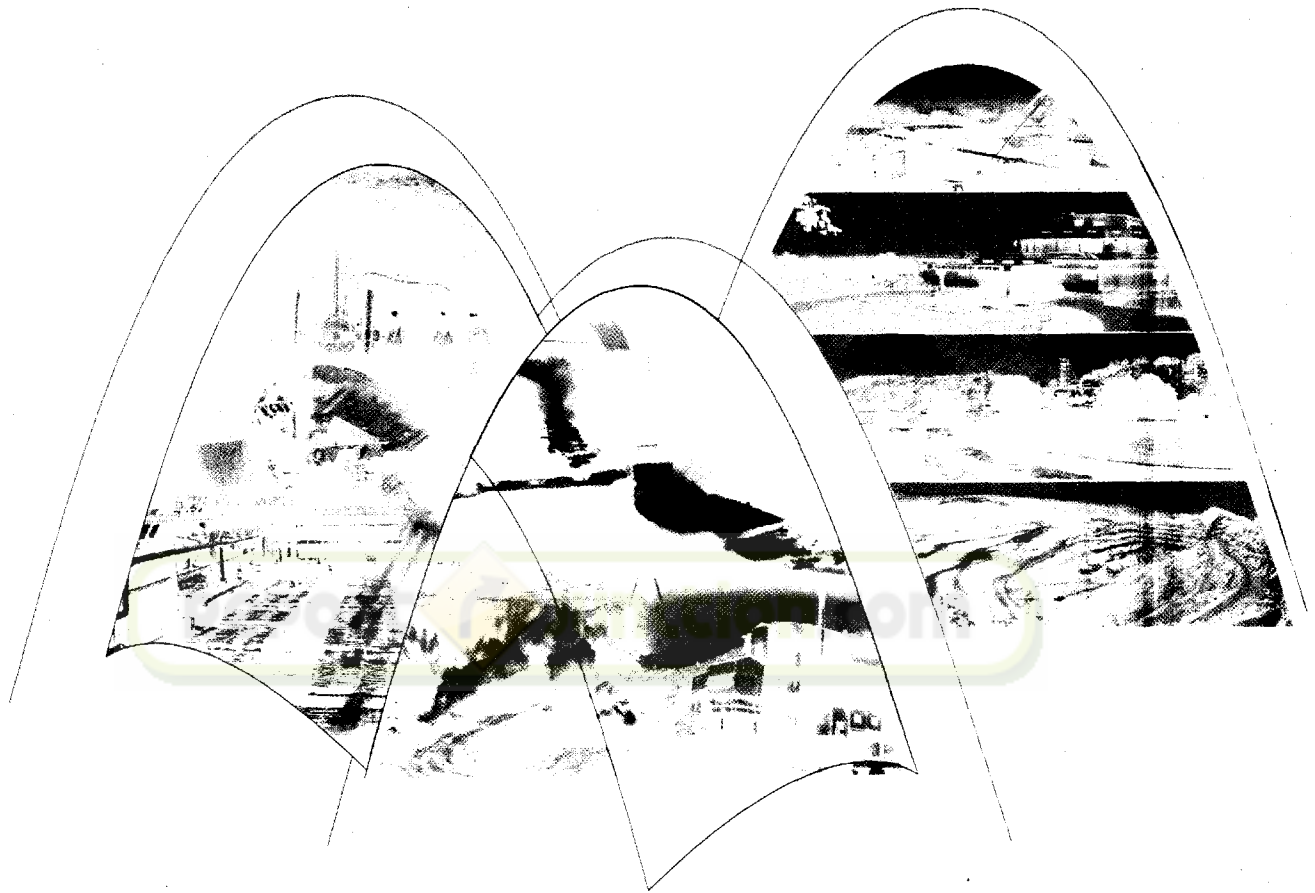


# 43<sup>rd</sup> Annual Report 2004-2005



**मॉयल  
MOIL**

**Manganese Ore (India) Limited**  
*Adding Strength to Steel.....*



**Shri Kishanlal Mehrotraa, CMD, MOIL presenting dividend cheque to Hon'ble Minister of Steel, Chemical & Fertilizers, Shri Ramvilas Paswan.**

Report  junction.com



**Shri Kishanlal Mehrotraa, CMD, MOIL presenting dividend cheque and Donation of Rs. 5 Lakhs to Chief Minister Relief Fund to Hon'ble Chief Minister of Maharashtra, Shri Vilasrao Deshmukh.**

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# MANGANESE ORE (INDIA) LIMITED

(A Government Undertaking)

## REGISTERED OFFICE

3 Mount Road Extension, Post Box No. 34  
Nagpur-440 001 (Maharashtra)

## BOARD OF DIRECTORS

### CHAIRMAN-CUM-MANAGING DIRECTOR

Shri K. L. Mehrotraa

(from 1/07/2005)

Shri P. M. Reddy

(upto 30/6/2005)

### DIRECTORS

Dr. S. N. Dash

Shri V. K. Jairath

Dr. Devraj Birdi

Shri M. K. Moitra

Shri A. N. Palwankar

Shri S. N. Padhi

Shri B. B. Choudhary

Director (Commercial)

Shri S. M. Bothra

Director (Prod. & Planning)

Shri M. A. V. Goutham

Director (Finance)

Dr. K. L. Ukey

COMPANY SECRETARY & SR. DY. G. M. (LEGAL)

### AUDITORS

Rodi Dabir & Co.

Chartered Accountants, Nagpur

### BANKERS

Bank of India

State Bank of India

Syndicate Bank



## PERFORMANCE AT A GLANCE

PARTICULARS	2004-2005	2003-2004	2002-2003	2001-2002	2000-2001	1999-2000
<b>FINANCIAL (Rs. Lakhs)</b>						
Sales	<b>37,877.58</b>	22,874.25	17,787.60	16,791.80	16,522.42	13,410.98
Gross Margin	<b>21,065.17</b>	5,266.73	3,458.79	3,835.23	3,682.59	2,282.86
Profit Before Tax	<b>20,226.73</b>	4,529.43	2,783.07	2,996.18	3,099.38	1,720.96
Profit After Tax	<b>12,690.03</b>	2,851.60	1,778.06	1,951.80	2,004.76	1,173.47
Dividend	<b>919.51</b>	459.75	413.78	413.78	413.78	306.50
Share Capital	<b>1,532.51</b>	1,532.51	1,532.51	1,532.51	1,532.51	1,532.51
Reserves & Surplus	<b>25,224.55</b>	13,584.16	11,251.22	10,438.90	8,900.83	7,358.18
Borrowings	<b>NIL</b>	NIL	NIL	NIL	NIL	NIL
Gross Block	<b>12,638.97</b>	11,272.08	10,772.49	9,656.36	9,007.53	8,096.55
Working Capital	<b>20,871.00</b>	9,833.00	7,505.00	7,610.35	6,232.00	4,900.00
Capital Employed	<b>26,077.00</b>	14,207.00	12,000.00	11,592.00	10,022.00	8,270.00
Profit Before tax to Capital Employed %	<b>77.57</b>	31.88	23.19	25.85	30.92	20.81
Profit Before tax to Sales %	<b>53.40</b>	19.80	15.65	17.84	18.76	12.83
Debt to Equity Ratio	<b>NIL</b>	NIL	NIL	NIL	NIL	NIL
<b>CONTRIBUTION TO EXCHEQUER</b>						
Income Tax	<b>7,529.65</b>	1,719.17	991.78	1,044.38	1,094.62	547.49
Sales Tax	<b>1,642.24</b>	914.64	731.59	566.98	659.44	747.19
Royalty & Cess	<b>1,036.53</b>	586.52	472.26	398.14	310.55	181.91
Excise duty	<b>408.15</b>	481.25	353.94	335.47	444.30	352.51
<b>PHYSICAL</b>						
<b>Production</b>						
Manganese Ore (Lakhs tonnes)	<b>9.43</b>	7.99	7.14	6.76	6.54	6.52
E.M.D. (Tonnes)	<b>1123</b>	975	930	786	781	761
Ferro-Manganese (Tonnes)	<b>10,325</b>	10,899	5,996	8,763	11,327	9,787
Output per Man Shift (O.M.S. / Tonnes)	<b>0.610</b>	0.507	0.446	0.411	0.378	0.345



## BOARD OF DIRECTORS



Shri K. L. Mehrotra



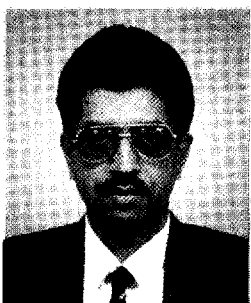
Shri P. M. Reddy

CHAIRMAN  
-CUM-  
MANAGING  
DIRECTOR



Dr. S. N. Dash

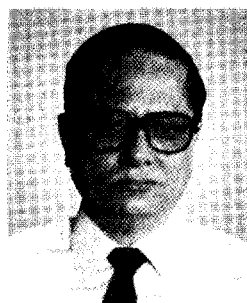
DIRECTORS



Shri V. K. Jairath



Dr. Devraj Birdi



Shri M. K. Moitra



Shri A. N. Palwankar



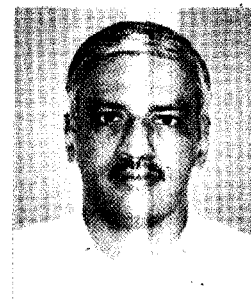
Shri S. N. Padhi



Shri B. B. Choudhary



Shri S. M. Bothra



Shri M. A. V. Goutham

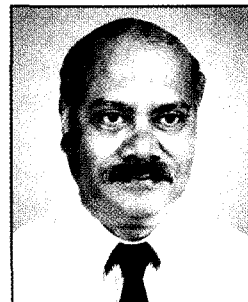


## SENIOR EXECUTIVES

### EXECUTIVE DIRECTORS



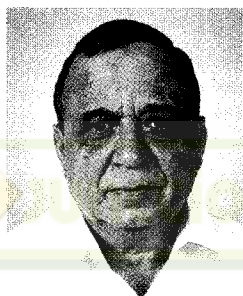
Shri D. L. Choudhary



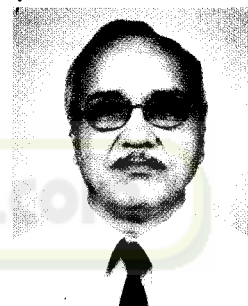
Shri P. K. Banerjee



Shri A.K. Mehra

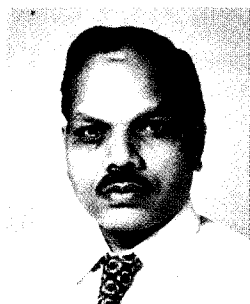


Shri P. D. Sharma

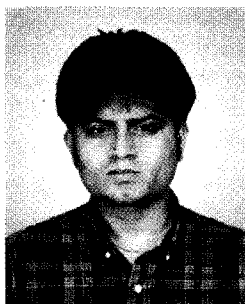


Shri C.P. N. Pathak

### GENERAL MANAGERS



Dr. K. L. Ukey  
Company Secretary &  
Sr. Dy. G.M. (Legal)



Shri. B. Dasgupta  
Dy. Company Secretary

### COMPANY SECRETARIES



## CHAIRMAN'S SPEECH AT THE 43<sup>rd</sup> ANNUAL GENERAL MEETING



P. M. REDDY

Dear Shareholders,

I extend a hearty welcome to you to this 43<sup>rd</sup> Annual General Meeting of the Company. You have already received the Audited Annual Accounts and the Director's Report for the year ended 31<sup>st</sup> March 2005 and with your permission I take them as read:

### ■ PERFORMANCE HIGHLIGHTS :

In the year under review your company registered the turnover of Rs. 378.78 crore which was the highest since inception and higher than the previous year. The Company has registered a magnificent post tax profit of Rs. 126.90 Crore as against Rs. 28.52 crore in the previous year. It is worthwhile to note that your Company is a Zero Debt Company for 6 years.

### ■ CORPORATE GOVERNANCE

The Corporate Governance has become the buzz-word and occupies the important position in the corporate world. It is an endeavour of your Company to achieve higher standards of corporate governance by safeguarding the interest of all stakeholders. Your Company is prompt in compliance of requirement as per various applicable laws and directions issued by different statutory authorities.

### ■ HUMAN RESOURCES

The Company attaches great importance to Human Resources Development, the main objectives of which, is to enhance skills, knowledge and competence of employees. The company gives emphasis towards promoting ideal work culture to achieve optimum utilisation of manpower.



Your Company has entered into Wage Agreement with the recognised union for revision of pay scale of Non Executive Employees w. e. f. 1st August, 2002 and the same has been implemented from month of May, 2005.

#### ■ DIVERSIFICATION RESEARCH & DEVELOPMENT

Your Company has been traditionally a single product company but with the help of diversification projects and R & D your company is aiming to become a multi-product organisation in due course of time. The details of the Diversification projects and R & D activities have been already given in the Director's Report.

#### ■ DIVIDEND

As a good corporate practice, your Company believes in increasing the returns to its shareholders year after year. In this year under review as your company has earned substantial profits, your Board of Directors have recommended dividend @ 60% on equity share capital which is twice the rate as compared to last year. I am sure the shareholders will be pleased to appreciate this and declare the dividend.

#### ■ MOU RATING

You may perhaps be aware that MOIL is one of the few PSEs in the country, which has been signing Memorandum of Understanding (MOU) with the Government continuously for last 15 years. Your Company's performance has been rated as Excellent consecutively for last 9 years. Further the Company has been awarded Prime Minister's Merit Certificate from 1998-99 onwards continuously for good performance.

#### ■ DISINVESTMENT OF SHARES

The Government has decided not to pursue the disinvestment of 51% of equity, through strategic sale of your Company in the light of the policy laid down in National Common Minimum Programme.

#### ■ FUTURE OUTLOOK

The scenario in the steel industry is not very encouraging, however, this is a temporary phase and it is expected that the position will improve in due course of time. You may be aware that the fortunes of Mining Industries always fluctuate with the prospects of steel industry. Realising this limitation your company has embarked upon several diversification programmes so that it can sell more and more value added products in addition to manganese ore.

#### ■ ACKNOWLEDGEMENT

I express my sincere thanks and gratitude to all my colleagues on the Board for their valuable advice and guidance in managing the affairs of the company. I acknowledge the hard work and dedicated efforts put-in by the employees of the company at all levels taking the company's performance to greater heights. I am thankful for the wholehearted support received from Ministry of Steel/other Ministries/Departments of the Government of India, Government of Maharashtra and Government of Madhya Pradesh, other State Governments, Company's Bankers and valued customers.

Sd/-  
(P. M. REDDY)  
Chairman-cum-  
Managing Director

Nagpur

Dated : 29/06/05





## DIRECTORS' REPORT TO THE SHAREHOLDERS

### LADIES & GENTLEMEN,

Your Directors have pleasure in presenting the 43rd Annual Report on the working of your Company alongwith the audited Annual Accounts for the year ended 31st March, 2005.

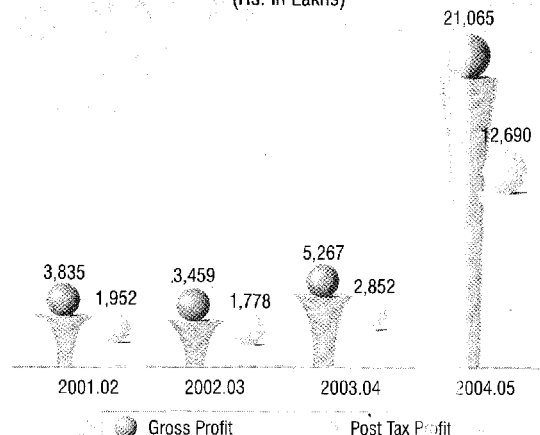
### FINANCIAL RESULTS

The operations of your Company during the year 2004-2005 as can be seen from the audited accounts enclosed, are extremely good and have resulted in a profit of Rs. 20226.73 lakh (previous year Rs. 4529.43 lakh).

The financial results of 2004-2005 and of the previous year are summarised below :-

	(Rupees in Lakh)	
	2004-2005	2003-2004
Profit before tax for the year	<b>20226.73</b>	4529.43
Less : Income Tax provision	<b>7529.65</b>	1719.17
Add/Less : Deferred Tax (Assets/Liability)	<b>7.04</b>	(41.34)
Profit after tax for the year	<b>12690.04</b>	2851.60
Add : Balance carried forward from Previous year	<b>27.55</b>	94.61
<b>Total</b>	<b>12717.59</b>	2946.21
Less :		
Transferred to :		
Dividend on Equity @ 60% (30%)	<b>919.51</b>	459.75
Tax on Dividend	<b>130.14</b>	58.91
General reserve	<b>11600.00</b>	2400.00
<b>Total</b>	<b>12649.65</b>	2918.66
Profit carried over	<b>67.94</b>	27.55

### Gross Profit and Post Tax Profit (Rs. In Lakhs)



### DIVIDEND

As your Company has earned a net profit after tax of Rs. 12690.04 lakh (previous year Rs. 2851.60 lakh) during the year, your Directors recommend for payment of dividend @ 60% on Equity Share Capital for the year 2004-2005.

### WAYS AND MEANS POSITION

The Company's overdraft position as on 31/03/2005 was NIL (NIL). The Cash Credit Limit of Rs. 800.00 lakh (as on 31/3/2004 Rs. 800.00 lakh) was surrendered since the Company is not availing any limits during past two years.

### Capital Employed and Net Worth (Rs. In Lakhs)

