



Chairman's Speech

at the

103rd Annual General Meeting

29th September, 2021

Good Morning!

Ladies & Gentlemen

On behalf of the Board of Directors of the Company, it is a great honour and privilege for me to extend a very warm welcome to all of you at the 103rd Annual General Meeting of Your Company.

The Directors' Report and the Audited Statement of the Accounts for the year FY 2020-21 and the Notice to the Shareholders have already been circulated and with your permission, I take them as read.

1) Operating Performance of Your Company:

As you know, OMDC has been working towards resumption of mining operations in Bagiaburu, Belkundi & Bhadrāsahi mines. Last year, OMDC had obtained extension of mining lease validity period by making payment of compensation and by obtaining clearance from Hon'ble Supreme Court for resumption of mining operation. The progress achieved in respect of statutory clearances is as below:

- a. Stage-II / Final approval of MoEF has been received for diversion of Forest Land in case of Bagiaburu mines. In case of the other 2 mines, proposals for extension of previous Forest Clearances co-terminus with the mining leases are being pursued.
- b. In case of Environment Clearances, Terms of Reference (TOR) have been obtained from MoEF for all the 3 mines. However, the conduct of Public Hearing is delayed on account of COVID-19 and the matter is being continuously pursued.
- c. A mining contractor has already been put in place for start of mining operations in Bagiaburu mines as soon the clearances are received. In case of the other 2 mines, tenders are under process for appointment of Mine Development cum Operators.
- d. Clearance of Hon'ble Supreme Court has also been obtained for sale of undisposed stock of minerals at Bhadrāsahi mines. Accordingly, auctions have been started since Apr'21 and sale proceeds of Rs.43.40 Cr could be obtained till 31.08.2021.

As mines remained inoperative, your company could not earn any revenue from sales in this year. However, by prudent cash planning, taking into consideration the Government Guidelines, your Company has earned interest & other income of Rs. 10.75 crores during the year on its Surplus funds parked in Term Deposits with different banks. The Loss before tax was Rs. (52.41) crores as compared to loss before tax of Rs. (48.36) crores in the previous year. The Loss after tax stood at (Rs. 39.65) crores as compared to loss of (Rs. 76.69) crores during the previous year.

2) Looking Ahead

The company is committed for renewal of mining operations and also geared up to move forward towards growth and better future by resolving the pending issues and effectively defending against the litigation.

3) Dividend for the year FY 2020-21

In view of the accumulated losses incurred by the Company during financial Year 2020-21, your Company have not proposed any dividend.

4) Corporate Governance

OMDC as a responsible Corporate citizen strongly believes in complying with the basic principles of Corporate Governance i.e. accountability, transparency, fairness and responsibility. Your company being a Central Public Sector Enterprise (CPSE) has been complying in toto with various guidelines issued by DPE/DoPT/DOE and various other government organizations.

Your Company has been adhering to the principles of good Corporate Governance so as to ensure ethical and efficient conduct of the affairs of the Company. OMDC aims at not only its own growth but also maximization of benefits to the shareholders, employees, customers, government and also the general public at large. For this purpose the company is continuously striving to improve its level of overall efficiency through good corporate governance practices in all its operations which are vital to achieve its Vision.

5) Corporate Social Responsibility (CSR)

Corporate Social Responsibility (CSR) has been an integral part of our business philosophy and your Company has been following it much before it became a norm for the corporate sector in India. The Company has been allocating CSR budget in line with guidelines circulated by DPE from time to time and as per provisions of Companies Act, 2013, amended from time to time.

Your Company's CSR activities are focused in areas such as Health, Education, Employment generation, Empowerment of women and Drinking Water etc. which are enumerated under schedule VII of Companies Act, 2013.

6) Acknowledgement

On behalf of your Company's Board of Directors, I wish to convey my sincere thanks to the valued Shareholders for their continuous support and reposing trust on us. This motivates us to excel in all our pursuits and constant endeavour to create value for the stakeholders.

I take this opportunity to thank the Government of India, Ministry of Steel, Ministry of Mines, Ministry of Environment and Forest & Climate Change, Ministry of Corporate Affairs, other Departments of Government of India, Government of Odisha, and all other Authorities and Regulatory bodies for their unstinted support and valuable guidance.

I thank you all once again and offer my best wishes for a very joyous festive season ahead.

Thank you and Jai Hind.

Chairman

Dated: 29th September, 2021

Place: Bhubaneswar