

MEMORANDUM OF UNDERSTANDING (MoU)

BETWEEN

MOIL LIMITED

AND

**MINISTRY OF STEEL
GOVT. OF INDIA**

2023-24



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

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Brief about the CPSE

1	Name of the CPSE	MOIL LIMITED
2	Status	MINIRATNA – Category I
3	Schedule of the CPSE	SCHEDULE – A
4	Purpose for which CPSE has been setup and the main business now	Extraction and sales of manganese ore
5	Any capital restructuring during 2022-23, i.e. buy-back of shares, issue of bonus shares, issue of fresh shares, splitting of shares and percentage of PAT given as dividend	- NIL -
6	Whether shares are listed (if yes, name of Stock Exchange and price of the share as on date).	Yes NSE : Rs. 217.65 AS ON 23-08-2023 BSE : Rs. 217.35 AS ON 23-08-2023
7	Any Change in Capacity during the year or next year (MoU year)	- NIL -
8	Any business unit hived off or to be hived off or added or to be added during the year or next year (MoU year)	- NIL -

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

MOIL Ltd. (Standalone) - MoU 2023-24

S.No.	Name of Parameter	Unit	Weightage	Target 2023-24
1	Revenue from Operations	Rs. Cr.	10	1790
2	Production of Manganese Ore	Lakh Tonne	17	17.56
3	Production of Electrolytic Manganese Dioxide	Tonne	3	1500
4	Production of Ferro Manganese	MT	3	12000
5	CAPEX	Rs. Cr.	10	290
6	EBITDA as a percentage of Revenue	%	10	41.80
7	Return on Net Worth	%	15	17.59
8	Asset Turnover ratio	%	5	66.30
9	Acceptance/ Rejection of Invoices of Goods & Services through TReDS Portal within Specified time	%	5	100
10	GeM Procurement as per approved procurement plan	%	2	100

11	Trade Receivables as no. of days of Revenue from Operations	Number of Days	3	30
12	Expenditure on R&D/ Innovations Initiatives as % of PBT	%	2	2.29
13	Total Return to Shareholders	%	15	100
		Total	100	

Notes:

- The targets are based on projections for the FY 2022-23 and the same shall be subject to revision on the basis of audited figures.
- Vision provided by the administrative Ministry is also considered for Benchmarking.
- CAPEX targets - As per Budget Document of Union Govt. (Statement 26)
- Target for Expenditure on R&D / Innovations Initiatives is based on PBT of FY 2023-24 and achievement to be confirmed based on Annual Report of CPSE.
- TRS parameter will be benchmarked to BSE 500 Index and the proportionate marking for achievement as per benchmarked range.
- Proportionate marks for achievement of 50% to 100% Targets except for the parameter on TRS.
- No marks for achievement below 50.00% of Targets.

Compliance parameters for 2023-24

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

Compliance parameters for 2023-24

S.No.	Parameter	Marks	Source/ Verification
8	Compliance with provisions relating to TReDS as outlined in DPE OM No. DPE-7(4)/2007- Fin dated 04-05-2020	-1	Administrative Ministry

CMD / MD, MOIL Ltd.

Date -

Secretary, Ministry of Steel

Date - नगेंद्र नाथ सिन्हा/NAGENDRA NATH SINHA
सचिव/Secretary

इस्पात मंत्रालय/Ministry of Steel
उद्योग भवन, नई दिल्ली
Udyog Bhawan, New Delhi

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