



### **3. The procedures followed for the decision making process including channels of supervision and accountability.**

#### **(a) Marketing Department:**

The system approach is being followed in decision making process pertaining to the marketing function, which is based on inputs from market dynamics, macro scenario in the industrial segment and the international market. The various parameters pertaining to above are suitably embedded in decision making process through MIS function. Marketing activities are performed as per the policies in vogue and the delegation of power to senior functionaries by the Board of Directors. The Board of Directors is the apex body involved in formulation of policies and strategic decision making related to marketing operation.

The marketing function has the accountability as prescribed by the Govt. of India

#### **Major Customers of IREL's products are as under:**

Ilmenite is supplied to TiO<sub>2</sub>, Synthetic Rutile and Ti Slag producers in bulk. Some quantity of the material is also supplied to welding electrode and ferro titanium producers.

#### **Rutile:**

Rutile is supplied to welding electrode industry.

#### **Zircon:**

Zircon is supplied to ceramics, refractories, foundries and zirconium chemicals industry.

#### **Garnet:**

Garnet is supplied to industries for sand blasting operation. Other major industrial segment consuming Garnet are water jet cutting, glass polishing and manufacturers of abrasives.

#### **Sillimanite:**

Refractory manufacturers are the main customers of Sillimanite. In addition, some quantity is used by ceramic manufacturers.

#### **Rare Earths Chloride:**



Major customers use it as feed material for the separation of individual rare earths elements. It also finds usage in production of misch metal and in pigments.

**Trisodium Phosphate:**

Major customers are detergent manufacturers, power plants, refineries, steel plants, fertilizer producers, etc.

**Thorium Nitrate:**

Major customers of Thorium Nitrate use the same for production of Gas Mantle

**(b) Finance Department :**

The procedure followed in Finance Department is detailed in the Accounts Manual, Audit Manual, Accounts Policy and Investment Policy.

**(c) Technical Department:**

Decision making process of Technical department mainly depends on overall objectives / target of the company towards production, procurement, projects and Research & Development. The process includes ethical & transparent evaluation process to achieve specifies technical parameters of products. The company has its defined works, service & Store Purchase procedure (Adm. No. 1075 dated 01.12.2015) and D.O.P (Adm. No 1081 dated 11.07.2016) for different level of executives. All contracts are guided by the business objectives of the company. All works/service/ procurement contracts are operated within the frame work of Government guidelines/ OM's, MSME guidelines/ OM's and CVC guidelines.

Decision making is also guided by budget by allocated, inventory in hand and future resource generation.

Decision making towards acquiring of lands for mining purpose and also for other Green field or Brown field projects is guided by MMDR 1957/2016, MCR-2016 and MOEF 2016, CRZ-2011 and other Government guidelines/OM's. Mining operation essentially includes Directives from Director General Mines Safety obtaining Surface Rights which may be acquired through lease/ procurement/LA through State Government with major emphasis on Rehabilitation & Resettlement Program for the effected families.

**(d) Human Resource Management (HRM)**

The procedures to be followed in the decision making in HRM Department are laid down in the various Administrative Instructions and Office Orders. The wages and other benefits of employees are regulated as per the Settlements entered into with the Trade Unions of the various Units & Head Office.

The Pay and Allowances of Officers are regulated by the Administrative Instructions applicable in this respect. In the case of discipline, Conduct, Discipline and Appeal Rules are applicable to Officers and Standing Orders are applicable to the workmen of the Units. Security and other administrative matters are regulated as per the Office Orders issued from time to time and also as per the guidelines issued by the Government of India.

All statutes in respect of employment are applicable.

**(e) Company Secretarial Deptt.**

**Procedure followed in Secretarial Department, in the decision making process:**

Board of Directors is the Apex decision making body of the organization.

Matters on which approval of the Board are required are obtained in duly convened and held Board Meeting.

**Norms set by it for the discharge of its function:**

Board is composed of as per the Companies Act,2013 and Corporate Governance guidelines issued by DPE. Board meetings are called after issuing proper notice followed by detailed agenda of the business to be transacted.

Draft of the minutes of Board meeting are circulated to the Board members for their comments, if any. Minutes after approval are circulated to the respective departments either for taking necessary action or as an information.

**Rules, regulations, instructions, manuals and records used by employees for discharging its functions:**

Companies Act and Rules made there under, Memorandum of Association & Articles of Association, Delegation of Power, DPE guidelines on corporate matters, Instructions / Communications received from DAE and Parliament Section of DAE etc.

**(f) Safety:**

IREL is committed to provide a safe and healthy environment for the protection and well being of the employees and the general public by means of safe and healthy system of work. Safety is given paramount consideration right from the conceptual stage of all the projects, modification / expansions and day-to day operations. The company is of the firm belief that accidents are preventable and the creation of safe and healthy working conditions is as important as production.

IREL, recognises the need for developing a safety culture in the organization to enhance the awareness and commitment of all employees to safety. Decision making of Safety is guided by the following:-

Establish and maintain safe work environment with appropriate facilities, equipment, procedures and trained personnel to ensure health and safety of workers.

Identify, assess and control occupational, public health and environmental hazards arising from operations including handling, transport of raw- materials and products.

Adopt an inter-disciplinary approach to land management making use of best available scientific information.

Comply with all applicable statutory provisions for the protection of health, safety and environment. These include relevant stipulations made by Atomic Energy Regulatory Board, Directorate General of Mines Safety, Department of Environment and State Pollution Control Boards.

**(g) Environment:**

Beach Sand mining and mineral separation operation is naturally environment friendly. There are no blasting and drilling operations involved for extraction of beach sand minerals from the deposit.

The mined out areas are simultaneously backfilled with tailings generated during the up gradation process. The background radiation of the area on account of extraction of monazite mineral is taken out.

After mining, landscaping is done to maintain the original topography of the area facilitating plantation growth to develop green belt. Natural water bodies are left behind, which can be used for development of Eco- Tourism.

The mineral separation operations are carried out using physical separation process wherein use of chemicals is negligible. There is negligible impact over Air, Water, Noise, Soil and Biological Environment.