and also Blast Furnace Unit continue to draw the required water from Lakya Dam at Kudremukh. Hence, dam maintenance activity from the safety point of view and maintenance of water drawal system which include electrical and pipeline maintenance are still continuing. Therefore, Kudremukh installation is a working unit as on date as an integral part of Mangalore unit.

28.3.7. In order to utilize the Blast Furnace Unit, the company has made a project proposal for Backward and Forward Integration of the Unit involving capital expenditure of Rs.836.90 Crore and the same has been approved by the Board in its 255th meeting held on 13th November 2018. The same has been approved by Public Investment Bureau (PIB). Environment clearance has been granted by MOEF&CC, GOI on 27th February, 2020. M/s MECON has been appointed as EPCM contractor for the project.

The project consists of various packages like Site Levelling, Heat recovery Coke Oven Plant, Co-Gen Power Plant, Ductile Iron Spun Pipe, Upgradation of Blast furnace, Pulverized Coal Injection system, Oxygen plant and Nitrogen plant. Site Levelling works to the extent of 80% has been completed and balance works are expected to be completed before the onset of monsoon. Work order placed on M/s Tuaman Engineering Limited, Kolkata for construction of heat recovery Coke Oven Plant on Lump sum turnkey basis. The piling and civil works for foundations for Coke oven plant are under progress at site. The tenders have been floated for balance packages and are under process. The tendering process is delayed due to COVID-19 pandemic and subsequent travel restrictions imposed. As per the changes in public procurement policy, the global tenders have been cancelled and domestic tenders are floated.

During the year the Company has incurred Rs. 10.87 Lakhs (Previous year Rs 16.06 Lakhs) towards Excavation and loading of 1,215.96 MT (Previous year 3,131.28 MT) of auxiliary material of Pig Iron at BFU. The said materials of 544.96 MT worth Rs. 114.60 Lakhs were sold during the year (Previous year 3,167.28 MT worth Rs. 355.35 Lakhs). As at the end of the year, Company was holding a physical stock of 1355MT (Opening 684 MT plus excavated 1,215.96 MT less 544.96 MT sold) of the same (Previous year 684 MT). As the cost of production of the same

had been accounted for in earlier years, the same is valued at nil cost as at the end of the year, although the market value of the same is Rs. 284.94 Lakhs (Previous year Rs. 76.61 Lakhs) as per last sale price of similar product. As a prudent accounting measure, no value has been assigned to the stock in the Books of Accounts.

28.3.8. (a) Expenses incurred towards generation of power being a significant cost of production have been included under the primary heads of account.

(b) Expenses incurred towards Stores, Spares, Consumables and Additives being a significant cost of production have been included under the primary heads of account.

28.3.9. Financial Risk Management

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risk, credit risk and currency risk. The Company's senior management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The key financial risks and mitigating actions are also placed before the Audit Committee of the Company. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits, to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Risk Management Committee of the Company is supported by the Finance team and experts of respective business divisions that provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The activities are designed to:

- Protect the Company's financial results and position from financial risks.
- Maintain market risks within acceptable parameters, while optimizing returns
- Protect the Company's financial investments, while maximizing returns.

The investment committee is responsible for maximizing the return on Company's internally generated funds.

I. Management of Liquidity Risk

Liquidity risk is the risk that the Company faces in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it has sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. A material and sustained shortfall in our cash flow could undermine the company's credit rating and impair investor confidence.

The following table shows the maturity analysis of the company's financial liabilities based on contractually agreed undiscounted cash flows as at the Balance Sheet date:

(₹ in Lakhs)

Particulars	Undiscounted Cash outflow		
	< 12 months	> 12 months	Total
As at 31st March, 2022			
Borrowings	-	900.00	900.00
Trade payables	13,351.28	-	13,351.28
Lease Liabilities	1,229.29	24,548.91	25,778.20
Other financial liabilities	10,649.32	59.89	10,709.21
As at 31st March, 2021			
Borrowings	-	-	-
Trade payables	14,630.68	-	14,630.68
Lease Liabilities	1,242.35	25,814.38	27,056.73
Other financial liabilities	9,154.43	50.63	9,205.06

II. Management of Market Risk

Market risks comprises of Price risk & Interest rate risk. The Company does not designate any fixed rate financial assets as fair value through Profit and Loss nor at fair value through OCI. Therefore, Company is not exposed to any interest rate risks. Similarly, the Company does not have any financial instrument which is exposed to change in price.

III. Management of Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations. Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to customers and other receivables. The Company applies prudent credit acceptance policies, performs ongoing credit portfolio monitoring as well as manages the collection of receivables in order to minimize the credit risk exposure.

The maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented in the notes to the Financial Statements. The Company's major classes of financial assets are cash and cash equivalents, term deposits and trade receivables. For banks and financial institutions, only high rated banks / institutions are accepted.

Trade Receivables

Concentrations of credit risk with respect to trade receivables

are limited, since the Company's most of the sales (more than 95%) are secured against Letter of Credit and/or Bank Guarantee. Accordingly, based expected credit loss (ECL) experience, the Company has grouped the trade receivable into secured and unsecured.

The company has applied the simplified approach for calculating ECL for both secured and unsecured trade receivables. During the year ECL assessed for secured and unsecured trade receivables are Nil and Rs 75 Lakhs respectively (Previous year Nil and Nil) and provision made in the books and included in Note no 9.1.

The carrying value of the financial assets represents the maximum credit exposure. The Company's maximum exposure to credit risk is Rs 29,186.18 Lakhs and Rs 24,280.83 Lakhs as at 31 March 2022 and 31 March 2021 respectively.

IV. Foreign Currency Risk

The Company being an EOU, is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US Dollar (USD), Euro (EUR), and Japanese Yen (JPY). Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not the Company's functional currency (INR). The currency risk of the said underlying asset is managed by entering into foreign currency forward contracts (only on need basis).

The Company's exposure to foreign currency risk as at the end of reporting period expressed in INR are as follows:

(₹ in Lakhs)

Particulars	As at 31 st March 2022				
	USD	EUR	JPY	GBP	Total
Financial Assets					
Trade Receivables	28,000.27	-	-	-	28,000.27
Financial Liabilities					
Long Term Borrowings	-	-	-	-	-
Trade Payables	(1.14)	(579.82)	-	-	(580.96)
Other Liabilities	-	-	-	-	-
Total Exposure	27,999.13	(579.82)	-	-	27,419.31
Less: Currency forwards	27,843.88	-	-	-	27,843.88
Net exposure to foreign currency risk	155.25	(579.82)	-	-	(424.57)
Increase /(decrease) to Profit before Tax for changes of 5% against INR					
Strengthened	7.76	(28.99)	-	-	(21.23)
Weakened	(7.76)	28.99	-	-	21.23

(₹ in Lakhs)

Particulars	As at 31 st March 2021				
	USD	EUR	JPY	GBP	Total
Financial Assets					
Trade Receivables	23,233.58	-	-	-	23,233.58
Financial Liabilities					
Long Term Borrowings	-	-	-	-	-
Trade Payables	(1.51)	-	-	-	(1.51)
Other Liabilities	-	(2.24)	-	-	(2.24)
Total Exposure	23,232.07	(2.24)	-	-	23,229.83
Less: Currency forwards	22,906.35	-	-	-	22,906.35
Net exposure to foreign currency risk	325.72	(2.24)	-	-	323.48
Increase /(decrease) to Profit before Tax for changes of 5% against INR					
Strengthened	16.29	(0.11)	-	-	16.18
Weakened	(16.29)	0.11	-	-	(16.18)

28.3.10 Capital Management

The Company considers the following components of its Balance Sheet to be managed capital:

Total equity as shown in the Balance Sheet includes Retained Earnings and Share Capital. The Company aim to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimize returns to our shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Company considers the amount of capital in proportion to risk and manages the capital structure in light of changes

in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to share holders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company takes appropriate steps in order to maintain, or if necessary, adjust, its capital structure. Company is not subject to financial covenants in any of its significant financing agreements.

The management monitors the return on capital as well as the level of dividends to shareholders.

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Total equity attributable to the equity shareholders of the Company	214,363.85	198,599.07
As percentage of total capital	99.58%	100%
Non-current borrowings	900.00	-
Current borrowings	-	-
Total loans and borrowings	900.00	-
As a percentage of total capital	0.42%	-
Total capital (loans and borrowings and equity)	215,263.85	198,599.07

28.3.11. Fair Value Measurements

(i) Financial instruments by category

(₹ in Lakhs)

	As on 31 st March, 2022				
	Fair value through P&L	Fair value through other comprehensive income	Amortized Cost	Total carrying Value	Total fair value
Financial Asset					
Loans	-	-	331.15	331.15	331.15
Trade Receivables	-	-	29,186.18	29,186.18	29,186.18
Cash and cash equivalents	-	-	35,171.20	35,171.20	35,171.20
Other Financial Assets	107.93	-	79,416.08	79,524.01	79,524.01
Total Financial Assets	107.93	-	144,104.61	144,212.54	144,212.54
Financial Liabilities					
Borrowings	-	-	900.00	900.00	900.00
Trade Payables	-	-	13,351.28	13,351.28	13,351.28
Lease Liabilities	-	-	11,677.20	11,677.20	11,677.20
Other Financial Liabilities	-	-	10,709.21	10,709.21	10,709.21
Total Financial Liabilities	-	-	36,637.69	36,637.69	36,637.69

(₹ in Lakhs)

	As on 31 st March, 2021				
	Fair value through profit & loss	Fair value through other comprehensive income	Amortized Cost	Total carrying Value	Total fair value
Financial Asset					
Loans	-	-	210.91	210.91	210.91
Trade Receivables	-	-	24,280.83	24,280.83	24,280.83
Cash and cash equivalents	-	-	57,895.65	57,895.65	57,895.65
Other Financial Assets	-	-	88,688.99	88,688.99	88,688.99
Total Financial Assets	-	-	171,076.38	171,076.38	171,076.38
Financial Liabilities					
Borrowings	-	-	-	-	-
Trade Payables	-	-	14,630.68	14,630.68	14,630.68
Lease Liabilities	-	-	12,034.94	12,034.94	12,034.94
Other Financial Liabilities	-	-	9,205.06	9,205.06	9,205.06
Total Financial Liabilities	-	-	35,870.68	35,870.68	35,870.68

(ii) Fair Value Hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis:

(₹ in Lakhs)

As at 31 st March, 2022	Level - 1	Level - 2	Level - 3	Total
Financial assets at fair value through profit or loss				
Derivative financial assets	-	107.93	-	107.93
Total	-	107.93	-	107.93

(₹ in Lakhs)

As at 31 st March, 2021	Level - 1	Level - 2	Level - 3	Total
Financial assets at fair value through profit or loss				
Derivative financial assets	-	-	-	-
Total	-	-	-	-

There have been no transfers among Level 1, Level 2 and Level 3 during the period.

Valuation Process

Forward contracts - Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.

Trade receivables, cash and cash equivalents, other bank balances, loans, other financial assets, current borrowings, trade payables and other current financial liabilities: fair values approximate their carrying amounts largely due to the short-term maturities of these instruments.

For all other financial instruments, the carrying amount is either the fair value, or approximates the fair value.

28.3.12 Derivative financial instruments

The Company uses derivative instruments as part of its management of exposure to fluctuations in foreign currency exchange rates. The Company does not acquire or issue

The fair value of the Company's derivative positions recorded under derivative financial assets and derivative financial liabilities are as follows:

(₹ in Lakhs)

Particulars	As at 31 st March, 2022		As at 31 st March, 2021	
	Assets	Liabilities	Assets	Liabilities
Derivative financial instrument - current				
Forward foreign currency contracts	107.93	-	-	-

Derivative contracts entered by the Company and outstanding as at Balance Sheet date:

The category wise break up of amount outstanding as at Balance Sheet date is given below:

(₹ in Lakhs)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Forward foreign currency contracts (buy)	-	-
Forward foreign currency contracts (sell)	27,843.88	22,906.35

28.3.13. There is no amount due and outstanding to be credited to the Investor Education and Protection Fund as at 31st March, 2022 and 31st March, 2021.

28.3.14. The Company has made the following arrangement with the Banks for availing both Fund based and non-fund-based limits from time to time.

Non-fund based (as on 31st March)

(Rs. in Lakhs)

S. No	Name of the Bank	Non-Fund Based	Limit	Outstanding
1	Indusind Bank	LC/BG/BC	20,000.00 (20,000.00)	5,557.15 (10,443.73)
2	Kotak Bank	LC/BG	Nil (10,000.00)	Nil (Nil)
3	Yes Bank	LC/BG	10,000.00 (10,000.00)	Nil (Nil)
4	ICICI Bank	LC/BG	8,000.00 (7,000.00)	NIL (Nil)
5	HDFC Bank	LC/BG	15,000.00 (9,500.00)	Nil (Nil)
Total			53,000.00 (56,500.00)	5,557.15 (10,443.73)

Note: Previous year figures are in bracket.

The total Rs. 5,557.15 Lakhs (Previous year Rs 10,443.73 Lakhs) consists of Rs. 1,234.98 Lakhs (Previous year Rs 6,345.31 Lakhs) and Rs. 4,322.17 Lakhs (Previous year Rs 4,098.42 Lakhs) towards LC and BG respectively.

In addition to above, value of matching Forward Cover outstanding with Banks is Rs 27,844.16 Lakhs out of which Rs 9,927.45 Lakhs booked with ICICI Bank and Rs 17,916.71 Lakhs booked with Yes Bank (Previous year Rs 22,906.35 Lakhs with IndusInd Bank).

LC: Letter of Credit, BG: Bank Guarantee, BC: Buyers Credit.

Fund based (as on 31st March)

(₹ in Lakhs)

S. No	Name of the Bank	Fund Based	Limit	Outstanding
1	Union Bank of India	Secured Overdraft Limit -against deposit	15,600.00 (Nil)	Nil (Nil)
2	Canara Bank	Secured Overdraft Limit-against deposit	15,500.00 (34,400.00)	Nil (Nil)

Note: 1. Previous year figures are in bracket.

2. The Company utilize the secured overdraft limit (with lien on fixed deposits) during the year to meet its short term working capital requirements.



28.3.15. During the current year, Company has declared dividend @ Rs. 1.64 per share for the Financial Year 2020-21 (Previous year Rs. 0.70 per Shares) and paid Rs. 9967.12 Lakhs (Previous year Rs 4,353.48 Lakhs).

Further, the Company has declared interim dividend @ Rs 0.98 per share for the financial year 2021-22 (Previous year Nil per Shares), paid an amount of Rs 5955.96 Lakhs (Previous year Nil).

Proposed Dividend:

The Company proposed final dividend @ Rs 0.79 per equity share for the FY 2021-22, in addition to interim dividend already paid @ Rs 0.98 per equity share during the year. With the proposed final dividend, if approved, total dividend payment would be 17.70% of equity share capital (previous year 16.40 %) amounting to Rs 10,757.19 Lakhs (previous year Rs 9,967.12 Lakhs).

For and on behalf of Board of Directors

Sd/-
T. Saminathan
Chairman-cum-Managing Director

Sd/-
(S K Gorai)
Director (Finance)

as per our report of even date
for M/s YCRJ & Associates
Chartered Accountants
(Firm Registration No: 006927S)

Place: New Delhi
Date: 24th May, 2022

Sd/-
(P K Mishra)
Company Secretary

Sd/-
(Rajnish Rama Rao)
Partner
Membership No: 202465



KIOCL LIMITED

(A Government of India Enterprise)

(CIN: L13100KA1976GOI002974)

Regd. Office: II Block, Koramangala, Bengaluru – 560034

Tele/Fax: 080-25531525, Website: www.kioclltd.in, E-mail: cs@kioclltd.in

NOTICE

NOTICE IS HEREBY GIVEN THAT THE FORTY-SIXTH ANNUAL GENERAL MEETING (“AGM”) OF THE MEMBERS OF KIOCL LIMITED (CIN: L13100KA1976GOI002974) will be held on Saturday, the 17th day of September, 2022 at 12:00 Noon through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”) to transact the following business(es):

ORDINARY BUSINESS:

- To receive, consider and adopt the Audited Balance Sheet as at March 31, 2022 and the Profit and Loss Account for the Financial Year ended on March 31, 2022 together with the Reports of the Board of Directors and the Auditors thereon and Comments of the Comptroller and Auditor General of India.
- To confirm payment of interim dividend and declare final dividend for the financial year 2021-22 and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:
“RESOLVED THAT an interim dividend @ 9.8% (₹ 0.98 per equity share of face value of ₹10/- each) on the paid-up equity share capital of the Company, paid to the shareholders for the financial year 2021-22 be and is hereby confirmed and final dividend @ 7.9% (₹ 0.79 per equity share of face value of ₹10/- each) as recommended by the Board of Directors be and is hereby declared out of the profits of the Company for the financial year 2021-22”.
- To appoint a Director in place of Ms. Sukriti Likhi (DIN: 01825997), who retires by rotation at this AGM and being eligible, offers herself for re-appointment
- To appoint a Director in place of Shri S.K. Gorai (DIN: 07223221), who retires by rotation at this AGM and being eligible, offers himself for re-appointment.
- To pass with or without modification(s) the following Resolution as an Ordinary Resolution for fixing the remuneration of Statutory Auditors: -
“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, the Board of Directors, be and are hereby authorized for fixation of Annual Statutory Audit Fee payable to the Statutory Auditors for the Financial Year 2022-23.”

SPECIAL BUSINESS

6. Ratification of Remuneration of the Cost Auditor

To consider and if thought fit, to pass, with or without modification (s), the following Resolution(s) 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 Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. R.M. Bansal & Co., Cost Accountants re-appointed as cost auditor to conduct the audit of the cost records of Pellet Plant Unit of Company for the financial year 2022-23, at a remuneration of ₹ 50,000/- (Rupees Fifty Thousand Only) plus taxes as applicable and reimbursement of actual travel and other out of pocket expenses, by the Board of Directors of the Company, be and is hereby ratified and confirmed;

RESOLVED FURTHER THAT Chairman-cum-Managing Director, Director (Finance) and Company Secretary be and are hereby severally authorized, to settle any question, difficulty or doubt, that may arise in giving effect to this Resolution and to do all such acts, deeds and things as may be necessary, proper or expedient to give effect to this Resolution.”

By Order of the Board of Directors
KIOCL Limited,

Sd/-

(P. K. Mishra)

Company Secretary
(M No. ACS 28174)

Place: Bengaluru
Dated: 03/08/2022

NOTES:

1. In view of the continuing COVID-19 Pandemic, the Ministry of Corporate Affairs ("MCA") vide its circular no. 20/2020 dated May 5, 2020 read with circulars no. 14/2020, 17/2020, 02/2021, 21/2021 and 2/2022 dated April 8, 2020, April 13, 2020, January 13, 2021, December 14, 2021 and May 5, 2022 respectively (collectively referred to as "MCA Circulars") and SEBI vide its circulars no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 & SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), MCA and SEBI Circulars, the AGM of the Company is being held through VC / OAVM.
2. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed.
3. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA and SEBI 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 is not annexed to this Notice.
4. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. The Company has appointed Mr. P. S. Bathla of M/s PS Bathla & Associates, Practising Company Secretaries as the Scrutinizer for conducting the remote e-voting and e-voting at the AGM in a fair and transparent manner.

Institutional / Corporate Shareholders are required to send a scanned copy of its Board or governing body Resolution/ Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to bathla7@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com (CDSL).

6. The Company has fixed Saturday, September 10, 2022 as the 'Record Date' for determining entitlement of members to final dividend for the financial year ended March 31, 2022, if approved at the AGM.
7. The shareholders may note that the Income-tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividend paid or distributed by a company after April 1, 2020 shall be taxable in the hands of shareholders. The Company shall therefore be required to deduct tax at source ("TDS") at the time of making the payment of final dividend. In order to enable us to determine the appropriate TDS rate as applicable, shareholders are requested to submit relevant documents, as specified in the below paragraphs, in accordance with the provisions of the IT Act

For resident shareholders, taxes shall be deducted at source under Section 194 of the IT Act as follows:

1. Shareholders having valid Permanent Account Number ("PAN") - 10% or as notified by the Government of India.
2. Shareholders not having PAN / valid PAN - 20% or as notified by the Government of India.

The shareholders are requested to update their PAN with the Company (in case of shares held in physical mode) and with depositories (in case of shares held in demat mode). No tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during fiscal 2023 does not exceed ₹ 5,000 and also in cases where shareholders provide Form 15G / Form 15H (Form 15H is applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / nil withholding tax. PAN is mandatory for shareholders providing Form 15G / 15H or any other document as mentioned above. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Mutual Funds registered under Section 10(23D) of Income Tax Act, 1961 require to send the copy of Registration Certificate to avail the benefit of non-deduction of tax at source.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document in support of Tax benefit.

The aforesaid forms/declaration and other documents need to be submitted by the shareholders to avail the benefits of TDS on Dividend, by sending an email to purnachandra.jena@kioclltd.in by 5 P.M. IST on 12/09/2022.



8. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Registrar and Share Transfer Agent of the Company, in case the shares are held by them in physical form.
9. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019. Further, transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialized form with effect from January 24, 2022. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, M/s. Integrated Registry Management Services Private Limited for assistance.
10. SEBI vide its circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 had mandated to furnish PAN, KYC details and Nomination of physical shareholders to the RTA of the Company, failing which all such physical folios shall stand frozen with effect from April 1, 2023. In this regard, Company sent letter along with requisite forms to all the physical shareholders on December 31, 2021. Further, all the requisite forms i.e., ISR-1, ISR-2, ISR-3, SH-13 and SH-14 for registering PAN, KYC details or changes and/or Updation, Confirmation of Signature by Bank, Declaration for opting-out of Nomination, Request for registering Nomination and Request for cancellation or Variation in Nomination respectively are hosted on the website of the Company at <https://kioclltd.in/data.php?id=68>.

Members are requested to register such details or intimate changes, if any, to their DP's in case the shares are held in electronic form and to Registrar and Share Transfer Agent of the Company in case the shares are held in physical form in the prescribed formats.

Further, SEBI vide its circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated the issuance of securities in dematerialised form only in case of requests received for 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. Members are requested to furnish Form ISR-4 hosted at Company's website at <https://kioclltd.in/data.php?id=68> along with the respective forms mentioned at para 10 for executing aforesaid requests.

11. In case of joint holders, the 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.
12. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 12/09/2022 through email on cs@kioclltd.in. The same will be replied by the Company suitably.
13. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, and the Register of Contracts or Arrangements, in which the Directors are interested, maintained under Section 189 of the Act will be made available to members for inspection in electronic mode only. Members willing to inspect the aforesaid documents can write at cs@kioclltd.in along with following details like Name of the Shareholder, Folio no. / DP ID/ Client ID as the case may be, No. of shares held in the Company and requisite document required for Inspection. The requisite document will be sent through email to the concerned shareholder.
14. Relevant Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the Special Businesses, set out above is annexed hereto.
15. In pursuance to provisions of Section 152(6)(a) of the Companies Act, 2013, Ms. Sukriti Likhi (DIN: 01825997), Govt. Nominee Director and Shri S.K. Gorai (DIN: 07223221), Director (Finance) retire by rotation and being eligible, offers themselves for re-appointment. Further, brief resume pursuant to Regulation 36(3) of the Listing Regulations and as per provisions of Secretarial Standard-2 in respect of Directors seeking re-appointment/ appointment at the AGM forms part of this Notice.
16. In pursuance to provisions of Section 139(5) read with Section 142 of the Companies Act, 2013, the Auditors of a Government Company are appointed or re-appointed by the Comptroller & Auditor General (C&AG) of India and their remuneration is fixed by the Company in the Annual General Meeting. The General Meeting may authorize the Board to fix up an appropriate remuneration of Auditors for the Financial Year 2022-23 as may be deemed fit by the Board.
17. Members are requested to note that, dividends which are not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends / shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in. The Company has also uploaded the details of such members whose shares have been transferred to IEPF Account on its website www.kioclltd.in.

18. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website www.kioclltd.in, websites of the Stock Exchanges i.e. NSE, BSE Limited & MSEI at www.nseindia.com, www.bseindia.com, & www.msei.in respectively, and on the website of CDSL at www.evotingindia.com.
19. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
20. Instructions for e-voting and joining the AGM are as under: -

CDSL e-Voting System – Remote & Venue Voting Facility.

1. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021, December 14, 2021 and May 5, 2022, 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 entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as venue voting system on the date of the AGM will be provided by CDSL. Further, in view of the outbreak of the COVID-19 Pandemic, physical attendance of the Members to the AGM venue is not required and (AGM) shall be held through video conferencing (VC) or other audio-visual means (OAVM) only. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the members such as the President of India or the Governor of any State/ U.T. or the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. The 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, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. **Process for those shareholders whose email ids/ mobile no. are not registered with the Company/ Depositories :**
 - a. For Physical shareholders - Please provide necessary details like Folio No., Name of shareholder, mobile no., email ID, 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 irg@integratedindia.in.
 - b. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP).
 - c. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

- (i) The voting period begins on Wednesday, 14/09/2022 at 09:00 a.m. and ends on Friday 16/09/2022 at 05:00 p.m. During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 10/09/2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.



- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote during the meeting.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders’ resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple E-voting Service Providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 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.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode (CDSL/NSDL) is given below:

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 URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 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 are also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, 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 https://web.cdslindia.com/myeasi/Registration/EasiRegistration.. 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 or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. 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 with NSDL	<ol style="list-style-type: none"> 1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nSDL.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting 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 name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.



Type of shareholders	Login Method
	<p>2. If the user is 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.jsp</p> <p>3. 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. 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
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. After Successful login, you will be able to see e-Voting option. Once you 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 name and you will be redirected to e-Voting service provider website 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(s).

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
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
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 toll free no.: 1800 1020 990 and 1800 22 44 30

(v) Login method for e-Voting and joining virtual meeting for physical shareholders and shareholders other than individual shareholders holding in Demat form.

1. The shareholders should log on to the e-voting website www.evotingindia.com.
2. Click on “Shareholders” module.
3. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

6. If you are a first-time user follow the steps given below:

For Physical Shareholders and other than individual shareholders holding shares in Demat	
PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for Resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For Members holding shares in physical form, the details can be used only for e-voting on the Resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <KIOCL LIMITED> on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the Resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the Resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) Facility for Non – Individual Shareholders and Custodians – Remote Voting**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically and can be delink in case of any wrong mapping.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at the email address bathla7@gmail.com and to the Company at the email address cs@kioclltd.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops/IPads for better experience.
5. Further Shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@kioclltd.in.
8. Shareholders who do not wish to express their views during the AGM but have queries, may send their queries in advance at least 7 days prior to meeting mentioning their name demat account number/folio number, email id, mobile number at cs@kioclltd.in. The same will be replied by the company suitably via email only.
9. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
10. Only those shareholders, who are present in the 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 available during the AGM.
11. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

OTHER INSTRUCTIONS

- a) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-Voting (votes cast during the AGM and votes cast through remote e-Voting) and make, not later than 'two working days' of 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 authorised by him in writing.
- b) The result declared along with the Scrutinizer's Report shall be placed on the Company's website at www.kioclltd.in and on the website of CDSL www.evotingindia.com immediately. The Company shall simultaneously forward the results to NSE, BSE and MSEI, where the shares of the Company are listed.

DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE AGM

(Pursuant to Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Brief Resume of the Directors		
Name	Ms. Sukriti Likhi (DIN: 01825997)	Shri S.K. Gorai (DIN: 07223221)
Date of Birth & Age	04/08/1968 and 54 years	13/01/1963 & 59 years
Date of Appointment	23/04/2021	11/11/2016
Qualification	<ol style="list-style-type: none"> 1. Master's in Public Administration from Harvard University (USA). 2. Master's in Sociology from the Delhi School of Economics. 3. Bachelor's degree in Economics (Honours) from Lady Shri Ram College. 	<ol style="list-style-type: none"> 1. M.Com. from Calcutta University. 2. Chartered Accountant from the Institute of Chartered Accountants of India. 3. PGDBM (Finance & Strategy) from MDI, Gurgaon.
Nature of expertise in specific functional areas	<p>Ms. Sukriti Likhi is presently holding the post of Additional Secretary and Financial Advisor, Ministry of Steel, Government of India and belongs to the Indian Administrative Service (Haryana Cadre-1993).</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.</p>	<p>Shri S.K. Gorai has more than three decades of diversified, multi-cultural, multi-country, multi-industry, inter functional experience in eleven large CPSU / Private / MNC Companies.</p> <p>His multi-functional exposure includes Finance & Accounts, Human Resource, Information Technology, Law and Board affairs. His expertise is particularly deep in Project Appraisal, Project Financing, Cost Estimation and Project Controlling, Fund raising and management, Taxation in MNC / large Companies both in private as well as public sectors. Shri Gorai has exposure in the areas of Fund Raising, Financial Analysis, Budgeting, Fund Management, Procurements, Bid Evaluation & Price Negotiation of EPC/ LSTK projects, Contract Management, ERP Implementation, Human Resource Management and Information Technology.</p>
Disclose 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	<ol style="list-style-type: none"> 1. NMDC Limited 2. MOIL Limited 3. Steel Authority of India Limited 	NIL
Cessation from listed entities (in past three years)	NIL	NIL
Membership/Chairmanship of Committees of the Board	NIL	Member of Corporate Social Responsibility Committee, Risk Management Committee and Investment, Project Appraisal & Monitoring Committee of the Company
No. of Equity shares held in KIOCL Limited	NIL	NIL
Attendance in Board Meetings held during 2021-22	<p>No. of meetings held: 6</p> <p>No. of meetings attended: 6</p>	<p>No. of meetings held: 6</p> <p>No. of meetings attended: 6</p>



EXPLANATORY STATEMENT

[Pursuant to Section 102(1) of the Companies Act, 2013]

As required by Section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item No. 6 of the accompanying Notice: -

Item No. 6: Ratification of the Remuneration of Cost Auditor

The Board of Directors of the Company, on the recommendation of the Audit Committee, has approved the re-appointment of M/s R.M. Bansal & Co., Cost Accountants to conduct the audit of the cost records of the Pellet Plant Unit of Company for the Financial Year 2022-23, at a remuneration of ₹50,000/- (Rupees Fifty Thousand Only) plus taxes as applicable and reimbursement at actual travels and other out of pocket expenses.

In accordance with the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration payable to the Cost Auditors as approved by Board of Directors is required to be subsequently 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. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year 2022-23.

None of the Directors / Key Managerial Personnel of the Company is, in any way, concerned or interested, financially or otherwise, in this Resolution.

The Board recommends the Ordinary Resolution for approval by the shareholders.

By Order of the Board of Directors
KIOCL Limited,

Sd/-
(P. K. Mishra)
Company Secretary
(M No. ACS 28174)

Place: Bengaluru
Dated: 03/08/2022

The Resolutions listed for 46th Annual General Meeting are indicated below: -

Sl. No.	Resolution
ORDINARY BUSINESS	
1.	Adoption of Financial Statements for the year ended 31 st March, 2022 and the Reports of the Board of Directors and the Auditors thereon and Comments of the C&AG.
2.	To confirm Interim dividend and declare Final Dividend for the year ended 31 st March, 2022.
3.	Reappointment of Ms. Sukriti Likhi (DIN: 01825997), as a Director who retires by rotation.
4.	Reappointment of Shri S.K. Gorai (DIN: 07223221), as a Director who retires by rotation.
5.	Fixing the remuneration of Statutory Auditors.
SPECIAL BUSINESS	
6.	Ratification of the Remuneration of the Cost Auditor.

KIOCL OFFICES

MANGALURU OFFICE

New Mangaluru Port, Panambur
Mangaluru-575 010. Karnataka
Telephone No.: 0824-2403393/2408124
Fax No.: 0824-2407422
E-mail: mgmp@kioclltd.in

VISAKHAPATNAM OFFICE

Door No. 15-15-13/7, Flat No.: S-2
Satya Sai Nivas, Buddhavarapu Gardens, Beach Road,
Visakhapatnam-530 002
Andra Pradesh
Telephone/Fax No.: 0891-2739530
E-mail: kioclvizag@kioclltd.in

BLAST FURNACE UNIT

Plot No. 456 & 457, Baikampady
Industrial Area, Panambur,
Mangaluru - 575 010
Telephone No.: 0824-2408911
Fax Nos: 0824-2409366, 2408944
E-mail: bfugmp@kioclltd.in

KUDREMUKH OFFICE

Kudremukh, Jambale Post - 577 124
Chickmagalur District, Karnataka
Telephone No.: 08263 254148
Fax No.: 08263 254117
E-mail: kgmk@kioclltd.in

NEW DELHI OFFICE

Himalaya House, 9th Floor, No. 23
Kasturba Gandhi Marg,
New Delhi - 110 001
Telephone No.: 011 23315665, 23315686
Fax No.: 011 23721696
E-mail: kiocln@kioclltd.in

BACHELI OFFICE

Qtr. M. Type 111/FF/06
Near NMDC Bachel Guest House
Bachel - 494 553
Dantewada District, Chhattisgarh

SANDUR OFFICE

Door No. 375, Prashanth Nivas,
Krishna Nagar,
Sandur - 583 119.
Bellary District, Karnataka
E-mail: smed@kioclltd.in

BAGALAKOTE OFFICE

2 BH Staff Quarter in 1+2 Floor,
Premises of Divisional Office, KSMCL
Sector-63A, Nava Nagar,
Bagalkot - 587 103
Karnataka
E-mail: bktmed@kioclltd.in

REGISTERED OFFICE

II Block, Koramangala
Bengaluru - 560 034
Telephone No.: 080 25531461-70, 25535937-40
Fax No.: 080 25532153, 25535941, 25630984
E-mail: cs@kioclltd.in



📍 II Block, Koramangala, Bengaluru - 560034

📞 25531461 to 25531466 (6 lines)

🌐 kioclltd.in

KIOCL Limited

(A Government of India Enterprise)
CIN:L13100KA1976GOI002974



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