

एनएमडीसी लिमिटेड
(भारत सरकार का उद्यम)

NMDC Limited
(A GOVT. OF INDIA ENTERPRISE)



पंजीकृत कार्यालय: खनिज भवन, 10-3-311/ए,
कैसल हिल्स, मासाब टैंकल, हैदराबाद - 500 028

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सीआईएन CIN : L13100AP1958GOI001674

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16.07.2019

Dear Stakeholders,

The UN Global Compact's governance framework is the world's largest framework under which business organizations world-over strive to derive their strategies and operations towards sustainability initiative. It is a guiding light for organizations to evolve strategies and actions with focus on universal principles on human rights, labour, environment, anti-corruption and advancement of societal goals.

It has become a business language, which all business entities, regardless of size, complexity or location, are speaking to ensure responsive practices.

The United Nations laid foundation of a movement in September 2015 to end extreme poverty, fight inequality and injustice, and protect our planet by 2030. The focus areas of "Agenda 2030" are the 17 Sustainable Development Goals (SDGs) which clearly define the world we want — applying to all nations and leaving no one behind.

The Sustainable Development Goals result from a more inclusive process, with Governments, business, civil society and citizens from the outset as active partners. As an important part of the global society, business organizations have to play a very important role in the achieving these goals. The civil society together with the organizations through collaboration and innovation, can create an environment wherein, the development of societies and markets go hand in hand.

NMDC as a responsible business entity has always been on the forefront by contributing actively through its' business practices towards achieving the Ten Principles of UN Global Compact. NMDC will continue to play an important role in coming years to support these. I look forward to have you, as an active partner in our endeavor to support the UN Global Compact and its principles.

With warm regards,

Yours sincerely,

N Baijendra Kumar
Chairman – Cum – Managing Director

Principle 1: Business should support and respect the protection of internationally proclaimed human rights.

Commitment

Being a company registered in India, NMDC owes allegiance to the Constitution of India, which resolves to secure to all its citizens justice, liberty, equality and fraternity and which also encompasses the fundamental human rights as envisioned in the Universal Declaration of Human Rights. NMDC stands committed to support and respect the protection of internationally proclaimed human rights.

Systems

Though there is no specific provision as such for human rights in the Manual on Personnel Management of the company, the sub-stratum of the Manual ensures that its employees enjoy the fundamental human rights.

NMDC has in its management system provisions for health, safety, housing and education. Comprehensively covering all these aspects, NMDC has appropriate systems in place.

Actions

Health

- NMDC gives full and free medical care to its employees and the eligible members of their families.
- Under the NMDC Contributory Scheme for post-retirement medical facilities, the retired employees and their spouses get medical care for a nominal life-time membership.

Safety

- Being basically a mining organization, NMDC attaches greater importance for safety of the employees. In its mining projects, NMDC has its own Training Centres equipped with the infrastructure as required under the Mines Vocational Training Rules. These centres cater to the needs of basic training, refresher training, and training for skilled trades and also for those injured on duty.
- Sufficient number of workmen inspectors are nominated/appointed for mining operations, mechanical installations and electrical installations in terms of the statutory requirement
- Occupational Health Centres have been provided in the projects.
- Doctors have been given specialized training in occupational health.
- Periodical medical examinations of employees are done in accordance with the prescribed schedule.
- Safety appliances such as safety shoes, helmets, rain suits, goggles, etc, are provided to employees periodically.
- Every month safety committee meetings are conducted and accident analysis is discussed and remedial measures implemented.

Housing

- NMDC provides accommodation for the employees and the members of their families on nominal rents.
- NMDC provides house building advances for its employees to build their own houses at such locations in India as suitable to them.

Education

- NMDC trains its employees regularly to update themselves, professionally, managerially and technically.
- NMDC encourages its employees to better their educational and professional qualification by giving suitable incentives, study leave, etc.
- NMDC takes care of the school education of the employees' children in its projects and gives incentives and scholarships for their higher education. As its projects are located in remote areas, NMDC has arranged for quality schooling facilities at the projects itself.
- The schooling facilities available at the project are extended to the children of the surrounding villages as well.

Performance during the year 2018-19

- NMDC is providing complete health care to its employees and the members of their families.
- The injury frequency rate was 6.04.
- Housing has been extended to all its employees. In addition, house building advances were given to 06 employees (cumulatively to 2297 employees).
- Training coverage is 75.30% of employees. Training mandays as % of working mandays is 3.75.
- Basic education has been extended to 100% of the employees' children.
- Recognizing the meritorious service rendered by the employees, NMDC has awarded suitable mementos to (a) 84 employees (cumulatively 8062) who have rendered 20 years' service; (b) 131 employees (cumulatively 6615) who have rendered 25 years' service; (c) 83 employees (cumulatively 5942) who have rendered 30 years' service (d) 76 employees (cumulatively 2049) who have rendered 35 years' service by organizing suitable function.
- 154 employees (cumulatively 5218) who retired from the Company were given service certificates and suitable mementos during farewell parties, specially arranged in their honour, in appreciation of their service to NMDC. 126 employees (cumulatively 2175) who retired after putting in 30 years' service in Government/ PSUs were awarded special mementos.

Principle 2: Business should ensure that they are not complicit in human rights abuses.

Commitment

Being a Government of India company, NMDC owes allegiance to the Constitution of India, which resolves to secure to all its citizens justice, liberty, equality and fraternity and which also supports the fundamental human rights as envisioned in the Universal Declaration of Human Rights. NMDC stands committed to protecting human rights in its workplaces.

Systems

- NMDC, being a Government company, has come to inherit the Government regulations and, therefore, protecting human rights and ensuring that it is not complicit in human rights abuses, is a natural extension to all its policies and programmes.
- The security arrangement in the mines of the company is given to the Central Industrial Security Force (a Government arm), who owes equal allegiance to the Constitution of India and is duty bound to protect human rights.
- A Grievance Redressal procedure is in vogue.
- A separate Committee for redressal of grievances of women employees in particular has been constituted.
- NMDC has recognized Scheduled Caste/Scheduled Tribe Associations in each of its units and corporate office.

Actions & Performance during the year 2018-19

No case of human rights violation has been reported during the year.

Principle 3: Business should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Commitment

NMDC stands committed to the protection of freedom of association among its employees and business partners.

Systems

NMDC has three layers of employees: workmen, supervisors and executives.

1. Workmen, who are mostly location specific, have their own Unions. More than one Union are functioning in each of the main units. Besides their affiliations to national bodies, cutting across such affiliations to central organizations, majority of the Unions at project level have formed an independent apex body called All-India NMDC Workers' Federation (AINMDCWF) positioned at the corporate office at Hyderabad. All these Unions have been given assistance by the Management as considered necessary for their functioning.

The details of such affiliated Unions, unit-wise, are given below:

- a Bailadila Iron Ore Mine, Kirandul Complex
 - i Samyuktha Khadan Mazdoor Sangh (SKMS) affiliated to All India Trade Union Congress (AITUC).
 - ii Metal Mine Works Union (MMWU) affiliated to Indian National Trade Union Congress (INTUC)
 - b Bailadila Iron Ore Mine, Bachel Complex
 - i Samyuktha Khadan Mazdoor Sangh (SKMS) affiliated to AITUC
 - ii Metal Mine Workers Union (MMWU) affiliated to INTUC
 - c Donimalai Iron Ore Mine
 - i Donimalai Iron Ore Project Employees Association (DIOPEA) affiliated to AITUC
 - ii Metal Mine Workers Union (MMWU) affiliated to INTUC
 - d Diamond Mining Project.
 - i Panna Hira Khadan Mazdoor Sangh (PHKMS) affiliated to BMS
 - ii Madhya Pradesh Rashtriya Heera Khani Mazdoor Sangh (MPRHKMS) affiliated to INTUC
2. NMDC is totally committed to workers' participation in the management. In pursuit of such commitment, Committees/Councils, both statutory and non-statutory, are functioning at the shop level, project level and at corporate level with equal number of representatives of the management and the Unions.
 3. Supervisors and Executives have their own associations at unit level and at the corporate office.

Actions

Decisions related to workmen such as wage settlement, incentives, bonus, line of promotions, working conditions, welfare measures, etc are taken in consultation with the representatives of unions/ Associations, both at the unit level and at the corporate level.

Performance during the year 2018-19

- All the workmen are subject to collective bargaining agreements and the supervisors and executives are governed by understanding/consultations.
- No man days were lost during the year because of rift or strike by employees due to the effectiveness of Collective Bargaining.
- The unanimous decisions taken at the Joint Committees are implemented and monitored.

Principle 4: Business should support the elimination of all forms of forced and compulsory labour.

Commitment

NMDC stands committed not to resort to any form of forced and compulsory labour.

Systems

- No employee is required to deposit any sum of money for employment in NMDC.
- A service bond is insisted upon from only such of those employees who have been posted abroad. The bond period is for two years or a nominal amount of Rs.2,00,000/-
- Any employee joining the company should declare that he or she is not an insolvent.

Actions

- Appointment orders issued by the company very specifically state the various important conditions of appointment.
- Printed copies of Service Regulations and other rules are distributed to all Units for reference and use by every employee.
- The workmen in particular are given a copy of the certified Standing Orders precisely containing their general terms and conditions governing service conditions.
- The Personnel Manual is available in the Intranet site for reference.
- Employees are given incentives for achieving higher levels of output.
- Workmen have the additional facility of over-time payment for working beyond the prescribed working hours.

Performance during the year 2018-19

No form of forced or compulsory labour was resorted to.

Principle 5: Business should support the effective abolition of child labour.

Commitment

NMDC stands committed not to engage any child labour and do all that it can to abolish it from its surroundings.

Systems

- For appointment in the company, the minimum age prescribed and scrupulously followed is 18 years.
- Age verification is done with reference to approved documents in accordance with the practices prescribed by the Government of India.
- All employees are paid much above the minimum wages prescribed from time to time. Free and complete health care is given to all the employees and the members of their families. Free schooling facilities are provided at projects. Scholarships and hostel accommodation allowance, etc, are given for children's higher education.
- Skill development programme has been launched for training and increasing the employability of local qualified youth of adjoining villages of Bailadila projects by providing monetary and other assistance.

Actions

- All contractors are forbidden to engage child labour.
- Government enforcement agencies like Inspectors from Labour Department inspect the sites of construction to check for employment of child labour. Those found guilty are liable for punitive action by the Government.
- Records of the labourers engaged by the contractors are kept at worksites.

Performance during the year 2018-19

- No child labour was employed by NMDC.
- No child labour was allowed to be employed by the contractors working for NMDC.
- NMDC does not promote trade with organizations engaging child labour.

Principle 6: Business should support the elimination of discrimination in respect of employment and occupation.

Commitment

NMDC, by itself and as a Government company, stands committed to follow the policy of non-discrimination in all matters – recruitment, employment opportunity, promotion, etc.

Systems

- The Constitution of India, under Article 15, unambiguously prohibits discrimination on grounds of religion, race, caste, sex or place of birth.
- As a Government company, NMDC is bound to follow the Government directives, which are abundantly clear against any discrimination in any matters.
- As a measure of protecting and improving the conditions of the downtrodden, special provisions have been made in terms of the Government directives in respect of candidates belonging to Scheduled Caste, Scheduled Tribe and Backward class, both in recruitment and promotion.
- NMDC Recruitment and Promotion Rules provide for qualifications, skill and experience required for candidates for recruitment and promotion at various levels.
- The grievance procedure in the company is designed in a very simple and easy to handle way for the employees to get grievances, if any, to be resolved quickly.
- Unions and Associations representing the various levels of employees have easy access to the management to discuss and resolve discriminations, if any, quickly and effectively.

Actions

- The company periodically assesses and evaluates job contents and job requirements.

Performance during 2018-19

No discrimination was resorted to in respect of employment and occupation.

The Government directives against discrimination was adhered to in all matters.

The special provisions in respect of candidates belonging to Scheduled Castes, Scheduled Tribes and Backward classes made by the Government by way of Directives have been adhered to.

As on 31st March, 2019 the manpower position was:

- Total number of employees 5887
- Scheduled Caste employees 922 (15.66%)
- Scheduled Tribe employees 1446 (24.56%)
- Backward Class employees 1109 (18.84%)
- Men : Women ratio 6:72

Principle 7: Business should support a pre-cautionary approach to environmental challenges.

Commitment

As a responsible corporate citizen, NMDC Ltd believes in maintaining ecological balance and NMDC is committed to ensure that its environmental systems and practices are aligned with international best practices such as the ISO: 14001-Environmental Management System standard. All major production projects of NMDC i.e. Bailadila Deposit-5,10/11A, Bailadila Deposit-14/11C, Donimalai Iron Ore Project and Diamond Mining Project, Majhgawan, Panna have accreditation with Integrated Management System including SA-8000. This standard enables NMDC to manage its environmental impacts while adhering to the requirements not only of the standard itself but also to those of national and international norms, legislation, and regulations. It also forms the foundation for continuous improvement in environmental performance.

Sustainable Development Policy

1. We, at NMDC, aim at being responsible miners with commitment to sustainable development in all our locations. We ensure that the sustainable development ethos are considered and integrated in all our decision-making processes and business planning.
2. We believe that market competitiveness on a long run can be achieved only by adopting the best practices of health, safety and environmental management, community management, and actively engaging our stakeholders in addition to the economic performance of the organization.
3. We comply in full with the laws and regulations where we operate. We aspire to be a benchmark by adopting international standards in the field of Sustainable Development.
4. NMDC Sustainability Policy is integrated with Environmental Policy, Occupational Health and Safety Policy, Community Development Policy and together they provide the broad framework for driving business in a responsible manner.

System :

In order to ensure pollution-free environment, NMDC has built the following programmes into the day-to-day working of the mines:

- Environmental norms as laid down by the Ministry of Environment and Forests, and the State and the Central Pollution Control Boards are meticulously followed.
- Regular physical monitoring for all environmental parameters, like micro-meteorology, ambient air quality, surface and ground water quality and ground water levels, work zone and ambient noise levels and soil quality through recognised environmental laboratories of MoEFCC/CPCB.

- Detailed Bio diversity conservation studies, carbon foot print, Energy audits, Water audit, SMI audit, etc.
- Environment up gradation works like afforestation at project sites, participating in C.G. Hariyar programme (road side tree plantation), reclamation of waste rock dumps and mined out areas.
- Disaster Management Plans for the tailing dams at the projects. Industrial Risk insurance for tailing dams constructed at NMDC projects.
- Protection measures for explosives' magazines at the projects. Public Liability Insurance towards handling explosives and other hazardous material.

Actions

- A separate department for environment management, headed by a General Manager has been positioned to extensively monitor and effectively implement environment management programmes.
- Separate Cells at production projects have been set up with qualified and experienced Environment Scientists/Engineers.
- Expert organizations in the area are being engaged to measure and report periodically the various parameters.

Pollution Control Measures Covered

- Judicious and scientific planning of direct excavation, waste rock dumping and sitting infrastructure areas.
- Restricting use of forestlands to the barest minimum level.
- Constructing ameliorative measures like buttress walls, check dams, digging contour trenches, biological reclamation of waste rock dumps, etc. to minimize land erosion. Various soil bio-engineering and dump stabilisation measures terrace dumping, geo-coir matting is being taken up to ensure minimum surface run off in the neighbouring forest and water bodies.
- Effluent Treatment Plant for treating effluents from service centres, Sewage Treatment Plant, Auto shops, etc to avoid water pollution.
- Sewage Treatment Plants with SBR technology have been constructed at Bachel, Kirandul and Donimalai for treatment of township domestic wastewater.
- Regular water sprinkling and grading of haul roads, scientific and massive afforestation for abating air pollution.
- Create green belts; densify open scrublands, good arboriculture, and follow avenue plantation practices for improving the overall environment as well as aesthetic value.
- Importance of value index of the region is envisaged and also to eradicate effects of visual intrusion by proper landscaping.
- Regular maintenance of Heavy Earth Moving Machineries and OCSL Plant equipment and adopting good housekeeping practices there by reducing noise pollution.
- Monitor all environmental parameters such as PM₁₀, PM_{2.5}, SO₂, NO_x, CO, Fugitive dust emissions in ambient air, water quality as per IS standards in respect of oxidation pond, discharge water from auto shops and service centres, tailing dam discharge water etc., on regular basis following the statutory acts and their amendments of the GOI viz.,
- Continuous Ambient Air Quality Monitoring Stations (CAAQMS) have been installed at mines. The results are recorded live and results are available on CPCB website.

- Regular monitoring of ground water levels and quality by engaging laboratories of repute.
- Preparation and timely submission of six-monthly reports to MOEF, GOI Regional offices and annual environmental audit reports to respective state pollution control boards.
- Creating environment awareness amongst all the employees and their children and the local population through celebration of Mines Environment & Mineral Conservation (MEMC) week under the aegis of Indian Bureau of Mines & World Environment Day celebrations.
- Basic and refresher Training of employees for environmental consciousness by conducting regular classes under mines Vocational Training Rules.
- Undertake of peripheral village community development works like improving roads, constructing school buildings, community halls, distributing books and stationery, extending schooling and medical facilities available in the project townships to the local people including adivasis as well.
- Providing safe drinking water to the township dwellers and extending drinking water supply to population of neighbouring villages.
- Obtaining consents for establishment and operation of mines / plants from the respective state pollution control boards.
- Obtaining environmental clearances for new / expansion projects from central Govt.
- Obtaining forestland clearances for renewal / fresh grant of mining leases.
- Massive afforestation drive through social forestry division of the local forest department.
- Stabilization of all the passive waste rock dumps and mined out areas.

Performance during the year 2018-19

Environmental and Forest clearances from MoEF&CC New Delhi

- Obtained **Consent to Operate (CTO)** for Deposit-5 of Bailadila Iron Ore Mine, Bacheli Complex for 10 MTPA production on 03/04/2018 from CECB, Raipur for 3 years 01/04/2017 to 31/03/2020.
- Obtained **Consent to Operate (CTO)** for Central Workshop, Bailadila Iron Ore Mine, Bacheli Complex on 23/03/2019 for 3 years period from 1/4/2019 to 31/3/2022.
- Obtained **Consent to Establish (CTE)** for Kumarmarenga Railway Siding 10 LTPA on 04.07.2018.
- Obtained **Consent to Operate (CTO)** for Kumarmarenga Railway Siding 10 LTPA on 30.3.2019 for a period of one-year.
- Obtained **Consent to Operate (CTO)** for Deposit-14/11C Bailadila Iron Ore Mine, Kirandul Complex for 12 MTPA production on 3/04/2018 from CECB w.e.f 01/01/2016 to 31/12/2019.

- Obtained **Authorisation under Hazardous and other Wastes (Management and Transboundary movement), 2018** for Bailadila Iron Ore Mine, Kirandul Complex 01/09/2018 for one year i.e. from 04/08/2018 to 03/08/2019.
- Obtained **Environmental Clearance (EC)** for increase in built up area of NISP Township from 1.95 to 2.82 lakh sq.m on 03/12/2018 from SEIAA, Raipur
- Obtained amendment in **Environment Clearance (EC)** for NISP for changes in configuration of some of units and product mix on 14.08.2018
- Obtained **Terms of Reference (ToR)** for Kumaraswamy (EC under EIA notification'1994 to EIA notification 2006) on 10/12/2018.

Principle 8: Business should undertake initiatives to promote greater environmental responsibility.

Commitment

NMDC stands committed to promoting greater environmental responsibility in mining and processing of minerals in its mines for sustained development.

NMDC's Sustainable Development Policy states, we shall therefore endeavor to:

1. We, at NMDC, aim at being responsible miners with commitment to sustainable development in all our locations. We ensure that the sustainable development ethos are considered and integrated in all our decision-making processes and business planning.
2. We believe that market competitiveness on a long run can be achieved only by adopting the best practices of health, safety and environmental management, community management, and actively engaging our stakeholders in addition to the economic performance of the organization.
3. We comply in full with the laws and regulations where we operate. We aspire to be a benchmark by adopting international standards in the field of Sustainable Development.
4. NMDC Sustainability Policy is integrated with Environmental Policy, Occupational Health and Safety Policy, Community Development Policy and together they provide the broad framework for driving business in a responsible manner.

Systems

- Environmental aspects are carefully considered and appropriately incorporated at the planning stage of a project itself.
- Training programmes are arranged for employees on environmental awareness.

Actions

- NMDC has implemented IMS covering ISO14001: EMS, 9001 and OSHAS 180001 and SA-8000 in its major production mines.
- Water used for washing of ore is reclaimed for re-use.
- The electricity generated in the downhill conveyors is fed back into the grid, thereby reducing the draw of electricity from the main grid at its projects in Bailadila and Donimalai.
- Copies of the Environmental Policy Distributed/displayed printed of the company among its employees and local communities.

Performance during the year 2018-19

- As against the permissible limit of 120 microns per cu m of SO₂ and No_x in ambient air, the values actually encountered at NMDC's mines were less than 30 microns per cu.m and carbon monoxide was observed to be below the detectable limit of the approved instruments.

- About 25% of the annual consumption of different lubricants in NMDC mines was disposed off to agencies duly authorized for recycling as per HWM Rules and its amendments issued by the Ministry of Environment and Forests, Government of India.

Principle 9: Business should encourage the development and diffusion of environmentally friendly technologies.

Commitment

NMDC stands committed to encouraging the development and diffusion of environment-friendly technologies,

NMDC's Environmental Policy states,

- Prevent and control environmental pollution due to mining and associated activities by adopting safe, scientific and environmental friendly methods of mining and mineral processing for applicable legal requirements like forest, environmental and other statutory clearances.
- Maintain the machineries in excellent condition to ensure minimum impact of their operation on environment.

Systems/Actions

- Dust collectors are provided to the drills to control fugitive emissions at source.
- Wet drilling is adopted to mitigate the effect of dust on the work force.
- Main mine haul roads are regularly graded and water mixed with additives is sprinkled to suppress dust.
- Jet sprinklers are provided at all strategic and transverse points to control dust during crushing and transportation of ore at the plant.
- Closed conveyor belt system is provided to control dust generation and spreading during ore transportation.
- Rubber screens and rubber linings are provided at transfer points and along conveyor system to control noise and dust generation.

Performance during the year 2018-19

- The environmental monitoring studies indicated that levels of PM10 & PM2.5 are well below the permissible levels prescribed by MOEFCC /CPCB.

Sustainable Development Performance

- Under S.D. programme, Constructed Sewage Treatment Plant with SBR technology at Bacheli at a cost of Rs. 6.61 Cr and at Kirandul at a cost of Rs 8.0 Cr for treatment of township domestic wastewater.
- The company has taken up GHG assessment for the year 2017-18 and disclosed GHG emissions in Carbon disclosure project. The similar studies for the year 2018-19 are also taken up for GHG assessment and disclosure in CDP.
- Every year the Company is undertaking environmental pollution control work such as de-silting of check dams / check bunds, tailing dams, construction of buttress walls at toe of waste dumps and geo-coir matting on waste rock dumps for stabilization of dumps.

- NMDC is working towards 'Zero-Waste Mining' by maximizing utilization of various grades of iron ore (more than 45%). Efforts are also on for lean grade ore beneficiation.
- In order to gainfully utilize slimes (low grade rejects), beneficiation & Pellet plant has been set up in Karnataka at the mine site itself. Larger scale similar plant is being set up in Bailadila sector also along with 15 MTPA slurry pipeline, which is a green and a cost-effective way of iron ore transportation.
- SMI audit was done at all Iron Ore Mining projects of NMDC and recommendation are being implemented to obtain 5-star rating for all mines. 5 mines during the year 2018 received the 5-star rating given by IBM, Ministry of Mines, GoI.

Principle 10: Business should work against corruption in all its forms, including extortion and bribery.

Commitment

Vigilance Department guides and facilitates impartial, fair and transparent decision making and gives priority to preventive vigilance, with proactive measures.

Systems

- The Vigilance Dept. at the Corporate Office is headed by Chief Vigilance Officer and assisted by Vigilance Officers drawn from various branches. At each of the Projects, there are two Vigilance Officers.
- The Chief Vigilance Officer has the equal status of Functional Director of the Company. He is appointed by the Government of India on deputation.
- Vigilance Studies are monitored by the Vigilance Officers under the guidance of CVO.
- Surprise, regular checks, CTE type inspections and other major vigilance investigations are carried out based on the strength of complaint / source information.
- All the executives of the Corporation have to submit Annual Property Returns every year as on 1st January.
- Employees are required to furnish the information regarding acquisition/disposal of movable and immovable property. As per CDA Rules of the Company acquisition of movable property exceeding Rs. 50,000/- in case of executive and Rs. 35,000/- in case of workmen to be intimated to Vigilance Department within 30 days from the date of its acquisition. But in the case of Immovable property irrespective of its value, prior permission to be obtained before the acquisition.
- Foreign travels by employees are monitored.
- The Chief Vigilance Officer has been nominated as the 'Nodal Authority' to receive grievances from CPGRAMS and others.
- Continuously following up for updating/reviewing of Manuals.

Actions

- Action Plan for the year 2018-19 was finalized wherein various studies were carried out by the Vigilance Officers. The reports received were discussed in detail and improvements in systems / procedures were suggested wherever required.
- Surprise and regular checks were carried out in every quarter during the year. The deficiencies and deviations wherever noticed were brought to the knowledge of the Management for corrective action.
- Pending disciplinary / CTE / CBI cases were reviewed in the quarterly meetings of VOs held at Head Office, and follow-up actions were taken for timely completion of inquiries.
- Many system improvements such as maintaining of asset registers at Head office and Projects in respect of movable assets, Monitoring of Sensitive areas and installation of CCTV equipments, uniformity in recruitment process, banning of negotiations with L1 party, procurement and awarding of contracts on single tender / nomination basis, implementation of e-payment etc., were taken up as part of preventive vigilance.
- Vigilance Awareness week was observed in the Corporate Office and all units of NMDC. Various competitions, seminars and lecture programmes were arranged to create awareness of Vigilance amongst the employees during the week.
- No. of Training Programmes were conducted for Employees / Executives Trainees on preventive vigilance.
- The progress on vigilance activities and disciplinary cases were appraised through a Note to Board of Directors for review.
- System for lodging of online complaints and submission of Annual Property Returns by all the executives is in place.
- The Vigilance Department recommends for rotation of staff posted in sensitive posts in order to ensure that no vested interests are developed.
- Engineering Works Manual in place and put on NMDC website.

- Contracts Manual in place and put on NMDC in website.
- Materials Management Manual in place. The Manual is under updation.
- NMDC Recruitment and Promotion Policy – 2018 is in place and put on NMDC website.

Performance during the year 2018-19

Vigilance department had taken several initiatives during the year. Emphasis was laid on adequate checks and balances in the form of well-defined systems and procedures. Various programmes were conducted for awareness on vigilance matters for the employees of the Corporation. The vigilance functionaries at the projects have conducted regular training classes for the employees on the vigilance matters. Executives of Vigilance Department were nominated for training / workshops being organized in India.

Vigilance Department in NMDC was upgraded to ISO 9001:2015 standards of Quality Management System (QMS) and certificate issued by the certifying authority was received which is valid up to Feb'2022.

During the year (April'2018 – March 2019), 78 surprise checks, 99 regular inspections and 5 CTE type inspection was conducted by Vigilance Department. Complaints received were taken up for investigation and necessary suggestions for system improvement/ disciplinary action wherever required was recommended. During the period, one minor penalty was imposed. 48 grievances were addressed in the CPGRAMS Portal.

As part of implementation of "Leveraging of Technology for transparency" in all the transactions, details of contracts concluded above Rs. 10 lakhs, all works awarded on nomination basis, single tender basis above Rs. 1 lakh, information regarding bill payments to the contractors etc., are provided on the company's website. Efforts to encourage e-procurement, e-tender & e-auction are being made continuously.

NMDC has adopted implementation of Integrity Pact since November 2007. As per the suggestions given by Vigilance Department, the threshold value has been decreased to 1.0 Crore w.e.f. 07.09.2018 for both Procurement and Contracts as against the earlier threshold limit of Rs. 20 crores in case of Civil works and Contracts and Rs. 10 crores in case of Procurement on approval of NMDC Board. The Integrity Pact has been entered into 193 contracts with a value of Rs. 24,445.82 Crores. All the contracts wherein the Integrity Pact was to be signed as per the threshold limit was adhered to and more than 90% of the total values of the contracts are covered under Integrity Pact.

The **Vigilance Awareness Week 2018** was celebrated from **29.10.2018 to 03.11.2018**. On the inaugural day administration of pledge to all the employees at Head Office and Units of NMDC at – Kirandul, Bachel, Donimalai, Panna, NISP, Nagarnar, Sponge Iron Unit and Regional Offices was done. The theme for this year was “Eradicate Corruption – Build a New India”.

Awareness among the employees to take Integrity Pledge online was created by sending SMS. A link was also provided on NMDC website for taking online Integrity Pledge.

During the Vigilance Awareness Week, as desired by the Commission, Integrity Club was formed at Schools and Colleges and competitions were conducted at Projects and Head Office. Competitions included Debate, Panel Discussions, Poster Competitions, Elocution and Essay Writing on topics like Eradicate corruption- Build a New India, Moral Values and Ethics, My Vision – Corruption Free India, Role of Youth in Fighting Corruption, Importance of morals and ethics in students etc. for inculcating greater awareness on prevention of corruption and anti-corruption measures. Similar competitions were also held for employees in HO and Projects.

Display of Banners and Slogans related to Vigilance Awareness were done at Offices and Plant/ Mine areas and also at various places in the School / College premises during the entire Week.

Outreach activities like Seminar on “Combating Corruption – Technology as an enabler” and Workshop on Procurement through GeM Portal, Marathon Race etc.

at BIOM Kirandul Complex, Workshop on GST and Tendering at DIOM, Donimalai, Workshop on “Eradicate Corruption – Build a New India” at NISP Nagarnar etc. were successfully conducted.

The Valedictory function on 03.11.2018 at Head Office was Chaired by the CMD, NMDC –Shri. N Baijendra Kumar, IAS and attended by the Functional Directors.

Shri. N. Baijendra Kumar, CMD, NMDC in his address had urged for the need of serious will for zero tolerance for corruption, effective implementation of laws, public responsiveness towards corruption free society and ended his message by a quote “It is better to light a candle than curse the darkness”.

Quarterly meeting of Vigilance Officers in NMDC is being conducted regularly and the last meeting was held on 26th & 27th, March 2019.

Initiatives / studies / system improvements / suggestions / recommendations made during the period:-

As per the Action Plan, surprise and regular checks were conducted besides study of files. Irregularities and omissions under the provisions of the rules are identified and improvements in the systems suggested wherever required. Based on the observations of Vigilance, recoveries from the contractor’s bills, for not conforming to the contractual terms were suggested.

The initiatives / system improvements studies / suggestions / recommendations made during the period are briefed as below: -

1) Manuals / Policies and its review/ updation

i. Recruitment & Promotion

Given the history of issues cropped up during past phases of recruitment and promotions and in view of recommendations given by Vigilance Department from time to time in this connection it was suggested to frame policy and detailed guidelines for Recruitment & Promotion. Accordingly, NMDC Recruitment & Promotion Policy, 2018 and the rules framed there under in the Company was approved by the Competent

Authority and O.O. No. 1(7)/R/2015 dt. 12.09.2018 has been issued by Personnel Department to this effect.

ii. NMDC Fraud Prevention Policy

“NMDC Fraud Prevention Policy” with an objective to provide a system for detection, prevention and reporting of a fraud detected or suspected and handling of such matters pertaining to fraud was approved by NMDC Board on 13.11.2018.

iii. SOP for Diamond Mining Project, Panna

The Standard Operating Procedure for handling of rough Diamonds, incorporating the suggestions given by Vigilance department, was approved by Competent Authority and was circulated on 17.09.2018

iv. Amendment in CDA Rules

It was suggested to form a Committee consisting of members from Personnel Department, representatives from Contracts, Materials, Vigilance and Finance Departments. Representative from the Finance Department may head the Committee.

Accordingly, the Committee was constituted for coming out with detailed guidelines for amending the CDA Rules so that more clarity is there while interpreting CDA Rules of NMDC.

It was also suggested that, in case there is a need, when the committee comes to a conclusion, proposed amendments can be discussed at a Workshop which can be organized at Head Office. Later, depending on the discussions of the Workshop, final recommendations will be put up to the Competent Authority.

v. Rotation in sensitive posts

As per CVC guidelines, rotation of Personnel in sensitive posts is being done on regular basis to avoid generation of vested interest.

vi. Online Vigilance Clearance System

Online Vigilance Clearance System for Executives below board level was started in July 2017. During the Year 2018 strengthening of the system was done by carrying out modifications to simplify the system and by

incorporating various modules such as Vigilance clearance for HBA, deputation, foreign travel etc.

vii. Online Complaint Registration Facility

Strengthening of Online Complaint Registration facility by incorporating additional features to authenticate the complainant was done and is made available on the NMDC website.

viii. Panel of Inquiry Officers and Presenting Officers

It was suggested to develop a panel for Inquiry Officers and Presenting Officers by Personnel Department in consultation with Vigilance Department and appropriate training is to be imparted to these Inquiry Officers as well as Presenting Officers so that any inquiry is conducted impartially and as per norms of CVC and CDA Rules of NMDC

In this regard a Workshop on "Disciplinary Matters" was conducted from 4th to 6th September 2018. The action to form Panel of Inquiry Officers and Presenting Officers is being taken up.

ix. Study of Contracts awarded on nomination / single tender basis

During study at DIOM, Donimalai, it was observed that 51 no's light vehicles are engaged on hire basis for official work. All the hired vehicles are deployed on nomination basis by the Personnel Dept valuing approximately Rs 1.35 Crores per annum excluding free issue diesel. The practice is being followed since long back.

It was suggested to go for tendering process in the case of engagement of hired vehicles in compliance with the CVC guidelines. Accordingly, system for deployment of hired vehicles following tendering system was adopted.

2) Leveraging Technology for Transparency

i. Surveillance of weighment, sampling & Transport in Mining Areas

On Vigilance observation it was suggested to initiate urgent steps for installing surveillance equipment to cover round the clock, the area of weighment instruments as well as whole process of sampling and analysis for quality control at Kirandul, Bacheli, Donimalai and Kumaraswamy Mines. Further, it was suggested that the non-working Automatic

sampling machine at Kirandul Complex should be brought into service and if any problem is there in using it, a committee comprising Personnel from Geology, Mining, Mechanical and Vigilance Departments in addition to personnel from concerned manufacturer of machine be constituted and in their presence its functioning be tested. Further it was suggested to install the weightometer on NMDC conveyor instead of Essar Conveyor at Kirandul Complex.

Mine Transport and Surveillance System (MTSS) has been installed in all Production Weigh Bridges of Donimalai Mines and MTSS is proposed to be installed at Mines of Bailadila. To sort out the issue of non-working Automatic Sampling Machine committee has been formed and the issue is being taken up. Weightometer has been installed on NMDC Conveyor for weighing of material dispatched to Essar.

ii. Vigilance Inspection Management System (VIMS)

Vigilance Inspection Management System (VIMS), a software application has been developed to facilitate processing of the studies/ inspections carried out by the Vigilance Officers and action taken there upon.

iii. System for Online submission of Certificates

System for online submission of Certificate regarding award of contracts on nomination basis has been implemented.

iv. Study on Estate Matters

Based on an elaborate and corrective study, Vigilance department had submitted suggestions for streamlining the Estate Matters so that valuable resources like Mining Areas, Potential Mines (Green field areas), Boundaries etc., are not embroiled in legal tangle.

In view of the Vigilance recommendations Domain experts were appointed for dealing with matters pertaining to Estate in the organization.

v. Sanctioned posts and Vacancy position in NMDC

In order to bring in transparency it was suggested that total sanctioned posts and vacancy position along with details such as place, designation of

the sanctioned as well as vacancy position may be exhibited on NMDC website in public domain.

Action in this regard is being taken up.

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