54th ANNUAL REPORT 2016 - 2017

एमएमटीसी लिमिटेड

MMTC LIMITED

भारत सरकार का उपक्रम

A GOVT. OF INDIA ENTERPRISE

touching lives, adding value

Sustaining Excellence While Journeying Towards Global Heights

As a leading trading company of India, MMTC takes pride in the growth avenues it has carved for itself and the country on the global front. In its designated role of a 'Four Star Export House', MMTC acts as a bridge for the Nation; sourcing what has been in short supply for India's industry while exporting its surplus to fulfill other countries' growing needs. With its global reach and resources, the Company has thus paved a path for itself as an international exporter and importer engaged in the pursuit of growth and excellence. MMTC's Annual Report 2016-17 is aptly based on its endeavours towards "Sustaining Excellence" while journeying towards global heights.

MMTC THEME - 2017 | COVER - 2017 | CONTACT US

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Signing of MoU between MMTC and MoC

Corporate Mission

As the largest trading company of India and a major trading company of Asia, MMTC aims at improving its position further by achieving sustainable and viable growth rate through excellence in all its activities, generating optimum profits through total satisfaction of shareholders, customers, suppliers, employees and society.

Corporate Objectives

- To be a leading International Trading House in India operating in the competitive global trading environment, with focus on "bulk" as core competency and to improve returns on capital employed.
- To retain the position of single largest trader in the country for product lines like minerals, metals and precious metals.
- To render high quality of service to all categories of customers with professionalism and efficiency.
- To provide support services to the medium and small scale sectors.
- To streamline system within the company for settlement of commercial disputes.
- To promote development of trade-related infrastructure.

Major Achievements

- Tied up with 7 banks to sell India Gold Coin, India's first Sovereign Gold Coin through its 400 branches to make easy availability of the coins across India.
- Phase 1 of Kandla FTWZ (Free Trade Warehousing Zone) has been made operational during the year 2016-17, a Joint Venture project between MMTC and IL&FS Ltd.
- Signing of mining lease agreement with Govt. of Odisha for allocation of captive mines for NINL.
- Renewed 3 years LTA (Long Term Agreement) with Japanese and Korean Steel Mills for exports of high grade iron ore.

Performance at Glance

(₹ in million)

For the financial year ending 31st March	2017	2016	2015
Total Sales	**115934**	124604	182415
which includes-			
Exports	**15802**	6726	23007
Imports	**84802**	102958	145302
Domestic	**15330**	14920	14106
Trading Profit	**2199**	1297	2079
Income from Other Sources	**1488**	2179	1949
Profit After Tax	**570**	549	479
At Year End			
Total Assets	**60783**	38003	59509
Net Worth	**14341**	13779	13592
Per Share (Rupees)			
Earnings	**0.57**	0.55	0.48
Dividend	**0.30**	0.30	0.25
Net Worth to Share Capital (times)	**14.34**	13.78	13.59
Profit after Tax to Capital Employed (%)	**8.36**	7.42	6.41
Profit after Tax to Net Worth (%)	**3.97**	3.98	3.53
Sales per Employee (Rs. Million)	**94.56**	93.41	126.77

CHAIRMAN'S STATEMENT

Dear Shareholders,

It is my privilege to welcome you on the occasion of the 54th Annual General Meeting of your Company.Coincidentally, on this very day 54 years back your Company got incorporated. In this splendid journey of 54 years your company has seen many transformations in its operations to remain one of the largest international trading companies of India.

PERFORMANCE DURING 2016-17

Global economic environment in the first part of the year remained challenging and a modest recovery was seen in the second half of the year. Inspite of such grim international business scenario, I am happy to inform you that your company's net profit has shown incremental growth over the last 3 years and the Board of your company has recommended dividend of 30% for 2016-17 also. However, your company recorded a business turnover of Rs.1,15,934 million during 2016-17 as against business turnover of Rs. 1,24,605 million achieved during 2015-16. This business turnover includes Exports of Rs.15801 million, Imports of Rs. 84803 million and domestic trade of Rs. 15330 million. The decline in turnover is due to various factors like fall in average prices of commodities due to global recession and non-import of steam coal for Government Power Plants due to increased domestic supplies by Coal India, continuing ban on iron ore mining and the resultant lower exports etc. Your Company earned a trading profit of Rs.2245 million as compared to Rs. 1965 million in 2015-16. The profit before tax from ordinary activities is Rs.812 million as compared to Rs.579 million in 2015-16. The Company has registered a net Profit of Rs.571 million during the year as compared to Rs. 549 million earned last year. Thus the earnings per share of face value of Re.1/- each is Re. 0.57 as on 31.3.2017. Besides, MMTC continues to be a zero long-term debt company.

Your company imported Pulses on Government account in the crisis period faced by the country which has helped to stabilize prices for consumers. Your company has opened an office in Guwahati to cater to the trading needs of North East Region of the country. Your company has tied up with 7 banks to sell India Gold Coins through about 400 branches to make easy availability of the coins across India. The phase – 1 of Kandla FTWZ has been made operational during the year, a JV project between MMTC and ILFS Ltd. Your company has renewed 3 years Long Term Agreement with Japanese and Korean Steel Mills for export of High Grade Iron Ore.

During the year, your company has received many accolades for its business performance in different sectors which included the CAPEXIL's most coveted Award for total minerals exports consecutively for 24th time in a row and Star Performer Award for 2014-15 in "Basic Iron & Steel (Large Enterprise)" by EEPC, etc.

SUBSIDIARY COMPANY

During the financial year 2016-17, MTPL achieved sales turnover of USD 113 million as against US$108million during last fiscal. The Subsidiary Company has shown profit during the financial year 2016-17 in comparison to the marginal loss incurred in 2015-16. The net worth of MTPL stood at US$ 15.40 million as on 31st March 2017.

MMTC'S PROMOTED PROJECT - Neelachal Ispat Nigam Ltd. (NINL)

During the year 2016-17, NINL achieved a turnover of Rs.12687 million, EBITDA of Rs.14 million and incurred net loss of Rs.3567 million. This was primarily due to recession in the economy and steel sector in particular. After lot of persuasion and efforts, finally NINL could sign Iron Ore Mining Lease on captive basis with Govt. of Odisha for 874 hectare having 92 million tonne of mineable reserves in the State of Odisha. Mines are expected to commission iron ore production by June, 2018. NINL has also signed MOU with NALCO for setting up of Coal Tar Pitch Plant. With the stabilization of steel making facility and starting of iron ore mining by June, 2018, NINL's production and financial performance is expected to improve substantially.

Projects/ Joint Ventures

- The joint venture for medallion manufacturing unit, MMTC-PAMP India Pvt. Ltd. achieved a turnover of Rs. 243902 million and profit after tax of Rs. 149 million during 2016-17. MMTC has received a dividend of 20% i.e. Rs. 35 Million for its investment in MMTC-PAMP India Pvt. Ltd for the FY 2016-17.

- Your Company achieved a turnover of Rs. 77 million and a profit of Rs.69 million from its 15 MW capacity Wind Mill project with 25 Wind Energy Generators commissioned in March, 2007

- Your Company has received an interim dividend of Rs. 5/- & final dividend of Rs. 23/- per equity share against its shareholding of 38,961 equity shares of Rs. 2/- each, in BSE Limited, The total dividend received during the year was Rs. 1.09 millions.

- The shareholding of your Company in Indian Commodity Exchange Limited (ICEX) was reduced to 9.55% subsequent to right issues in which your Company did not participate. The JV company has recently launched the World's First Diamond Derivatives Exchange which was formally inaugurated on 28th August 2017 at the hands of the Chairman, GJEPC at Mumbai. ICEX has also received in principle approval for Brent Crude and WTI Crude for trading.

- Your Company has decided to exit from JV Project M/s. SICAL Iron Ore Terminals Limited (SIOTL) as it could not commence commercial operations due to non-availability of iron ore for exports from Bellary-Hospet Sector in Karnataka State & facility owned by SIOTL has been authorized to handle Coal and coal does not have synergy with MMTC's existing line of business. The exit process is in progress.

CORPORATE GOVERNANCE

Corporate governance is about maximizing shareholder value legally, ethically and on a sustainable basis. At MMTC, the goal of corporate governance is to ensure fairness for every stakeholder – our customers, investors, vendor-partners, the community, and the governments of the countries in which we operate. We believe that sound corporate governance is critical in enhancing and retaining investor trust. It is a reflection of our culture, our policies, our relationship with stakeholders and our commitment to values. Accordingly, we always seek to ensure that our performance is driven by integrity. All efforts have been made to ensure that all statutory Corporate Governance requirements have been complied in letter and spirit.

HUMAN RESOURCE

Human Resource is the backbone of any organization, as a matter of fact Human Resource is the best resource an organization can have and which can make-up for all other resources which are in short supply. In your company, the focus is on building an enabling culture and enhanced competency of employees at all levels and ensure a flow of motivated people with required skill sets. The focus is also on continuous skill development and promoting core values which would inspire the employees to achieve excellence in all endeavors and maximize stakeholder's value. The Company's manpower stood at 1225 as on 31st March 2017 inclusive of five whole time Board level Directors which has since been reduced to 1183 as on 1st September 2017.

CORPORATE SOCIAL RESPONSIBILITY

The underlining theme of our CSR philosophy is to create equity in society with our actions. Caring, Sharing and Growing is at the core of MMTC's CSR philosophy. Our goal is to ensure that our economic growth is socially and environmentally sustainable. CSR initiatives are focused to enable the citizen to enjoy the benefits of science led innovations. Our socio-economic interventions are focused towards underprivileged communities. During the year 2016-17, a sum of Rs. 81.41 lakhs was allocated for undertaking the CSR activities which was spent towards activities mainly related to the Swachh Bharat Abhiyan, Clean Ganga Mission, Skill India Mission, Promotion of healthcare and Yoga and Promotion of sports/ para-sports. Besides this, MMTC supported distribution of artificial limbs and assistive devices to the differently abled people.

FUTURE PROSPECTS

With the implementation of GST a paradigm shift is expected in the way of doing business in India. A greater consolidation will be seen in the markets and the role of organized sector will be enhanced. This will be particularly good for Gold and Metals business of your Company. Further reduction in multiple taxes levied for doing business in India will enhance the investor's confidence and an explosive growth is expected from FY 2018-19.Your Company is also gearing up to grab all the good opportunities that may arise during the growth journey of the Country and is assured of a better future.

Your company has prepared a road map for doubling the turnover in next five years by strengthening of existing areas of business/diversifying into new areas of retail sales of precious metals items, minerals, coal, etc and also business development through e-commerce/e-auction.

ACKNOWLEDGEMENTS

I take this opportunity, to express my thanks to all the shareholders for their continued trust in the Board of Directors and the Management of the Company. On behalf of the Company, I would also like to thank all our Vendors, Customers and Business Associates who have extended their support in the development and growth of your Company. Before I conclude, I wish to thank all other stakeholders namely; Government specially Department of Commerce, Railways, Ports, public and private sector banks etc. for their co-operation and support in successfully managing the organization.

Ved Prakash
Chairman and Managing Director
26th September 2017

BOARD OF DIRECTORS

VED PRAKASH
Chairman and Managing Director

GOVERNMENT NOMINEE DIRECTORS

DR. INDER JIT SINGH
Additional Secretary
Department of Commerce, MoC & I

J.K. DADOO
Additional Secretary & Financial Advisor
Department of Commerce, MoC& I

FUNCTIONALDIRECTORS

P. K. JAIN
Director (Marketing)

ASHWANI SONDHI
Director (Marketing)

T. K. SENGUPTA
Director (Personnel)

NON-OFFICIAL PART TIME (INDEPENDENT) DIRECTORS

R. ANAND

B.K. SHUKLA

RAJNISH GOENKA

DR. JAYANT DASGUPTA

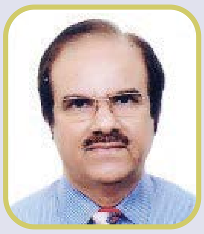
R.R. JADEJA

SENIOREXECUTIVES

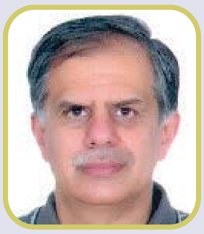
SANJAY BHOOSREDDY

VIJAY PAL

UMESH SHARMA



M.Y. BIDIKAR

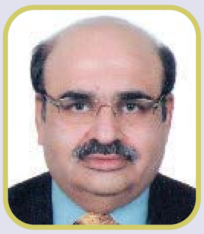


SANJEEV DUA

RAJENDER PRASAD

N. BALAJI

V.K. PANDEY



SANJAY KAUL

ANJANA SINGH

DIRECTORS' REPORT

The Members
MMTC Limited,
New Delhi.

Ladies & Gentlemen,

On behalf of Board of Directors, I have the pleasure of presenting the 54th Annual Report on your company's performance for the financial year ended 31st March 2017 along with audited statements of accounts and Statutory Auditor's Report.

OPERATIONAL RESULTS

Your company, one of the leading trading companies in India, recorded a turnover of ₹115934.28 millions during 2016-17 as against the turnover of ₹124606.41 million registered during last fiscal. This business turnover includes Exports of ₹15801.4 million, Imports of ₹84802.6 million and domestic trade of ₹15330.3 million. The Company has reported a net profit of ₹570.59 million in the current fiscal compared to Rs.548.93 million earned last year.

The highlights of the Company's performance during 2016-17 are as below: -

(₹ in Million)

	2016-17	2015-16
Sales of products	**115,680.01**	124,344.04
Sales of services	**254.27**	262.37
Other Trade Earning	**1,149.30**	1,083.19
Total Revenue from Operations	**117,083.58**	125,689.59
Cost of Sales	**114,839.06**	123,724.47
Gross Profit from Operations	**2,244.52**	1,965.12
Add: Dividend and other Income	**145.71**	278.37
Less: Establishment & Administrative Overheads, etc.	**2,477.12**	2,549.60
Less: Debts/Claims Written off	**6.61**	0.97
Less: Provisions for Doubtful Debts/ Claims/ Advances/Investments	**4.80**	2.80
Profit Before Interest, Depreciation and Amortization Expenses and Taxes	**(98.30)**	(309.89)
Add: Interest Earned (Net) (Interest earned minus Finance Cost)	**64.66**	293.33
Profit Before Depreciation and Amortization Expenses and Taxes	**(33.64)**	(16.55)
Less: Depreciation and Amortization Expenses	**66.78**	57.97
Less: Exceptional Items	**(912.74)**	(653.67)
Profit Before Taxes	**812.32**	579.14

	2016-17	2015-16
Less: Provision for Current Taxes	**274.53**	44.20
Less: Provision for Deferred Taxes	**(32.80)**	(14.00)
Profit After Taxes	**570.59**	548.93
Add: Balance brought forward from the previous year	**6,979.76**	6,824.29
Items of other comprehensive income recognized directly in retain earnings		
Remeasurements of post employment benefit obligation net of tax	**0.09**	(8.54)
Unamortized premium on forward contract	**-**	7.36
Transfer from Corporate Social Responsibility	**-**	0.07
Dividend & Dividend Tax	**(361.07)**	(300.89)
Appropriations:		
General Reserve	**-**	(100.00)
Other Adjustments	**-**	8.54
Leaving a Balance to be carried forward	**7,189.37**	6,979.76

The performance of different business groups of your Company is highlighted in the Management Discussion and Analysis Report, which is annexed and forms part of this Report.

AWARDS AND RANKINGS

- CAPEXIL Award for total minerals exports during 2014-15. It is the 24th time in a row that MMTC has won CAPEXIL's most coveted award in the highest category.
- "Best Agency Supplying Gold to Highest Number of Clients" FY 2015-16 by GJEPC.
- "Best Nominated Agency" for FY 2015-16 at the Indian International Gold Convention 2016.
- "Best Nominated Agency" for FY 2015-16 at the Bullion Federation Global Convention 2016.
- Special Trophy for Excellence in Exports of MEIS Items in the Merchant category by EEPC.
- Star Performer Award for year 2014-15 in the product group - Basic Iron and Steel (Large Enterprise) by the Engineering Export Promotion Council
- India Lead Zinc Development Association for contributions to international trade in minerals & metals.
- Best Achiever Award for major industries (PSU) at Utkal Chamber of Commerce and Industry (UCCI) EXPO 2017
- Navbharat CSR Leadership Summit Award for best CSR Practices in community development 2016
- Special Incentive Award for best performance in official language in 2016-17.

AWARDS AND RANKINGS

EQUITY SHARE CAPITAL & DIVIDEND

The Board of Directors recommends declaration of dividend @ 30% on the equity capital of ₹1,000 million of the Company for the year 2016-17 out of profits of the Company.

RESERVES

A sum of ₹13149.58 million was available in the reserves and surplus of your Company as on 1st April, 2016. Your Directors have proposed that Dividend at the rate of 30% be paid out of profits of the Company. Accordingly, an amount of ₹13359.15 million was available in "Reserves and Surplus" of your Company as on 31st March, 2017.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earnings and outgo of your Company during 2016-17 has been as under:-

	EARNINGS		OUTGO
	₹ In Million		₹ In Million
Exports	15,473.32	Imports	100,786.97
Others	1.02	Others	111.16
Total	**15,474.34**	**Total**	**100,898.13**

SUBSIDIARY COMPANY

The wholly owned subsidiary of your Company - MMTC Transnational Pte. Ltd. Singapore (MTPL) incorporated in October 1994 with the objective to take advantage of liberalization/globalization of trade and commerce to tap South East Asian market for trading in commodities has been engaged in commodity trading and has established itself as a credible and reputable trading outfit in Singapore. During the financial year 2016-17 MTPL achieved sales turnover of USD 113.17 million as against US$108.28 million during last fiscal. The Net Profit earned by MTPL during the financial year 2016-17 amounted to US$ 0.04 million. The net worth of MTPL stood at US$ 15.40 million as on 31st March 2017.

Pursuant to the provisions of Section 129 of the Companies Act, 2013, the audited financial statements of MTPL together with Directors' Report & Auditor's Report are attached herewith.

MMTC'S PROMOTED PROJECT- Neelachal Ispat Nigam Ltd. (NINL)

Your company has set up Neelachal Ispat Nigam Limited (NINL) - an iron & steel plant of 1.1 million tonnes capacity, 0.8 million tonne coke oven and by product unit with captive power plant, jointly with Govt. of Odisha and others. The phase-II of the Project for production of steel, with Basic Oxygen Furnace, Oxygen Plant and SMS has been commissioned and Steel Billets Production was done on trial basis. During the year 2016-17, NINL achieved a turnover of ₹12687.3 million, EBDITA of ₹14.4 million and incurred net loss of ₹3567.44 million. This was primarily due to recession in the economy and steel sector in particular. After lot of persuasion and efforts, finally NINL could sign Iron Ore Mining Lease on captive basis with Govt. of Odisha for 874.24 hectare having 92 million tonne of mineable reserves in the State of Odisha. Mines are expected to commission iron ore production by June, 2018. NINL has also signed MOU with NALCO for setting up of Coal Tar Pitch Plant. With the stabilization of steel making facility and starting of iron ore mining by end of current financial year, NINL's performance is expected to improve financially.

PROJECTS/ JOINT VENTURES

To take advantage of new opportunities emerging in the free market environment, your company has promoted a number of joint ventures following the public-private partnership model in earlier years. A brief on the current status of such JVs is given hereunder:

(i) The joint venture for medallion manufacturing unit participated as 26% equity partner in collaboration with PAMP Switzerland in the name of MMTC-PAMP India Pvt. Ltd. achieved a turnover of ₹243901.61 millions and profit after tax of ₹149.29 million during

2016-17. MMTC has received a dividend of 20% for its investment in MMTC-PAMP India Pvt. Ltd. for FY 2016-17. MMTC-PAMP became India's first LBMA accredited refiner for Gold and silver. During 2016-17 MMTC has sold Gold Bars produced by MPIPL in the domestic market achieving a turnover of ₹7922.2 million.

(ii) A 15 MW capacity Wind Mill project with 25 Wind Energy Generators commissioned by MMTC way back in March, 2007 at Gajendragad in Karnataka, is running successfully and has contributed to the development of the area by meeting some portion of energy needs of Karnataka state. The power generated from the project is sold to HESCOM. The turnover of the project during 2016-17 was ₹ 77.3 million with a profit of ₹ 68.6 million.

(iii) To facilitate promotion of two-way trade, the SPV promoted by your Company in association with IL&FS IIDC has been allotted land to set up International Cargo hub at Haldia and Free Trade and Warehousing Zone at Kandla on lines similar to Special Economic Zone. Two plots of 2.75 acres of land in the Kandla FTWZ has been leased in March, 2016 and the annual revenue is ₹5.39 million. Discussions are on with the other units for leasing out the plots. The Development Commissioner had granted approval for setting up a unit within Kandla FTWZ.

(iv) Your company had participated in the equity of Currency Futures Exchange under the name and style of "United Stock Exchange of India Ltd which has been merged with "BSE Limited" (BSE) during the year and as a result your Company holds 38,961 equity shares of ₹ 2/- each in BSE. During the year BSE earned a net profit of ₹1986.4 millions against ₹1328.6 millions in 2015-16 and declared an interim dividend of ₹5/- on equity share of ₹ 2/- each. The shares of BSE has since been listed on National Stock Exchange (NSE).

(v) Your Company holds 9.55% equity capital in Indian Commodity Exchange Limited (ICEX) as on 31.3.2017 out of total paid up capital of ₹1675 millions subsequent to the Rights Issue by ICEX(₹850 millions) in which MMTC has not participated. During the year ICEX has reported a net loss of ₹148.5 million for the year 2016-17. ICEX has got necessary approval from SEBI for launching diamond contracts apart from obtaining 'in principle' approval for trading in contracts for Brent Crude and WTI Crude. It has since got clearance from SEBI for restarting its trading operations.

(vi) The JV Company - M/s. SICAL Iron Ore Terminals Limited (SIOTL) could not commence commercial operations due to non-availability of iron ore for exports from Bellary-Hospet Sector in Karnataka State. In view of uncertain future of iron ore exports and to utilize the infrastructure created, Kamarajar Port Trust (erstwhile Ennore Port Trust) decided to award the facility through bidding process for modification of the facility to also handle coal. SIOTL emerged successful to bag the project during such process. As coal does not have synergy with MMTC's existing line of business, MMTC Board has decided to exit from the JV, process for which is in progress.

(vii) For effective marketing of the finished products of both medallions and jewellery, your company has set up a JV Company, in partnership with a leading Indian company under the name and style of MMTC Gitanjali Limited for setting up retail stores at various cities in India. MMTC Gitanjali Limited has reported a turnover of ₹266.24 million for the year 2016-17 as against turnover of ₹283.24 million during 2015-16 and net loss of ₹24.8 million for the year 2016-17.

(viii) TM Mining Company Ltd.-your company's JV with M/s TATA Steel Ltd. for mining, exploration and allied activities has obtained certificate for commencement of operations. Efforts are on by the JV company to identify suitable projects to work on.

INDUSTRIAL RELATIONS & HUMAN RESOURCE MANAGEMENT

Cordial and harmonious industrial relations were maintained in the Company during the year. No man days were lost due to any industrial unrest during the year. Regular meetings were held with the Federation/ Unions / Associations of Officers, Staff and SC/ST Employees under Joint Consultative Machinery Forum. The aim of these meetings is to promote exchange of information/ideas with a view to achieve Company's goals and objectives.

The aggregate manpower of the company as on 31st March, 2017 stood at 1225, comprising of 5 Board level executives, 1 CVO, 469 Officers and 639 staff. This manpower includes

6 officers, 105 staff / workers of erstwhile Mica Trading Company Ltd., which had been merged with your company pursuant to the orders of BIFR. The composite representation of the total manpower is - women employees representing 21.06% (258 employees) of the total manpower; SC, ST, OBC & persons with disabilities (PWD) to the extent of 20.89% (256 employees), 9.14% (112 employees), 9.39% (115 employees) and 1.96% (24 employees) respectively. During the year 08 officers were inducted through open advertisement.

RESERVATION POLICY

Policy for reservations for SCs, STs, OBCs and PWD in services was followed fully as per the government guidelines in recruitment and promotion.

TRAINING AND DEVELOPMENT

For further enhancing / upgrading the skills of employees in the constantly changing business scenario, 556 employees were imparted training during the year in different spheres of company's activities. This was done through programmes organized in association with in-house faculty as well as external resource persons from renowned institutions/ organizations. The employees deputed for training had adequate representation of SC, ST and women employees (SC- 71, ST- 33 and women -162). In terms of man days, such training works out to 745 training man days during the year 2016-17.

IMPLEMENTATION OF OFFICIAL LANGUAGE

The Company is committed to implement Official Language Policy of the Government of India. Best efforts were made to achieve the targets prescribed in the Annual Programme for the year 2016-17 issued by the Department of Official Language, Ministry of Home Affairs, Govt. of India. To promote the usage of Hindi in Company's day-to-day work, several programmes viz. Hindi Workshops/Hindi Typing, training on Computers/Hindi Day/Week/Fortnight were organized at Corporate Office and Regional Offices during the year. This has brought positive results and a considerable increase of use of Hindi was observed in day to day official work.

During the year the Hon'ble Committee of Parliament on Official Language inspected our Regional Office at Mumbai and Jaipur for reviewing the progress of implementation of Hindi. The Company's Corporate Office and Sub Regional Office Bangalore were awarded with Vishesh Prashansa Purasakar and First Prize respectively by Town Official Language Implementation Committee(PSUs), Delhi and Town Official Language Implementation Committee, Bangalore for the outstanding work done in the area of Official Language implementation.

VIGILANCE

The Vigilance Wing of your Company continued its focus on preventive vigilance to foster the goodwill & confidence stemming from value based business practices and for strengthening the Company as a professionally managed, globally competitive & internationally reputed organization. With the initiatives of Vigilance Division of

your Company, various drills/manuals have been prepared and implemented. Under the new initiatives through video conference, quick redressal of problem and issues at regional level was introduced. Vigilance Division is also instrumental in overhauling of Systems and Procedures to detect and deal with the system failures and effective observance of conduct rules. During the year, the vigilance division processed 18 complaints (13 were carried over from last year and there were 5 new complaints). Out of these, 9 complaints have been disposed of and action on remaining 9 complaints is in progress, and two new vigilance cases were registered. Division is also instrumental in organizing "Vigilance Awareness Week" in various offices of MMTC from 31.10.2016 to 5.11.2016 with the theme of "Public participation in promoting integrity and eradication of corruption". Training to Vigilance and Non-Vigilance Officers has been imparted on zonal basis for sensitizing the employees about the preventive vigilance aspect.

VIGIL MECHANISM

In accordance with the provisions of Section 177 of Companies Act 2013, the Board of your company introduced a Scheme on 'Vigil Mechanism' in 2014. The vigil mechanism is established for Directors and employees to report their genuine concerns. The concerns, if any, from any employee/Director shall be addressed to the Chairman of the Audit Committee. This mechanism is apart from the Whistle Blower Policy, already in force. During the year under review, no complaint has been received either under the Vigil Mechanism or under the provisions of Whistle Blower Policy. Further, it is affirmed that no person was restrained from accessing the Chairman of Audit Committee.

INTEGRITY PACT

Integrity Pact is promoted as part of series of steps taken by Central Vigilance Commission for ensuring transparency, equity and competitiveness in public procurement. Your Company has also implemented the same to promote transparency/equity amongst the bidders and to plug any possibility of corrupt practices in trade conducted by the Company. Shri D.R.S. Chaudhary IAS (Retd.), has been appointed to function as Independent External Monitors (IEM).

CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABLE DEVELOPMENT

MMTC's CSR Policy is in line with Section 135 of the Companies Act and the CSR Rules as notified by the Ministry of Corporate Affairs. The CSR Projects are being undertaken in terms of Section 135 of the Companies Act. The new CSR Policy is hosted on MMTC's website.

In compliance to CSR Rules, your Company in its endeavor to continue it commitment towards CSR & Sustainability initiatives during the year 2016-17 a sum of ₹8.14 million was allocated for undertaking the CSR activities which was equivalent to 2% of the average net profit of preceding three years.

The funds allocated during 2016-17 under CSR were spent towards activities majorly related to the Swachh Bharat Abhiyan, Clean Ganga Mission, Skill India Mission, Promotion of healthcare and Yoga and Promotion of sports/para-sports. Besides this, MMTC supported distribution of artificial limbs and assistive devices to the differently abled. The annual report on CSR activity undertaken by your Company during 2016-17 is annexed to this Report.

CORPORATE GOVERNANCE

Your Company reposes its firm faith in continuous development, adoption and dedication towards the best corporate governance practices. Towards this end, the norms prescribed under the Companies Act, 2013, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015(Listing Regulations) and Guidelines applicable for CPSEs issued by the Department of Public Enterprises in this regard are being implemented in letter and spirit. However, appointment of woman director on the Board of the company including two Independent Directors as required on 31.3.2017 is yet to be made by the Government.

A separate Report on Corporate Governance along with certificate from M/s Blak & Co.(CP No.11714) regarding compliance of the stipulations relating to corporate governance specified in Listing Regulations is annexed hereto and forms part of this report. It may be mentioned that the company has complied with the CG norms prescribed by the Department of Public Enterprises applicable for CPSEs and a quarterly reports in this regard are sent regularly.

CODE OF CONDUCT

Pursuant to Regulation 15(5) of Listing Regulations, the Code of Conduct applicable to the Board members & senior management personnel has been posted on the website of your company. All Board Members and Senior Management Personnel as on 31st March, 2017 to whom the said Code is applicable, except one suspended Director(Marketing),

have affirmed compliance of the same for the period ended 31st March, 2017. Based on the affirmation received from Board Members and Senior Management Personnel, declaration regarding compliance of Code of Conduct made by the Chairman & Managing Director is given below:

Declaration as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE's Guidelines on Corporate Governance

"All the members of the Board and Senior Management Personnel except one Director(Marketing) have affirmed compliance of the 'Code of Business Conduct & Ethics for Board Members and Senior Management Personnel' of the company for the financial year ended on March 31, 2017."

Sd/-
VED PRAKASH
Chairman & Managing Director
DIN.: 02988628

BUSINESS RESPONSIBILITY REPORT

In accordance with the provisions of regulation 34(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has prepared the Business Responsibility Report for inclusion in the Annual Report for the year 2016-17. The framework and principles suggested by SEBI to assess compliance with environment, social and governance norms pertaining to Corporate Social Responsibility and Sustainable Development activities of the Company. The Business Responsibility Report of your Company is annexed herewith and forms part of the Annual Report.

PPP for MSEs

In pursuance of Public Procurement Policy (PPP) for Micro and Small Enterprises (MSEs), in its endeavor, MMTC have been making efforts to procure goods and services from MSEs equivalent to 20% of the value of its annual requirement. Out of 20%, 4% of items are to be procured from the entrepreneurs belonging to the category of SCs and STs.

During 2016-17, MMTC in respect of its administrative requirements, procured goods and services (which mainly include office equipments, stationery items, office maintenance, house keeping & security services etc.) has procured 58.26% (Rs.46.8 millions) from annual procurement of ₹81.8 millions and ₹5.1 millions from MSEs owned by SC/ST entrepreneurs which is 31.19% against a sub-target of 4% out of 20% MSE target of annual procurement, earmarked for procuring from MSEs owned by SC/ST entrepreneurs.

During 2017-18, MMTC, in respect of administrative requirements, intends to procure goods and services amounting to ₹80 millions (+/-10%) (approx.) In compliance of Public Procurement Policy for Micro & Small Enterprises.

PUBLIC DEPOSIT SCHEME

As on 1st April 2017, there were no outstanding public deposits and the company did not invite/ accept any public deposit during the year ended 31st March, 2017.

ANNUAL RETURN

The extracts of Annual Return pursuant to provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in prescribed form-MGT-9 and the same is annexed herewith.

STATUTORY AUDITOR'S REPORT

The report of Statutory Auditors for the year 2016-17 along with Management's reply to the observations of the Statutory Auditors is annexed herewith.

COMMENTS OF COMPTROLLER & AUDITOR GENERAL OF INDIA

The Comptroller & Auditor General of India (C&AG) has given "Nil" comments under section 143 (6) (b) of the Companies Act, 2013 on the accounts of the Company for the year ended 31.03.2017. The communication dated 25.07.2017 of C&AG of India in this regard is annexed herewith.

SECRETARIAL AUDIT

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, your Company engaged the services of M/s. Blak & Co., Practicing Company Secretaries, New Delhi to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2017. The Secretarial Audit Report (in Form MR-3) along with Management's Reply on the observations of the Secretarial Auditor is annexed herewith.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Details of investments, loans and guarantees covered under the provisions of Section 186 of the Companies Act, 2013 are given in Note 8,10,13 and 36 respectively of the Notes forming part of the financial statements. The company has extended working capital credit facilities limit of ₹14050 millions during the financial year 2016-17 (reduced to ₹13450 millions as on 31.3.2017) to meet the day to day operational activities of the JV company – M/s Neelachal Ispat Nigam Limited in accordance with provisions of Section 186 of Companies Act 2013 duly approved by the Board out of which the total outstanding as on 31.3.2017 is ₹ 13274.8 millions.

RELATED PARTY TRANSACTIONS

All transactions entered by the Company with Related Parties were in the Ordinary Course of Business and not at Arm's Length basis. The Audit Committee granted omnibus approval for the transactions undertaken during 2016-17. The approval of the Board and Shareholders at the AGM for such Related Party Transactions were taken. Suitable disclosures as required under Ind AS-24 have been made in Note 44 of Notes to the financial statements. Details of the transaction are provided in Form AOC-2 which is annexed herewith.

The Policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the Company's website at the following link: http://mmtclimited.com/files/.pdf/95_party_policy.pdf

RISK MANAGEMENT POLICY

The Board of Directors approved the Risk Management Policy after the same has been duly recommended by the Audit Committee of Directors to take care of various risks associated with the business undertaken by your company. The details of Risk Management as practiced by the Company is provided as part of Management Discussion and Analysis Report which is annexed herewith.

CONSERVATION OF ENERGY

During the year 2016-17, there was no production activity in (Mica group) of your company. Hence, the provisions of Rule 8(3) of Companies (Accounts) Rules, 2014, are not applicable.

PARTICULARS OF EMPLOYEES

Pursuant to provisions of Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, as amended from time to time, it is stated that there were no employees who were in receipt of remuneration exceeding ₹60 lakhs per annum or ₹ 5.00 lakhs per month during the year 2016-17.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, your Directors state that:

a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for the year ended 31.3.2017;

c) the Directors have taken a proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors had prepared the annual accounts on a going concern basis.

e) the directors of your company had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company has in place a Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment at work place. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

No complaints were received by the Company under the above Act during the year under review.

CORPORATE ACTIVITIES

Shri, Amogh Lila Prabhu, ISKON, on International Women's Day


CMD's visit to R.O. Hyderabad


Flag hoisting at MMTC Colony


Swachta Inspection


CMD's visit to R.O. Vishakapatnam

Public Toilet Complex contructed by MMTC at Haiderpur, JJ Cluster


Felicitation of CMD


Independence Day celebration with children of CKS Foundations supported by MMTC

BOARD OF DIRECTORS

Following are the changes in the Board of Directors of your company since 1st April 2016: -

Name of the Director	Category	Date of Appointment/ Cessation	Appointment/ Cessation
Mr. Rana Som	Non-official (Independent) Director	09.04.2016	Cessation
Mr. N.Bala Baskar	Non-official (Independent) Director	09.04.2016	Cessation
Dr. Subas Pani	Non-official (Independent) Director	09.04.2016	Cessation
Mr. S.R.Tayal	Non-official (Independent) Director	09.04.2016	Cessation
Mr. R.Anand	Non-official (Independent) Director	15.06.2016	Appointment
Mr. B.K. Shukla	Non-official (Independent) Director	04.07.2016	Appointment
Mr. M.G. Gupta	Director(Finance)	08.12.2016	Cessation
Mr. Rajeev Jaideva	Director(Personnel)	31.12.2016	Cessation
Mr. A.K. Bhalla	Govt. Nominee Director	02.11.2016	Cessation
Dr. Inder Jit Singh	Govt. Nominee Director	02.11.2016	Appointment
Mr. T.K. Sengupta	Director(Personnel)	02.01.2017	Appointment
Mr. Rajnish Goenka	Non-official (Independent) Director	27.01.2017	Appointment
Dr.Jayant Dasgupta	Non-official (Independent) Director	07.02.2017	Appointment
Mr. R.R.Jadeja	Non-official (Independent) Director	11.02.2017	Appointment
Mr Anand Trivedi	Director(Marketing)	02.7.2017	Cessation

The Board places on record its deep appreciation for the commendable services and the contributions made by the Directors who ceased to be on the Board w.e.f. 1.4.2016 onwards. The Board also welcomes S/Sh.. R. Anand, Balkrishna K. Shukla, Dr. Inder Jit Singh, T.K. Sengupta, Rajnish Goenka, Dr. Jayant Dasgupta and R.R. Jadeja and expresses its confidence that the Company shall immensely benefit from their rich and varied experience.

During the year two whole time directors – Shri M G Gupta and Shri Anand Trivedi were placed under suspension on 7.11.2016 & 6.12.2016 respectively by the administrative ministry.

In terms of provisions of Article 87(4)(A) of Articles of Association of the Company regarding rotational retirement of Directors, Shri P.K. Jain, Director(Marketing) shall retire at the AGM and, being eligible, has offered himself for reappointment.

ACKNOWLEDGEMENTS

Your Directors would like to acknowledge and place on record their sincere appreciation of all stakeholders- Shareholders, Department of Commerce, all Govt. Agencies, RBI and other Banks, Railways, Customs, Ports, Customers, Suppliers and other business partners for the excellent support and cooperation received from them during the year. Your Directors also recognize and appreciate the efforts and hard work of all the employees of the Company and their continued contribution towards its progress.

By the Order of the Board

sd/-
(Ved Prakash)
Chairman & Managing Director
DIN No: 02988628

Dated: 09.8.2017

MANAGEMENT DISCUSSION AND ANALYSIS REPORT 2016-17

Overview of Global Trade and Developments

The global economy continues to face subdued growth owing to low commodity prices and low inflation rates, stagnant growth in advanced economies, and geopolitical and political uncertainties. The International Monetary Fund (IMF) projects global economic growth to be 3.4 per cent in 2017.

Overview of developments in India during 2016-17

In the backdrop of global slowdown and lower world demand, India witnessed steady growth momentum in comparison to other developing economies.

The implementation of Goods and Services Tax(GST) is expected to improve tax compliance and governance, and will provide an impetus to the investments and growth in the country. Due to favourable indicators such as moderate levels of inflation, reduced Current Account Deficit (CAD), fiscal consolidation and positive impact of demonetization, the country is currently characterized as a stable macro-economic situation, the Government expects India's GDP to expand at a growth rate between 6.75-7.5 percent during 2017-18. Moreover, the nation's economy is moving ahead at a speedy pace with the launch of the Government's schemes of 'Make in India', 'Digitalisation' 'Start-up India', 'Skill India', 'Swachh Bharat Mission' 'Ujjwala Yojana', 'Deen Dayal Upadhyaya Gram Jyoti Yojana' etc which shall further strengthen the national economy.

According to The World Bank, the Indian economy is likely to grow at 7 per cent in 2016-17, followed by further acceleration to 7.6 per cent in 2017-18 and 7.8 per cent in 2018-19. Demonetization has a positive impact on the Indian economy, which will help foster a clean and digitized economy in the long run.

India is expected to be the third largest consumer economy as its consumption may triple to US$ 4 trillion by 2025, owing to shift in consumer behaviour and expenditure pattern, according to a Boston Consulting Group (BCG) report; and is estimated to surpass USA to become the second largest economy in terms of purchasing power parity (PPP) by the year 2040, according to a report by PricewaterhouseCoopers.

Outlook for 2017-18

The IMF update for January 2017 predicts likely pickup in economic activities in 2017 and 2018 after a lackluster outturn in 2016, especially in emerging markets and developing economies. As per UN in its World Economic Situation and Prospect (WESP) report, India's economy is slowly gaining momentum with an expected GDP growth of 7.3 and 7.5 percent in 2016 and 2017 respectively. India's competitiveness has improved across the board, in particular in goods market efficiency, business sophistication and innovation. Global growth for 2017 and 2018 is projected at 3.4 per cent and 3.6 per cent respectively.

MMTC- 2016-17 in retrospect

Financial Review

In the backdrop of above international business scenario, Your Company achieved a trade turnover of ₹1,15,934.3 million during 2016-17 as against the turnover of ₹1,24,604.7 million registered last fiscal. This turnover includes Exports of ₹15801.4 million, Imports of ₹ 84802.6 million and domestic trade of ₹15330.3 million. The decline in trade performance is due to various factors like fall in average price of urea, non-import of steam coal for Government Power Plants due to increased domestic supplies by Coal India, continuing ban on iron ore mining and the resultant lower exports etc. Your Company earned a trading profit of Rs.2244.5 million as compared to ₹1965.1 million in 2015-16. The profit before tax from ordinary activities is ₹812.3 million as compared to ₹579.1 million in 2015-16. The Company has registered a net Profit of ₹570.6 million during the year as compared to ₹548.9 million earned last year. Thus the earnings per share of face value of ₹1/- each is ₹ 0.57 as on 31.3.2017. Besides, MMTC continues to be a zero long-term debt company.

Source and Utilization of Funds

The source of funds of the company as on 31st March, 2017 comprises of shareholders fund amounting to ₹14340.77 million including equity share capital of ₹1000 million and non-current and current liabilities of ₹1876.96 million and ₹ 44565.17 million respectively. These funds have been deployed inter alia towards non-current assets amounting to ₹9920.79 million and current assets of ₹50862.11 million as on 31st March, 2017.

Internal Control Procedures

In MMTC, day-to-day affairs are managed at various managerial levels in accordance with a well-defined "Delegation of Powers". Major issues are deliberated to arrive at conscious decisions by the respective Committees of Directors constituted by the Board of Directors as detailed in the report on Corporate Governance annexed herewith.

MMTC has well-settled Internal Audit System & Procedures which is commensurate with its diverse functions. The company has an Internal Audit Division, to coordinate with external auditing firms in conducting internal audit all through the year. Number of initiatives started during the last fiscal for strengthening the internal controls through concurrent audit of bullion transactions, special audit for bullion transactions for earlier years, etc. continued during the year also. Towards this, a well defined Internal Audit Manual, Corporate Risk Management Policy and Business-cum-Internal Control Manual for various trades of MMTC approved by the Board of Directors have been put in place to take care of internal control mechanisms, risk assessment on the business proposals and systematic SOP for undertaking various trades.

The Audit Committee of Directors meets the Company's Statutory Auditors and Internal Auditors regularly to ascertain their concerns and observations on financial reports. The directions of the Audit Committee are strictly implemented by the Management.

Subsidiary Company

The wholly owned subsidiary of your Company - MMTC Transnational Pte. Ltd. Singapore (MTPL) incorporated in October 1994 with the objective to take advantage of liberalization/globalization of trade and commerce to tap South East Asian market for trading in commodities has been engaged in commodity trading and has established itself as a credible and reputable trading outfit in Singapore. During the financial year 2016-17 MTPL achieved sales turnover of USD 113.17 million as against US$108.52 million during last fiscal. The Net Profit earned by MTPL during the financial year 2016-17 amounted to US$ 0.04 million as against loss of US$0.28 million incurred in 2015-16. The net worth of MTPL stood at US$ 15.39 million as on 31st March 2017.

MTPL enjoyed prestigious "Global Trader Programme" (GTP) status awarded to it by International Enterprise, Singapore, an arm of the Govt. of Singapore from the year 2000 to 2013.

Business Group wise Review for 2016-17

Minerals

The Minerals group of your Company play a leading role in mineral trade for a period spanning over five decades. In

the last decade, MMTC could withstand the stiff competition in the global market by consolidating the mineral portfolio, dynamic and prudent strategies to insulate against the market vagaries, expanding extensively its infrastructure facilities and by attaching utmost care and importance to its trade commitments as also the quality of service and products.

The group has been consistently striving to enhance its competitiveness in the area of value addition. MMTC has provided further fillip to value addition of minerals. MMTC's co-promoted 1.1. million tpa Neelachal Ispat Nigam Ltd. (NINL) consumes annually over 2.2 million tons of various types of minerals on annual basis arranged mainly by MMTC.

During 2016-17 the Minerals Group of your Company achieved a turnover of ₹12873 million, which includes exports of Iron Ore valuing ₹9228.60 million, Chrome Ore, Chrome Concentrate approx. ₹3499.40 million. As per current EXIM Policy iron ore (Fe content 64% & above), Chrome Ore & Concentrate and Manganese ore are allowed for export through MMTC. The group has also achieved a turnover of ₹145.65 million by domestic trading of Minerals & Ore which comprises of limestone valued at ₹54.50 million and other minerals valued at ₹91.15 million.

Continuation of restrictions on Iron ore mining and its ban on movement for exports from Bellary-Hospet Sector, regulation of exports from Eastern Sector, uncompetitive FOB sale prices of Indian origin ore vis-à-vis other international suppliers i.e. Australia and Brazil (on account of export duty), subdued iron ore demand/prices in the international/ spot market, high iron ore inventory with Chinese steel mills, general slowdown of Chinese economy, relative prices increase in domestic demand of ore, etc. continued to have impact on the iron ore exports during 2016-17. Despite this and the stiff competition, MMTC continued to maintain its position as a prominent exporter of minerals during the year under review. MMTC has established itself as a reliable supplier of iron ore to Japanese & South Korean markets over many decades and this portfolio will continue to bring steady business for your Company. Reimposition of 30% ad valorem export duty on chrome ore/Chrome Concentrate from 26.05.2016 has resulted in limited export of Chrome ore/Chrome Concentrate from India. Moreover, increase in steel production/consumption in India would result in further demand of iron ore, Chrome ore and Manganese ore from domestic industry and may affect the availability of these products for export in future. Export of more ferro-chrome may adversely affect availability of chrome ore and also concentrates for export.

Precious Metals, Gems & Jewellery

The Gems and Jewellery sector plays a significant role in the Indian economy, contributing around 6% to 7% of the country's GDP. It is one of the fastest growing sectors and

is extremely export oriented and labour intensive.

Your Company enjoys the position of one of the market leaders in the Indian bullion trade, having flexibility to operate from various centers spread all over the country offering novel product services, besides maintaining enduring relationship.

Despite high volatility in prices of bullion as well as Indian Rupee - US Dollar exchange rates, Precious Metals Group of your Company contributed a gross turnover of ₹60391.40 million contributing to approx. 50 percent of the total turnover achieved by the company. The turnover of this group includes import of gold and silver worth ₹48743.60 million, domestic trade of ₹11,646.10 million and export of gold medallions worth ₹1.50 million. Your Company's share stands at 2% for Gold and 10% for silver in the country's bullion trade for 2016-17. MMTC is one of the nominated agencies for import of Bullion for supply to exporters as well as domestic traders/jewelers which is the basic raw material for Gems & Jewellery Industry of India. Being a nominated Body, MMTC plays a vital role in association with Govt. of India in Policy formulation to support Gems & Jewellery exports from India and development of Jewellery sector on Pan-India basis. Government has always been supportive since inception way back in 1980s when the Jhandewalan jewellery Complex was approved by the Ministry of Commerce and MMTC being nominated as Agency for supply of gold to DTA w.e.f. September 1992.

Govt. of India also launched Gold Monetization Scheme in 2015 for which MMTC has been assigned two important projects for implementation, namely, sale of Indian Gold Coins and e-Auction of medium and long term gold deposits of Govt. of India, promoting the circulation of domestic gold into the economy thereby reducing the Bullion imports saving valuable foreign exchange.

The Precious Metals Group of your Company marketed the Indian Gold Coins(IGC) unveiled by the Hon'ble Prime Minister of India in 5 gm, 10 gms and bars of 20 gms minted at India Govt. Mint Mumbai and Kolkata. Total turnover of IGC sales achieved during 2016-17 is ₹1291 million. Your Company tied up with banks to sell Indian Gold Coin. Efforts are on to further expand distribution network for sale of Indian Gold Coin.

The flagship event of MMTC Limited "Festival of Gold" was held. The turnover achieved during the Festival of Gold (FOG) "Akshay Tritiya and DIWALI", 2016 was ₹68 million and ₹210 million respectively.

Your company has been supplying Gold/Silver Medallions to various Corporates apart from effecting showroom sales. During the year your company also refined Gold/ Silver offerings and supplied medallions / bars to Shri Mata Vaishno Devi and Mata Mansa Devi Shrine Boards. Further, we have also fabricated and supplied Silver Commemorative Medallions, the replica of Sikh Sovereign Coin on the occasion of 300th Year of martyrdom of Baba Banda Singh Bahadur and also on the occasion of 350th Birth Anniversary of Shri Guru Gobind Singhji.

The Company's joint venture MMTC-PAMP India Pvt. Ltd. achieved a turnover of ₹243901.61 million and a profit (after tax) of ₹149.29 million. During the fiscal MMTC has sold 2.87 MTs of Gold Bars produced by MPIPL in the domestic market achieving a turnover of ₹7922.2 million. Another Joint Venture for retail trade in jewellery i.e. MMTC Gitanjali Limited has reported a turnover of ₹266.24 million for the year 2016-17 as against turnover of ₹283.24 million during 2015-16.

With increasing competition among the gold traders, there is a continuous decrease in the profit margin being experienced in the trade. The Goods & Service Tax(GST) will hopefully change the shape of the industry.

Demand for Gold is expected to remain firm for this year on account of strong demand owing to traditional importance of the metal in India which is very difficult to alter. By the end of 2016, silver was the second-best asset in the precious-metals space, up 16.5% since the start of the year and only behind palladium. Outlook for silver in 2017 is an upward trend in prices due to expectations on solid fundamentals, as mine supply is likely to contract while industrial and jewellery demand is like to increase.

The Precious Metals Group of your Company shall be making efforts to bring back big customers in various metro and non-metro cities through constant customer engagement. On account of jewellers' strike in the first half of the year, the DTA Gold operations were strengthened. MMTC set up a unit in SEZ at SEEPZ Mumbai and is making efforts to set up a unit in the SEZ at Sitapura Jaipur which would further boost DTA operations. Although India's silver imports declined as compared to last year, MMTC's market share increased to 10% as compared to 8% last year. Strategies for the current year include maximizing DTA operations, simplified procedures for importing bullion through FTWZ, enrolment of new foreign suppliers to have better supplier base to be more competitive and have adequate quantity to supply, conduct successful rollout of the e-auction of bullion bars under the GMS scheme, etc. The group shall be exploring new avenues of business like the Dore import business for which government departments are being pursued vigorously, auctioning of gold/silver confiscated by customs and that available with prominent temple trusts.

Metals and Industrial Raw Materials

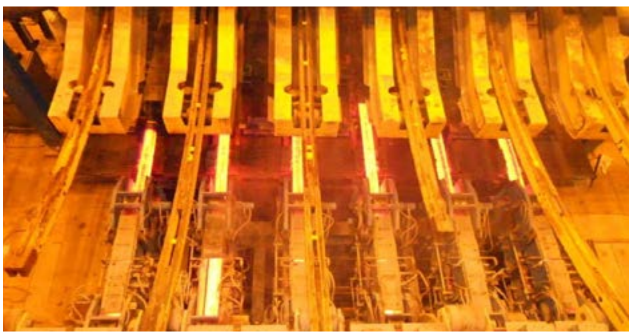
During 2016-17 the metals group of your Company has achieved a turnover of ₹6928.10 million which includes export of Pig Iron worth ₹2415.80 million, import of Non Ferrous Metals like Zinc, Nickel, Cobalt and Tin worth ₹2733.40 million, import of Industrial Raw Material viz. Antimony metal worth ₹42.80 million and Domestic Trade in Steel products like pig iron, slag, billets etc worth ₹1736.10 million. The Pig Iron is produced by MMTC's joint venture with Govt. of Odisha, M/s. Neelachal Ispat Nigam Limited.

MMTC's strength lies in that its supplier base comprised of reputable international suppliers of all base and minor metals and linkages with major PSUs, Railways and Ordnance Factories to ensure steady stream of business. However, non-standardized and custom specified material are not available with empanelled suppliers. Procurement of imported NFM takes a minimum of 3-4 weeks' time which becomes a bottleneck for serving the industry locally.

The opportunities in NFM trade are expansion in minor metals and Ferro Alloys markets, sale of unpriced base Non Ferrous Metals or ex-Bond, SEZ or ex-FTWZ basis and expansion of supply base for import of NFM. The threats include increase in domestic production of secondary and recycled metals from indigenous and imported scrap and increase in domestic manufacture of base metals like Copper, Aluminium, Lead and Zinc creating an alternative supply source.

Possibility of sale of Non Ferrous Metals through FTWZ will be explored by the NFM Group of your company. The possibility of tying up for long-term/annual supplies with producers and major overseas traders may also be explored to enable MMTC to offer better commercial terms and competitive edge over other traders in the market.

In the Steel segment during 2016-17, the group has sold Non-Alloy Pig Iron with value of approx. Rs.2415.8 million in international market apart from sale in the domestic market. The group will be eyeing import financing opportunities-mapping with our product portfolio and business model &



Policies, HMS & Shredded scrap import through Kandla, Mundra & Chennai Port. It has empanelled around 10 foreign suppliers for supply of HMS & Shredded Scraps. The group shall be exploring possibility of export of Pig Iron & Billets to Bangladeshi/Nepali markets.

Agro Products

The Agro group of your Company achieved a turnover of ₹2089.60 million during FY 2016-17 which include import of pulses worth ₹1057.60 million, and domestic trade of pulses worth ₹1032 million. The group has imported pulses on Government Account to contain the price fluctuation in the open market.

MMTC has been in agri trade business for almost two and half decades, beginning with the then sunrise segment of Soyabean processing for export of soya DOC and sale of Crude Soya Oil in the domestic market. Opportunities for export/import of grains like Rice, Wheat and Sugar also were available either on Government account or on commercial basis. Under the Price Stabilization, MMTC has played a pioneering role for import of pulses. For building buffer stock of pulses, MMTC has been designated as one of the agencies for import of pulses by Government of India. As per directions of Govt. of India, during FY 2016-17, MMTC has imported approx 3.4888 lakh MT of various pulses like toor, urad, masur and chana for the buffer stock programme. These pulses are being stored at various port godowns and are being released to State Government Agencies and open market as per the advice of Department of Consumer Affairs, Govt. of India.

Depending upon the domestic production, opportunities either for export or for import emerges. Very high volatility in some of the agro commodities is on the basis of price trend in international commodity market, and currency rate fluctuations pose a threat to agri business apart from natural vagaries like draught/monsoon etc.

Globally, there has been slow down in all commodities markets right from crude oil, steel, agri commodities, edible oils, etc. Slow down of economic growth in China, EU and other countries have adversely affected the commodities markets. The group is no exception to this development.

Outlook for 2017-18 for agri commodities except pulses are

not very encouraging considering the fact that international market for agri commodities are yet to recover and major commodities like wheat, rice, edible oil, etc are also yet to recover from the bearish sentiments. Initiatives have been taken and efforts are going on to export Indian Rice to Indonesia and Egypt on Govt. to Govt. arrangements. MMTC is the Government nodal agency for import of pulses under the price stabilization scheme.

Fertilizers and Chemicals

MMTC Limited is one of the major importers of fertilizers in India. It is engaged in the import of finished, intermediate and raw fertilizers. MMTC handles about 3 to 4 million tonnes of fertilizers. It continues to remain a trusted and reliable supplier of fertilizers to many institutional customers in India. This has been possible owing to a reputation of trust and reliability assiduously built by the company over four decades.

MMTC has built a niche for itself and has been extending the benefit of its four decades of experience in buying, selling and excellent net-working, which has been continuously adding value in the supply chain. As a result, MMTC remains the single unique window for buying and selling of all fertilizer products globally.

The Fertilizer group of your Company imports urea on behalf of Department of Fertilizers, Ministry of Chemicals and Fertilizers. During FY 2016-17, the Fertilizer and Chemicals group of your Company has contributed a turnover of ₹26734.10 million during the financial year 2016-17. It included import on behalf of Government of India of about 1.63 million tonnes of urea valued at about ₹23913 million, and import of non-canalized fertilizer like Phosphoric acid, Powdered Mono Ammonium Phosphate(PMAP), Sulphur, MOP and Urea worth ₹2608.30 million, domestic trade of fertilizers worth ₹1.80 million. Around 10000 MT of Urea was exported to Nepal valuing ₹211 million. Urea is one of the major fertilizers to meet nitrogen nutrient requirement of the soil.

Powdered Mono Ammonium Phosphate (PMAP) is a new product added to the product range of the Group, which contributed a turnover of ₹241.70 million during the period under review.

Fertilizer industry in India has been passing through tough phase in recent years. The year under review was a difficult

period for the fertilizer industry in general in India due to the rainfall turned marginally below the normal which directly impacts the quantum of chemical fertilizers used in agriculture. Further, disparity in the import price of various fertilizers caused the demand destruction which ultimately affects the business of MMTC.

As regards import of Urea on Government account, the total imports of India have come down which also impacted the overall business volumes of MMTC. Urea imports have come down as domestic production has increased which substantially bridged the gap between production and consumption.

The outlook for 2017-18 for India will depend on the monsoon and the Government policy. The global economy continues to face challenges. With food inflation being felt by countries across the globe including India, the focus especially for the developing nations would be on increasing productivity in agriculture. However, the global supply position of all the major fertilizers is expected to remain comfortable with new addition in capacities mainly in Urea, DAP and MOP.

Efforts are continuously being made to increase the volume of business in the existing product line and aggressively exploring new fertilizer products for trading. The action plan for achieving targets for 2017-18 includes import of MOP by retaining the existing customers and adding new customers, import of required quantities of Urea by Department of Fertilizers in 2017-18 and focus on Phosphates raw materials intermediates and finished fertilizers.

Coal and Hydrocarbons

India's Imports of non-coking coal has peaked to around 170 million MT during 2014-15, however, thereafter imports of non-coking coal has witnessed decline owing to improved domestic supplies. Power Utilities, the major consumers of non-coking coal have drastically reduced consumption of imported coal in view of the increase in domestic production & dispatch from pit head to power plant.

However, the plants located at coastal regions or thermal plants whose boilers are designed for imported coal would continue to import. In view of the increase in domestic production & improved supplies, imports may witness stagnation.

MMTC is very successful in organizing supplies of Coking coal, non-coking (steam) coal, low ash metallurgical coke, Naphtha etc. Currently there is big gap between demand and supplies of coking coal in the domestic market, which is likely to widen further. MMTC imported coking coke on a regular basis for its JV Company - Neelachal Ispat Nigam Limited, Duburi, Orissa.

This Group of your Company has achieved a turnover of ₹6395.10 million which included imports worth ₹5703.80 million and domestic trade of hydrocarbons worth ₹691.30

million. It included imports of Hard Coking Coal worth ₹5703.80 million. Due to lackluster demand for imported coal by power Utilities and supplier's indifference to back-up MMTC in open tenders; it has resulted in nil contracts and no supply of imported coal through MMTC in FY 2016-17 has taken place.

MMTC has till now mainly focused on catering requirement of Govt. Power Utilities, however, MMTC is envisaging good opportunity in supplying imported steam coal to cement, sponge iron units and captive power plants in India so as to generate more business. MMTC may also target neighboring countries for export of coal to prospective buyers in these countries.

MICA

As reported in earlier years, the changed market requirements and technological developments in Mica processing technologies globally led to activities at Mica Division coming to a halt since 2002-03. Efforts are being taken to utilise the land located at Abrakhnagar, Koderma District in consultation with M/s. MECON.

Others

The General Trade Group of your company finalized export of Red Sanders based on the allocation received from Directorate of Revenue Intelligence, valuing ₹445.10 million during the year 2016-17. The exports were effected from Chennai, Tuticorin and Mumbai ports. This is the first time that MMTC has exported this sensitive product. Sale of Wind Power generated from the Wind Farm at Gajendragad earned ₹77.40 million.

Cautionary Statement

Statements in the Management Discussions and Analysis describing the Company's projections, estimates, and expectations may be "forward looking statements" within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in Government regulations/policies, tax laws, other statutes and other incidental factors.

THE ANNUAL REPORT ON CSR ACTIVITIES – 2016-17

1. **A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

   MMTC has consistently played the role of a good corporate citizen and has shown its deep commitment towards Corporate Social Responsibility practices by conducting its business in an economically, socially and environmentally sustainable manner. Even in the absence of an official mandate regarding CSR activities, MMTC adopted CSR as a policy initiative long ago in Sept. 2006, effective from 2007-08, and allocated 1% of retainable profit of previous year for undertaking CSR activities. Special emphasis were given on education, health care, promotion of art & culture and undertaking community related activities, besides providing relief in times of natural calamities.

   In 2010, The Department of Public Enterprises (DPE) issued detailed guidelines on CSR for adoption by CPSEs. MMTC adopted these guidelines and realigned its CSR policy accordingly. These were followed by DPE guidelines of November 2011 and April 2013 which were again duly adopted by MMTC.

   MMTC's CSR policy is now in line with Section 135 of the Companies Act and the CSR Rules as notified by the Ministry of Corporate Affairs. The CSR projects are being undertaken in terms of Section 135 of the Companies Act. The New CSR Policy is hosted on MMTC's website.

   During the year 2016-17, a sum of Rs. 81.41 lakhs was allocated for undertaking the CSR activities which was equivalent to 2% of the average net profit of preceeding three years.

   The funds allocated during 2016-17 under CSR were spent towards activities majorly related to the Swachh Bharat Abhiyan, Clean Ganga Mission, Skill India Mission, Promotion of healthcare and Yoga and Promotion of sports/ para-sports. Besides this, MMTC supported distribution of artificial limbs and assistive devices to the differently abled.

2. **The Composition of the CSR Committee**

   The Committee of Directors on CSR during 2016-17 comprised of the following members:

   - Shri R. Anand, Independent Director as Chairman
   - Shri Ved Prakash, CMD as Member
   - Shri Rajeev Jaideva, Director (Personnel) as Member- up to 31.12.2016
   - Shri M.G. Gupta, Director (Finance)-up to 08.12.2016

3. **Average net profit of the company for last three financial years**

   For the purpose of ascertaining the CSR Budget "average net profit" was calculated in accordance with the provisions of **section 198** of the Companies Act, 2013.

   The net profits for the preceding three financial years 2013-14, 2014-15 and 2015-16 were Rs. 14.46 crores, Rs. 59.87 crores and Rs. 47.79 crores respectively.

   Thus the average net profit of the preceding three years worked out to **Rs. 40.706 crores.**

4. **Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above)**

   2% of the average net profit of the Company in the preceding 3 years was **Rs. 81.41 lakhs.**

5. **Details of CSR spent during the financial year.**

   (a) **Total amount to be spent for the financial year;**
   Rs. 81.41 lakhs was spent during 2016-17

   (b) **Amount unspent, if any;**
   Nil

   (c) **Manner in which the amount spent during the financial year is detailed below.**
   Provided at Annexure-I

6. **In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.**

   NA

   It is certified that the Implementation and Monitoring of CSR Policy, is in compliance with the CSR objectives and Policy of the Company.

sd/-
(Ved Prakash)
CMD, MMTC

sd/-
(R Anand)
Chairman of the CSR Committee
for the year 2016-17


Every Religion
Teaches to
Save Natur
Sloganshub.com
AN OPEN BOOK


World
Environment
Day


हैंड पम्प
पानी व्यर्थ न बहाएं ।
पानी अनमोल है ।

MANNER IN WHICH THE AMOUNT WAS SPENT DURING THE FINANCIAL YEAR

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or program wise	Amount spent on projects or programs Sub. Heads: (1) Direct expenditure on projects or programs	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1	Contribution to the National Sports Development Fund(NSDF)	Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sports	--	10 lakhs	10 lakhs	10 lakhs	Rs. 10 lakhs. Implementing Agency: National Sports Development Fund
2	Creation of sanitation/ drinking water facilities in primary/ co-ed high schools located in tribal dominated areas of Keonjhar district of Odisha	Promoting preventive health care, improvement of hygiene and sanitation and safe drinking water facilities; promoting education	Joda, Barbil, Keonjhar in Odisha	25 lakhs	25 lakhs	25 lakhs	Rs. 25 lakhs. Implementing Agency: Civil engineers awarded work through tendering
3	Construction of low cost building comprising of two / three rooms with necessary basic amenities to function as Primary Health Centre	Promoting preventive health care, improvement of hygiene and sanitation and safe drinking water facilities; promoting education	Odisha	20 lakhs	20 lakhs	20 lakhs	Rs. 20 lakhs. Implementing Agency: Civil engineers awarded work through tendering
4	Initiative of M/s Chintan to undertake local level composting of wet waste of 600 households, thereby creating livelihoods for waste pickers while protecting environment and reducing pollution in Delhi	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water	Delhi	5 lakhs	5 lakhs	5 lakhs	Rs. 5 lakhs. Implementing Agency: Chintan Environmental Research and Action Group
5	Skill Development Programme for women in association with Shri Deep Chand Educational Society	Promoting education, including employment enhancing vocation skills especially among women, and livelihood enhancement projects	Delhi	2.5 lakhs	2.5 lakhs	2.5 lakhs	Rs. 2.5 lakhs. Implementing Agency: Shri Deep Chand Educational Society
6	Installation of five tube wells in “Shrawasti”, Uttar Pradesh	Promoting preventive health care and making available safe drinking water	Shrawasti, Uttar Pradesh	2 lakhs	2.26 lakhs	2.26 lakhs	Rs. 2.26 lakhs. Implementing Agency: Paras India

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	**CSR project or activity identified**	**Sector in which the Project is covered**	**Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken**	**Amount outlay (budget) project or program wise**	**Amount spent on projects or programs Sub. Heads: (1) Direct expenditure on projects or programs**	**Cumulative expenditure up to the reporting period**	**Amount spent: Direct or through implementing agency**
7	Setting up of a centre for yoga in the space available in the Community Centre at MMTC Residential Colony so that people /children residing in the nearby area can be benefited	Promoting health care including preventive health care	Delhi	10 lakhs	10 lakhs	10 lakhs	Rs. 10 lakhs. Implementing Agency: MMTC Limited, Corporate Office, New Delhi
8	Financial assistance to the Institute for Helping the Disabled, Odisha for their 21st Annual Day Program to meet the cost of gifts for 60 students	Promoting education, including special education among children and the differently abled	Odisha	0.15 lakhs	0.15 lakhs	0.15 lakhs	Rs. 0.15 lakhs. Implementing Agency: Institute for Helping the Disabled, Odisha
9	Clean Ganga Campaign in association with NGO ASMITA	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, maintaining quality of water	..	1.5 lakhs	1.5 lakhs	1.5 lakhs	Rs. 1.5 lakhs. Implementing Agency: Active Social Movement Through Integration and Awareness (ASMITA)
10	Financial assistance to Sri Gurudeva Charitable Trust, Mangalapalem, Vizag, for distributing artificial limbs to the needy free of cost	Measures for reducing inequalities faced by socially and economically backward groups	Vizag	5 lakhs	5 lakhs	5 lakhs	Rs. 5 lakhs. Implementing Agency: Sri Gurudeva Charitable Trust
	TOTAL			Rs.81.15 lakhs	Rs. 81.41 lakhs	Rs. 81.41 lakhs	Rs. 81.41 lakhs

Besides the above, there was a Contribution of **Rs. 5 lakhs** made to the **Special Olympics Bharat** for kits for Para-sportspersons representing the country in **Special Olympics in Austria**. This initiative was undertaken to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sports

CORPORATE GOVERNANCE IN MMTC

MMTC is a fully committed to promoting & strengthening the principles of sound corporate governance norms through the adherence of highest standards of transparency, trust and integrity, performance orientation, responsibility and accountability, professionalism, social responsiveness, ethical business practices and commitment to the organization as a self discipline code for sustainable enrichment of value for stakeholders which include investors, directors, employees, suppliers, customers or the community in general.

A report in line with the requirements of the listing Regulations of SEBI and Guidelines on Corporate Governance for Central Public Sector Enterprises issued by Department of Public Enterprises (DPE) is given below as a part of the Director's Report along with a Certificate issued by a Practicing Company Secretary regarding compliance with the provisions of Corporate Governance.

BOARD OF DIRECTORS

The Board of MMTC has a mix of Executive & Non- Executive Directors. The present Board as on the date of this report includes Chairman & Managing Director, two Whole Time Directors (Marketing), one Whole Time Director (Personnel), two Part-Time Govt Nominee Directors and Five Part Time Non-Official (Independent)Directors. The President of India appoints all the Directors of MMTC Ltd in accordance with the provisions of Articles of Association of the Company. All the Directors, except CMD and Independent Directors, are liable to retire by rotation and at least one third of the directors liable for rotational retirement, retire every year and if eligible, qualify for reappointment.

The members of the Board, apart from receiving Directors' remuneration, in case of CMD and Functional Directors and Sitting fees in the case of Independent Directors, do not have any material pecuniary relationship or transaction with the company, its promoters or its subsidiary, which in the judgment of Board may affect independence of judgment of Directors.

The Composition of Board during the year 2016-17 was as under:-

S. No	Name of Director	Executive/ Non-Executive	Designation held	No. Of Directorship in other Board as on 31.3.2017	No. of Board Committees of which Member/ Chairman* (as on 31.3.2017)
1	Mr Ved Prakash	Executive	Chairman & Managing Director	Chairman-3	NIL
2	Mr. T K Sengupta (w.e.f. 2.1.2017)	Executive	Director (Personnel)	Director-1	NIL
3	Mr. P K Jain	Executive	Director (Marketing)	Director-3	NIL
4	Mr. Ashwani Sondhi	Executive	Director (Marketing)	Director-3	NIL
5	Mr. Anand Trivedi (upto 02.07.2017)	Executive	Director (Marketing)	Nil	Nil
6	Mr. Rajeev Jaideva (upto 30.12.2016)	Executive	Director (Personnel)	N.A##	N.A##
7	Mr. M G Gupta (upto 08.12.2016)	Executive	Director (Finance)	N.A##	N.A##
8	Mr. R Anand (w.e.f.15.06.2016)	Non- Executive	Part Time Non-official (Independent) Director	Director-2	Member-1
9	Mr.B K Shukla (w.e.f.4.07.2016)	Non-Executive	Part Time Non-official (Independent) Director	NIL	NIL
10	Mr. Rajnish Goenka (w.e.f.27.01.2017)	Non- Executive	Part Time Non-official (Independent) Director	Director-3	NIL
11	Dr. Jayant Dasgupta (w.e.f.07.02.2017)	Non- Executive	Part Time Non-official (Independent) Director	NIL	NIL
12	Mr. R R Jadeja (w.e.f.11.02.2017)	Non- Executive	Part Time Non-official (Independent) Director	NIL	NIL
13	Mr. Rana Som (upto 09.04.2016)	Non- Executive	Part Time Non-official (Independent) Director	N.A##	N.A##
14	Mr. N Bala Baskar (upto 09.04.2016)	Non- Executive	Part Time Non-official (Independent) Director	N.A##	N.A##
15	Dr. Subas Pani (upto 09.04.2016)	Non- Executive	Part Time Non-official (Independent) Director	N.A##	N.A##
16	Mr. S R Tayal (upto 09.04.2016)	Non- Executive	Part Time Non-official (Independent) Director	N.A##	N.A##
17	Mr. J K Dadoo	Non- Executive	Govt. Nominee Director	Director-4	Member-3 Chairman-1
18	Mr. A K Bhalla (upto 02.11.2016)	Non- Executive	Govt. Nominee Director	N.A##	N.A##
19	Dr Inder jit Singh (w.e.f. 02.11.2016)	Non- Executive	Govt. Nominee Director	Director-1	Chairman-1

**Only the Audit Committee and Stakeholder Relationship Committee of other Public Companies have been considered.*

##Since above directors ceased to be on the Board of the Company hence their disclosures as on 31.03.2017 are not available.

Changes in Board of Directors (Since 01.04.2016)

Name Of Director	Category	Date of Appointment/ Cessation	Particulars of Change
Mr Rana Som	Part Time Non-official (Independent) Director	09.04.2016	Cessation
Mr N Bala Baskar	Part Time Non-official (Independent) Director	09.04.2016	Cessation
Dr. Subas Pani	Part Time Non-official (Independent) Director	09.04.2016	Cessation
Mr Skand Ranjan Tayal	Part Time Non-official (Independent) Director	09.04.2016	Cessation
Mr R Anand	Part Time Non-official (Independent) Director	15.06.2016	Appointment
Mr B K Shukla	Part Time Non-official (Independent) Director	4.07.2016	Appointment
Mr M G Gupta	Executive Director	08.12.2016	Cessation
Mr A K Bhalla	Govt. Nominee Director	02.11.2016	Cessation
Dr Inder Jit Singh	Govt. Nominee Director	2.11.2016	Appointment
Mr Rajeev Jaideva	Executive Director	30.12.2016	Cessation
Mr T K Sengupta	Executive Director	02.01.2017	Appointment
Mr Rajnish Goenka	Part Time Non-official (Independent) Director	27.01.2017	Appointment
Dr Jayant Dasgupta	Part Time Non-official (Independent) Director	07.02.2017	Appointment
Mr R R Jadeja	Part Time Non-official (Independent) Director	11.02.2017	Appointment

Remuneration of Directors

MMTC is a govt. of India Enterprise in which all members of the Board are appointed by the President of India through the administrative Ministry- Department of Commerce, Ministry of Commerce & Industry, Govt. of India, which, Inter-alia fixes the remuneration of such Whole Time Directors/CMD through their respective appointment orders/pay fixation orders. CMD and Whole –Time Directors of MMTC are appointed by the President of India, generally with a service contract of five years or till the date of superannuation or further orders of the government whichever is earlier. The Directors so appointed by the President of India are not entitled for any notice period/ severance fees. The functional members of the Board of Directors are entitled to performance Related Pay in terms of Guidelines issued by the Department of Public Enterprises, Govt. of India. Non-official Part Time (Independent) Directors are presently entitled to a sitting fee @ Rs 15000/- for attending each meeting of the Board/Board appointed Committees. None of the Non- Executive Directors had any pecuniary relationship or transaction with the company.

The details of remuneration paid for 2016-17 to Functional Directors including CMD are given below:

Name of Director	Salary & benefits	Performance related pay during 2016-17*	Bonus, Stock option, pension, severance fee	No. of shares of MMTC held as on 31.3.2017
Executive Directors				
Mr Ved Prakash	Rs.3491741	Rs.64558	Nil	10
Mr. M G Gupta	Rs.1922096	0	Nil	N.A.
Mr. Rajeev Jaideva	Rs.2512584	0	N.A.	N.A.
Mr. Anand Trivedi	Rs.2502692	Rs.58572	N.A.	0
Mr P K Jain	Rs.3179910	Rs.57088	Nil	Nil
Mr. Ashwani Sondhi	Rs.3374138	Rs.102544	Nil	1008
Mr. T K Sengupta	Rs.658225	Rs.36218	Nil	Nil

*PRP shown above pertains to the F Y 2015-16 paid during F Y 2016-17 on ad-hoc basis.

Meetings of the Board

The meetings of the Board are generally held at the registered office of the company and are scheduled well in advance. The Board of MMTC meets regularly at least once in a quarter. The meetings of Board are governed by a structured agenda and any other member of the Board is free to recommend inclusion of any subject matter in the agenda for deliberations. Detailed agenda papers including explanatory notes are circulated in advance on all major issues to facilitate the Board to take well-Informed and independent decisions.

During the year, the Board of directors met eight times i.e. on 5.04.2016, 27.05.2016, 19.08.2016, 30.08.2016, 14.09.2016, 08.12.2016, 30.01.2017, 13.02.2017. The attendance of the Directors at these Board Meetings and the last AGM on 28th September 2016 was as under:-

	Name of The Director	No. of Board meetings Held during the period the Director was on Board	No. of Board Meetings attended	Presence at Previous AGM held on 28.09.2016
(a)	**Functional Directors**			
	Mr. Ved Prakash	8	8	Yes
	Mr.Rajeev Jaideva (upto 30.12.2016)	6	5	Yes
	Mr. M G Gupta (upto 8.12.2016)	5	5	Yes
	Mr. Anand Trivedi	8	5	Yes
	Mr. P K Jain	8	8	Yes
	Mr. Ashwani Sondhi	8	8	Yes
	Mr. T K Sengupta (w.e.f. 02.01.2017)	2	2	N.A.
(b)	**Ex-officio Part Time Directors (Govt. Nominee)**			
	Mr. J K Dadoo	8	6	No
	Mr. A K Bhalla (upto 2.11.2016)	5	5	No
	Dr. Inder Jit Singh (w.e.f. 2.11.2016)	3	3	N.A.
(c)	**Non- official Part Time(Independent) Directors**			
	Mr. R Anand (w.e.f.15.06.2016)	6	6	Yes
	Mr. B K Shukla (w.e.f. 4.07.2016)	6	6	Yes
	Mr. Rana Som (upto 09.04.2016)	1	1	N.A.
	Mr. N Bala Baskar (upto 09.04.2016)	1	1	N.A.
	Dr Subas Pani (upto 09.04.2016)	1	1	N.A.
	Mr. S R Tayal (upto 09.4.2016)	1	1	N.A.
	Mr Rajnish Goenka (w.e.f.27.01.2017)	2	2	N.A.
	Mr R R Jadeja (w.e.f. 11.02.2017)	1	1	N.A.
	Dr. Jayant Dasgupta (w.e.f. 7.02.2017)	1	1	N.A.

*N.A.=Not Applicable

Separate Meeting of Independent Directors

A Separate Meeting of Independent Directors was held on 15th March, 2017 in terms of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Schedule IV of Companies Act, 2013 and as per the Guidelines issued by DPE on Role & Responsibilities of Non- Official Directors (Independent Directors) of CPSEs. All the Independent Directors as on that date attended the said Meeting.

Declaration by Independent Directors

All the Independent Directors in the first board meeting they attended as Independent Director and first meeting held at the beginning of the financial year gave a declaration that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 and DPE Guidelines on Corporate Governance for CPSEs.

A detailed presentation is being given to every Independent Director about the business of the Company in order to familiarize them with Company's business and to enable them to function effectively, besides Independent directors are also being nominated in different training programs organized by Department of Public Enterprises from time to time. Details of nomination of independent directors in such programs is available at http://mmtclimited.com/pages/display/294-training-programme-for-directors

COMMITTEES OF THE BOARD

To Facilitate expeditious consideration and arriving at decisions with focused attention on the affairs of the company, the Board has constituted following Committee with distinct role, accountability and authority:

1. Audit Committee of Directors
2. Nomination & Remuneration Committee of Directors
3. Stakeholders Relationship Committee
4. Share Transfer Committee
5. Committee of director on Personnel Policies
6. Committee of director on Subsidiary, Joint Venture & Associate Companies
7. Committee of Directors on CSR and Sustainability

8. Functional management Committee of Directors
9. Risk Management Committee of Directors

1. Audit Committee of Directors

The Audit Committee of the company constituted by the Board Comprised of two Part Time Non-Official (Independent) Directors and one Part Time (Govt. Nominee) Director as on 31.03.2017. All the meetings of the committee held during the year were chaired by non-executive Independent Director. Company secretary is the Secretary to the Committee. The terms of reference of the Audit Committee include overseeing the audit function, reviewing critical findings, ensuring compliance with accounting standards and concurring financial statements before submission to the Board. The role, scope and authority of Audit Committee also include the requirements under the relevant provisions of the Companies Act, 2013 and the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015("Listing Regulation").

During the year 2016-17, the Committee met Six times as detailed hereunder:-

S. No.	Date of Meeting	Member Present	Chairperson
1	27.05.2016	Shri J K Dadoo Shri A K Bhalla Shri Ved Prakash	Shri J K Dadoo
2	19.08.2016	Shri R Anand Shri J K Dadoo Shri B K Shukla	Shri R Anand
3	14.09.2016	Shri R Anand Shri J K Dadoo Shri B K Shukla	Shri R Anand
4	23.11.2016	Shri R Anand Shri J K Dadoo Shri B K Shukla	Shri R Anand
5	8.12.2016	Shri R Anand Shri J K Dadoo Shri B K Shukla	Shri R Anand
6	13.02.2017	Shri R Anand Shri J K Dadoo Shri B K Shukla	Shri R Anand

Other functional Directors and Statutory Auditor of the Company also attended the above meetings to assist the Audit Committee in its deliberations. The minutes of the above meetings were regularly submitted to the Board for its information.

Further it is also confirmed that there was no recommendation of Audit Committee which was not accepted by the Board.

2. Nomination & Remuneration Committee of Directors:

Pursuant to the provision of Companies Act, 2013 and applicable provisions of Listing Regulations, the Nomination & Remuneration Committee of Directors' comprises of Shri B K Shukla, Part Time non-official (Independent) Director, Shri R Anand, Part Time non-official (Independent) Director, Dr. Inder jit Singh, Part Time Director (Govt. Nominee) as its Members as on 31.03.2017.The Committee performs such functions and duties and exercises such powers as specified in Part D of Schedule II of Listing Regulations, DPE Guidelines dated 26th November 2008. The Company Secretary is the Secretary of the Committee.

During the year 2016-17, the Committee met one time as detailed hereunder:-

S No	Date of Meeting	Member Present	Chairperson
1	14.09.2016	Mr B K Shukla Mr R Anand	Mr B K Shukla

The minutes of the said meeting were submitted to the Board of Directors for information.

3. Stakeholders Relationship Committee

During 2016-17 the Composition of Stakeholder Relationship Committee constituted by the Board of Directors comprised of Shri B K Shukla, Part Time non-official (Independent) Director and CMD, MMTC as its members. Company Secretary is the Secretary to the Committee. The Committee expeditiously considers and monitors the resolution of grievances of the shareholders/other investors. During 2016-17 one meeting of this committee was held , detailed hereunder:-

S No	Date of Meeting	Member Present	Chairperson
1	29.11.2016	Mr B K Shukla Mr Ved Prakash	Mr B K Shukla

The minutes of the said meeting were submitted to the Board of Directors for information.

Details of Investor Complaints/Grievances during the FY 2016-17:

No. of Complaints received during the year	No. of complaints resolved during the year#	No. of Complaints pending as on 31.03.2017
7	8	0

1 complaint was pending from the last financial year and resolved during this financial year.

4. Share Transfer Committee

Share Transfer Committee constituted by the Board of Directors comprised of all Functional Directors, MMTC as its members. Company Secretary is the Secretary to the Committee expeditiously considers and approves requests for physical share transfers, re–materialization and de-materialization etc. During 2016-17 one meeting of this committee was held on 13.12.2016 and Minutes of the same were submitted to the Board of Directors for information.

5. Committee of Directors on Personnnel Policies

The Committee of Directors on Personnel Policies constituted by the Board comprised of Shri Rana Som, Part Time Non-Official (Independent) Director as its Chairman, Shri N Bala Baskar Part Time Non-Official (Independent Director) and Shri S.R. Tayal Part Time Non-Official (Independent Director) as its Members to consider and recommend approval of modifications/ formulation of service rules and other personnel policies to the Board of Directors as also to function as 'Appellate Authority' under MMTC Employees' Conduct, Discipline & Appeal Rules, 1975 as amended from time to time. The Company Secretary is the Secretary to the Committee. During 2016-17 no meeting of this Committee was held.

6. Committee of Directors on Subsidiary, Joint Venture & Associate Companies

The Board of Directors has constituted a "Committee of Directors on Subsidiary, joint Venture and Associate Companies to consider and recommend approval of investments/disinvestments, approval of basic parameters/ charter/ Agreement and any changes therein to the Board of Directors, review with functional management and advice on strategic issues related to MMTC's investment; and the performance of projects/ joint ventures/associate companies/foreign offices/ subsidiaries of MMTC.

The composition of the Committee included Dr. Subas Pani, Part Time Non-official (Independent) Director as Chairman of the Committee with Shri N Balabaskar, Part Time Non-official (independent) Director as Member. The Company Secretary is the Secretary to the Committee.

During 2016-17 one meeting of this Committee was held on 5th April 2016 which was attended by both the members including Chairman of the Committee. The minutes of the said meeting were submitted to Board of Directors for information.

7. Committees of Directors on CSR & Sustainability

Merging the Committees of SD and CSR, the Board of Directors of MMTC has reconstituted and renamed as Committee of Directors on CSR & Sustainability activities in accordance with applicable provisions of Companies Act, 2013 and DPE Guidelines in this regard issued from time to time. During the year, the Composition of the Committee included Shri R Anand, Part Time non-official (Independent) Director as Chairman, CMD, Director (Personnel) and Director (Finance) as its Members. The Company Secretary is the secretary of the Committee.

During 2016-17 one meeting of this committee was held and details are hereunder:-

S No	Date of Meeting	Member Present	Chairperson
1	19.08.2016	Mr Ved Prakash Mr Rajeev Jaideva Mr M G Gupta	Mr R Anand

The minutes of the said meeting were submitted to the Board of Directors for information.

8. Functional Management Committee of Directors

The "Functional Management Committee of Directors" constituted by the Board of Directors Consist of CMD, MMTC as the Chairman of the Committee, all Functional Directors as members and Company Secretary as Secretary to the Committee. The said Committee has been delegated the powers to take decision(s) in all matters over and above the powers delegated to CMD by the Board of Directors from time to time, except the matters specified under the Companies Act,2013/ other Statutes, to be considered and decided at the meeting of Board of Directors and/or shareholders as also the matters specified and reserved by Board for its decisions or for consideration and decisions of any other committee constituted by Board of Directors under article 99 of Articles of Association of MMTC. During 2016-17 thirty two meetings of this Committee were held. The minutes of these meetings were submitted to Board of Directors for information.

9 Risk Management Committee of Directors

Risk Management Committee of Directors comprising of all functional Directors of the Company as members and CMD as Chairman of the Committee was constituted in August 2016. The said Committee shall function as per the roles specified under the Listing Agreement and other provisions of any other Statutes as amended from time to time. Company Secretary shall continue to be the Secretary to the Committee.

During 2016-17 one meeting of this Committee was held and details are hereunder:-

S No	Date of Meeting	Member Present	Chairperson
1	22.04.2016	Mr Ved Prakash Mr Rajeev Jaideva Mr MG Gupta Mr Anand Trivedi Mr P K Jain Mr Ashwani Sondhi	Mr Ved Prakash

The minutes of these meeting were submitted to Board of Directors for information.

GENERAL BODY MEETINGS

General Body Meetings of the Company are held at/in the vicinity of registered office of the Company. The details of such meetings held during the past three financial years are as under:-

Nature of meeting	Date & time	Special Resolution passed
51st Annual General Meeting	18.09.2014 at 1130hrs	one
52nd Annual General Meeting	29.09.2015 at 1130hrs	one
53rd Annual General Meeting	28.09.2016 at 1030hrs	Two

Disclosures

a) None of the members of the Board of Directors had any pecuniary relationship or transaction with the company.

b) There have been no materially significant related party transactions i.e. transactions of the company of a material nature, with its promoters, the directors, or the subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large. Other details of “Related Party transactions” have been disclosed in the Notes forming part of Accounts in the Annual Report.

c) The CEO/CFO of the company has certified the specified matters to the Board as required under regulation 33 of Listing Regulations.

d) The Company has not opted for Employees Stock Option Scheme.

e) The company has framed the “Whistle Blower Policy” which has been hoisted on MMTC’s website.

f) The company has established a vigil mechanism and same has been uploaded on the website of the company.

g) There were no penalties or strictures imposed on the company by the Stock Exchanges or SEBI or any other Statutory Authority on any matter related to the capital markets during the last three years.

Means of Communications

The quarterly, half-yearly unaudited results of the Company are announced within 45 days of the end of respective period, and annual audited results of the Company are announced within 60 days, which are published in leading national dailies, besides hoisting them on the website of the company i.e. www.mmtclimited.com

Shareholders information

(a) Annual General Meeting

The 54th Annual General Meeting of the Company is scheduled to be held on 26.09.2017 at Auditorium, SCOPE Complex , 7th Institutional Area, Lodhi Road , New Delhi-110003

(b) Financial Calendar for 2017-18

1st quarter results (unaudited) shall be declared on or before 14.08.2017

2nd quarter results (unaudited) shall be declared on or before 15.11.2017

3rd quarter results (unaudited) shall be declared on or before 14.02.2018

4th quarter results (audited) and Annual Audited Results for 2017-18 shall be declared on or before 30.05.2018 in accordance with existing applicable provisions of the Listing Regulations.

(c) Dates of Book Closure

The Share Transfer Books and Register of Members shall remain closed from 18th to 26th September 2017 (both days inclusive for the purpose of AGM and declaration of final dividend at the Annual General Meeting.

(d) Dividend Payment- The details of dividend paid during the last three years are as under:

Year	2013-2014	2014-2015	2015-2016
Rate	15%	25%	30%
Date	16.10.2014	12.10.2015	17.10.2016

(e) Listing on stock exchanges: The Shares of the company continue to be listed at BSE and NSE. Listing fees for F.Y. 2016-17 has already been paid to both stock exchange.

(f) Market Price Data: The month-wise market price data of MMTC's scrip quoted/traded at Bombay Stock Exchange/ NSE during the financial year 2016-17, is given below:

Month	High (Rs)	Low (Rs)	Month	High (Rs)	Low (Rs)
Bombay Stock Exchange			National Stock Exchange		
April 2016	42.00	36.95	April 2016	42.05	36.85
May 2016	39.90	35.00	May 2016	39.90	35.30
June 2016	47.40	35.60	June 2016	47.45	35.50
July 20146	49.50	44.40	July 20146	49.50	44.35
August 2016	47.90	41.95	August 2016	47.90	41.85
September 2016	48.80	43.10	September 2016	48.80	43.65
October 2016	48.80	44.20	October 2016	48.60	44.05
November 2016	55.15	40.00	November 2016	55.20	41.00
December 2016	56.80	45.70	December 2016	56.75	48.10
January 2017	73.85	52.25	January 2017	73.90	52.20
February 2017	67.60	62.50	February 2017	68.00	62.50
March 2017	66.00	58.00	March 2017	66.00	58.00

(g) Registrar & Transfer Agents (RTA): M/s. MCS Share Transfer Agent Limited, **F–65 Okhla Industrial Area, Phase I, New Delhi -110020,** is the Registrar & share Transfer Agent of the Company effective from 1st April 2015, for shares held both in physical as well as in dematerialized mode.

(h) Dematerialization of Shares: The shares of MMTC Ltd continue to be an eligible security for trading in dematerialized form by CDSL and NSDL with ISIN No: **INE123F01029.**

As on 31st March 2017, out of 100 crores equity shares of MMTC Ltd of face value of Re.1/- each, 89,92,68,762 shares are held by the President of India and 10,07,28,189 shares by others in dematerialized form leaving only 3049 shares in physical form.

(i) Share Transfer System: The shares of the Company are transferred within the standard time from the date of lodgment. The transfer of shares held in dematerialized form are processed and approved in electronic form by NSDL/CDSL through respective depository participants. No transfer was pending as on 31.03.2017. Shares transfer and all other investor related activities are attended to and processed at the office of RTA i.e. MCS Share Transfer Agent Ltd. Shareholders may lodge the transfer deeds and any other documents, etc at the office of RTA of MMTC Limited at the address given above.

(j) Distribution of shareholding as on 31.3.2017: The Distribution of shareholding as on 31.3.2017 is tabulated here-in-below:

Category of Shareholder	No. of Share-holders	Total number of shares	Total shareholding as %age of total number of shares
Shareholding of Promoter and Promoter Group			
Central Government	1	899268762	89.9269
Public shareholding			
Mutual Funds / UTI	1	194287	.0194
Financial Institutions/Banks	9	2375835	.2376
Foreign Portfolio Investors	1	6530	.0007
Insurance Companies	6	57352994	5.7353
Non-institutions			
Bodies Corporate	1102	6338691	.6339
Individual holders having share capital upto Rs. 2 lakh.	87664	33054686	3.3055
Individual holders having share capital in excess of Rs. 2 lakh	1	397128	.0397
Trust & Foundations	6	3550	.0004
Non-Resident Individuals	799	945157	0.0945
NBFCs registered with RBI	5	62380	.0062
TOTAL	89595	10000000	100

Note: There are no outstanding GDRs/ADRs/warrants/convertible instruments.

(k) Top 10 Public Shareholders as on 31st March, 2017

S.No	Name	No. of Shares held	% of total shares
1	Life Insurance Corporation Of India	48119732	4.8100
2	United India Insurance Company Limited	5481180	0.5500
3	General Insurance Corporation Of India	1970000	0.2000
4	The New India Assurance Company Limited	1141631	0.1100
5	Bank Of India	997061	0.1000
6	National Insurance Company Ltd	450179	0.0500
7	Bank Of Baroda	450000	0.0500
8	Jimmy Dadiba Cooper	397128	0.0400
9	Punjab And Sind Bank	326640	0.0300
10	Karvy Stock Broking Ltd(Bse)	305000	0.0305
11	Allahabad Bank	202000	0.0200

(l) Distribution of Shareholding as on 31st March 2017

Category(Shares)	No. of Shares	% of Shareholding	Total No. of Shareholders	% of Shareholders
1-500	9170642	0.9171	77154	86.1142
501-1000	5283620	0.5284	6420	7.1656
1001-2000	4932993	0.4933	3202	3.5739
2001-3000	2605778	0.2606	1007	1.1239
3001-4000	1644179	0.1644	459	0.5123
4001-5000	1909320	0.1909	398	0.4442
5001-6000	4029187	0.4029	546	0.6094
10001-50000	7030247	0.703	348	0.3884
50001-100000	2614268	0.2614	38	0.0424
And Above	960779766	96.078	23	0.0257
Total	1000000000	100	89595	100

(k) Geographical Distribution of Shareholders as on 31st March 2017

S. No.	CITY	No. of Shareholders	% of total shareholders	No. of Shares	% of Total Shares
1	AHMEDABAD	5361	5.984	2119796	0.212
2	BANGALORE	2777	3.100	1151030	0.115
3	CHENNAI	3021	3.372	7459595	0.746
4	DELHI	11209	12.511	903782650	90.378
5	HYDERABAD	2115	2.361	1384787	0.138
6	JAIPUR	1547	1.727	598698	0.060
7	KANPUR	550	0.614	203626	0.020
8	KOCHI	248	0.277	113557	0.011
9	KOLKATA	4040	4.509	2676345	0.268
10	MUMBAI	13221	14.756	63439939	6.344
11	NCR	2519	2.812	1368610	0.137
12	PATNA	360	0.402	150610	0.015
13	OTHERS	42627	47.577	15550757	1.555
	TOTAL	89595	100.000	1000000000	100.000

(l) Shareholders/ other Investor's Grievances:

Shareholders/ other Investors may also lodge their grievance(s) with Company Secretary-email id: ganarayanan@ mmtclimited.com

(m) Address for Correspondence:

Board Secretariat,
MMTC Limited, Core-I, Scope Complex, 7, Institutional Area, Lodi Road, New Delhi – 110 003
Phone No: 011 - 24361889/ Fax:011-24360724
E-mail: ganarayanan@mmtclimited.com

BLAK & CO.
Company Secretaries

Compliance Certificate on Corporate Governance

To
The Members of **MMTC Limited**

We have examined the compliance of conditions of Corporate Governance by MMTC Limited for the year ended on March 31, 2017, as stipulated in Regulation 17 to 27 and clause (b) to (i) of Regulation 46(2) and para C, D and E of schedule V of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 (hereinafter referred as Listing Regulation) for the year ended 31st march 2017.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations as applicable except to the following conditions as laid therein:

1. The company has not appointed Woman Director as stipulated in Clause 17(1)(a) of Listing Regulation.

2. The composition of the Board of Directors in terms of number of Independent Director has not been complied with as stipulated in Clause 17(1)(a) & (b) of Listing Regulation. The Company is required to appoint 7 Independent Directors against which, 5 Independent Directors are in position as on 31.3.2017.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For BLAK & Co.
Company Secretaries

Place: New Delhi
Date: June 26, 2017

(CS Archana Bansal)
Mg. Partner
M.No. – A17865
CoP No.- 11714

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www.globizassociates.com

BUSINESS RESPONSIBILITY REPORT FY 2016-17

About Us

MMTC is a leading international trading Central Public Sector Undertaking under the administrative control of Ministry of Commerce & Industry, Govt. of India. The registered office of the Company is situated at Core-1, SCOPE Complex, 7, Institutional Area, Lodi Road, New Delhi – 110 003, India. The Company has 09 Regional Offices in major cities and ports of India and a wholly owned subsidiary – MMTC Transnational Pvt. Ltd (MTPL), Singapore.

The principal activities of the Company are export of Minerals and import of Precious metals, Non-Ferrous Metals, Fertilizers, Agro Products, Coal and Hydrocarbon etc. MMTC also deals in Engineering products and Drugs & Pharmaceuticals.

The Company's trade activities span across various countries in Asia, Europe, Africa and Middle East.

It is the first Public Sector Enterprise to be accorded the status of "FIVE STAR EXPORT HOUSE" by Government of India for long standing contribution to exports.

MMTC has promoted various joint ventures like Neelanchal Ispat Nigam Ltd., MMTC PAMP India Pvt Ltd, MMTC Gitanjali Ltd, TM Mining Company Ltd., SICAL Iron Ore Terminal Ltd., Free Trade Warehousing Pvt. Ltd. and Indian Commodity Exchange Ltd etc. following the public-private partnership route to take advantage of new opportunities emerging in the free market environment.

Corporate Mission

As the largest trading company of India and a major trading company of Asia, MMTC aims at improving its position further by achieving sustainable and viable growth rate through excellence in all its activities, generating optimum profits through total satisfaction of shareholders, customers, suppliers, employees and society.

Corporate Objectives

- To be a leading International Trading House in India operating in the competitive global trading environment, with focus on "bulk" as core competency and to improve returns on capital employed.
- To retain the position of single largest trader in the country for product lines like minerals, metals and precious metals.
- To promote development of trade-related infrastructure.
- To provide support services to the medium and small scale sectors.
- To render high quality of service to all categories of customers with professionalism and efficiency.
- To streamline system within the Company for settlement of commercial disputes.
- To upgrade employees' skills for achieving higher productivity.

Business Responsibility Report – FY 2016-17

As per the Clause 55 of the Listing Agreement of the Securities Exchange Board of India [SEBI] introduced in 2012, the top hundred listed companies in terms of market capitalisation have been mandated to issue annual Business Responsibility Report [BRR]. This year, MMTC is not in the top hundred list, yet we continue to publish our annual BRR.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company
   L51909DL1963GOI004033
2. Name of the Company
   MMTC LIMITED
3. Registered address
   Core-1, Scope Complex, 7 Institutional Area,
   Lodhi Road, New Delhi -110003
4. Website
   www.mmtclimited.com
5. E-mail id
   mmtc@mmtclimited.com
6. Financial Year reported
   2016-17
7. Sector(s) that the Company is engaged in (industrial activity code-wise)
   Trading
8. List three key products/services that the Company manufactures/provides (as in balance sheet)
   (i) Gold
   (ii) Urea
   (iii) Silver
9. Total number of locations where business activity is undertaken by the Company
   i. Number of International Locations (Provide details of major 5)

1 **Subsidiary Company in Singapore**

ii. Number of National Locations

9 Regional Offices in India

10. Markets served by the Company – Local/State/National/International

Asia, Europe, Africa, Middle East, Latin America and North America

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital (INR)	**100 Crores**
2.	Total Turnover (INR)	**11593.42 Crores**
3.	Total profit after taxes 2016-17 (INR)	**57.06 Crores**
4.	Total budgeted expenditure on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	During the year 2016-17, a sum of **Rs. 81.41 lakhs** was allocated for undertaking the CSR activities which was equivalent to 2% of the average net profit of preceding three years.
5.	List of activities in which expenditure in 4 above has been incurred	The funds allocated during 2016-17 under CSR were spent towards activities related to the Swachh Bharat Abhiyan, Clean Ganga Mission, Skill India Mission, Promotion of healthcare and Yoga and Promotion of sports/ Para-sports. Besides this, MMTC supported distribution of artificial limbs and assistive devices to the differently abled.

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?

Yes. MMTC TRANSNATIONAL Pte LTD, SINGAPORE (Overseas Subsidiary Company)

Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)

No

2. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

No

SECTION D: BR INFORMATION

1. **Details of Director/Directors responsible for BR**

a. Details of the Director/Director responsible for implementation of the BR policy/policies

- DIN Number - **07696766**
- Name - **Shri T. K. Sengupta**
- Designation - **Director (Personnel)**

b. Details of the BR head

S. No.	Particulars	Details
1.	DIN Number (if applicable)	
2.	Name	V. K. Pandey
3.	Designation	Chief General Manager (Personnel)
4.	Telephone number	011-24381256
5.	e-mail id	vkp@mmtclimited.com

2. **Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)**

Principle 1 – *Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.*
Principle 2 – *Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.*
Principle 3 – *Businesses should promote the wellbeing of all the employees.*
Principle 4 – *Businesses should respect the interests of, and be responsive towards all the stakeholders, especially those who are disadvantaged, vulnerable and marginalized.*
Principle 5 – *Businesses should respect and promote human rights.*
Principle 6 – *Businesses should respect, protect and make efforts to restore the environment.*
Principle 7 – *Businesses, when engaged in influencing public and regulatory policy should do so in a responsible manner.*
Principle 8 – *Businesses should promote inclusive growth and equitable development.*
Principle 9 – *Businesses should engage with and provide value to their customers and consumers in a responsible manner.*

S. No.	Questions	P 1	P2	P 3	P4	P5	P6	P7	P8	P 9
1.	Do you have policy/policies for....	Y	Y	Y	Y	Y	Y	N	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y		Y	Y	Y			Y	
3.	Does the policy conform to any national /international standards? If yes, specify? (50 words)	N		N	Y	Y			Y	
4.	Has the policy being approved by the Board? Is yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	Y		Y	Y	Y			Y	
5.	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y		Y	Y	Y			Y	
6.	Indicate the link for the policy to be viewed online?	www.mmtclimited.com		www.mmtclimited.com						
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y		Y	Y	Y			Y	
8.	Does the company have in-house structure to implement the policy/ policies.	Y		Y	Y	Y			Y	
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/ policies?	Y		Y	Y	Y			Y	
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	N		N		Y				

2a. **If answer to S. No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options)**

S.No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1.	The company has not understood the Principles									
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles		✓					✓		
3.	The company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)									

3. **Governance related to BR**

Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year?

The Board of MMTC meets regularly at a quarterly frequency. The meetings of the Board are governed by a structured agenda for discussions. Detailed agenda papers including other explanatory notes are circulated in advance on all major issues to enable the Board to take informed and independent decisions.

To facilitate expeditious consideration and arriving at decisions with focused attention on the affairs of the company, the Board has constituted various committees with distinct role, accountability and authority. The top management reviews the performance of the organization in every meeting that is held on quarterly basis. During the year 2016-17 MMTC's Management has discussed and reviewed following:

- Corporate Plan/ Draft MoU with MoC&I
- HR related issues
- Investments in JVs
- NINL related matters
- Annual Budget
- Share price & shareholding pattern of MMTC
- Status of placement of surplus funds
- Approval of financial statements/results
- Annual Report on CSR/ BRR for 2015-16
- Implementation of CSR activities

Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

As per the mandate by SEBI top 100 companies by market capital have to prepare the BRR. MMTC had prepared its first BRR for the year 2012-13. The BRR forms a part of the annual report, and can be viewed on the official website www.mmtclimited.com.

Irrespective of the fact that MMTC is in the top hundred list or not, it continues publishing the BRR as part of its Annual Report which it initiated during 2012-13.

The organization is also a member of the United Nations Global Compact Network and issues Communication on Progress [COP] annually. This is available to all our stakeholders on UNGC's website.

SECTION E – PRINCIPLE WISE PERFORMANCE

Principle 1 – Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. **Does the policy relating to ethics, bribery and corruption cover only the company?**

Yes. The ethical conduct of the Company is reflected in the various policy initiatives. While the Employees Conduct, Discipline & Appeal Rules cover the employees at all levels in the organization, a separate guideline in the form of "Code of Business Conduct & Ethics for Board Members and Senior Management" of MMTC Limited is given for governing the conduct of Senior Management (including Board level executives). In addition, to promote ethical business, Policies like Integrity Pact, Whistle Blower Policy and Citizen Charter have been put into operation.

Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others? -

Yes, the Integrity Pact, Citizen Charter cover extends to suppliers; contractors etc. while the code of conduct & whistle blower policy covers only the employees of the company.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? *If so, provide details thereof, in about 50 words or so.***

A total of 102 stakeholder complaints were received and 52% of grievances were resolved satisfactorily. There were grievances related to transfers and promotions majorly and attempts were made to consider requests that were genuine. All other cases are under consideration and attempts are being made to resolve them satisfactorily.

Principle 2 – Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

MMTC is majorly in the business of trading and is also engaged in fabrication of gold and silver medallion of different denominations. MMTC ensures highest quality of the products it trades and ensures fabrication of medallion as per BIS.

Principle 3 – Businesses should promote the wellbeing of all the employees

1. **Please indicate the Total number of employees**

The total number of employees as on 31.3.2017 is 1225 (including 5 Board level executives)

2. **Please indicate the Total number of employees hired on temporary/contractual/casual basis.**

Total of 271 employees have been engaged on contractual basis through various agencies / societies.

3. **Please indicate the Number of permanent women employees.**

Total number of permanent women employees–258

4. **Please indicate the Number of permanent employees with disabilities**

Total number of permanent employees with disabilities–24

5. **Do you have an employee association that is recognized by management?**

Yes

6. **What percentage of your permanent employees is members of this recognized employee association?**

100%

7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

S. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1.	Child labour/ forced labour/ involuntary labour	0	0
2.	Sexual harassment	0	0
3.	Discriminatory employment	0	0

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

- **Permanent Employees** - 556 of 1219 * i.e. 45.61%
- **Permanent Women Employees** – 162 of 1219 i.e. 13.29%
- **Employees with Disabilities** –30 of 1219 i.e. % 2.41%

* Total no. of employees here excludes 5 Board level executives

Principle 4 – Businesses should respect the interests of, and be responsive towards all the stakeholders, especially those who are disadvantaged, vulnerable and marginalized

1. **Has the company mapped its internal and external stakeholders? Yes/No**

Yes. Over the years of its existence, the organization has identified & engaged with a varied group of stakeholders – both internal like employees, shareholders & external such as customers, communities etc.

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?**

Yes, the organisation has identified vulnerable and marginalised stakeholders in the communities and has engaged with them through its CSR activities.

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.**

   Yes. MMTC follows the presidential directives and guidelines issued by Government of India regarding reservation in services for SC/ ST/ OBC/ PWD (Persons with Disabilities)/ Ex servicemen to promote inclusive growth. Grievance/ Complaint Registers are also maintained at Division/ Region for registering grievances. Efforts are made to promptly dispose off representations / grievances received from SC/ ST employees. Employees belonging to PWD have been assigned jobs which they can perform efficiently keeping in view their disability. A permanent ramp has been erected at the main entrance gate of Corporate Office for easy mobility of a PWD employee who uses wheel chair.

   Office buildings have auditory signals announcing the floor destination. Some of them have floor requisition buttons in Braille Symbols.

   In addition, CSR activities are planned to maximize benefits to the disadvantaged, vulnerable and marginalized stakeholders. Engagement with these stakeholders is done through local Government bodies and NGOs working in the area.

Principle 5 – Businesses should respect and promote human rights

1. **Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

   The Company does not have any specific policy on Human Rights for the time being.

   However, being a Government of India Company, MMTC 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. MMTC stands committed to support and respect the protection of internationally proclaimed human rights at its work places and ensure that its employees enjoy the fundamental human rights. MMTC has 3 tier grievance redressal systems called "Sahayata" for resolving employees" grievances. MMTC has in its management system provisions for health, safety, housing and education. Comprehensively covering all these aspects, MMTC has appropriate systems in place.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   No such complaint was received in the financial year.

Principle 6 – Businesses should respect, protect and make efforts to restore the environment

Manufacturing is not the main line of commercial activities of MMTC. This principle is therefore, not applicable.

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others.**

   The organization does not have a written policy on environment. However, being the member of the UN Global Compact, the company functions in an environmentally responsible fashion.

2. **Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

   Even though manufacturing is not the main line of commercial activities of MMTC, it is committed towards environmental upkeep through afforestation in the mining areas, development of tribal areas and in and around operation areas. Also, The Organisation regularly reports on its various initiatives through the Communication on Progress [COP] for the UN Global Compact.

3. **Does the company identify and assess potential environmental risks? Y/N**

   While the organization is not directly involved in manufacturing, it functions in an environmentally responsible fashion. MMTC adheres to the guidelines issued by Department of Public Enterprise, Govt. of India, as per which projects related to environmental aspects are identified & implemented.

4. **Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?**

   No

5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for**

web page etc.

MMTC uses energy efficient star rated electrical equipments for energy conservation across the Organization.

MMTC has also installed a 50KWP Solar Power plant on the rooftop of its Delhi regional Office at Jhandewalan and at MMTC Residential Colony, New Delhi.

6. **Are the Emissions/Wastes generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   Not Applicable

7. **Number of show cause/ legal notices received from CPCB/SPCB which is pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

   Not Applicable

Principle 7 – Businesses, when engaged in influencing public and regulatory policy should do so in a responsible manner.

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with**

   a. CII

   b. FIEO

   c. FICCI

   d. ASSOCHAM

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others).**

   The Organization has not advocated/lobbied through above Associations on any matters relating to public good.

Principle 8 – Businesses should promote inclusive growth and equitable development

1. **Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

   Although the organization is not involved in manufacturing products and therefore doesn't create any direct negative impact on the environment & society where it operates, still it has a CSR policy. MMTC also adopted Section 135 of the Companies Act, 2013, the CSR Rules of Ministry of Corporate Affairs and the CSR Guidelines issued by Department of Public Enterprises, Government of India. MMTC has structured process of spending a portion of its earnings in CSR activities that are directed towards the betterment of the society. The funds allocated during 2016-17 under CSR were spent towards activities majorly related to the Swachh Bharat Abhiyan, Clean Ganga Mission, Skill India Mission, Promotion of healthcare and Yoga and Promotion of sports/ Para-sports. Besides this, MMTC supported distribution of artificial limbs and assistive devices to the differently abled

2. **Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?**

   MMTC has a Board Level Committee on CSR & Sustainability consisting of Independent Directors and Functional Directors with the Co. Secy. as Member Secretary. The CSR division thoroughly evaluates various CSR proposals received which are then forwarded to the CSR Committee. The proposals so considered by the CSR Committee are forwarded to the Board, for final approval. The status of its implementation of projects so approved by the Board is put up for information on a quarterly basis.

   Depending upon the geographical area in which the project will be undertaken, the concerned Regional/ Sub-regional office is directed to monitor and implement the project either directly or in association with a private /public partner. For each project a nodal officer is duly appointed whose task is to monitor timely completion of the project and update the corporate office with respect to the status of completion of the project. Upon completion the projects are evaluated by an independent agency.

3. **Have you done any impact assessment of your initiative?**

   The Impact Assessment is undertaken by an independent agency in order to assess the "social impact" of the CSR activities undertaken by MMTC.

4. **What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?**

   MMTC made an allocation of Rs. 81.41 lakhs for undertaking CSR activities during 2016-17.

   The funds allocated during 2016-17 under CSR were spent towards activities majorly related to the Swachh Bharat Abhiyan, Clean Ganga Mission, Skill India Mission, Promotion of healthcare and Yoga and Promotion of sports/ Para-sports. Besides this, MMTC supported distribution of artificial limbs and assistive devices to the differently abled

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

MMTC's CSR initiatives seek to strengthen community based organizations by engaging with the marginalized especially women, youth, and children in activities that would improve their quality of life. The projects implemented by MMTC are first identified through the need assessment survey carried out by a professional agency and we ensure the participation of local community in identifying their needs, developing plans to address them, engaging them in implementation and also seek their feedback for further planning.

Principle 9 – Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

There were no complaints of such nature in the reporting period.

2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)**

The company retails silver and gold medallions and silverware under the brand name SANCHI. The packaging of these items contains relevant product information. Further these items are bar coded.

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending at end of financial year. If so, provide details thereof, in about 50 words or so**.

Two cases are pending for redressal before District Consumer Disputes Redressal Forum at Kolkata and New Delhi respectively.

4. **Did your company carry out any consumer survey/ consumer satisfaction trends?**

Yes. Many Regional Offices organize regular Customers' Meet for Feedback and response. During Festival of Gold (May 2016 and October 2016), customer feedback was also taken. Such Feedback has helped organization in conducting future events in more satisfactory manner.

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on March 31, 2017

[Pursuant to section 92(3) *of the Companies Act, 2013* and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

1) Corporate Identification Number	L51909DL1963GOI004033
2) Registration Date	September 26, 1963
3) Name of the Company	MMTC Limited
4) Category/ Sub-Category of the Company	Government Company
5) Address of Registered Office and Contact Details	Core-1, SCOPE Complex, 7 Institutional Area, Lodi Road, New Delhi-110003 Phone No.-01124362200 Email- mmtc@mmtclimited.com
6) Whether Listed or Unlisted	Listed
7) Name, address and Contact details of Registrar and Transfer Agent, if any	MCS Share Transfer Agent Limited, F-65, Okhla Industrial Area, Phase-1, New Delhi-110020 Ph:- 011-4140 6149 Fax:- 011-4170 9881 Email :- helpdeskdelhi@mcsregistrars.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Gold	3831,3835	41.48
2.	Urea	3012	20.85

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

S. No	NAME ANDADDRESS OFTHE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares Held	Applicable Section
1.	MMTC Transnational Pte Ltd, Singapore	199407265M	WHOLLY OWNED ASSOCIATE COMPANY	100.00	2 (87)
2.	NeelachalIspat Nigam Ltd.	U27109OR1982GOI001050	ASSOCIATE	49.78	2(6)
3.	Free Trade Warehousing Pvt. Ltd.	U63023DL2005PTC134299	ASSOCIATE	26.00	2(6)
4.	MMTC Pamp India Pvt. Ltd.	U27310HR2008PTC042218	ASSOCIATE	26.00	2(6)
5.	Sical Iron Ore Terminal Ltd.	U13100TN2006PLC061022	ASSOCIATE	26.00	2(6)
6.	MMTC Gitanjali Ltd.	U74999MH2008PLC187891	ASSOCIATE	26.00	2(6)
7.	TM Mining Company Ltd.	U13100WB2010PLC156401	ASSOCIATE	26.00	2(6)
8.	Indian Commodity Exchange Ltd.	U67120DL2008PLC182140	ASSOCIATE	16.00	2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

	Category of Shareholder	No. of shares held at the beginning of the year (As on 01-Apr-16)			% of Total Shares	No. of shares held at the end of the year (As on 31-Mar-17)			% of Total Shares	% of Change during the year
(I)	(II)	Demat	Physical	Total		Demat	Physical	Total		
(A)	**Shareholding of Promoter and Promoter Group**									
1	**Indian**									
(a)	Individuals/ HUF	0	0	0	0	0	0	0.00	0.00	0.00
(b)	Central/State Govts.	89,92,68,762	0	89,92,68,762	89.93	89,92,68,762	0	89,92,68,762	89.93	0.00
(c)	Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Bank/FI	0	0	0	0	0	0	0	0.00	0.00
(e)	Any Others(Specify)	0	0	0	0	0	0	0	0.00	0.00
	Sub Total(A)(1)	89,92,68,762		89,92,68,762	89.93	89,92,68,762	**0**	89,92,68,762	**89.93**	0.00
2	**Foreign**									
(a)	NRIs- Individual	0	0	0	-	0	0	0.00	-	0.00
(b)	Other-Individuals	0	0	0	-	0	0	0.00	-	0.00
(c)	Bodies Corp.	0	0	0	0.00	0	0	0	-	0.00
(d)	Bank/FI	0	0	0	0	0	0	0	-	0.00
(e)	Any Others(Specify)	0	0	0	0	0	0	0	-	0.00
	Sub Total(A)(2)	0	0	0	0.00	**0**	**0**	**0**	-	0.00
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	**89,92,68,762**	**0**	**89,92,68,762**	**89.93**	**89,92,68,762**	**0**	**89,92,68,762**	**89.93**	**0.00**
(B)	**Public shareholding**									
1	**Institutions**									
(a)	Mutual Funds	1,31,068	0	1,31,068	0.0131	194287	0	194287	.0194	0.0063
(b)	Bank/FI	30,71,254	0	30,71,254	0.3071	2375835	0	2375835	0.2376	-0.0695
(c)	Central / State Govts.	0	0	0	-	0	0	0	-	0.00
(d)	Venture Capital Funds	0	0	0	-	0	0	0	-	0.00
(e)	Insurance Co.	5,73,82,994	0	5,73,82,994	5.7383	57352994	0	57352994	5.7353	-0.003
(f)	FII	21,500	0	21,500	0.0022	0	0	0	0	-0.0022
(g)	Foreign Venture Capital Funds	0	0	0	-	0	0	0	-	0.00
(h)	Foreign Portfolio Investors	0	0	0	-	6530	0	6530	.0007	-.0007
(i)	Any Other (specify)	0	0	0	-	0	0	0	-	0.00
	Sub-Total (B)(1)	**6,06,06,816**		**6,06,06,816**	**6.0607**	**59929646**	**0**	**59929646**	**5.993**	**-0.0691**
2	**Non-institutions**									
(a)	Overseas	0	0	0	-	0	0	0	-	0.00
(b)	Individuals							0	-	0.00
I	Resident Individuals holding nominal share capital up to Rs 2 lakh	0	0	0	-	33051607	3079	33054686	3.3055	3.30
II	Resident Individuals holding nominal share capital in excess of Rs. 2 lakh.	3,36,06,945	3,079	3,36,10,024	3.36	397128	0	397128	.0397	-3.32
(c)	Others (Specify)	0	0	0	0	0	0	0	0	0
(c-i)	Bodies Corp. i) Indian	56,18,070	0	56,18,070	0.56	6338691	0	6338691	.6339	0.07
(c-ii)	Trust	2,200	0	2,200	0.0002	3350	0	3550	.0004	0.0002
(c-iii)	Non-Resident Indians	8,94,128	0	8,94,128	0.09	945157	0	945157	0.0945	0.0045
(c-iv)	Clearing Members	0	0	0	0.0000	0	0	0	-	0.00
(c-v)	HUF	0	0	0	0.0000	0	0	0	-	0.00
(c-vi)	NBFCs registered with RBI	0	0	0	0.0000	62380	0	62380	.0062	0.0062
	Sub-Total (B)(2)	**4,01,21,343**	**3,079**	**4,01,24,422**	**4.0124**	**40735933**	**3079**	**40801592**	**4.0802**	**0.0609**

	Category of Shareholder	No. of shares held at the beginning of the year (As on 01-Apr-16)			% of Total Shares	No. of shares held at the end of the year (As on 31-Mar-17)			% of Total Shares	% of Change during the year
(I)	(II)	Demat	Physical	Total		Demat	Physical	Total		
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	10,07,28,159	3,079	10,07,31,238	10.0731	100665579	3,079	100731238	10.0732	10.0732
									-	
(C)	Shares held by Custodian for GDR's & ADR's	0	0	0	0	0	0	0.00	-	0.00
									-	
	GRAND TOTAL (A)+(B)+(C)	99,99,96,921	3,079	1,00,00,00,000	100.00	999934341	3,079	1000000000	100.00	0.00

(ii) **Shareholding of Promoters**

Sl. No.	Shareholder's Name	Shareholding at the beginning (01-Apr-2016) of the year			Shareholding at the end(31-mar-2017) of the year			
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	% Change in shareholding during the year
1	THE PRESIDENT OF INDIA	899268762	89.9269	NIL	899268762	89.9269	NIL	0.0008
	Total	899268762	89.9269	NIL	899268762	89.9269	NIL	0.0008

(iii) **Change in Promoter's Shareholding**

S. No.		Shareholding		Date	Increase/ (Decrease) in Share-holding	Reason	Cumulative Shareholding during the year (01-Apr-16 to 31-Mar-17)	
		No. of Shares at the beginning (01-Apr-16)/ end of the year (31-Mar-17)	% of total shares of the Company				No. of Shares	% of total shares of the Company**
	At the beginning of the year	89,92,68,762	89.9269	01-Apr-16	No Change during the year			
	At the end of the year	89,92,68,762	89.9269	31-Mar-17			89,92,68,762	89.9269

(iv) **Shareholding Pattern of Top 10 Shareholders (Other Than Directors, Promoters and Holders of GDRs and ADRs)**

S. No	Name	PAN	Shareholding No of Shares at the Beginning (31-03-16) / end of the Year (31-03-17)	% of total shares of the Company	Date	Increase / Decrease in Share-holding	Reason	Cumulative Shareholding during the year (1-04-16 to31-03-17) Shares	% of total shares of the Company	Category
1	LIFE INSURANCE CORPORATION OF INDIA	AAACL0582H	48119732	4.81	31.03.2016					INSURANCE COMPANIES
			48119732	4.81	31.03.2017	NIL	NIL			
2	UNITED INDIA INSURANCE COMPANY LIMITED	AAACU5552C	5481180	0.55	31.03.2016					GIC & ITS SIBSIDIARIES
			5481180	0.55	31.03.2017	NIL	NIL			
3	GENERAL INSURANCE CORPORATION OF INDIA	AAACG0615N	2000000	0.2	31.03.2016					GIC & ITS SIBSIDIARIES
			1970000	0.2	31.03.2017	-30000	Sale	1970000	0.2	

S. No	Name	PAN	Shareholding No of Shares at the Beginning (31-03-16) / end of the Year (31-03-17)	% of total shares of the Company	Date	Increase / Decrease in Share-holding	Reason	Cumulative Shareholding during the year (1-04-16 to31-03-17) Shares	% of total shares of the Company	Category
4	THE NEW INDIA ASSURANCE COMPANY LIMITED	AAACN4165C	1141631	0.11	31.03.2016					GIC & ITS SIBSIDIARIES
			1141631	0.11	31.03.2017	NIL	NIL			
5	BANK OF INDIA	AAACB0472C	997061	0.1	31.03.2016					NATIONALISED BANKS
			997061	0.1	31.03.2017	NIL	NIL			
6	NATIONAL INSURANCE COMPANY LTD	AAACN9967E	450179	0.05	31.03.2016					NATIONALISED BANKS
			450179	0.05	31.03.2017	NIL	NIL			
7	BANK OF BARODA	AAACB1534F	600000	0.06	10.03.2017	Purchase	Sale	450000	0.05	NATIONALISED BANKS
					31.03.2016	-150000	sale			
			450000	0.05	31.03.2017	NIL	NIL			
8	JIMMY DADIBA COOPER	ABGPC4171R	0	0.00	31.03.2016					INDIAN PUBLIC
					06.01.2017	98050	Purchase	98050	0.01	
					13.01.2017	99728	Purchase	197778	0.02	
					20.01.2017	40000	Purchase	237778	0.02	
					27.01.2017	56000	Purchase	293778	0.03	
					03.02.2017	100000	Purchase	293778	0.04	
			397128	0.04	31.03.2017	3350	Purchase			
9	PUNJAB AND SIND BANK	AAACP1206G	376640	0.04	31.03.2016					NATIONALISED BANKS
					20.01.2017	-5000	Sale	326640	0.03	
			326640	0.03	31.03.2017					
10	KARVY STOCK BROKING LTD(BSE)	AABCK5190K	335000	0.03	31.06.2016					OTHER BODIES CORPORATES
					08.04.2016	65000	Purchase	400000		
					27.05.2016	-20000	Sale	380000	0.04	
					10.06.2016	-15000	Sale	365000	0.04	
					17.06.2016	-20000	Sale	345000	0.04	
					08.07.2016	-30000	Sale	315000	0.03	
					16.09.2016	-10000	Sale	305000	0.03	
					11.11.2016	40000	Purchase	345000	0.03	
					25.11.2016	-10000	Sale	335000	0.03	
					09.12.2016	-50000	Sale	285000	0.03	
					16.12.2016	50000	Purchase	335000	0.03	
					31.12.2016	15000	Purchase	350000	0.03	
					06.01.2017	-40000	Sale	310000	0.04	
					13.01.2017	5000	Purchase	315000	0.03	
					20.01.2017	20000	Purchase	335000	0.03	
					17.03.2017	-30000	Sale	305000	0.03	

S. No.	Name of Director	Shareholding		Date	Increase/ (Decrease) in Share-holding	Reason	Cumulative Shareholding during the year (01-Apr-16 to 31-Mar-17)	
		No. of Shares at the beginning (01-Apr-16)/ end of the year (31-Mar-17)	% of total shares of the Company				No. of Shares	% of total shares of the Company*
1	Mr. Ved Prakash	1010		1 April 2016				
				28-Jul-2016	-1000	Sale		
		10		31 -Mar-17				
2	Mr M.G. Gupta*	5		1 April 2016				
		N.A.		31 -Mar-17				
3	Mr Rajeev Jaideva*	500		1 April 2016				
		N.A.		31 -Mar-17				
4	Mr Anand Trivedi	Nil		1 April 2016		Nil Movement during the year		
		Nil		31 -Mar-17				
5	Mr P. K. Jain	508		1 April 2016				
				9-Jun-2016	-508	Sale		
		Nil		31 -Mar-17				
6	Mr Ashwani Sondhi	2008		1 April 2016				
				3 Feb 2017	-1000	Sale		
		1008		31 -Mar-17				
7	Mr T.K. Sengupta	Nil		1 April 2016		Nil Movement during the year		
		Nil		31 -Mar-17				

*Since, the above mentioned Directors are ceased to be Directors on the Board of the company,hence information regarding their holding at the end of the year is not available.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment

(Rs. in Millions)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total indebtedness
Indebtedness at the beginning of the financial Year				
i) Principal Amount	2117.01	601.16	0	2718.17
ii) Interest due but not paid				1.77
iii) Interest accrued but not due				2.77
Total (i+ii+iii)				2722.71
Change in the indebtedness during the financial year				
Addition	2284.79			2284.79
Reduction		601.16		601.16
Net Change				1683.63
Indebtedness at the end of the financial year				
i) Principal Amount	4401.80	0		4401.80

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total indebtedness
ii) Interest due but not paid				-
iii) Interest accrued but not due				34.58
Total (i+ii+iii)				4436.38

VI. REMUNERATION TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

(A) Remuneration to Managing Director, Whole Time Directors and/or Manager **(Figures in Rs.)**

S. No.	Particulars of Remuneration	Name of WTD							Total
1	**Gross Salary**	Mr. Ved Prakash	Mr. MG Gupta	Mr. Rajeev Jaideva	Mr. Anand Trivedi	Mr. PK Jain	Mr. Ashwani Sondhi	Mr T K Sengupta	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3103560	1911806	2217253	2229853	3214468	3414677	694443	16786060
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	452739	10290	295331	331411	22530	62005	--	1174306
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	--	--	--	--	--	--
2	**Stock Options**	--	--	--	--	--	--	--	--
3	**Sweat Equity**	--	--	--	--	--	--	--	--
4	Commission - as % of Profit - Others	--	--	--	--	--	--	--	--
5	Others	--	--	--	--	--	--	--	--
	TOTAL (A)	**3556299**	**1922096**	**2512584**	**2561264**	**3236998**	**3476682**	**694443**	**17960366**
	Ceiling as per the Act								Not Applicable

(B) REMUNERTION TO OTHER DIRECTORS

(figures in Rs.)

Category	Name of Director									Total Amt
	Dr.Subas Pani (upto 9.4.2016)	**Mr.Rana Som** (upto 9.4.2016)	**Mr.SR Tayal** (upto 9.4.2016)	**Mr.N Bala Baskar** (upto 09.4.2016)	**Mr R Anand** (w.e.f. 15.6.2016)	**Mr B K Shukla** (w.e.f. 4.7.2016)	**Mr. Rajnish Goenka** (w.e.f. 27.01.2017)	**Mr R R Jadeja** (w.e.f. 11.02.2017)	**Dr. Jayant Das-gupta** (w.e.f 07.2.17	
Independent Directors										
Fees For Attending Board/ Committee Meetings	30000	15000	15000	30000	210000	210000	45000	45000	30000	630000
Commission										
Others (Travelling Allowance))										
Total (1)	30000	15000	15000	30000	210000	210000	45000	45000	30000	
Other Non-Executive Directors*										
Fees For Attending Board/ Committee Meetings										
Commission										

Category	Name of Director									Total Amt
	Dr.Subas Pani (upto 9.4.2016)	**Mr.Rana Som** (upto 9.4.2016)	**Mr.SR Tayal** (upto 9.4.2016)	**Mr.N Bala Baskar** (upto 09.4.2016)	**Mr R Anand** (w.e.f. 15.6.2016)	**Mr B K Shukla** (w.e.f. 4.7.2016)	**Mr. Rajnish Goenka** (w.e.f. 27.01.2017)	**Mr R R Jadeja** (w.e.f. 11.02.2017)	**Dr. Jayant Das-gupta** (w.e.f 07.2.17	
Others (Please Specify)										
Total (2)										
Total B = (1+2)	30000	15000	15000	30000	210000	210000	45000	45000	30000	
Total Managerial Remuneration										
Overall ceiling as per the Act : Not applicable										

* Govt. Nominees are not entitled to any remuneration and sitting fees from the company.

(C) REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(In Rs.)

S. No.	**Particulars of Remuneration**	**Key Managerial Personnel**			**Total**
		CEO (Mr. Ved Prakash)	**CFO (Mr. M G Gupta)**	**CS (G Anandanaryanan)**	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3103560	1911806	1203456	6218822
	(b)Value of perquisites u/s 17(2) Income-tax Act, 1961	452739	10290	0.00	463029
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.00	0.00	0.00	0.00
2	Stock Options	0.00	0.00	0.00	0.00
3	Sweat Equity	0.00	0.00	0.00	0.00
4	Commission - as % of Profit - Others	0.00	0.00	0.00	0.00
5	Others	0.00	0.00	0.00	0.00
	Medical Reimbursement, LTA	0.00	0.00	0.00	0.00
TOTAL		3556299	1922096	1203456	6681851

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	**Section of the Co. Act**	**Brief Description**	**Details of Penalty/ Punishment/ Compounding fees imposed**	**Authority [RD/ NCLT/COURT]**	**Appeal made, if any (give Details)**
Penalty	N.A				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

BLAK & CO.
Company Secretaries

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,
MMTC LIMITED
Core-1, Scope Complex,
7, Institutional Area,
Lodhi Road,
New Delhi-110003

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MMTC LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provides us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the company has, during the audit period covering the Financial Year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company as given in **ANNEXURE 'A'** for the financial year ended on 31st March, 2017 according to the provisions of following applicable laws:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

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(iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

(v) The other laws as may be applicable specifically in case of the Company on the basis of documents/information produced before us:

a) Chapter V of Finance Act,1994 (Service Tax)
b) Custom Act,1962
c) Income Tax Act, 1961 and Indirect Tax Laws
d) Indian Contract Act, 1872
e) Indian Stamp Act, 1999
f) Limitation Act,1963
g) Negotiable Instrument Act,1981
h) Registration Act,1908
i) Sale of Goods Act,1930
j) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
k) Transfer of Property Act,1882
l) Trademark Act,1999
m) Weekly Holidays Act, 1942
n) Labour laws (as applicable)
o) Official Language Act

We have also examined compliance with the applicable clauses of the following:

i. The Listing Agreements entered into by the Company with National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) read withSecurities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

ii. Guideline for Corporate Governance for Central Public Sector Enterprises (CPSEs)
iii. Guidelines on Corporate Social Responsibility and Sustainability for Central Public Sector Enterprises(CPSEs)
iv. Secretarial Standards issued by The Institute of Company Secretaries of India.

However, the following Acts, Rules, Regulations, Guidelines or Agreement(s)/ Arrangement(s) required to be reported as per prescribed format are not applicable to the Company during the Audit Period:

i. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas as Direct Investment and External Commercial Borrowings; **(As there was no event/action in this regard during the Year under Audit)**
ii. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
    a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(As there was no event/action in this regard during the Year under Audit)**
    b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(As there was no event/action in this regard during the Year under Audit)**
    c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations,2008; **(As there was no event/action in this regard during the Year under Audit)**
    d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the Company during the Audit Period)** and
    e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit Period)**

During the period under review, the company has complied provision of Act, Rules, Regulation, Guidelines, standards as mentioned above.

We further report that

The Board of Directors of the Company is duly constituted except with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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During the year under review, Department of Commerce, Ministry of Commerce and Industry, Government of India issued Order dated 7th November, 2016 and 6th December, 2016 towards suspension of Mr. M.G. Gupta, Whole Time Director (Finance) and Mr. Anand Trivedi, Whole Time Director (Marketing) respectively due to disciplinary proceedings against them. The Company has accordingly recorded the suspension. In the circumstances, the position of CFO also remained vacant which was held by the Director (Finance).

Adequate notice is given to all directors to schedule the Board Meetings, Agenda and detailed notes on agenda were duly sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For BLAK & Co.
(Company Secretaries)

Archana

(Archana Bansal)
Mg. Partner
M.No. – A17865
COP No.- **11714**

Place: New Delhi
Date : 12/07/2017

Note: This report is to be read with our **ANNEXURE 'A'**, **ANNEXURE 'B'** and **ANNEXURE 'C'** of even date which are annexed and forms an integral part of this report.

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'ANNEXURE A'

Our report of even date is to be read along with the Annexure stating the:

List of documents verified

1. Memorandum of Association and Articles of Association;
2. Annual Report for the preceding three Financial Years;
3. Annual Return for Last AGM;
4. Quarterly Financial Result for the F.Y. 2016-17;
5. Quarterly Compliance Report on Corporate Governance as prescribed in Listing Agreement and LODR Regulations as applicable;
6. Quarterly Report on compliance of Corporate Governance as prescribed in Guideline for Corporate Governance for Central Public Sector Enterprises (CPSEs);
7. Internal Audit Reports;
8. List of Shareholders/Shareholding Pattern & Copy of Shareholding Pattern filed with Stock-Exchange;
9. Detail of Project Site/Branch Office/Factories/Works during the F.Y. 2016-17;
10. Documents with regard to appointment/re-appointment of :-
    - Statutory Auditor;
    - Internal Auditor; &
    - Tax Auditor
11. Statutory Registers including
    - Register of Contracts or Arrangements in which directors are interested under Section 189 and Rule 16 of the Companies (Meetings of Board and its Powers) Rules, 2014;
    - Register of Inter-Corporate Investments /Loans/Guarantees/Securities to which Section 186 applies;
    - Register of Directors, Key Managerial Personnel and their shareholding under Section 170 and Rule 17 of the Companies (Appointment and Qualification of Directors) Rules,2014;
    - Register of charges under Section 85 and Rule 10 of the Companies (Registration of Charges) Rules,2014;
    - Register and Index of Members under Section 88 and Rule 3 of the Companies (Management and Administration) Rules,2014 being maintained by RTA;

12. Minute books and Attendance Register of General Meeting, Board meeting and Committee Meetings under section 118;
13. All e-forms and returns filed during the Financial Year 2016-17 filed with ROC with respective receipts/ challans fees is paid;
14. Evidence of dispatch of notices of meeting;
15. Agenda papers;
16. Copies of circular resolutions passed by the Board ;
17. Newspaper cutting of notice of closure of register of members;
18. Copies of notices of Annual General Meeting/Extraordinary General Meeting and explanatory statement and Newspaper cutting of public notice of Annual General Meeting/ Extraordinary General Meeting;
19. Dispatch register of Annual General Meeting/Extraordinary General Meeting notice;
20. Proxies lodged for general meetings, ballot papers , scrutinizer's report;
21. Resolutions received from other company/companies who are shareholders and from whom resolutions for their authorized representatives have been received by the company ;
22. Copies of Form MBP-1 received from all directors under section 184 at the first meeting of the Board in financial year 2016-17 and during the financial year whenever there is any change in the disclosures already made;
23. Agreement with the agency providing platform for e-voting;
24. Agreement with courier or posting agents for dispatch of annual reports, notices to members / depositors/ debenture-holders;
25. Agreement with RTA and RTA report in respect of various matters handled by them on behalf of the company;
26. Scrutinizer's report for poll and e-voting;
27. Director's retirement by rotation table;
28. Copies of all letters sent to and received from the stock exchange on which the company's securities are listed;
29. Copies of all disclosures received by the company under SEBI(Substantial Acquisition of Shares and Takeovers) Regulations, 1997
30. Copies of all returns and forms filed with SEBI and stock exchange under SEBI(Substantial Acquisition of Shares and Takeovers) Regulations, 1997;
31. Copies of shareholding pattern filed with stock exchanges under clause 31 of LODR regulations as applicable ;

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32. Copies of all communication with regard to SEBI (Prohibition of Insider Trading) Regulations, 1992 as per Companies Insider Trading Code;

33. List of Contracts executed by the Company during the F.Y. 2016-17 including any amendment/modification therein;

34. Compliance records under the Depositories act, 1996 and the regulations framed under the Act;

35. Compliances records under the following Regulations and Guidelines prescribed by SEBI Act, 1992, as applicable:

    a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

36. Sample check basis:

    a. Service Tax
    b. Work Contract Tax
    c. Labour Laws

For BLAK & Co.
(Company Secretaries)

(Archana Bansal)
Mg. Partner
M.No. – A17865
COP No.- 11714

Place: New Delhi
Date : 12/07/2017

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ANNEXURE 'B'

Our report of even date is to be read along with this letter stating the observation made during the Secretarial Audit:

1. *That the company has not appointed a Woman Director, which is non – compliance of both- Section 149 of Companies Act, 2013 and now Clause 17 of SEBI (LODR), 2015.*
2. *That as per the requirements of Guidelines for Corporate Governance for Central Public Sector Enterprises (CPSEs) and SEBI (LODR) Regulations 2015, the Company is required to appoint 7 Independent Directors against which, 5 Independent Directors are in position as on 31.3.2017.*
3. *That the position of Chief Financial Officer of the Company is vacant since 8th December, 2016 which is required to be filled within 6 months from the date of such vacancy pursuant to Section 203(4) of Companies Act, 2013. However, the Company has informed that the Government has taken necessary steps to fill up the vacancy of Director (Finance) who is also designated as CFO in case of CPSEs.*

For BLAK & Co.

Archana

(Archana Bansal)
Mg. Partner
M.No. – A17865
COP No.- 11714

Place: New Delhi
Date : 12/07/2017

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ANNEXURE 'C'

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company. We assume that the Applicable Accounting Standards are being followed by the company which is being taken care of and reported by the Statutory Auditors.
4. Where-ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For BLAK & Co.

Archana

Place: New Delhi
Date : 12/07/2017

(Archana Bansal)
Mg. Partner
M.No. – A17865
COP No.- 11714

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MANAGEMENT'S REPLY TO OBSERVATIONS OF SECRETARIAL AUDITOR IN THEIR REPORT FOR THE FINANCIAL YEAR 2016-17

<table>
<tr><th>AUDITORS' OBSERVATION</th><th>MANAGEMENT'S REPLY</th></tr>
<tr><td>(1) That the company has not appointed a Woman Director, which is non – compliance of both- Section 149 of Companies Act, 2013 and now Clause 17 of SEBI (LODR),2015).</td><td rowspan="2"><u>For (1)& (2)</u>
MMTC Ltd being a Govt of India PSU, the Directors on the Board of the company are appointed by the President of India through the administrative Ministry i.e. Ministry of Commerce & Industry, Govt of India. The matter regarding filling up the vacant positions of Independent Directors including the requirement of appointment of a woman director on the Board, has been taken up with Department of Commerce, MOC&I. It is understood from the Department of Commerce that the process is already on for the appointment of woman director including vacant positions of independent directors.</td></tr>
<tr><td>(2) That as per the requirements of Guidelinesfor Corporate Governance for Central Public Sector Enterprises (CPSEs) and SEBI(LODR) Regulations,2015 the Company is required to appoint 7 Independent Directors against which, 5 Independent Directors are in position as on 31.3.2017.</td></tr>
<tr><td>(3) That the position of Chief Financial Officer of the Company is vacant since 8th December, 2016 which is required to be filled within 6 months from the date of such vacancy pursuant to Section 203(4) of Companies Act, 2013. However, the Company has informed that the Government has taken necessary steps to fill up the vacancy of Director(Finance) who is also designated as CFO in case of CPSEs.</td><td>As observed by the Secretarial Auditor, the process is already on for filling up the vacant post of Director(Finance) in MMTC Ltd and once the position is filled up, the Director(Finance) will also be designated as 'Chief Financial Officer' by the Board.</td></tr>
</table>

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3)of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto) during year 2016-17

Name of the Related Party	MMTC PAMP India Pvt Ltd	MMTC Gitanjali Ltd	Neelachallspat Nigam Ltd	MMTC Transnational Pte Ltd, Singapore
1. Details of contracts or arrangements or transactions not at arm's length basis				
a) Nature of the relationship	Joint Venture	Joint Venture	Associate	Wholly Owned Subsidiary
b) Nature of contracts/ arrangements/ transactions	Sale of bullion and minted products, refining and job work.	Sale of Gold/ Silver Medallions, plain and studded gold jewellery.	Shareholders Agreement between MMTC & Govt. of Orissa through M/s. IPICOL by way of equity participation of MMTC upto 49.78% as a Managing Promoter. Aa also the Agreement for sale/purchase of finished goods was signed between MMTC & NINL vide agreement dtd. 06.08.1999, amended on 22.06.2012 and further amended on 11.02.2014.	MTPL Singapore enters into sale/ purchase agreement with MMTC lot-wise/ shipment-wise wherein MTPL is the seller and MMTC is the buyer. Similarly, MTPL also participates in global tenders regularly alongwith other bidders wherein being a WOS of MMTC is exempted from giving EMD, Performance Bond Guarantee and KYC norms as applicable for other bidders.
c) Duration of contracts/ arrangements/ transactions	1) MOU for marketing of refined 1 kilo/100 grams gold/silver bars entered with MPIPL on 20th March 2013 valid for 3 years. 2) MOU for marketing of upto 26% of MPIPL's total production entered with MPIPL on 22nd June 2015 valid for 1 year. This supersedes the MOU at serial number 2).	Continuous Business.	Ongoing basis as long as the requirement for buying and selling subsists.	Ongoing basis as long as the requirement for buying and selling subsists.

Name of the Related Party	MMTC PAMP India Pvt Ltd	MMTC Gitanjali Ltd	Neelachallspat Nigam Ltd	MMTC Transnational Pte Ltd, Singapore
d) Salient terms of the contracts of arrangements or transactions including the value if any	With regard to the most recent MOU signed with MPIPL, the salient terms are: 1) MMTC may from time to time indicate its intent to purchase from existing MPIPL stocks at various locations across India Gold/Silver bullion Bars (Kilogram Bar of 995 Purity or 100 gm Gold Bar of 999 purity and silver bars of 0.999 fine purity) at applicable premium fixed by MPIPL for each location. 2) Duly authorised personnel of CBO MMTC Corporate Office shall price all bullion with MPIPL pricing desk. The minimum fixing lot will be 1 kg for Gold Bars and 100 Kg for Silver Bars. **Value- Rs.8,688.57 Millions**	1) Increased opportunity to sell MMTC products through Shuddhi Outlets. Joint participation in festival of Gold to provide large variety of jewellery to MMTC's Customer base. **Value-Rs.15.48 Millions**	Shareholders Agreement between MMTC & Govt. of Orissa through M/s. IPICOL envisaging that MMTC shall organize supply of raw materials and consumables for the plant on mutually agreed terms, domestic sale and export of products of the JV Company shall be arranged by MMTC at mutually agreed terms between MMTC & NINL. Agreement for sale/purchase of finished goods was signed between MMTC & NINL vide agreement dtd. 06.08.1999, amended on 22.06.2012 and further amended on 11.02.2014. **Value-Rs.11,610.88 Millions**	As at (b) above. **Value-Rs.6,504.04 Millions**
e) Justification for entering into such contracts or arrangements or transactions	1) To improve margins and the topline. 2) Alternate supply source (LBMA accredited refinery thus meeting our quality requirements) of bullion bars in the domestic market particularly useful when the supply in the market from imports is restricted due to government policies (eg. 80:20 scheme). 3) For refining and minting of gold and silver medallions to take advantage of the retail boom by providing high quality products especially considering the breakdown of machinery in our Jhandewalan mint.	1) More outlets to sell MMTC's products and new/variety of designs marketed by Shuddhi is available for sale during MMTC's Jewellery Exhibitions.	As mentioned above.	Being the L1 bidder against the tenders floated by MMTC.

Name of the Related Party	MMTC PAMP India Pvt Ltd	MMTC Gitanjali Ltd	Neelachallspat Nigam Ltd	MMTC Transnational Pte Ltd, Singapore
f) Dates of approval by Board	13th August 2015 14th September,2016	13th August 2015 14th September 2016	11th February 2015 14th September 2016	8th September 2015 (in repect of steel & coal) 14th August 2016(in respect of Fertilizers-Rs.1600 Crores & Rs.1100 Crore in respect of steel & coal
g) Amount paid as advances if any	**NONE**	**NONE**	**NONE**	**NONE**
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188			52nd AGM held on 29-09-2015. 53rd AGM held on 28-09-2016.	
2. Details of material contracts or arrangement or transactions at arm's length basis: -------- NIL --				

No - PDCA-I/MD/CHQ/29-26/17-18/Vol-II/391

गोपनीय

संख्या / No.

भारतीय लेखापरीक्षा और लेखा विभाग,
कार्यालय प्रधान निदेशक वाणिज्यिक लेखापरीक्षा
एवं पदेन सदस्य, लेखापरीक्षा बोर्ड–1, नई दिल्ली
INDIAN AUDIT & ACCOUNTS DEPARTMENT,
OFFICE OF THE PRINCIPAL DIRECTOR OF COMMERCIAL
AUDIT & EX-OFFICIO MEMBER, AUDIT BOARD-1, New Delhi

दिनांक / Dated 25/7/2017

सेवा में,

अध्यक्ष एवं प्रबन्ध निदेशक,
एम.एम.टी.सी. लिमिटेड,
सी०जी०ओ० कॉम्पलैक्स
लोदी रोड,
नई दिल्ली -110 003

विषय : 31 मार्च 2017 को समाप्त वर्ष हेतु एम.एम.टी.सी. लिमिटेड के वार्षिक लेखों (Standalone Financial Statements and Consolidated Financial Statements) पर कम्पनी अधिनियम 2013 की धारा 143(6)(b) एवं 129(4) के अन्तर्गत भारत के नियत्रंक महालेखा परीक्षक की टिप्पणियॉं ।

महोदय,

मैं इस पत्र के साथ 31 मार्च 2017 को समाप्त वर्ष के लिए एम.एम.टी.सी. लिमिटेड के वार्षिक लेखों (Standalone Financial Statements and Consolidated Financial Statements) पर कम्पनी अधिनियम 2013 की धारा 143(6)(b) एवं 129(4) के अन्तर्गत भारत के नियत्रंक महालेखा परीक्षक की **'शून्य टिप्पणियॉं'** अग्रेषित करता हूँ । इन शून्य टिप्पणियों को कम्पनी की वार्षिक रिपोर्ट में प्रकाशित किया जाए और कम्पनी की आमसभा में उसी समय व उसी प्रकार रखा जाए जिस प्रकार वैधानिक लेखा परीक्षकों की लेखा परीक्षा रिपोर्ट रखी जाती है ।

भवदीय,

संलग्न :शून्य टिप्पणियॉं

नीलेश कुमार साह

(नीलेश कुमार साह)
प्रधान निदेशक

तृतीय तल, ए–स्कन्ध, इन्द्रप्रस्थ भवन, इन्द्रप्रस्थ एस्टेट, नई दिल्ली–110002
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COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF MMTC LIMITED FOR THE YEAR ENDED 31 MARCH 2017

The preparation of financial statements of MMTC Limited for the year ended 31 March 2017 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 29 May 2017.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6) (a) of the Act of the financial statements of MMTC Limited for the year ended 31 March 2017. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report.

For and on behalf of the
Comptroller and Auditor General of India

Asah

Place: New Delhi
Dated: 25 July 2017

(Neelesh Kumar Sah)
Principal Director of Commercial Audit
& Ex-officio Member Audit Board-I,
New Delhi.

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MMTC LIMITED FOR THE YEAR ENDED 31 MARCH 2017

The preparation of consolidated financial statements of MMTC Limited for the year ended 31 March 2017 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act is responsible for expressing opinion on the financial statements under section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 29 May 2017.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6) (a) read with section 129(4) of the Act of the consolidated financial statements of MMTC Limited for the year ended 31 March 2017. We conducted a supplementary audit of the financial statements of MMTC Limited and its joint venture company Neelachal Ispat Nigam Limited for the year ended 31 March 2017. Further, section 139(5) and 143(6) (b) of the Act are not applicable to five joint venture companies (list enclosed) being private entities and its subsidiary MMTC Transnational Pte. Ltd being entity incorporated in Foreign country under the respective laws, for appointment of their Statutory Auditors nor for conduct of supplementary audit. Accordingly C&AG has neither appointed the Statutory Auditors nor conducted the supplementary audit of these companies. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report.

For and on behalf of the
Comptroller and Auditor General of India

Asah

(Neelesh Kumar Sah)
Principal Director of Commercial Audit
& Ex-officio Member Audit Board-I,
New Delhi.

Place: New Delhi
Dated: 25 July 2017

List of Joint ventures of MMTC Limited which are private entities

Free Trade Ware-housing Pvt. Ltd.
MMTC Pamp India Pvt. Ltd.
SICAL Iron Ore Terminal Limited
MMTC Gitanjali Limited
TM Mining Company Limited

DECADE AT A GLANCE

(₹ in million)

Year Ended 31st March	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
What we owe										
Equity Share capital (a)	**1000**	1000	1000	1000	1000	1000	1000	500	500	500
Other Equity	**13341**	12779	12592	12419	12408	13214	12797	12371	10734	9800
	14341	13779	13592	13419	13408	14214	13797	12871	11234	10300
Borrowings	**4402**	2718	2866	4129	14783	34299	60835	51648	43052	31984
Other Long Term Liabilities	**-**	187	196	99	191	45	-	-	-	-
Long Term Provisions	**1877**	1790	1771	1825	1702	1374	-	-	-	-
	20620	18474	18425	19472	30084	49932	74632	64519	54286	42284
What we own										
Fixed assets	**645**	2092	2060	2120	2107	2052	2107	2099	2075	2067
Less: depreciation	**121**	1517	1482	1302	1186	1079	993	874	757	654
Net fixed assets	**524**	575	578	818	921	973	1114	1225	1318	1413
Investment Property	**41**	-	-	-	-	-	-	-	-	-
Investments	**4845**	4598	4457	4457	4697	4673	2831	2729	2316	2550
Misc. Exp(not written off)	**-**	-	-	-	-	-	-	-	58	22
Other Non Current Assets including Financial Assets	**2185**	1463	1340	783	1147	1118	-	-	-	-
Working capital	**10699**	9545	9771	11153	21865	42453	70352	60339	50291	38042
Deferred Tax Assets	**2326**	2293	2279	2261	1454	715	335	226	303	257
	20620	18474	18425	19472	30084	49932	74632	64519	54286	42284
What we earned										
Sales	**115934**	124604	182415	250745	284156	659291	688545	451242	368207	264234
Exports	**15802**	6726	23007	41270	29795	20454	36934	32227	45759	39114
Imports	**84802**	102958	145302	187135	209544	610417	633008	399691	306951	204499
Domestic	**15330**	14920	14106	22340	44817	28420	18603	19324	15497	20621
Interest earned	**277**	1246	998	1378	2796	6458	4750	5742	7824	2106
Other income	**1295**	708	680	2795	2210	4770	2369	2294	2498	1314
	117506	126558	184093	254918	289162	670519	695664	459278	378529	267654
What we spent										
Cost of sales	**114885**	123737	180764	249239	282985	660483	687260	449463	366966	260732
Establishment Expenses	**1957**	2015	1918	1895	2029	1843	1838	1684	1653	1184
Administration Expenses	**520**	527	507	471	482	523	554	461	385	375
Finance Cost (incl. Interest paid)	**213**	299	170	670	2195	5764	3719	4126	6659	1350
Depreciation & Amortization	**67**	46	178	124	120	120	125	133	126	127
Miscellaneous Exp Written off	**-**	-	-	-	-	-	-	58	18	13
Debts/claims/assets written off/withdrawn	**7**	1	300	11	1	1	1	3	143	231
Allowance for Bad and Doubtful Debts / claims/ advances	**5**	3	12	13	63	133	229	19	406	373
Extra-ordinary items	**-**	-	-	2104	2444	1002	-	-	-	-
Exceptional items *	**(960)**	(655)	(372)	231	127	(1)	-	-	-	-
	116694	125973	183477	254758	290446	669868	693726	455947	376356	264385

Year Ended 31st March	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
What we saved										
Profit for the year	**812**	585	616	160	(1,284)	651	1938	3331	2173	3269
Provision for taxation	**242**	30	120	(42)	(572)	53	701	1168	772	1241
Profit after tax (before Prior Period Adj.)	**570**	555	496	202	(712)	598	1237	2163	1401	2028
Prior period adjustment	**0**	6	16	16	(6)	(109)	21	-	(1)	23
Profit available for appropriation	**570**	549	480	186	(706)	707	1216	2163	1402	2005
Dividend	**300**	300	250	150	100	250	250	450	400	450
Tax on dividend	**61**	61	51	25	-	41	41	75	68	76
Sustainable Development	**-**	-	-	-	2	-	-	-	-	-
Corporate Social Responsibility	**-**	-	-	-	4	-	-	-	-	-
Retained earnings	**209**	188	179	11	(812)	416	925	1638	934	1479
Gross Profit	**2199**	1297	2079	3456	2997	2766	3300	3176	3209	4298
Profit before Tax	**812**	579	600	144	(1,278)	760	1917	3331	2174	3246
Profit after tax	**570**	549	480	186	(706)	707	1216	2163	1402	2005
Net worth	**14341**	13779	13592	13418	13407	14213	13797	12871	11176	10278
Capital employed	**6821**	7402	7483	7842	8003	9127	8645	9725	8557	7471
Working capital	**10699**	9545	9771	11153	21865	42453	70352	60339	50291	38042
Ratios										
Overheads to sales %	**2.14**	2.04	1.33	0.94	0.88	0.36	0.35	0.48	0.55	0.59
Stocks to sales %	**20.42**	3.22	1.75	1.23	3.13	1.40	0.94	4.73	1.57	2.09
Trading profit to sales%	**1.90**	1.04	1.14	1.38	1.05	0.42	0.48	0.70	0.87	1.63
Profit before tax to sales %	**0.70**	0.46	0.33	0.06	(0.45)	0.12	0.28	0.74	0.59	1.23
Profit after tax to sales %	**0.49**	0.44	0.26	0.07	(0.25)	0.11	0.18	0.48	0.38	0.76
Debtors to sales %	**4.36**	6.64	16.64	6.92	7.83	4.20	3.69	3.44	5.18	5.47
Working capital to sales %	**9.23**	7.66	5.36	4.45	7.69	6.44	10.22	13.37	13.66	14.40
Sales to working capital (times)	**10.84**	13.05	18.67	22.48	13.00	15.53	9.79	7.48	7.32	6.95
Profit for the year to capital employed %	**11.90**	7.90	8.23	2.04	(16.04)	7.13	22.42	34.25	25.39	43.76
Profit after tax to capital employed %	**8.36**	7.42	6.41	2.37	(8.82)	7.75	14.07	22.24	16.38	26.84
Profit for the year to net worth %	**5.66**	4.25	4.53	1.19	(9.58)	4.58	14.05	25.88	19.44	31.81
Profir after tax to net worth %	**3.97**	3.98	3.53	1.39	(5.27)	4.97	8.81	16.81	12.54	19.51
Number of employees	**1226**	1334	1439	1530	1605	1673	1767	1838	1882	1953
Sales per employee	**94.56**	93.41	126.77	163.89	177.04	394.08	389.67	245.51	195.65	135.30

* Exceptional Items for Year 2017, 2016 & 2015 excludes Write-down of inventories to net realisable value.

SOURCES AND UTILISATION OF FUNDS

(₹ in million)

	2016-17	2015-16	2014-15
SOURCES			
Internal generation			
Profit after tax	570	549	479
Deferred Tax Adjustments	(33)	(14)	(17)
Depreciation	124	1518	1482
Provisions	6566	6926	7223
Equity	1000	1000	1000
Reserves	12771	12230	12113
External generation			
Banking	4401	2718	2866
Current liabilities	39419	18429	40020
Other liabilities	2619	2716	2623
TOTAL SOURCES	67437	46072	67789
UTILISATION			
Fixed assets	689	2092	2060
Investments	5861	4646	4746
Trade debts	9104	12268	34318
Inventories	23668	4015	3194
Loan & advances	21532	19987	19571
Cash & bank balance	4290	785	1638
Deferred Tax	2293	2279	2262
TOTAL UTILISATION	67437	46072	67789

STATEMENT OF CHANGES IN FINANCIAL POSITION

(₹ in million)

SOURCES OF FUNDS	2016-17		2015-16		2014-15	
Internal generation						
Profit after tax	570		549		479	
Depreciation	67	637	46	595	178	657
Deferred Tax Adjustment		2307		2279		2262
Borrowings						
Loan funds		1684		(148)		(1,263)
TOTAL SOURCES		4,628		2,726		1,656
APPLICATION OF FUNDS						
Fixed assets		17		44		(55)
Investments		1,243		141		(560)
Deferred Tax Asset		2,326		2293		2,279
Final Dividend		300		300		250
Dividend Tax		61		61		51
Inventory		19,653		821		110
Trade Receivables		(3,166)		(22,052)		13,003
Loan & Other Assets		1,588		426		3,296
Cash & Bank balance		3,505		(853)		(3,089)
Liabilities		(20,738)		21675		(13,878)
Provisions		(161)		(130)		249
TOTAL APPLICATION OF FUNDS		4,628		2,726		1,656

VALUE ADDED STATEMENT

(₹ in million)

	2016-17		2015-16		2014-15	
		%		%		%
VALUE ADDED						
Sales & other trade earning	117084		124983		182843	
Add:Other income	1211		938		958	
	118294		125920		183801	
Less:Cost of material and services used	109661		115706		170702	
TOTAL VALUE ADDITION	**8634**		**10214**		**13099**	
VALUE DISTRIBUTION						
Operating expenses	5,178	59.98	7,966	77.99	9,924	75.77
Employment costs	1,957	22.66	2,015	19.73	1,918	14.64
Administrative costs	679	7.87	552	5.41	1,280	9.77
Provisions	5	0.06	3	0.03	12	0.09
Depreciation	67	0.77	46	0.45	178	1.36
Interest(net)	(65)	(0.75)	(947)	(9.27)	(812)	(6.20)
Income tax	242	2.80	30	0.30	120	0.91
Dividend						
'-Proposed Dividend	-	-	300	2.94	250	1.91
'-Tax on Dividend	-	-	61	0.60	51	0.39
Retained earning	571	6.61	188	1.84	178	1.36
TOTAL VALUE DISTRIBUTION	**8,634**	**100**	**10,214**	**100**	**13,099**	**100**
ANALYSIS						
Number of employee	1,226		1,334		1,439	
Value added per employee(Rs.'000)	7042		7657		9103	
Net worth	14,359		13,779		13,591	
Value added per rupee of net worth	0.60		0.74		0.96	

COMMODITY - WISE PERFORMANCE

(₹ in million)

Year ended 31st March	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
EXPORTS										
Iron Ore	9229	3607	14013	16703	9885	3049	19390	19244	27536	26554
Manganese ore/oxide			67	144	225	343	575	1019	1064	441
Chrome ore/concentrate	3499	818	341	3526	3781	6160	8076	6269	8274	6904
Pig iron	2416	2301	6291	10992	2893	9404	8136	4891	5988	5090
Slag				18						
Fertilizer				2348	1533	1489	737	805		
Agro Products			2294	7539	11478		20		2411	61
Raw Wool						9				
Diamonds/gems/jewellery	2								434	
Merchanting Trade	211								50	64
General Trade	445									
Total Exports	**15802**	**6726**	**23007**	**41270**	**29795**	**20454**	**36934**	**32228**	**45757**	**39114**
IMPORTS										
Metals/ IRM										
Copper/Copper Cathodes	1662				101	1334	1240	1549	4688	3678
Zinc		1008	561	616	837	1379	1205	1494	896	1287
Lead		1	31	19	47	36	117	90	304	246
Tin	392	183	195	390	423	671	1013	522	1047	703
Nickel	583	178	725	754	567	1393	3304	1042	501	922
Aluminium								11		16
Antimony Metal	43	36	50	67	58		26	8	5	24
Steel /Steel Scrap/ HR Coils						478	1080	1585	1065	1350
Others	96				108	583	282	334	282	148
SUB TOTAL	2776	1406	1561	1846	2142	5875	8267	6635	8788	8374
Fertilizers:										
Sulphur	60	164	231	230	233	219	142	220	1566	1488
Urea	24184	26109	77973	35969	11704	48927	14534	14084	30259	37907
DAP						1445		574		
MOP	1579		1757	1276	5599	5279	3937	9302	7916	1647
Phosphoric Acid	457									
Others	242	973						4	7	
SUB TOTAL	**26522**	**27246**	**79961**	**37475**	**17537**	**55870**	**18613**	**24184**	**39748**	**41042**
Diamonds/Gold/Emeralds	48744	63424	43343	84116	131374	504607	501935	316029	212891	122071
Agro Products	1058	583	704	12139	13777	11843	14922	14638	16695	16160
Hydrocarbons	5703	10127	19476	51508	44688	32196	89229	38203	27364	16481
Others		172	257	51	27	27	43	1	1466	371
TOTAL IMPORTS	**84803**	**102958**	**145302**	**187135**	**209545**	**610417**	**633008**	**399690**	**306952**	**204499**
DOMESTIC										
Copper/Zinc/Brass/Alum.		5					18	1195		1633
Pig Iron/Slag/Steel	1736	1871	1761	2335	9805	8273	4180	6352	2791	2738
Fertilizers	2	1598	858	49	78	87	45	40	68	56
Agro Products	1032	2981		5018	16041	8459	1294	1245	1042	1621
Gems & Jewellery/Silver	11646	7080	8121	7614	5379	6821	4918	5274	4118	7921
Hydrocarbon	691	1142	1762	4456	11659	3475	5870	1753	4023	5255
Others	223	243	1611	2868	1855	1305	2278	3465	3455	1397
TOTAL DOMESTIC	15330	14920	14112	22340	44817	28420	18603	19324	15497	20621
TOTAL TURNOVER	115934	124604	182420	250745	284156	659291	688545	451242	368207	264234

COUNTRY-WISE EXPORTS

(₹ in million)

Year ended 31st March	2017	2016	2015
AFRICA			
SOUTH AFRICA	**-**	-	1858
	-	-	1858
ASIA			
BANGLADESH	**585**	-	818
CHINA	**3533**	1414	744
HONGKONG	**226**		-
JAPAN	**7498**	2183	11361
KOREA	**1916**	1424	2979
NEPAL	**211**	-	-
PAKISTAN	**-**	-	67
INDONESIA	**-**	-	1476
SINGAPORE	**2**	-	-
TAIWAN	**1215**	731	-
THAILAND	**616**	974	3694
	15802	6726	21139
WEST EUROPE			
SPAIN	**-**	-	10
	-	-	10
TOTAL EXPORTS	**15802**	6726	23007

COUNTRY-WISE IMPORTS

(₹ in million)

Year ended 31st March	2017	2016	2015
AFRICA			
MOZAMBIQUE	**2156**	-	-
KENYA	**18**	-	-
EGYPT	**783**	-	-
MALAWI	**1312**	-	-
SOUTH AFRICA	**2195**	1,467	6,744
	6,464	1,467	6,744
ASIA			
CHINA	**6586**	18,590	72,366
INDONESIA	-	2,060	10,279
KOREA	**1113**	812	670
MALAYSIA	**346**	106	119
MYANMAR	**2049**	539	-
HONGKONG	**269**	-	-
RUSSIA	**1585**	913	676
SINGAPORE	**2553**	1,189	733
	14,501	24,209	84,843
EAST EUROPE			
KAZAKHISTAN	-	13	-
BELARUS	-	-	517
UZBEKISTAN	**686**	-	-
UKRAINE	**978**	-	-
	1,664	13	517
MIDDLE EAST			
BAHRAIN	**1137**	-	-
DUBAI	**1087**	-	-
IRAN	**9972**	6,740	3,919
OMAN	**2389**	-	-
KUWAIT	**1557**	-	-
SAUDI ARABIA	**57**	-	-
TURKEY	**1141**	-	-
UAE	**5411**	2,100	1,633
	22,751	8,840	5,782
NORTH AMERICA			
CANADA	**3278**	465	-
USA	-	2,778	-
	3,278	3,243	-
OCEANIA			
AUSTRALIA	**11264**	19,440	12,328
	11,264	19,440	12,328
WEST EUROPE			
GERMANY	**811**	-	-
LUXEMBOURG	**56**	-	85
NETHERLANDS	-	-	-
BELGIUM	**32**	-	-
SWEDEN	**28**	10	32
ITALY	-	-	-
SWITZERLAND	**30941**	12,245	10,926
NORWAY	**387**	50	44
UK	**7366**	24,473	14,769
	39,621	36,778	25,856
TOTAL IMPORTS	**99,543**	93,990	1,36,070

CONTRIBUTION TO EXCHEQUER

(₹ in million)

	2016-17	2015-16	2014-15
To Central Government			
Export Duty	**827**	-	9
Import Duty	**3,182**	5,415	3,917
Excise Duty	**1**	2	6
Service Tax	**57**	48	36
CST	**7**	108	337
Income Tax (Incl. Tax on Dividend)	**419**	612	579
Dividend	**270**	225	135
Total	**4,763**	6,410	5,019
To Railways & Ports			
Railway freight	**91**	160	4,299
Plot rent to Railways/Ports	**59**	4	5
Port Charges	**51**	44	53
Total	**201**	208	4,357
To State Government			
Local Sales Taxes/ VAT	**488**	710	560
Other Taxes/cess	**2**	22	12
Professional Tax	**1**	1	2
Total	**491**	733	574
Grand Total	**5,455**	7,351	9,950

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MMTC LTD.

Report on the Standalone Ind AS Financial Statements

1. We have audited the accompanying Standalone Ind AS financial statements of **MMTC Limited** ("the Company"), which comprises the Balance Sheet as at 31st March, 2017, the statement of Profit and Loss (including other comprehensive income), the statement of Cash Flows and statement of changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

   Management's Responsibility for the Standalone Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

   We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

   We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by The Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

   An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

   We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanation provided to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS of the financial position of the Company as at 31stMarch, 2017 and its financial performance including other comprehensive income, its cash flows and the changes in the equity for the year ended on that date

Emphasis of Matter

a. We draw attention to Note No. 36(ix) to the standalone Ind AS financial statements in respect of non-provision of liability, if any arises, in case of non- extension of time/waiver/write off of GR-1 forms.

b. We draw attention to Note No. 49 to the standalone Ind AS financial statements in respect of balances under Sundry Creditors/Sundry Debtors/Claims Recoverable/Loans & advances/Other Liabilities which, in many cases have not been confirmed and any adjustments due to consequent reconciliation, if any, required is not ascertainable.

c. We draw attention to Note No.36 (v), (vi) and 38 (c) to the standalone Ind AS financial statements in respect of fund based and non-fund based exposure of the Company in M/s Neelachal Ispat Nigam Ltd. (NINL) – a Joint Venture Company.

Our opinion is not modified in respect of this matter.

Other Matters

A. The comparative financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended). Financial statement for the financial year ended 31st March 2016 were audited by us and expressed an unmodified opinion vide report dated 27th May 2016, whereas financial statement for the year ended 31st March 2015 which were audited by the predecessor auditor and expressed an unmodified opinion vide report dated 21st May 2015. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

B. We did not audit the Ind AS financial statements/ financial information of 8 regional offices included in the standalone financial statements of the company whose Ind AS financial statements/ financial information reflect total assets of INR 45,597.62 million as at March 31, 2017 and total revenue of INR 78,702.83 million for the year ended on that date, as considered in the standalone Ind AS financial statements. The Ind AS financial statements/financial information of these branches have been audited by the branch auditors whose reports have been furnished to us and our opinion in so far as it relates to the amount and disclosure included in respect of these branches, is based solely on the report of such branch auditors.

Report on Other Legal and Regulatory Requirements

4. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure-1**" a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

5. As required by Section 143 (3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

   c) The reports on the accounts of the branch offices of the Company audited under section 143 (8) of the Act by the Branch auditors have been sent to us and have been properly dealt with by us in preparing the report;

   d) The Balance Sheet, the Statement of Profit and Loss, the Statement of Cash Flows and Statement of Changes in Equity, referred to in this report are in agreement with the books of accounts;

   e) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder;

   f) On the basis of written representations received from the directors as on 31st March 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2017 from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013;

   g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us

      i. There are pending litigations including matters relating to sales tax, custom duty and excise duty which are disclosed as contingent liability - refer to Note 36 and 38 to the standalone

Ind AS financial statements, the impact of the same is unascertainable as the matters are *sub-judice*.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.

iii. There has been no delay in transferring amounts required to be transferred to the Investors Education and Protection Fund by the Company.

iv. With respect to the adequacy of internal financial controls over financial reporting of the company and operating effectiveness of such controls, refer to our separate Report in **"Annexure-2".**

v. The company has provided requisite disclosure in note no. 52 to these standalone Ind AS financial statements as to holding of Specified Bank Notes on 8th November 2016 and 30th December 2016 as well as dealing in specified notes during the period 8th November 2016 to 30th December 2016. The disclosures are in accordance with the books of accounts maintained by the company and as produced before us by the management.

6. As required by C&AG of India through sub-directions, issued under Section 143 (5) of the Company's Act, we give our report in the attached "**Annexure-3**"

For O.P. Tulsyan & Company
Chartered Accountants
FRN: 500028N

Place: New Delhi
Date: 29.05.2017

Rakesh Agarwal
Partner
M No.: 081808

Annexure-1 To the Independent Auditors' Report on the Standalone Ind AS Financial Statements of MMTC LTD.
(Referred to in Paragraph 1 under the "Other Legal & Regulatory Requirement")
We further report that:

1. **In Respect of Its Fixed Assets**

   i. The Company has maintained proper records in respect of its fixed assets showing full particulars including quantitative details and situation of fixed asset.

   ii. Based on the physical verification reports produced before us, in our opinion, the said assets have been physically verified by the management at reasonable intervals.

   iii. Title Deeds of immovable property are held in the name of the company except in the case mentioned below:

Region/Office	Asset Description	Gross Value	Area	Remarks
Corporate Office	Land for Residential Colony at New Delhi	13.16 Lakhs	32.33 Acres	Lease Agreement is in Joint Name of MMTC and State Trading Corporation
Bhubaneshwar Office	Residential Building, Roads, Culverts and Electrical Installations	49.01 Lakhs	2 Acres	Lease Deed Expired in 2011

2. **In Respect of Its Inventory**

   i. As explained to us, the inventories have been physically verified during the year by the management.

   ii. In our opinion and according to the information and explanation given to us, no material discrepancies were noticed during the course of physical verification.

   iii. In our opinion and according to the information and explanation given to us, the procedure of physical verification of inventories followed by the management needs to be further strengthened in relation to the size of the MMTC Limited and the nature of its business.

3. **Loans given to parties covered under section 189**

   The company has granted unsecured loan to one of its joint venture company, M/s Neelachal Ispat Nigam Limited.

   i. In our opinion and according to the information and explanation given to us, terms and conditions on which loan has been granted is not pre-judicial to the interest of the company.

   ii. According to the information and explanation given to us repayment schedule has been agreed with the company.

   iii. According to the information and explanation given to us, there is no amount overdue.

4. **Compliance of Provision of Section 185 and 186 of the Companies Act, 2013 in respect of loans, guarantees and securities**

   According to the information and explanations given to us, and as per the records verified by us, the company has complied the provisions of Section 185 and 186.

5. **Acceptance of Deposits**

   According to the information and explanations given to us, the company has not accepted deposits as per the directive issued by the Reserve Bank of India and the provision of Section 73 to 76 or any other relevant provision of the Act and the rules framed there under.

6. **Maintenance of Cost Records**

   As explained to us, maintenance of cost records has not been prescribed by the Central Government for the company under Section 148(1) of the Act.

7. **Undisputed & Disputed Statutory Dues**

   (a) According to the information and explanations given to us and as per the records verified by us, the Company has been regular in depositing undisputed statutory dues including Income Tax, Provident Fund dues, Professional Tax, Value Added Tax and Service Tax with the appropriate authorities.

(b) There were no undisputed amount payable in respect of Income Tax, Provident Fund dues, Professional Tax, Value Added Tax and Service Tax and other statutory dues in arrear as at 31st March 2017 for more than six months from the date they became payable.

(c) In case if dues of Income Tax or sales tax or service tax or duty of custom or duty of excise or value tax or cess have not been deposited on account of any dispute are attachedas Annexure A:

8. **Loans from Banks/Financial Institutions/ Government/Debentures**

According to the information and explanations given to us and as per the records verified by us, the company has not defaulted in repayment of loans or borrowings to a financial institution, bank, Government or dues to debenture holders.

9. **Proceeds of Public Issue (including debt instruments)/Term Loans**

According to the information and explanations given to us and as per the records verified by us, the Company has not raised any money during the year through initial/further public offer (including debt instruments). Term loans raised by the company during the year have been utilized for the purpose for which they were obtained.

10. **Frauds on or by the Company**

According to the information and explanations given to us and as per the records verified by us, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the company or its officers, noticed or reported during the year, nor have we been informed of such case by the management.

11. **Managerial Remuneration**

According to the information and explanations given to us and as per the records verified by us, managerial remuneration has been paid/provided for by the company during the year under review is within the purview of Section 197, read with Schedule V to the Act.

12. **Nidhi Companies**

The Company is not a Nidhi Company during the year under review and hence, the criteria as stipulated under Nidhi Rules 2014 are not applicable to the company.

13. **Related Party Transactions**

As per the information and explanations given during the course of our verification, in our opinion, all transactions with the related parties made by the company were in compliance with section 177 and 188 of the Act, to the extent applicable to the company during the year, the relevant details in respect of which have been appropriately disclosed in the Ind AS financial statements.

14. **Preferential Issue**

During the year, the company has not made any preferential allotment or private placement of equity shares or convertible debentures and hence the requirements of Section 42 of the Act are not applicable.

15. **Non-Cash Transactions with Director's etc.**

As per the informations and explanations provided to us, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with the directors within the purview of section 192 of the Act are not applicable.

16. **Provision of 45-IA of the Reserve Bank of India Act,1934**

According to the information and explanations given to us and as per the records verified by us, during the year, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

For O.P. Tulsyan & Company
Chartered Accountants
FRN: 500028N

Place: New Delhi
Date: 29.05.2017

Rakesh Agarwal
Partner
M No.: 081808

Annexure “A” to Clause 7 (iii) of Annexure 1 to Independent Auditors’ Report on the Standalone Ind AS Financial Statements of MMTC Limited

Mumbai Region

Nature of Statute	Nature of Dues	Year	Amount	Authority
Bombay Sales Tax Act	Sales Tax	1986-87	3,08,644	Jt. Comm. Of Sale tax
Bombay Sales Tax Act	Sales Tax	1989-90	14,96,06,778	Jt. Comm. Of Sale tax
Bombay Sales Tax Act	Sales Tax	1990-91	23,30,46,478	Jt. Comm. Of Sale tax
Bombay Sales Tax Act	Sales Tax	1991-92	28,98,738	Jt. Comm. Of Sale tax
Bombay Sales Tax Act	Sales Tax	2001-02	45,03,961	Jt. Comm. Of Sale tax
Maharashtra VAT Tax	Sales Tax	2008-09	26,04,822	Jt. Comm. Of Sale tax
Maharashtra VAT Tax	Sales Tax	2008-09	1,42,13,373	Jt. Comm. Of Sale tax
Maharashtra VAT Tax	Sales Tax	2007-08	23,99,218	Jt. Comm. Of Sale tax
Maharashtra VAT Tax	Sales Tax	2010-11	45,82,018	Jt. Comm. Of Sale tax
Maharashtra VAT Tax	Sales Tax	2010-11	1,22,470	Jt. Comm. Of Sale tax
Maharashtra VAT Tax	Sales Tax	2009-10	19,58,379	Jt. Comm. Of Sale tax
Central Sale Tax,1956	Sales Tax	2011-12	47,25,144	Jt. Comm. Of Sale tax
Central Sale Tax,1956	Sales Tax	2008-09	51,81,978	Jt. Comm. Of Sale tax
Central Sale Tax,1956	Sales Tax	2007-08	71,97,308	Jt. Comm. Of Sale tax
Custom Act,1962*	Custom Act	2012-13	34,92,29,671	Commissioner of customs

*INR 28,41,24,643 paid to Custom Department.

Bengaluru Region SRO

Nature of Statute	Nature of Dues	Year	Amount	Authority
Service Tax	Service Tax	2008-09	10,26,502	Commissioner of Custom, Excise and Service Tax, Karnataka

Chennai Region

Nature of Statute	Nature of Dues	Year	Amount	Authority
TNGST Act	Sale Tax	1998-99	8,63,114	Madras High Court'
TNGST Act	Sale Tax	2000-01	4,43,416	Sales Tax Appeals Tribunal
TNGST Act	Sale Tax	1999-00	11,52,785	Madras High Court'
TNGST Act	Sale Tax	2001-02	1,78,566	Assistant Commissioner of Commercial Taxes
TNGST Act	Vat & Penalty	2008-09	3,55,08,765	Jt. Commissioner of Commercial Taxes Appeals

Delhi Region

Name of Statute	Nature of Dues	Amount (inRs.)	Period to which the amount relates	Forum where dispute is pending
Delhi VAT	CST/LST/Interest/ Penalty(Gold-Commemorative medallions)	37,45,290	2002-03	Commissioner (Appeals), DVAT
Delhi VAT	LST	11,65,303	1984-85	Dy. Commissioner(Appeals)
Delhi VAT	LST/CST	6,57,32,207	1986-87	Add. Commissioner (Appeals)
Delhi VAT	LST/CST	4,31,86,549	1987-88	Add. Commissioner (Appeals)
Delhi VAT	LST/CST	3,77,96,673	1988-89	Add. Commissioner (Appeals)
Delhi VAT	LST	61,87,340	1989-90	Add. Commissioner (Appeals)
Delhi VAT	LST	22,23,198	1990-91	Add. Commissioner Appeals)
UP-VAT	LST/CST	6,17,588	1990-91	Moradabad, Allahabad High Court
UP-VAT	LST	4,70,578	1991-92	Moradabad, Allahabad High Court

Name of Statute	Nature of Dues	Amount (inRs.)	Period to which the amount relates	Forum where dispute is pending
UP-VAT	LST	2,64,037	1992-93	Moradabad, Allahabad High Court
UP-VAT	LST	1,85,100	1993-94	Moradabad, Allahabad High Court
UP-VAT	LST	16,35,160	1987-88	Joint Commissioner (Appeals), Kanpur
UP-VAT	VAT	6,11,808	1996-97	Commissioner (Appeals), UP-VAT
UP-VAT	VAT+Interest for non-submission of Form-3B (Gold)& Non-submission of Form 3C1(Mentha Oil)	62,457	2007-08	Commissioner (Appeals), UP-VAT
Haryana VAT	LST	4,24,587	1992-93	Faridabad, Punjab & Haryana High Court, Chandigarh
MP-VAT	LST	1,50,004	1999-00	Sales Tax Authority, Indore
MP-VAT	LST	47,30,692	1998-99	Assessing Authority, Indore
Custom & Central Excise	Customs Duty & Interest on non-export of Gold Jewellery against Gold Loan by Associates	2,72,67,919	1999-00	Pending before Hon'ble Delhi High Court as per directions of Hon'ble Supreme Court of India.
Custom & Central Excise	Custom Duty	2,00,00,000	2006-07	Dy. Commissioner of Customs (Appeals)
Custom & Central Excise	Custom Duty	1,50,50,000	2007-08	Dy. Commissioner of Customs (Appeals)
Custom & Central Excise	Custom Duty	61,80.000	2008-09	Dy. Commissioner of Customs, (Appeals)
Custom & Central Excise	Custom Duty	61,80,000	2009-10	Dy. Commissioner of Customs, (Appeals)
Custom & Central Excise	Excise Duty/Interest/ Penalty	18,20,878	2010-11	Commissioner of Central Excise, (Appeals)
Delhi VAT	CST	11,20,842	2012-13	Sales Tax Authority, Delhi
Haryana VAT	VAT	17,380	2013-14	Sales Tax Authority, Ambala
Custom & Central Excise	Custom Duty	6,27,10,815	2013-14	Deputy Commissioner of Customs
Custom & Central Excise	Excise Duty	19,31,74,658	2013-14	Commissioner of Central Excise

Hyderabad Region

Nature of Statute	Nature of Dues	Year	Amount	Authority
CST	CST	1989-90	1,49,770	STAT
APGST	APGST	1993-94	6,30,615	STAT,VIZAG
CST	CST	1993-94	4,41,446	STAT,VIZAG
CST	CST	1994-95	2,04,481	AC LTU
APGST	APGST	1991-92	24,02,576	STAT,VIZAG
APGST	APGST	1992-93	13,96,269	STAT,VIZAG
APGST	APGST	1993-94	17,62,687	STAT,VIZAG
APGST	APGST	1997-98	58,43,100	STAT,VIZAG
APGST	APGST	1998-99	55,65,147	STAT,VIZAG
APGST	APGST	1999-00	39,04,454	STAT,VIZAG
APGST	APGST	2000-01	2,52,926	STAT,VIZAG
VAT	VAT STATE	2008-09	7,84,474	STAT
CST,VAT	CST,VAT	2004-05 CST,2006-07 VAT	6,76,058	AC LTU,STAT
VAT	VAT	2007-08	71,000	AC Audit
VAT	VAT	2010-11	3,38,97,216	CTO VIZAG

Kolkata Region

Nature of Statute	Nature of Dues	Year	Amount	Authority
Sale Tax Law	Sale Tax	2005-06	11,31,000	Appellate Board
Sale Tax Law	Sale Tax	2006-07	77,61,000	Appellate Board
Sale Tax Law	Sales Tax	2013-14	54,21,000	Appellate Board
Sale Tax Law	West Bengal Vat	2013-14	60,54,000	Appellate Board

Jaipur Region

Nature of Statute	Nature of Dues	Year	Amount	Authority
Rajasthan Sale Tax Act	Sale Tax	2003-04	1,49,46,540	Rajasthan Kar Board, Ajmer
Rajasthan Sale Tax Act	Sale Tax	1999-00	26,07,605	Rajasthan Kar Board, Ajmer.
Rajasthan Value Added Tax	Value Added Tax	2012-13	68,16,650	Rajasthan Kar Board
Rajasthan Value Added Tax	Value Added Tax	2013-14	2,65,46,940	Rajasthan Kar Board
CST Act	CST	2013-14	54,28,220	Rajasthan Kar Board
Rajasthan Value Added Tax	Value Added Tax	2014-15	4,95,72,650	Rajasthan Kar Board
CST Act	CST	2014-15	14,15,000	Rajasthan Kar Board
Income Tax	Income Tax	2014-15	27,950	Rajasthan Kar Board

Vizag Region

Nature of Statute	Nature of Dues	Year	Amount	Authority
APGST	APGST	1968-69	18,56,325	STAT, Hybd
APGST	APGST	1985-86	25,05,806	STAT,VIZAG
APGST	APGST	1986-87	2,70,83,841	STAT,VIZAG
APGST	APGST	1989-90	4,79,000	STAT
APGST	APGST	1991-92	19,34,139	AC LTU
CST	CST	1994-95	8,41,695	AC LTU
APGST	APGST	1997-98	25,27,960	STAT,VIZAG
CST	CST	2007-08	1,04,614	ADC
Service Tax	Service Tax	2003-06	12,65,26,554	CESTAT, Hyderabad

Bhubaneswar Region

Nature of Statute	Nature of Dues	Year	Amount	Authority
Sale Tax	Interest Penalty	1978-79	26,50,388	High Court of Orissa
Sale Tax	Sale Tax	1978-79	34,00,919	High Court of Orissa
Sale Tax	Sale Tax	1978-79	1,70,046	High Court of Orissa
Sale Tax	Interest Penalty	1979-80	6,53,452	High Court of Orissa
Central Sale Tax,1956	Central Sale Tax,1956	1982-83	34,83,020	High Court of Orissa
Sale Tax	Interest Penalty	1978-79	3,57,42,030	High Court of Orissa
Sale Tax	DEPB	2006-09	14,98,22,308	Addl. Commissioner, Sale Tax, Odisha
Sale Tax	DEPB	2010-12	5,08,43,080	Addl. Commissioner, Sale Tax, Odisha
Value Added Tax	Value Added Tax	2013-14	14,28,18,841	Odisha Sales Tax Tribunal
Central Sale Tax,1956	Central Sale Tax,1956	2013-14	58,07,05,822	Odisha Sales Tax Tribunal
ETC Odisha	Entry Tax	2013-14	52,63,10,091	Odisha Sales Tax Tribunal
Central Excise Act	Service Tax	2003-05	4,41,27,018	Customs Excise & Service Appellate Tribunal
Central Excise Act	Service Tax	2003-07	17,73,29,557	Customs Excise & Service Appellate Tribunal

Nature of Statute	Nature of Dues	Year	Amount	Authority
Central Excise Act	Service Tax	2007-08	4,06,20,188	Customs Excise & Service Appellate Tribunal
Central Excise Act	Service Tax	2008-10	8,73,51,737	Customs Excise & Service Appellate Tribunal
Central Excise Act	Service Tax	2010-11	4,63,06,812	Commissioner of customs Excise & Service Tax ,Bhubaneswar
Central Excise Act	Service Tax	2011-12	4,52,25,441	Commissioner of customs Excise & Service Tax ,Bhubaneswar
Central Excise Act	Service Tax	2009-12	37,31,08,366	Commissioner of customs Excise & Service Tax ,Bhubaneswar
Central Excise Act	Service Tax	2009-11	85,28,519	Commissioner of customs Excise & Service Tax ,Bhubaneswar
Central Excise Act	Service Tax	2012-13	41,55,573	Commissioner of customs Excise & Service Tax ,Bhubaneswar
Central Excise Act	Service Tax	2012-13	3,54,97,129	Commissioner of customs Excise & Service Tax ,Bhubaneswar
Central Excise Act	Service Tax	2013-14	5,30,176	Commissioner of customs Excise & Service Tax ,Bhubaneswar
Central Excise Act	Central Excise Act	2012-13	1,49,02,87,737	Ass. Comm. ,CE&C, Balasore Division, Balasore

Corporate Office

Nature of Statute	Nature of Dues	Year	Amount	Authority
Income tax Act	Income tax Act	2014-15	1,55,24,136	CIT(A)
Income tax Act	Income tax Act	2013-14	3,34,92,278	CIT(A)
Income tax Act	Income tax Act	2012-13	5,30,179	ITAT
Income tax Act	Income tax Act	2011-12	91,77,995	CIT(A)
Income tax Act	Income tax Act	2010-11	3,71,73,260	ITAT
Income tax Act	Income tax Act	2009-10	5,96,86,297	ITAT
Income tax Act	Income tax Act	2008-09	1,44,83,413	ITAT
Income tax Act	Income tax Act	2004-05	3,58,34,174	ITAT
Income tax Act	Income tax Act	2003-04	1,08,96,834	ITAT
Income tax Act	Income tax Act	2002-03	8,56,73,253	ITAT
Income tax Act	Income tax Act	2001-02	1,17,77,218	ITAT/High Court
Income tax Act	Income tax Act	2000-01	3,94,62,696	ITAT
Income tax Act	Income tax Act	1999-00	2,85,69,897	ITAT
Income tax Act	Income tax Act	1998-99	58,90,533	ITAT
Income tax Act	Income tax Act	1997-18	50,22,928	ITAT
Income tax Act	Income tax Act	1996-17	3,73,75,477	ITAT

Out of the above demand, an amount of ₹30,31,33,895.00 has been deposited by the company

Ahmadabad Region

Nature of Statute	Nature of Dues	Year	Amount	Authority
Custom Act 1962	Deferential Custom Duty	2013-14	30,19,36,225	CESTAT Chennai

Annexure-2 To the Independent Auditors' Report of even date on the Ind AS standalone financial statements of MMTC Ltd.

Report on the Internal Financial Controls over financial reporting under Section 143(3)(i) of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **MMTC Ltd.** ("the Company") as of March 31, 2017, in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls:

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over financial reporting issued by the Institute of Chartered Accountants of India (the ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility:

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal financial controls over financial reporting and the Standards on Auditing, issued by the ICAI deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those standards and the Guidance Note that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exist, and testing and evaluating the design and operating effectiveness of the internal control based on the assessed risk . The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatements of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting:

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting:

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion:

In our opinion, subject to a few areas in which improvement, as discussed and agreed with the management, is required, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st 2017, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For O.P. Tulsyan & Company
Chartered Accountants
FRN: 500028N

Place: New Delhi
Date: 29.05.2017

Rakesh Agarwal
Partner
M No.: 081808

Annexure-3: To the Independent Auditors' Report of even date on the Standalone Ind AS Financial Statements of MMTC Ltd.

Sl. No.	Description	Observation
1.	Whether the Company has clear title/lease deeds for freehold and leasehold respectively? If not please state the area of freehold and leasehold land for which title/lease deeds are not available?	As per explanation and information given to us and records verified by us in respect of Corporate Office & DRO and based on audit reports read with CARO reports received from other auditors for 8 regional offices, the details in respect of availability of title deed of Immoveable Properties are given below:
2.	Whether there are any cases of waiver/write off of debts/loans/interest etc.. If yes, the reason therefore and the amount involved.	As per explanation and information given to us and records verified by us Rs. 66,13,879 has been written off during the financial year.
3.	Whether proper records are maintained for inventories lying with third parties & assets received as gift/ grant(s) from Govt. or other authorities.	As per explanation and information given to us and records verified by us in respect of Corporate Office & DRO and based on audit reports, received from other auditors for 8 regional offices, proper records are maintained for inventories lying with third parties. It is informed to us, during the year, no assets received as gift/grant from Government or other Authorities.

Detail of Freehold/Leasehold Land :

Region/Office	Asset Description	Gross Value	Area	Remarks
Corporate Office	Land for Residential Colony at New Delhi	13.16 Lakhs	32.33 Acres	Lease Agreement is in Joint Name of MMTC and State Trading Corporation
Bhubaneshwar Office	Residential Building, Roads, Culverts and Electrical Installations	49.01 Lakhs	2 Acres	Lease Deed Expired in 2011. Paradeep Port recommended for renewal of lease for 15 years. Final approval from Government is awaited.

For O.P. Tulsyan & Company
Chartered Accountants
FRN: 500028N

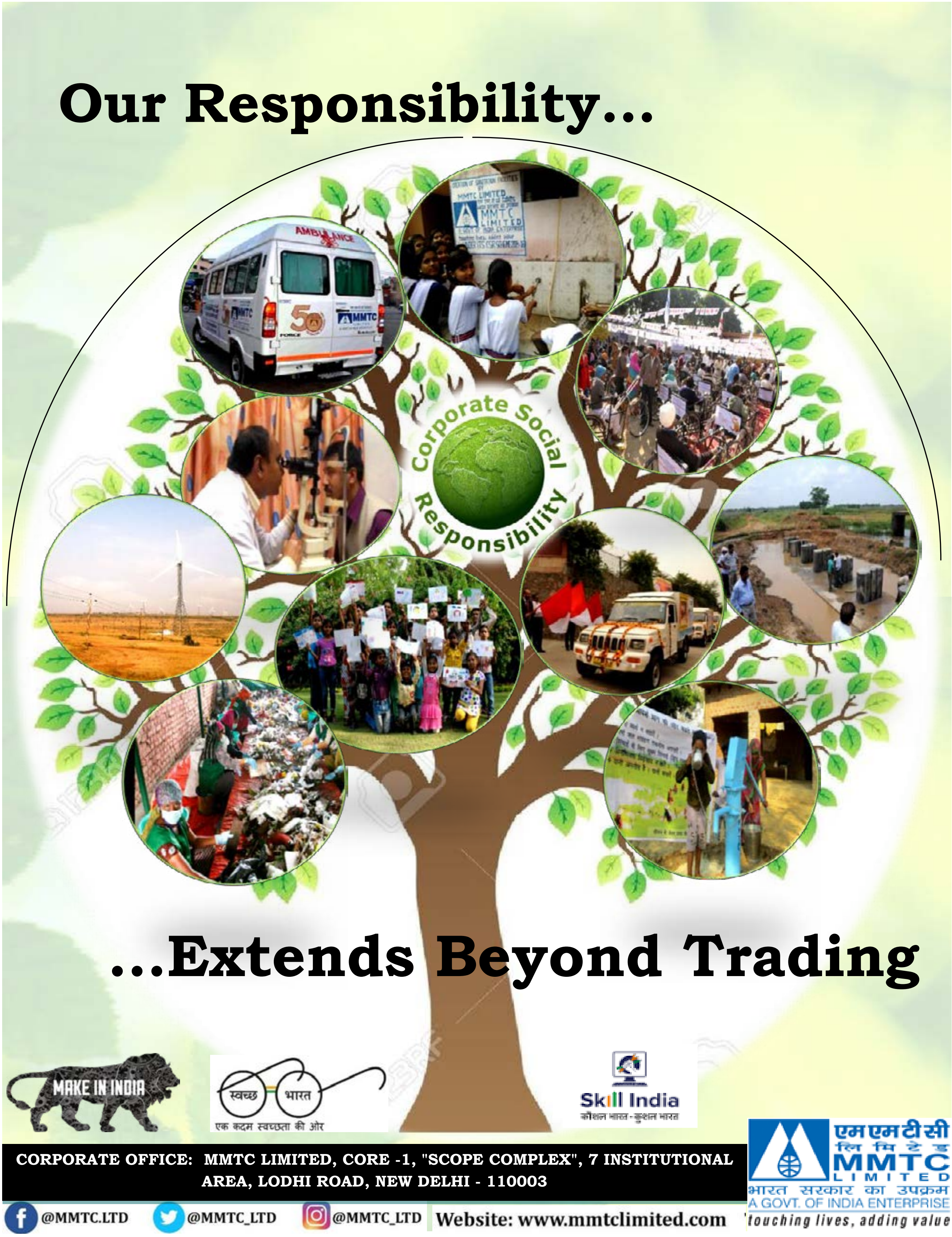
Place: New Delhi
Date: 29.05.2017

Rakesh Agarwal
Partner
M No.: 081808

MANAGEMENT'S REPLY TO AUDITOR'S OBSERVATIONS IN THE AUDIT REPORT ON STANDALONE FINANCIAL STATEMENTS FOR 2016-17

Para no.	AUDITOR'S OBSERVATION	MANAGEMENT'S REPLY
3	**Emphasis of Matter**	
a.	We draw attention to Note No. 36 (ix) to the standalone Ind AS financial statements in respect of non-provision of liability, if any arises, in case of non-extension of time/waiver/write off of GR-1 forms.	This relates to GRs pending since 1991-92. Liability, if any will be provided as and when any demand is raised and settled by the company. At present the liability, if any, on this account is unascertainable.
b.	We draw attention to Note No. 49 to the standalone Ind AS financial statements in respect of Balances under Sundry Creditors/Sundry Debtors/Claims Recoverable/Loans &advances/Other Liabilities which, in many cases have not been confirmed and any adjustments due to consequent reconciliation, if any, required is not ascertainable.	Letters are issued to parties seeking confirmation of balances outstanding in the books of MMTC to confirm the balances. It is also mentioned that in case no communication is received before stipulated date, the balance indicated shall be treated as confirmed. However, the parties generally do not send specific confirmation. Regional offices have not reported receipts of adverse communication.
c.	We draw attention to Note No.36 (v), (vi) and 38 (c) to the standalone Ind AS financial statements in respect of fund based and non-fund based exposure of the Company in M/s Neelachal Ispat Nigam Ltd. (NINL) - a Joint Venture Company.	i) NINL is a joint venture company promoted by MMTC along with Government of Odisha in which MMTC has invested Rs.3796.85 million towards 49.78% in equity capital, ii) MMTC has exclusive right to sell the finished products of NINL and to supply raw material to them. Accordingly, MMTC has been extending from time to time short term credit facility to NINL for its day-to-day operational activities on continuing basis, iii) Corporate guarantees are given by the Company in favour of financial institutions / banks on behalf of NINL for securing principal and interest in respect of loans to NINL. iv) The financial performance of NINL is expected to improve in coming years considering the clearance of mining rights of allotted Iron Ore Mine to NINL and expected revival of steel sector globally.

<table>
<tr><td></td><td colspan="2">Annexure-1 to Independent Auditor's Report</td></tr>
<tr><td>1(iii)</td><td>Title Deeds of immoveable property are held in the name of the company except in the case mentioned below:
<table>
<tr><th>Region/ Office</th><th>Asset Description</th><th>Gross Value</th><th>Area</th><th>Remark s</th></tr>
<tr><td>Corporate Office</td><td>Land for Residential Colony at New Delhi</td><td>13.16 Lakhs</td><td>32.33 Acres</td><td>Lease Agreem ent is in Joint Name of MMTC and STC.</td></tr>
<tr><td>Bhubaneshwar Office</td><td>Residential Building, Roads, Culverts and Electrical Installations</td><td>49.01 Lakhs</td><td>2 Acres</td><td>Lease Deed Expired in 2011</td></tr>
</table></td><td>The Memorandum of Agreement dated 05.02.1968 of the land (MMTC Residential Colony) at Delhi is in the joint name of State Trading Corporation (STC) & MMTC. The matter has been taken up with DDA for execution of lease deed.
Paradeep Port Trust has approved renewal of the lease for a period of 15 years from the date of expiry of the lease.</td></tr>
<tr><td>2(iii)</td><td>In our opinion and according to the information and explanation given to us, the procedure of physical verification of inventories followed by the management needs to be further strengthened in relation to the size of the MMTC Limited and the nature of its business.</td><td>The observation of auditors is noted. The system for physical verification of inventories is reviewed annually and efforts are being made to further improve the system of physical verification wherever necessary.</td></tr>
</table>


Our Responsibility...
Corporate Social Responsibility
...Extends Beyond Trading
MAKE IN INDIA
स्वच्छ भारत
एक कदम स्वच्छता की ओर
Skill India
कौशल भारत-कुशल भारत
CORPORATE OFFICE: MMTC LIMITED, CORE -1, "SCOPE COMPLEX", 7 INSTITUTIONAL AREA, LODHI ROAD, NEW DELHI - 110003
एमएमटीसी लिमिटेड
MMTC LIMITED
भारत सरकार का उपक्रम
A GOVT. OF INDIA ENTERPRISE
touching lives, adding value
@MMTC.LTD
@MMTC_LTD
@MMTC_LTD
Website: www.mmtclimited.com

एमएमटीसी लिमिटेड

MMTC LIMITED

भारत सरकार का उपक्रम

A GOVT. OF INDIA ENTERPRISE

touching lives, adding value

Financial Statements

For the financial year ended 31st March, 2017

MMTC LIMITED
A GOVT. OF INDIA ENTERPRISE
touching lives, adding value

BALANCE SHEET AS AT MARCH 31, 2017

(₹ in Million)

Particulars	Note No	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
ASSETS				
Non-current assets				
Property, Plant and Equipment	4	**502.17**	538.93	557.63
Capital work-in-progress	5	**0.41**	7.50	0.05
Investment Property	6	**40.92**	42.60	44.44
Other intangible assets	7	**21.42**	28.02	1.47
Financial Assets				
Investments	8A	**4,845.06**	4,561.23	4,420.26
Trade Receivables	9A	**84.89**	89.74	68.37
Loans	10	**1,402.98**	1,421.90	1,428.50
Others	11	**351.39**	654.76	645.79
Deferred tax Assets (net)	12	**2,325.77**	2,306.97	2,278.97
Other non-current Assets	13A	**345.77**	509.30	431.53
Current Assets				
Inventories	14	**23,667.84**	4,015.09	3,194.04
Financial Assets				
Investments	8B	**960.00**	-	-
Trade Receivables	9B	**5,058.27**	8,219.14	30,295.32
Cash & Cash Equivalents	15	**3,616.67**	463.10	1,321.29
Bank Balances other than above	16	**672.71**	321.29	316.32
Loans	10	**40.77**	61.13	68.83
Others	11	**117.16**	3,290.83	3,985.59
Current Tax Assets (net)	17	**279.28**	84.92	179.70
Other Current Assets	13B	**16,449.42**	11,375.75	10,240.41
Total		**60,782.90**	**37,992.22**	**59,478.50**
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	18A	**1,000.00**	1,000.00	1,000.00
Other Equity	18B	**13,340.77**	13,121.28	12,874.42
Liabilities				
Non-current liabilities				
Provisions	22A	**1,876.96**	1,789.58	1,771.24
Current liabilities				
Financial Liabilities				
Borrowings	19	**4,401.80**	2,718.16	2,866.49
Trade payables	20	**6,889.42**	9,294.25	31,732.62
Other Financial Liabilities	21	**1,872.68**	3,506.49	3,112.45
Provisions	22B	**742.76**	679.58	530.31
Current Tax Liabilities (net)	24	**276.28**	61.00	157.50
Other current liabilities	23	**30,382.23**	5,821.88	5,433.47
Total		**60,782.90**	**37,992.22**	**59,478.50**

As per our report of even date attached

For O P Tulsyan & Co.
Chartered Accountants
F.R. No.:500028N

(CA. Rakesh Agarwal)
Partner
M. No. 081808

Date: 29.05.2017
Place: New Delhi

For and on behalf of Board of Directors

(G. Anandanarayanan)
Company Secretary
ACS-13691

(Vijay Pal)
Executive Director (F)

(P K Jain)
Director
DIN: 6594855

(Ved Prakash)
Chairman and Managing Director
DIN: 02988628

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

(₹ in Million)

Particulars	Note No.	Year Ended March 31, 2017	Year Ended March 31, 2016
Income			
Revenue From Operations	25	**117,083.58**	125,689.59
Other Income	26	**423.02**	870.69
Total Income (I)		**117,506.60**	**126,560.28**
Expenses			
Cost of material consumed	27	**1,117.47**	757.98
Purchase of Stock in Trade	28	**128,222.51**	115,976.64
Changes in inventories of finished goods, stock in trade and work in progress	29	**(19,679.37)**	(977.77)
Employees' Benefit Expenses	30	**1,956.78**	2,011.13
Finance Cost	31	**212.65**	298.99
Depreciation & Amortization Expenses	32	**66.78**	57.97
Other Expenses	33	**5,710.21**	8,509.88
Total expenses (II)		**117,607.03**	**126,634.81**
Profit/(loss) before exceptional items and tax (I-II)		**(100.42)**	**(74.53)**
Exceptional Items - expense/(income)	34	**(912.74)**	(653.67)
Profit Before Tax		**812.32**	**579.14**
Tax expense	35		
Current tax		**282.00**	47.00
Adjustments relating to prior periods		**(7.47)**	(2.80)
Deferred tax		**(32.80)**	(14.00)
Total Tax Expense		**241.73**	**30.20**
Profit for the year (A)		**570.59**	**548.93**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss:			
-Remeasurements of the defined benefit plans		**2.83**	(8.54)
-Equity Instruments through other comprehensive income		**8.09**	-
-Income Tax effect		**(1.00)**	-
Net Other Comprehensive Income net of tax (B)		**9.92**	**(8.54)**
Total Comprehensive Income for the year (A)+(B)		**580.51**	**540.39**
Earnings per equity share :			
Basic & Diluted	46	**0.57**	**0.55**

As per our report of even date attached

For O P Tulsyan & Co.
Chartered Accountants
F.R. No.:500028N

(CA. Rakesh Agarwal)
Partner
M. No. 081808

Date: 29.05.2017
Place: New Delhi

For and on behalf of Board of Directors

(G. Anandanarayanan)
Company Secretary
ACS-13691

(Vijay Pal)
Executive Director (F)

(P K Jain)
Director
DIN: 6594855

(Ved Prakash)
Chairman and Managing Director
DIN: 02988628

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

(₹ in Million)

Particulars	For the year ended March 31, 2017		For the year ended March 31, 2016	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit/Loss before tax		**812.32**		**579.14**
Adjustment for:-				
Loss on valuation of inventories	**47.15**		1.14	
Depreciation & amortisation expense	**66.78**		57.97	
Net Foreign Exchange (gain)/loss	**(2.07)**		(156.07)	
(Profit) /Loss on sale of Tangible Assets	**(0.09)**		(0.83)	
(Profit) /Loss on sale of Investment	**-**		(100.00)	
Interest income	**(277.31)**		(592.33)	
Dividend income	**(12.14)**		(124.46)	
Finance Costs	**212.65**		298.99	
Debts/claims written off	**6.61**		0.97	
Provision for doubtful Debts /Loans & Advances	**4.80**		2.80	
Revresal of subsidy claim	**76.73**		-	
Provision no longer Required	**(20.71)**		(247.04)	
Liabilities Written Back	**(68.53)**		(79.97)	
Provision for DWA risk	**0.66**		0.47	
		34.53		(938.36)
Operating Profit before Working Capital Changes		**846.85**		**(359.22)**
Adjustment for:-				
Inventories	**(19,699.89)**		(822.20)	
Trade Receivables	**3,185.77**		22,046.33	
Loans & Other Financial Assets	**3,439.61**		700.09	
Other current & non current assets	**(5,261.55)**		(1,218.09)	
Trade payables	**(2,344.97)**		(22,191.67)	
Other Financial Liabilities	**(1,633.82)**		394.04	
Other current & non current liabilities	**24,560.34**		388.41	
Provisions	**151.87**	**2,397.36**	165.96	(537.13)
		3,244.20		**(896.35)**
Taxes Paid		**(239.60)**		(59.92)
Net cash flows from operating activities		**3,004.60**		**(956.27)**
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets	**(17.65)**		(71.91)	
Sale of fixed Assets	**3.00**		1.30	
Sale/Purchase of Investment	**(1,235.74)**		200.13	
Interest received	**277.31**		592.33	
Dividend Received	**12.14**	**(960.94)**	124.46	846.30
Net cash flows from investing activities		**(960.94)**		**846.30**
C. CASH FLOW FROM FINANCING ACTIVITIES				
Borrowings	**1,683.63**		(148.32)	
Finance Costs	**(212.65)**		(298.99)	

Particulars	For the year ended March 31, 2017		For the year ended March 31, 2016	
Dividend (inclusive of tax) paid	**(361.07)**	**1,109.91**	(300.89)	(748.21)
Net Cash From Financing Activities		**1,109.91**		**(748.21)**
D. Net changes in Cash & Cash equivalents		**3,153.57**		**(858.18)**
E. Opening Cash & Cash Equivalents (Note No 15)		**463.10**		1,321.29
F. Closing Cash & Cash Equivalents (Note No 15)		**3,616.67**		**463.10**

Note:

1. The above cash flow statement has been prepared under the “indirect method” as set out in Ind AS 7 on Statement of Cash Flows.

2 Cash and Cash Equivalents consist of :-

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016
Cash on hand	**0.01**	0.31
Cheques, Drafts on hand	**2.70**	-
Balances with Banks		
(a) in Current Account	**296.27**	2.83
(b) in Cash Credit Account	**267.63**	328.00
In term deposit with original maturity upto 3 months	**3050.06**	131.96
	3616.67	**463.10**

As per our report of even date attached

For O P Tulsyan & Co.
Chartered Accountants
F.R. No.:500028N

(CA. Rakesh Agarwal)
Partner
M. No. 081808

Date: 29.05.2017
Place: New Delhi

For and on behalf of Board of Directors

(G. Anandanarayanan)
Company Secretary
ACS-13691

(Vijay Pal)
Executive Director (F)

(P K Jain)
Director
DIN: 6594855

(Ved Prakash)
Chairman and Managing Director
DIN: 02988628

Statement of Changes in Equity for the period ended 31.03.2017

A. Equity Share Capital

(₹ in Million)

Particulars	No of Shares	Amount	Amount
Balance as at 1.4.2016	1,000,000,000	1,000	1,000
Changes in Equity Share Capital during the year			
Balance as at 31.3.2017	**1,000,000,000**	**1,000**	**1,000**

B. Other Equity as at March 31, 2017

(₹ in Million)

	Share application money pending allotment	Equity Components of compound financial instruments	Reserves and Surplus					Debt instruments through OCI	Equity instruments through OCI	Effective Portion of cash flow hedges	Revaluation Surplus	Exchange difference on translation	Other items of OCI	Money received against share warrants	Total
			General Reserve	Capital Reserve	Corporate Social Responsibility Reserve	Research & Development Reserve	Retained Earnings								
Balance as at 1.4.2016	-	-	6,166.22	-	0.06	3.54	6,979.76	-	-	-	-	-	(28.29)	-	13,121.28
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-	570.59	-	8.09	-	-	-	1.83	-	580.52
Dividend and DDT *	-	-	-	-	-	-	(361.07)	-	-	-	-	-	-	-	(361.07)
Unamortized premium on forward contract	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	(0.05)	-	-	-	-	-	-	-	-	-	(0.05)
Any other changes	-	-	-	-	-	-	0.09	-	-	-	-	-	0.00	-	0.09
Balance as at 31.3.2017	-	-	6,166.22	-	0.02	3.54	7,189.37	-	8.09	-	-	-	(26.46)	-	13,340.77

Other Equity as at March 31, 2016

(₹ in Million)

	Share application money pending allotment	Equity Components of compound financial instruments	Reserves and Surplus					Debt instruments through OCI	Equity instruments through OCI	Effective Portion of cash flow hedges	Revaluation Surpluses	Exchange difference on translation	Other items of OCI	Money received against share warrants	Total
			General Reserve	Capital Reserve	Corporate Social Responsibility Reserve	Research & Development Reserve	Retained Earnings								
Balance as at 1.4.2015	-	-	6,065.53	0.69	0.13	3.54	6,824.29	-	-	-	-	-	(19.75)	-	12,874.42
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-	548.93	-	-	-	-	-	(8.54)	-	540.39
Dividend and DDT *	-	-	-	-	-	-	(300.89)	-	-	-	-	-	-	-	(300.89)
Unamortized premium on forward contract	-	-	-	-	-	-	(0.10)	-	-	-	-	-	-	-	(0.10)
Transfer to retained earnings	-	-	100.00	-	-	-	(100.00)	-	-	-	-	-	-	-	-
Any other changes	-	-	0.69	(0.69)	(0.07)	-	7.54	-	-	-	-	-	-	-	7.47
Balance as at 31.3.2016	-	-	6,166.22	-	0.06	3.54	6,979.76	-	-	-	-	-	(28.29)	-	13,121.28

Other Equity as at April 01, 2015

(₹ in Million)

	Share application money pending allotment	Equity Components of compound financial instruments	Reserves and Surplus					Debt instruments through OCI	Equity instruments through OCI	Effective Portion of cash flow hedges	Revaluation Surpluses	Exchange difference on translation	Other items of OCI	Money received against share warrants	Total
			General Reserve	Capital Reserve	Corporate Social Responsibility Reserve	Research & Development Reserve	Retained Earnings								
Balance as at 31.3.2015 as per Previous GAAP	-	-	6,065.53	0.69	0.13	3.54	6,522.03	-	-	-	-	-	-	-	12,591.92
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-	-	-	-	-	-	-	(19.75)	-	(19.75)
Dividend and DDT *	-	-	-	-	-	-	300.89	-	-	-	-	-	-	-	300.89
Unamortized premium on forward contract	-	-	-	-	-	-	(7.38)	-	-	-	-	-	-	-	(7.38)
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other changes	-	-	-	-	-	-	8.74	-	-	-	-	-	-	-	8.74
Balance as at 1.4.2015 as per Ind AS	-	-	6,065.53	0.69	0.13	3.54	6,824.29	-	-	-	-	-	(19.75)	-	12,874.42

*Final Dividend for the year ended March 31, 2016 @ ₹ 0.30 per share amounting to ₹ 300 million and dividend distribution tax of ₹ 61.07 million (@ ₹0.25 per share amounting to ₹ 250 million for year ended March 31, 2015 and dividend distribution tax of ₹ 50.89 million) and DDT thereon

Dividend not recongised at the end of reporting period

	As at March 31, 2017	As at March 31, 2016
Dividend proposed @ of ₹ 0.30 per share for year ended March 31, 2017 (@ of ₹ 0.30 per share for year ended March 31, 2016) fully paid equity shares. Proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting.	300	300

As per our report of even date attached

For O P Tulsyan & Co.
Chartered Accountants
F.R. No.:500028N

(CA. Rakesh Agarwal)
Partner
M. No. 081808

Date: 29.05.2017
Place: New Delhi

For and on behalf of Board of Directors

(G. Anandanarayanan)
Company Secretary
ACS-13691

(Vijay Pal)
Executive Director (F)

(P K Jain)
Director
DIN: 6594855

(Ved Prakash)
Chairman and Managing Director
DIN: 02988628

Notes to the Financial Statements for the year ended March 31, 2017

1. **General Information**

Established in 1963 and domiciled in India, the Company is a Mini-Ratna public sector undertaking under the administrative control of Ministry of Commerce & Industry, Government of India. The registered office of the Company is situated at Core-1, Scope Complex, 7, Institutional Area, Lodi Road, New Delhi-110003, India. The company has 9 Regional Offices at various places in India and a wholly owned subsidiary MMTC Transnational Pte Ltd, at Singapore.

The principal activities of the Company are export of Minerals and import of Precious Metals, Non-ferrous metals, Fertilizers, Agro Products, coal and hydrocarbon etc.

The company's trade activities span across various countries in Asia, Europe, Africa, Middle East, Latin America and North America.

2. **First time adoption of Indian Accounting Standards (Ind-AS)**

All companies (listed or unlisted) having net worth of ₹ 5,000 Million or more are required to adopt Ind AS. Accordingly, the company has adopted Ind-AS, in accordance with Notification dated February 16, 2015 issued by Ministry of Corporate Affairs, Government of India, with effect from April 01, 2016 with a transition date on April 01, 2015. The details of transition from previous GAAP to Ind-AS is given at Note 54.

3. **Significant Accounting Policies**

3.1 **Statement of Compliance and basis of preparation of Financial Statements**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind-AS) as notified by Ministry of Corporate Affairs, Government of India vide Notification dated February 16, 2015. Accounting policies have been applied consistently to all periods presented in these financial statements. The Financial Statements are prepared under historical cost convention from the books of accounts maintained under accrual basis except for certain financial instruments which are measured at fair value and in accordance with the Indian Accounting Standards prescribed under the Companies Act, 2013

3.2 **Functional & presentation currency**

All amounts included in the financial statements are reported in millions of Indian rupees (Rupees in millions) except number of equity shares and per share data and when otherwise indicated.

3.3 **Use of estimates and judgment**

The preparation of financial statements requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised

3.4 **Functional and presentation currency**

These financial statements are presented in Indian rupees, the national currency of India, which is the functional currency of the Company.

3.5 **Revenue Recognition**

i) *Trading Income*

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discount and volume rebates. Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, it is probable that economic benefits associated with the transaction will flow to the entity, the associated costs incurred or to be incurred in respect of the transaction can be measured reliably and there is no continuing management involvement with the goods. The point of transfer of risks and rewards depends upon the terms of the contract of sale with individual customers.

Purchases and Sales

a. In case of certain commodities import of which is canalized through the company, imported on 'Government Account' against authorization letter issued by Government of India, Purchase/ Sale is booked in the name of the Company

b. Products are also traded through the commodity exchanges. Purchase/ Sale is booked in respect of trade done through different commodity exchanges and is backed by physical delivery of goods.

c. Gold/Silver kept under deposit: As per the arrangements with the Suppliers of Gold/ Silver, the metal is kept by the supplier with the company on unfixed price basis for subsequent withdrawal on loan or outright purchase basis.

(i) Purchases include gold/silver withdrawn from consignment deposit of the supplier on outright purchase basis for sale to exporters, as per the scheme of Exim Policy being operated by the Company as a nominated agency.

(ii) Purchase of Gold during the year for domestic sale is accounted for on withdrawal from the Gold/ Silver consignment deposit of the supplier and fixation of price with the suppliers. The stock held by the company at year end as Gold/ Silver under Deposit is accounted for under current assets as 'stock towards unbilled purchases' and under current liability as amount payable towards unbilled purchases' at the bullion price prevailing as at the close of the year. However, customs duty paid in respect of balance in deposits is accounted for as prepaid expenses.

(iii) Gold/silver withdrawn on loan basis from the Gold/Silver under deposit, are booked as loan given to customers and grouped under financial assets. The corresponding liability towards the stocks received from foreign suppliers is grouped under Sundry Creditors. Loan/ Sundry Creditors are adjusted when purchase and sales are booked.

d. In the case of replenishment basis, gold/ silver booked by exporter by paying margin money, purchase is booked after "fixing" the price with the foreign suppliers. However, sale is booked when quantity is actually delivered after completion of export.

e. High Sea Sales

Sale during the course of import by transfer of documents of title i.e. high seas sale is booked upon transfer of documents of title to the goods in favour of buyer before the goods cross the custom frontiers of India.

ii) *Other Operating Revenue*

The income relating to the core activities of the company which are not included in revenue from sales / services for e.g. dispatch earned, subsidy, claims against losses on trade transactions, interest on credit sales and trade related advances (other than on overdue) etc., which are derived based on the terms of related trade agreements with business associates or schemes on related trade, are accounted for under 'Other Operating Revenue'.

iii) *Claims*

Claims are recognized in the Statement of Profit & Loss (Net of any payable) on accrual basis including receivables from Govt. towards subsidy, cash incentives, reimbursement of losses etc, when it is not unreasonable to expect ultimate collection. Claims recognized but subsequently becoming doubtful are provided for through Statement of Profit and Loss. Insurance claims are accounted upon being accepted by the insurance company

iv) *Service Income*

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction shall be recognized by reference to the stage of completion (Percentage of Completion Method) of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:-

a) The amount of revenue can be measured reliably;

b) It is probable that the economic benefits associated with the transaction will flow to the company;

c) The stage of completion of the transaction can be measured reliably;

d) Costs incurred for the transaction and to complete the transaction can be measured reliably.

v) *Dividend and interest income*

Dividend income from investments is recognized when the Company's right to receive payment is established and it is probable that the economic benefits associated with the transactions will flow to the Company and the amount of income can be measured reliably.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

vi) *Revenue Recognition on Actual Realization*

Revenue is recognized on accrual basis except in the following items which are accounted for on actual realization since realisability of such items is uncertain, in accordance with the provisions of Ind AS-18 :-

a) Duty credit / exemption under various promotional schemes of EXIM policy in force, Tax credit, refund of custom duty on account of survey shortage, and refund of income-tax/service tax / sales-tax /VAT and interest thereon etc.

b) Decrees pending for execution/contested dues and interest thereon, if any:

c) Interest on overdue recoverable where realisability is uncertain.

d) Liquidated damages on suppliers/ underwriters.

3.6 **Property, Plant and Equipments**

All Property, Plant and Equipments (PPE) are stated at carrying value in accordance with previous GAAP, which is used as deemed cost on the date of transition to Ind AS using the exemption granted under Ind AS 101.

The cost of an item of property, plant and equipment is recognized as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The cost of an item of PPE is the cash price equivalent at the recognition date. The cost of an item of PPE comprises:

i) Purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

ii) Costs directly attributable to bringing the PPE to the location and condition necessary for it to be capable of operating in the manner intended by management.

iii) The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the company incurs either when the PPE is acquired or as a consequence of having used the PPE during a particular period for purposes other than to produce inventories during that period.

The company has chosen the cost model of recognition and this model is applied to an entire class of PPE. After recognition as an asset, an item of PPE is carried at its cost less any accumulated depreciation and any accumulated impairment losses.

3.7 **Intangible Assets**

All Intangible Assets are stated at carrying value in accordance with previous GAAP, which is used as deemed cost on the date of transition to Ind AS using the exemption granted under Ind AS 101

Identifiable intangible assets are recognized when the company controls the asset; it is probable that future economic benefits expected with the respective assets will flow to the company for more than one economic period; and the cost of the asset can be measured reliably. At initial recognition, intangible assets are recognized at cost. Intangible assets are amortized on straight line basis over estimated useful lives from the date on which they are available for use. Softwares are amortized over its useful life subject to a maximum period of 5 years or over the license period as applicable.

3.8 **Non-Current Assets Held for Sale**

The company classifies a non-current asset (or disposal group of assets) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. The non-current asset (or disposal group) classified as held for sale is measured at the lower of its carrying amount and the fair value less costs to sell.

3.9 **Depreciation**

Depreciation is provided on straight line method as per the useful lives approved by the Board of Directors, which are equal to those provided under schedule II of the Companies Act, 2013. The useful life of an asset is reviewed at each financial year-end. Each part of an item of PPE with a cost that is significant in relation to the total cost of the asset and if the useful life of that part is different from remaining part of the asset; such significant part is depreciated separately. Depreciation on all such items have been provided from the date they are 'Available for Use' till the date of sale / disposal and includes amortization of intangible assets and lease hold assets. Freehold land is not depreciated. An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Certain items of small value like calculators, wall clock, kitchen utensils etc. whose useful life is very limited are directly charged to revenue in the year of purchase. Cost of mobile handsets is also charged against revenue. The residual value of all the assets is taken as Re 1/-. The useful lives of the assets are taken as under:-

Name of Assets	**Useful life as adopted by the company as per Schedule II**
A. General Assets	
Furniture & Fittings	10
Office Equipment	5
Vehicles – Scooter	10
Vehicles – Car	8
Computers - Servers and networks	6
Computers – End User Devices	3
Lease-hold Land	As per Lease Agreement
Wagon Rakes	As per Agreement / Wagon Investment Scheme
Electrical installations excluding fans	10
Water Supply, Sewerage and Drainage	5
Roads	
Carpeted Roads – RCC	10
Carpeted Roads - Other than RCC	5
Non Carpeted Roads	3
Culverts	30
Buildings	
RCC	60
Other than RCC	30
Residential Flats (Ready Built)	
RCC	60
Other than RCC	30
Temporary Structure & wooden partition	3
Warehouse / Godown	30
B. Manufacturing Unit's Assets	
Factory Buildings	30
Electronic installations excluding fans	10
Water Supply, Sewerage and Drainage	5
Plant and Machinery	
Single Shift	15
Double Shift	10
Triple Shift	7.5
Plant and Machinery- Wind Energy Generation Plant	22
C. Fixed Assets created on Land and neither the Fixed Assets nor the Land belongs to the Company	5
D. Amortization of Intangible Assets	
Softwares	5 years or License period as applicable

3.10 Borrowing Costs

The Company capitalises borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset as a part of the cost of the asset.

The Company recognises other borrowing costs as an expense in the period in which it incurs them.

A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

3.11 **Foreign currency translation**

Transactions in currencies other than the functional currency are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Foreign currency monetary items (except overdue recoverable where reliasibility is uncertain) are converted using the closing rate as defined in the Ind AS-21. Non-monetary items are reported using the exchange rate at the date of the transaction. The exchange difference gain/loss is recognized in the Statement of Profit and Loss.

Liability in foreign currency relating to acquisition of fixed assets is converted using the closing rate. The difference in exchange is recognized in the Statement of Profit and Loss.

3.12 **Inventory**

Inventories are stated at the lower of cost and net realisable value. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. The method of determination of cost and valuation is as under:

a) Exports:

(i) Cost of export stocks is arrived at after including direct expenses incurred up to the point at which the stocks are lying. Similarly the realisable value is derived by deducting from the market price the expenses to be incurred from that point to the stage where they are sold.

(ii) In respect of mineral ores the realisable value of ores is worked out at the minimum of the Fe/Mn contents of the grade of the ore as per export contract and is compared with the weighted average cost at weighted average Fe/Mn contents/weighted average moisture contents of the ore. The embedded stocks of Iron ore are excluded from inventory and hence not valued.

b) Imports:

(i) The cost of imported stocks is arrived at by working out the yearly regional weighted average cost except for Non-ferrous Metals where weighted average cost of remaining stock after including all expenses incurred up to the point at which they are lying is considered. However, where stocks are specifically identifiable, actual cost of the material including all expenses incurred up to the point at which they are lying is considered.

(ii) Gold/Silver purchased from foreign suppliers against booking by exporters under replenishment option and not delivered at the year-end are shown as stocks of company and valued at cost.

c) Domestic:

(i) The cost of gold/silver medallions and silver articles is arrived at by working out the yearly location-wise weighted average cost of material and cost of opening stock. Costs include manufacturing/fabrication charges, wastages and other direct cost.

(ii) In case of cut & polished stones and jewellery (finished/semi-finished) where stocks are specifically identifiable, actual cost of the material including all expenses incurred up to the point at which they are lying is considered. Costs include wastage and other direct manufacturing costs.

d) Packing material

Packing material is valued at lower of the cost or net realisable value.

e) Stocks with fabricators

Stocks with fabricators are taken as the stocks of the company, till adjustments.

3.13 **Provisions**

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation.

3.14 **Contingent Liabilities / Assets**

Contingent Liabilities

Contingent liabilities are not recognized but disclosed in Notes to the Accounts when the company has possible obligation due to past events and existence of the obligation depends upon occurrence or non-occurrence of future events not wholly within the control of the company.

Contingent liabilities are assessed continuously to determine whether outflow of economic resources have become probable. If the outflow becomes probable then relative provision is recognized in the financial statements.

Where an entity is jointly and severally liable for an obligation, the part of the obligation that is expected to be met by other parties is treated as a contingent liability. The entity recognises a provision for the part of the obligation for which an outflow of resources embodying economic benefits is probable, except in the extremely rare circumstances where no reliable estimate can be made

Contingent Liabilities are disclosed in the General Notes forming part of the accounts

Contingent Assets

Contingent Assets are not recognised in the financial statements. Such contingent assets are assessed continuously and are disclosed in Notes when the inflow of economic benefits becomes probable. If it's virtually certain that inflow of economic benefits will arise then such assets and the relative income will be recognised in the financial statements.

3.15 **Leases**

Assets held under lease, in which a significant portion of the risks and rewards of ownership are transferred to lessee are classified as finance leases. Other leases are classified as operating leases. The company normally enters into operating leases which are accounted for as under:-

(i) Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease.

(ii) Where the company is a lessee, operating lease payments are recognized as an expense on a straight-line basis over the lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

3.16 **Employee benefits**

i. Provision for gratuity, leave encashment/ availment and long service benefits i.e. service award, compassionate gratuity, employees' family benefit scheme and special benefit to MICA division employees is made on the basis of actuarial valuation using the projected unit credit method. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to Statement of Profit or Loss.

ii. Provision for post-retirement medical benefit is made on defined contribution basis.

iii. Provident fund contribution is made to Provident Fund Trust on accrual basis.

iv. Payment of Ex-gratia and Notice pay on Voluntary Retirement are charged to revenue in the year incurred.

v. Superannuation plan, a defined contribution scheme is administered by Life Insurance Corporation of India (LIC). The Company makes contributions based on a specified percentage of each eligible employee's salary.

Short-term employee benefit obligations

Short-term employee benefit obligations are measured on an undiscounted basis and are recorded as expense as the related service is provided. A liability is recognized for the amount expected to be paid under PLI / PRP Scheme, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

3.17 **Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit or loss and other comprehensive income/statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

3.18 **Investment Property**

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. All of the Company's property interests held under operating leases to earn rentals or for capital appreciation purposes are accounted for as investment properties.

After initial recognition, the company measures investment property at cost.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

Investment properties to be depreciated in accordance to the class of asset that it belongs and the life of the asset shall be as conceived for the same class of asset at the Company.

3.19 **Impairment**

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalue amount, in which case the impairment loss is treated as a revaluation decrease.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

At the end of each reporting period, the company reviews the carrying amounts of its tangible, intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, The Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified,

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Impairment of financial assets

Financial assets, other than those at Fair Value through Profit and Loss (FVTPL), are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected. For Available for Sale (AFS) equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- Significant financial difficulty of the issuer or counterparty;
- Breach of contract, such as a default or delinquency in interest or principal payments;
- It becoming probable that the borrower will enter bankruptcy or financial re-organisation; or the disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial assets, such as trade receivables, assets are assessed for impairment on individual basis. Objective evidence of impairment for a portfolio of receivables could include company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of zero days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets that are carried at cost, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables; such impairment loss is reduced through the use of an allowance account for respective financial asset. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognized.

De-recognition of financial assets

The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, The Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss.

3.20 **Earnings per share**

A basic earnings per equity is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any shares splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

3.21 **Discontinued operations**

A discontinued operation is a component of the Company's business that represents a separate line of business that has been disposed off or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon the earlier of disposal or when the operation meets the criteria to be classified as held for sale.

3.22 **Financial instruments**

i) Non-derivative financial instruments

Non-derivative financial instruments consist of:

- financial assets, which include cash and cash equivalents, trade receivables, unbilled revenues, finance lease receivables, employee and other advances, investments in equity and debt securities and eligible current and non-current assets;

- Financial liabilities, which include long and short-term loans and borrowings, bank overdrafts, trade payables, eligible current and non-current liabilities.

  Non derivative financial instruments are recognized initially at fair value including any directly attributable transaction costs. Financial assets are derecognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when the Company has not retained control over the financial asset.

  Subsequent to initial recognition, non-derivative financial instruments are measured as described below:

  a) Cash and cash equivalents

     For the purposes of the cash flow statement, cash and cash equivalents include cash in hand, at banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system. In the statement of financial position, bank overdrafts are presented under borrowings within current liabilities.

b) Investments in liquid mutual funds, equity securities (other than Subsidiaries, Joint Venture and Associates) are valued at their fair value. These investments are measured at fair value and changes therein, other than impairment losses, are recognized in other comprehensive income and presented within equity, net of taxes. The impairment losses, if any, are reclassified from equity into statement of income. When an available for sale financial asset is derecognized, the related cumulative gain or loss recognised in equity is transferred to the statement of income.

c) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Loans and receivables are initially recognized at fair value plus directly attributable transaction costs and subsequently measured at amortized cost using the effective interest method, less any impairment losses. Loans and receivables comprise trade receivables, unbilled revenues and other assets.

The company estimates the un-collectability of accounts receivable by analysing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

d) Trade and other payables

Trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method. For these financial instruments, the carrying amounts approximate fair value due to the short term maturity of these instruments.

e) Investments in Subsidiary, Associates and Joint Venture

The company accounts investment in subsidiary, joint ventures and associates at cost.

An entity controlled by the company is considered as a subsidiary of the company.

Investments in subsidiary company outside India are translated at the rate of exchange prevailing on the date of acquisition.

Investments where the company has significant influence are classified as associates. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement is classified as a joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

ii) Derivative financial instruments

The Company is exposed to foreign currency fluctuations on foreign currency assets, liabilities, net investment in foreign operations and forecasted cash flows denominated in foreign currency.

The Company limits the effect of foreign exchange rate fluctuations by following established risk management policies including the use of derivatives. The Company enters into derivative financial instruments where the counterparty is primarily a bank.

Derivatives are recognized and measured at fair value. Attributable transaction costs are recognized in statement of income as cost.

Subsequent to initial recognition, derivative financial instruments are measured as described below:

a) Cash flow hedges

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognized in other comprehensive income and held in cash flow hedging reserve, net of taxes, a component of equity, to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognized in the statement of income and reported within foreign exchange gains/ (losses), net within results from operating activities. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the statement of income upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, such cumulative balance is immediately recognized in the statement of income.

b) Others

Changes in fair value of foreign currency derivative instruments neither designated as cash flow hedges nor hedges of net investment in foreign operations are recognized in the statement of income and reported within foreign exchange gains/ (losses), net within results from operating activities.

Changes in fair value and gains/ (losses) on settlement of foreign currency derivative instruments relating to borrowings, which have not been designated as hedges are recorded in finance expense.

3.23 **Segment Information**

The Chairman cum Managing Director (CMD) of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS-108, "Operating Segments." The CMD of the Company evaluates the segments based on their revenue growth and operating income.

The Company has identified its Operating Segments as Minerals, Precious Metals, Metals, Agro Products, Coal & Hydrocarbon, Fertilizer and General Trade/others.

The Assets and liabilities used in the Company's business that are not identified to any of the operating segments are shown as unallocable assets/liabilities. Management believes that it is currently not practicable to provide segment disclosures relating to total assets and liabilities since a meaningful segregation of the available data is onerous.

3.24 **Prior Period Errors**

Errors of material amount relating to prior period(s) are disclosed by a note with nature of prior period errors, amount of correction of each such prior period presented retrospectively, to the extent practicable along with change in basic and diluted earnings per share. However, where retrospective restatement is not practicable for a particular period then the circumstances that lead to the existence of that condition and the description of how and from where the error is corrected are disclosed in Notes to Accounts. Taking into account the nature of activities of the company, prior period errors are considered material if the items of income / expenditure collectively (net) exceed 0.5% of sales turnover of the company.

NOTES TO ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2017

4 Property, Plant and Equipment

(₹ in Million)

Particulars	Gross carrying value as at April 1, 2016	Additions	Disposal/ adjustments	Gross carrying value as at March 31, 2017	Accumulated depreciation as at April 1, 2016	Additions	Disposal/ adjustments	Accumulated depreciation as at March 31, 2017	Net Carrying Value as at March 31, 2017
Land freehold									
- Office building	3.66	-	-	**3.66**	-	-	-	**-**	**3.66**
- Staff Quarters	1.33	-	-	**1.33**	-	-	-	**-**	**1.33**
Land leasehold									
- Office building	26.97	-	-	**26.97**	0.50	0.50	-	**1.01**	**25.96**
- Staff Quarters	1.53	-	-	**1.53**	0.03	0.03	-	**0.05**	**1.48**
Building									
- Office Building	66.87	2.01	-	**68.87**	1.48	1.55	-	**3.03**	**65.84**
- Staff Quarters/Residential Flats	12.30	1.03	-	**13.33**	0.42	0.45	(0.12)	**0.75**	**12.58**
- Water supply, Sewerage & Drainage	0.04	0.53	-	**0.57**	0.00	0.10	-	**0.10**	**0.47**
-Electrical Installations	26.50	3.68	-	**30.18**	8.29	8.67	-	**16.96**	**13.22**
-Roads & Culverts	0.23	-	-	**0.23**	0.03	0.03	-	**0.06**	**0.17**
- Audio/Fire/Airconditioning	1.04	0.09	(0.00)	**1.13**	0.28	0.23	-	**0.50**	**0.62**
Plant & Equipment	408.78	1.94	(1.97)	**408.74**	30.58	34.34	-	**64.92**	**343.83**
Furniture & Fixtures									
- Partitions	4.66	0.03	-	**4.69**	0.04	1.39	-	**1.43**	**3.26**
- Others	5.92	4.56	(0.07)	**10.40**	0.60	1.20	(0.02)	**1.78**	**8.62**
Vehicles	2.81	1.35	(0.00)	**4.16**	0.32	0.73	-	**1.05**	**3.11**
Office Equipments	13.18	2.51	(0.98)	**14.72**	2.67	3.32	(0.05)	**5.94**	**8.77**
Others:-									
- Computer/ Data Processors	13.61	6.55	(0.14)	**20.02**	5.25	5.61	(0.06)	**10.79**	**9.23**
Total	**589.43**	**24.28**	**(3.16)**	**610.54**	**50.50**	**58.12**	**(0.25)**	**108.37**	**502.17**

(₹ in Million)

Particulars	Deemed cost as at April 1, 2015	Additions	Disposal/ adjustments	Gross carrying value as at March 31, 2016	Accumulated depreciation as at April 1, 2015	Additions	Disposal/ adjustments	Accumulated depreciation as at March 31, 2016	Net Carrying Value as at March 31, 2016	Deemed Cost as at April 1, 2015 *
Land freehold										
- Office building	3.66	-	-	**3.66**	-	-	-	**-**	**3.66**	**3.66**
- Staff Quarters	1.33	-	-	**1.33**	-	-	-	**-**	**1.33**	**1.33**
Land leasehold*						-	-			
- Office building	26.97	-	-	**26.97**	-	0.50	0.00	**0.50**	**26.46**	**26.97**
- Staff Quarters	1.53	-	-	**1.53**	-	0.03	-	**0.03**	**1.50**	**1.53**
Building					-	-	-			
- Office Building	66.87	-	(0.00)	**66.87**	-	1.48	(0.00)	**1.48**	**65.38**	**66.87**

Particulars	Deemed cost as at April 1, 2015	Additions	Disposal/ adjustments	Gross carrying value as at March 31, 2016	Accumulated depreciation as at April 1, 2015	Additions	Disposal/ adjustments	Accumulated depreciation as at March 31, 2016	Net Carrying Value as at March 31, 2016	Deemed Cost as at April 1, 2015 *
- Staff Quarters/Residential Flats	12.30	-	-	**12.30**	-	0.42	-	**0.42**	**11.89**	**12.30**
- Water supply, Sewerage & Drainage	0.00	0.04	-	**0.04**	-	0.00	-	**0.00**	**0.04**	**0.00**
-Electrical Installations	17.59	8.91	-	**26.50**	-	8.29	-	**8.29**	**18.21**	**17.59**
-Roads & Culverts	0.23	-	-	**0.23**	-	0.03	-	**0.03**	**0.20**	**0.23**
- Audio/Fire/Airconditioning	0.81	0.22	(0.00)	**1.04**	-	0.28	-	**0.28**	**0.76**	**0.81**
Plant & Equipment	408.79	0.39	(0.40)	**408.78**	-	30.58	-	**30.58**	**378.19**	**408.79**
Furniture & Fixtures										
- Partitions	0.26	4.41	(0.00)	**4.66**	-	0.04	-	**0.04**	**4.63**	**0.26**
- Others	3.02	2.97	(0.07)	**5.92**	-	0.60	(0.00)	**0.60**	**5.32**	**3.02**
Vehicles	0.86	1.94	(0.00)	**2.81**	-	0.32	-	**0.32**	**2.49**	**0.86**
Office Equipments	5.97	7.35	(0.13)	**13.18**	-	2.77	(0.09)	**2.67**	**10.51**	**5.97**
Others:-										
- Computer/ Data Processors	7.44	6.18	(0.00)	**13.61**	-	5.34	(0.09)	**5.25**	**8.36**	**7.44**
Total	**557.63**	**32.41**	**(0.61)**	**589.43**	**-**	**50.68**	**(0.19)**	**50.50**	**538.93**	**557.63**

*Deemed cost as on 1st April 2015 of Capital Work in Progress amounting to ₹ 27.68 Million relating to MICA Division which was fully impaired during earlier years, is ₹ 1/-.

5 Capital Work- In- Progress

(₹ in Million)

Particulars	2016-17				2015-16			
	Balance as at April 1, 2016	Additions/ Adjustments during the year	Capitalized during the year	Balance as at March 31, 2017	Balance as at April 1, 2015	Additions/ Adjustments during the year	Capitalized during the year	Balance as at March 31, 2016
Furniture	**-**	-	-	**-**	0.05	-	(0.05)	**-**
Others	**7.50**	0.41	(7.50)	**0.41**	-	7.50	-	**7.50**
Total	**7.50**	**0.41**	**(7.50)**	**0.41**	**0.05**	**7.50**	**(0.05)**	**7.50**

6 Investment Property

(₹ in Million)

Particulars	Total
Gross carrying value as at April 1, 2016	44.44
Additions	-
Disposal/adjustments	-
Gross carrying value as at March 31, 2017	**44.44**
Accumulated depreciation as at April 1, 2016	1.84
Additions	1.68
Disposal/adjustments	-
Accumulated depreciation as at March 31, 2017	**3.52**
Net Carrying Value as at March 31, 2017	**40.92**

(₹ in Million)

Particulars	Total
Deemed cost as at April 1, 2015	44.44
Additions	-
Disposal/adjustments	-
Gross carrying value as at March 31, 2016	**44.44**
Accumulated depreciation as at April 1, 2015	-
Additions	1.84
Disposal/adjustments	-
Accumulated depreciation as at March 31, 2016	**1.84**
Net Carrying Value as at March 31, 2016	**42.60**
Net Carrying Value as at April 1, 2015	**44.44**

Amounts recognised in profit or loss for investment properties

(₹ in Million)

Particualrs	March 31, 2017	March 31 ,2016
Rental income	**21.36**	20.34
Direct operating expenses from property that generated rental income	**-**	-
Direct operating expenses from property that did not generate rental income	**-**	-
Profit from investment properties before depreciation	**21.36**	20.34
Depreciation	**1.68**	1.84
Profit from investment properties	**19.68**	18.50

leasing arrangements

Certain investment properties are leased to tenants under long-term operating leases with rentals payable monthly. Minimum lease payments receivable under non-cancellable operating leases of investment properties are as follows

(₹ in Million)

Particulars	March 31, 2017	March 31, 2016	April 1, 2015
Within one year	**6.33**	5.32	4.48
Later than one year but not later than five year		-	-
Later than five year		-	-
Total	**6.33**	5.32	4.48

Estimation of fair value

The investment properties have been measured following cost model. The fair values of investment properties determined by independent valuer is ₹ 828.76 million.

7 Intangible Assets

(₹ in Million)

Particulars	Computer Softwares
Gross carrying value as at April 1, 2016	33.47
Additions	0.38
Disposal/adjustments	-
Gross carrying value as at March 31, 2017	**33.85**
Accumulated Amortization/Impairment as at April 1, 2016	5.45
Additions	6.98
Disposal/adjustments	-
Accumulated Amortization/Impairment as at March 31, 2017	**12.42**
Net Carrying Value as at March 31, 2017	**21.42**

Particulars	Computer Softwares
Deemed cost as at April 1, 2015	1.47
Additions	32.00
Disposal/adjustments	-

Particulars	Computer Softwares
Gross carrying value as at March 31, 2016	**33.47**
Accumulated Amortization/Impairment as at April 1, 2015	-
Additions	5.45
Disposal/adjustments	-
Accumulated Amortization as at March 31, 2016	**5.45**
Net Carrying Value as at March 31, 2016	**28.02**
Deemed cost as at April 1, 2015	**1.47**

8 **Investments**

(₹ in Million)

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
A. NON-CURRENT						
a) Investments in Equity Instruments (Quoted)						
Bombay Stock Exchange Limited. 38961 (NIL 31st March 2016 and NIL 1st April 2015) fully paid up equity shares of Rs.2 each.	**30.00**		-		-	
Fair Value Adjustment through Other Comprehensive Income	**8.09**	**38.09**	-	-	-	-
b) Investments in Equity Instruments (Unquoted)						
i) Subsidiaries						
MMTC Transnational Pte. Ltd. 1461502 (1461502, 31st March 2016 and 1461502 shares 1st April 2015) fully paid up equity shares of S$ 1each.		**31.45**		31.45		31.45
ii) Joint Ventures						
Neelachal Ispat Nigam Limited. 289342744 (289342744, 31st March 2016 and 289342744,1st April 2015) fully paid up equity shares of 10 each.		**3796.85**		3796.85		3796.85
MMTC Gitanjali Limited. 2987400 (2987400, 31st March 2016 and 29874001st April 2015) fully paid up equity shares of Rs.10 each.		**29.87**		29.87		29.87
Free Trade Warehousing Pvt. Ltd.2600 (2600, 31st March 2016 and 2600,1st April 2015) fully paid up equity shares of Rs.10 each.		**0.03**		0.03		0.03
MMTC Pamp India Pvt. Limited.17446000 (17446000, 31st March 2016 and 174460001st April 2015) fully paid up equity shares of Rs. 10 each.		**174.46**		174.46		174.46
Sical Iron Ore Terminal Limited. 33800000 (33800000, 31st March 2016 and 33800000,1st April 2015) fully paid up equity shares of Rs. 10 each.		**338.00**		338.00		338.00

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
TM Mining Company Limited. 57200,(57200, 31st March 2016 and 57200,1st April 2015) fully paid up equity shares of Rs. 10 each.		**0.57**		0.57		0.57
iii) Others						
Indo French Biotech Limited. 4750000(4750000, 31st March 2016 and 4750000,1st April 2015) fully paid up equity shares of Rs. 10 each.	**47.50**		47.50		47.50	
Less: Fair value adjustment	**47.50**	**0.00**	47.50	0.00	47.50	0.00
United Stock Exchange Limited. NIL,(NIL, 31st March 2016 and 30000000,1st April 2015) fully paid up equity shares of Rs.1 each.		**-**		-		30.00
Bombay Stock Exchange Limited. NIL (77922, 31st March 2016 and NIL 1st April 2015) fully paid up equity shares of Rs.1 each.		**-**		30.00		
Devona Thermal Power & Infrastructure Limited.NIL(NIL, 31st March 2016 and 13000, 1st April 2015) fully paid up equity shares of Rs. 10 each.		**-**		-		0.13
Indian Commodity Exchange Limited.320000000(320000000, 31st March 2016 and 520000000,1st April 2015) fully paid up equity shares of Rs. 5 each.	**160.00**		160.00		260.00	
Less: Impairment in value of Investment	**-**	**160.00**	-	160.00	241.10	18.90
Advance against Equity:-						
Haldia Free Trade Warehousing Pvt. Ltd.	**220.92**					
Kandla Free Tarde Warehousing Pvt. Ltd.	**54.80**					
Free Trade Warehousing Pvt. Ltd.	**0.02**	**275.74**				
Total Investments in Equity Instruments		**4,845.06**		4,561.23		4,420.26

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
B. CURRENT			
Investments in Mutual Funds(Quoted)			
SBI Premier Liquid Fund -Direct Plan- Daily Dividend 478533.79 units of NAV Rs.1003.064 each(NIL units of NAV Rs. NIL each, 31st March 2016 andNIL units of NAV Rs. NIL each, 1st April 2015)	480.00	-	-
UTI - Liquid Cash Plan -Institutional-Direct Plan- DDR 470927.669 units of NAV Rs.1019.265 each(NIL units of NAV Rs. NIL each, 31st March 2016 and NIL units of NAV Rs. NIL each, 1st April 2015)	480.00	-	-
Total	960.00	-	-

i. All Non-Current Investments in Equity Instruments of Subsidiaries and Joint Ventures are carried at cost less impairment in value of investment, if any. The Investment in Equity Instruments of others are carried at Fair Value.

ii. The aggregate amount of Quoted Investments is ₹ 998.09 million (NIL, 31st March 2016 and NIL, 1st April 2015) and the aggregate amount of un-quoted investments is ₹ 4854.47 million (₹ 4608.73 31st March 2016 and ₹ 4708.86 1st April 2015) million. The aggregate amount of impairment in value of investments is ₹ 47.50 million (₹ 47.50, 31st March 2016 and ₹ 288.60 1st April 2015) million.

iii. The Company has invested ₹ 338.00 Million (P.Y ₹ 338.00 Million) towards 26% equity in SICAL Iron Ore Terminal Limited (SIOTL), a Joint Venture for the construction and operation of iron ore terminal at Ennore Port. The construction of terminal was completed by November 2010, the port could not be commissioned due to restrictions on mining, transportation and export of iron ore. The proposal for modification of the facility for handling of coal through Kamarajar Port Limited (KPL) (erstwhile known as Ennore Port Limited) in addition to existing facility has been approved by the Authorities. After due tender process, KPL has awarded the facility to SIOTL (having first right of refusal) for necessary modifications to also handle common user coal. In view of changed Iron ore export trade scenario, increase in project cost requirement of additional equity infusion by promoters, changing dynamics of coal imports, etc., MMTC's Board of Directors during its 428th meeting held on 14.09.16 approved MMTC's exit through open tender mechanism from the JV. A consultant has been appointed for extending advisory services in connection with MMTC's exit from SIOTL by disinvestment of the equity. Accordingly, the management has considered the investment as good.

iv. During the year the company has converted advance of ₹ 275.74 million lying with joint venture company HFTWPL, KFTWPL & FTWPL into advance against equity pending allotment of shares.

9 **Trade Receivables**

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
A. NON-CURRENT			
(i) Trade Receivables from related parties			
a) Secured, considered Good	**-**	-	-
b) Unsecured, considered good	**0.01**	0.01	0.01
c) Doubtful	**-**	-	-
Less : Allowances for doubtful debts	**-**	-	-
Sub-Total	**0.01**	0.01	0.01
(ii) Other Trade Receivables			
a) Secured, considered Good	**-**	16.85	-
b) Unsecured, considered good	**84.88**	72.89	68.36
c) Doubtful	**3,961.44**	3,957.30	3,958.43
Less : Allowances for doubtful debts	**3,961.44**	3,957.30	3,958.43
Sub-Total	**84.88**	89.73	68.36
Total (A)	**84.89**	**89.74**	**68.37**
B. CURRENT			
(i) Trade Receivables from related parties			
a) Secured, considered Good	**-**	-	-
b) Unsecured, considered good	**2,314.86**	1,419.22	1,478.45
c) Doubtful	**-**	-	-
Less : Allowances for doubtful debts	**-**	-	-
Sub-Total	**2,314.86**	**1,419.22**	**1,478.45**
(ii) Other Trade Receivables			
a) Secured, considered Good	**10.90**	902.18	2,014.15
b) Unsecured, considered good	**2,732.51**	5,897.75	26,802.73
c) Doubtful	**-**	-	-
Less : Allowances for doubtful debts	**-**	-	-
Sub-Total	**2,743.41**	**6,799.92**	**28,816.88**
Total (B)	**5,058.27**	**8,219.14**	**30,295.32**

Out of the above, amount due by directors or other officers of the company or any of them either severally or jointly with any other person or amounts due by firms or private companies respectively in which any director is a partner or a director or a member is ₹ NIL million (₹ NIL million 31st March 2016 and ₹ NIL million 1st April 2015).

Movement in allowances for doubtful debt

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016
Balance at the beginning of the year	**3,957.30**	3,958.43
Impairment losses/Provision during the year recognised	**4.80**	-
Amount written off during the year	**(0.66)**	(1.13)
Balance at the end of the year	**3,961.44**	**3,957.30**

10 Loans

(₹ in Million)

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT
Secured (considered good)						
Security Deposits	-	**0.05**	-	0.05	-	0.05
Loans to Related Parties	-	-	-	-	-	-
Loans to Employees	**14.08**	**53.58**	15.88	58.27	15.31	63.31
Others	-	-	-	-	-	-
Sub- Total	**14.08**	**53.63**	15.88	58.32	15.31	63.36
Unsecured (considered good)	-	-	-	-	-	-
Security Deposits	-	**15.74**	-	15.81	8.13	7.53
Loans to Related Parties	-	**1,300.05**	-	1,300.03	-	1,300.03
Loans to Employees	**23.78**	**33.57**	35.55	47.75	34.85	57.57
Others	**2.91**	-	9.70	-	10.54	-
Sub- Total	**26.68**	**1,349.36**	45.25	1,363.59	53.52	1,365.14
Unsecured (doubtful)	-	-				
Security Deposits	-	**2.76**	-	2.76	-	3.16
Loans to Related Parties	-	-	-	-	-	-
Loans to Employees	-	-	-	-	-	-
Others	**0.29**	**1.44**	0.29	1.44	0.29	1.44
Less: Allowance for bad and doubtful loans	**0.29**	**4.21**	0.29	4.21	0.29	4.61
Sub- Total	-	-	-	-	-	-
Total	**40.77**	**1,402.98**	**61.13**	**1,421.90**	**68.83**	**1,428.50**

Out of the above, amount due by directors or other officers of the company or any of them either severally or jointly with any other person or amounts due by firms or private companies respectively in which any director is a partner or a director or a member is ₹ 0.25 million (₹ 0.35 million, 31st March 2016 and ₹ 0.05 million 1st April 2015).

11 OTHER FINANCIAL ASSETS

(₹ in Million)

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT
Bank Deposits with more than 12 months maturity	-	**0.50**	-	0.20	-	0.13
Receivable From NSEL	-	**2,097.92**	-	2,097.92	-	2,097.92
Demurrage and Dispatch recievable	**82.77**	**56.48**	39.30	57.40	37.87	59.39
Advances to other Companies	-	**53.53**	-	383.52	-	368.17
Other Advances	**5.82**	**81.46**	2.60	89.86	200.78	92.73
Subsidy recoverable	**9.32**	-	3,220.28	-	3,611.60	-
Interest accrued due/not due on:						
-Term Deposits	**15.71**	-	7.47	0.01	20.93	-

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT
-Loans to Employees	**13.90**	**117.41**	12.00	127.16	11.35	120.40
-Loans to Related Parties	**-**	**-**	-	-	-	-
-Loans to Others	**0.02**	**8.69**	0.75	8.66	0.03	8.66
Others	**-**	**251.15**	19.09	217.06	113.58	237.65
Less: Impairment / Allowances for bad and Doubtful Receivables	**10.39**	**2,315.75**	10.65	2,327.02	10.55	2,339.25
Total	**117.16**	**351.39**	3,290.83	654.76	3,985.59	645.79

Includes ₹ 2097.92 million (P.Y ₹ 2097.92 million) recoverable from various borrowers and National Spot Exchange (NSEL) arising on account of default of payment obligation of NSEL against which full provision of ₹ 2097.92 million (P.Y ₹ 2097.92 million) has already been made during 2013-14. The Company has filed legal suit in Bombay High Court against NSEL and others and hearings are in progress. The Government has also issued final order of merger of NSEL with its parent company, Financial Technologies (FTIL) in Feb, 2016. Against this merger order, FTIL has filed a case against Government. MMTC is also one of the intervening party in the legal case supporting the merger. CBI also investigated the case.

Included debit balance of ₹ 51.00 million (P.Y. ₹ 51.00 million) based on the Special Audit report of RO Chennai, which remained un-reconciled against which full provision already exist in the accounts and is under reconciliation.

12 Deferred Tax Assets

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Deferred Tax Liability			
Property, plant and equipment	**(104.71)**	(110.66)	(113.40)
Sub Total	**(104.71)**	**(110.66)**	**(113.40)**
Deferred tax Assets			
Prov. For Doubtful Debts	**2279.15**	2,264.99	2,267.59
DWA Risk	**0.23**	0.16	0.23
VRS Expenses	**7.10**	5.03	11.07
Provision for CSR	**0.50**	1.18	2.12
Provision for Litigation Settlement	**143.50**	132.27	111.36
MAT credit	**0.00**	14.00	0.00
Sub Total	**2,430.48**	**2,417.63**	**2,392.37**
Deferred tax Assets (net)	**2,325.77**	**2,306.97**	**2,278.97**

Movement in deferred tax balances during the year

(₹ in Million)

Particulars	Balance as at March 31 2016	Recognised in Profit and Loss	Adjustments	Balance as at March 31 2017
Deferred Tax Liability				
Property plant and equipment	110.66	(5.95)	-	**104.71**
Sub Total	**110.66**	**(5.95)**	**-**	**104.71**
Deferred tax Assets				
Provisions for Bad & Doubtful Debts	2264.99	14.16	-	**2279.15**
Prov. for DWA Risk	0.16	0.07	-	**0.23**
VRS Expenses	5.03	2.07	-	**7.10**
CSR Provision	1.18	(0.68)	-	**0.50**
Prov for Litigation Settlement	132.27	11.23	-	**143.50**
MAT Credit	14.00	0.00	(14.00)	**-**
Sub Total	**2417.63**	**26.85**	**(14.00)**	**2430.48**
Total	**2,306.97**	**32.80**	**(14.00)**	**2,325.77**

(₹ in Million)

Particulars	Balance as at April 01 2015	Recognised in profit & loss	Adjustments	Balance as at March 31 2016
Deferred Tax Liability				
Property plant and equipment	113.40	(2.74)	-	110.66
Sub Total	**113.40**	**(2.74)**	**-**	**110.66**
Deferred tax Assets				
Provisions for Bad & Doubtful Debts	2267.59	(2.60)	-	2264.99
Prov. for DWA Risk	0.23	(0.07)	-	0.16
VRS Expenses	11.07	(6.04)	-	5.03
CSR Provision	2.12	(0.94)	-	1.18
Prov for Litigation Settlement	111.36	20.91	-	132.27
MAT Credit	0.00	0.00	14.00	14.00
Sub Total	**2392.37**	**11.26**	**14.00**	**2417.63**
Total	**2278.97**	**14.00**	**14.00**	**2306.97**

Unrecognised Deferred tax assets

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Deductible temporary differences	2325.77	2306.97	2278.97
Total	**2325.77**	**2306.97**	**2278.97**

13 Other Assets

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
A. Non-Current			
Capital Advances	**-**	-	-
Advances other than Capital Advances			
-Security Deposits	**0.37**	0.37	1.68
-Advances to Related Parties	**-**	-	-
- Advances to other Suppliers	**51.60**	39.18	39.10
- Other Advances	**171.96**	172.48	50.81
Allowances for bad and Doubtful Advance	**(181.42)**	(173.47)	(51.80)
Others			
- Income Tax paid recoverable	**303.14**	470.61	391.52
- Sales Tax paid recoverable	**-**	-	0.10
- Excise/Custom duty paid recoverable	**-**	-	-
- Others	**0.13**	0.13	0.13
Total	**345.77**	**509.30**	**431.53**
B. Current			
Capital Advances	**-**	-	-
Advances other than Capital Advances			
-Security Deposits	**46.05**	36.49	38.96
-Advances to Related Parties	**9,665.03**	6,566.44	5,891.56
- Advances to other Suppliers	**809.91**	245.57	47.68
- Claim Recoverable Others	**193.44**	40.66	117.97
-Gold/Silver stock towards unbilled purchases	**4,592.31**	3,518.05	3,150.90
- Other Advances	**819.32**	701.10	717.37
Allowances for bad and Doubtful Advance	**(37.04)**	(37.04)	(0.76)
Others			
- Income Tax refund due	**42.86**	-	-

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
- Sales Tax refund due	**159.76**	156.92	147.60
- Excise/Custom duty refund due	**43.50**	43.50	-
- Service Tax refund due	**-**	0.01	0.01
-Others	**114.27**	104.06	129.12
Total	**16,449.42**	**11,375.75**	**10,240.41**

14 Inventories

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Raw Materials	**92.27**	77.85	233.43
Finished Goods	**461.11**	775.29	358.98
Stock in trade	**23,113.80**	3,161.95	2,601.63
(includes goods in transit valued at ₹ 773.02 million, 31st March, 2016 ₹ 627.73 million, 01st April, 2015 ₹ 544.19 million)			
Packing Materials	**0.66**	-	
Others	**-**	-	
Total	**23,667.84**	**4,015.09**	**3,194.04**

a) As taken, valued and certified by the management.

b) Inventories including goods in transit are valued at lower of the cost or realizable value as on 31st March 2017. Valuation of closing stock at market price being lower than cost, has resulted in a loss of ₹ 47.15 million (31st March, 2016 - ₹ 1.14 million, 01st April,2015- ₹ 173.80 million) during the year out of which ₹ Nil (31st March, 2016 - ₹ NIL million, 01st April, 2015 - ₹ 32.66 million) is to the account of backup supplier/handling agents and accordingly, debited to their account.

c) Stock-in-trade includes the following:

(i) 21020 Certified Emission Reductions (CERs), 21020 Verified Carbon Units (VCUs) and same has been valued at ₹ 1.01 million as at 31st March 2017 (₹ 0.78 million as at 31st March 2016 and ₹ 0.78 million as at 1st April 2015) as per Ind AS-2, Inventories being lower of cost or net realizable value.

(ii) Nil number of CERs under certification.

(iii) An amount of ₹ 43.03 million (P.Y. ₹ 45.15 million) has been spent on account of Depreciation, O&M cost of Emission Reduction equipment.

15 Cash & Cash Equivalents

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Cash on hand	**0.01**	0.31	0.78
Cheques, Drafts on hand	**2.70**	-	0.99
Balances with Banks			
(a) in Current Account	**296.27**	2.83	20.32
(b) in Cash Credit Account	**267.63**	328.00	1,005.19
In term deposit with original maturity upto 3 months	**3,050.06**	131.96	294.00
Total	**3,616.67**	**463.10**	**1,321.29**

16 Bank Balances other than above

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
For Unpaid Dividend	**0.90**	0.59	0.31
As Margin money/under lien			
In term deposit with original maturity more than 3 months but less than 12 months	**671.81**	320.70	316.01
Others	**-**	-	-
Total (A)	**672.71**	**321.29**	**316.32**

17 Current tax Assets (Net)

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Advance tax paid for the FY 2016-17	**279.19**	-	
Advance tax paid for the FY 2015-16	**0.09**	84.92	
Advance tax paid for the FY 2014-15	**-**	-	179.70
Total	**279.28**	**84.92**	**179.70**

18A. Equity Shares Capital

(₹ in Million)

Particulars		As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
		Number	Number	Number
Authorized				
Ordinary shares of par value of ₹ 1/- each				
	Number	**1,000,000,000**	1,000,000,000	1,000,000,000
	Amount	**1,000**	1,000	1,000
Issued, subscribed and fully paid				
Ordinary shares of par value of ₹ 1/- each				
	Number	**1,000,000,000**	1,000,000,000	1,000,000,000
	Amount	**1,000**	1,000	1,000

Reconciliation of number of shares:

Particulars	As at March 31, 2017	As at March 31, 2016
Opening Equity Shares	**1,000,000,000**	1,000,000,000
Add:- No. of Shares, Share Capital issued/ subscribed during the year	-	-
Less: Deduction	-	-
Closing balance	**1,000,000,000**	**1,000,000,000**

No. of Shares in the company held by shareholder holding more than 5 percent

Name of the Shareholder	As at March 31, 2017	As at March 31, 2016
- President of India	**899,268,762**	899,268,762

The Company has one class of share capital, comprising ordinary shares of ₹ 1/- each. Subject to the Company's Articles of Association and applicable law, the Company's ordinary shares confer on the holder the right to receive notice of and vote at general meetings of the Company, the right to receive any surplus assets on a winding-up of the Company, and an entitlement to receive any dividend declared on ordinary shares.

The Company does not have any holding company.

18B Other Equity

(₹ in Million)

Particulars	As at March 31 2017	As at March 31 2016	As at April 1 2015
General Reserve	**6,166.22**	6,166.22	6,065.53
Capital Reserve	**-**	-	0.69
Corporate Social Responsibility Reserve	**0.02**	0.06	0.13
Research & Development Reserve	**3.54**	3.54	3.54
Retained Earnings	**7,189.37**	6,979.76	6,824.29
Other Reserves	**(18.37)**	(28.29)	(19.75)
Total Other Equity	**13,340.77**	**13,121.28**	**12,874.42**

(i) General Reserve

(₹ in Million)

Particulars	As at March 31 2017	As at March 31 2016
Opening Balance	**6,166.22**	6,065.53
Transfer from surplus	**-**	100.00
Transfer of Capital reserve	**-**	0.69
Closing Balance	**6,166.22**	6,166.22

(ii) Capital Reserve

(₹ in Million)

Particulars	As at March 31 2017	As at March 31 2016
Opening Balance	**-**	-
Transfer to general reserve	**-**	-
Closing Balance	**-**	-

(iii) Corporate Social Responsibility Reserve

(₹ in Million)

Particulars	As at March 31 2017	As at March 31 2016
Opening Balance	**0.06**	0.13
Transfer from surplus	**-**	-
Deduction	**(0.05)**	(0.07)
Closing Balance	**0.02**	0.06

(iv) Research & Development Reserve

(₹ in Million)

Particulars	As at March 31 2017	As at March 31 2016
Opening Balance	**3.54**	3.54
Transfer from surplus	**-**	-
Deduction	**-**	-
Closing Balance	**3.54**	3.54

(v) Retained Earnings

(₹ in Million)

Particulars	As at March 31 2017	As at March 31 2016
Opening Balance	**6,979.76**	6,824.29
Net Profit for the year	**570.60**	548.93
Items of other comprehensive income recognized directly in retain earnings:		
Remeasurements of post employment benefit obligation net of tax	**0.09**	(8.54)
Unamortized premium on forward contract	**-**	7.36

Particulars	As at March 31 2017	As at March 31 2016
Transfer from Corporate Social Reponsibility	-	0.07
Reversal of Dividend and Dividend Tax proposed	**(361.07)**	(300.89)
Other Adjustments	-	8.54
Appropriations:-		
General Reserve	-	(100.00)
Closing Balance	**7,189.37**	6,979.76

(vi) Other Reserve

(₹ in Million)

	Equity instruments through OCI	Effective Portion of cash flow hedges	Remeasurements - Post Employee Benefit Plans	Total other reserves
As at April 1 2015	-	-	(19.75)	**(19.75)**
Remeasurements of the defined benefit plans	-	-	(8.54)	**(8.54)**
As at April 1 2016	**0.00**	**0.00**	**(28.29)**	**(28.29)**
Remeasurements of the defined benefit plans	-	-	1.83	**1.83**
Equity Instruments through other comprehensive income	8.09	-	-	**8.09**
As at April 1 2017	**8.09**	**-**	**(26.46)**	**(18.37)**

19 Borrowings

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
CURRENT			
(i)Loans repayable on Demand			
(a) From Banks	**-**	-	-
-Secured (against hypothecation of inventories, trade receivables and otther current assets present and future)	**4,401.80**	2,117.01	1,617.27
-Unsecured	**-**	601.16	1,249.22
Total	**4,401.80**	**2,718.16**	**2,866.49**

The loans have not been guaranteed by any of the director or others.
The loans have been taken from Banks under Cash Credit/Packing Credit Accounts/Others and are repayable within one year.
The company has not defaulted in repayment of any loan and interest thereon.

20 Trade Payable

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
CURRENT			
Other than MSMEs			
-Trade Payables	**6,889.18**	8,932.41	29,009.93
-Trade Payables to Related Parties	**0.24**	361.84	2,722.70
Total	**6,889.42**	**9,294.25**	**31,732.62**

21 Other Financial Liabilities

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
CURRENT			
Payables-Other than trade	**122.68**	233.84	71.40
Despatch/ Demurrage payable	**83.07**	42.92	39.02
Amount recovered -pending remittance	**10.13**	4.46	19.68
Interest accrued on borrowings	**36.87**	2.79	4.26
Security Deposit & EMD	**485.18**	569.66	350.59
Unpaid Dividend	**0.90**	0.59	0.31
Others	**806.21**	2,456.85	2,299.18
Claims	**147.65**	129.88	282.46
Forward Contract Payable	**179.98**	-	-
Amount Payable to Bank	-	1,921.51	2,389.67
Less: Foreign Currency Receivable	-	(1,856.00)	(2,344.13)
Total	**1,872.68**	**3,506.49**	**3,112.45**

22. Provisions

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
A. NON-CURRENT			
FOR EMPLOYEE BENEFITS			
a) Leave Encashment	**198.65**	182.62	247.92
b) Compassionate Gratuity	**1.19**	1.62	1.86
c) Post Retirement Medical Benefit			
Retirees after 01.01.2007	**899.82**	807.52	723.48
Retirees before 01.01.2007	**455.00**	472.81	502.79
d) Half Pay Leave	**193.76**	193.97	198.44
e) Service Award	**59.92**	61.85	47.70
f) Employee's Family Benefit Scheme	**44.25**	46.47	49.05
g) Special benefit to MICA employees	**24.37**	22.72	-
h) Others	-	-	-
Total	**1,876.96**	**1,789.58**	**1,771.24**
B. CURRENT			
FOR EMPLOYEE BENEFITS			
a) Earned Leave	**32.89**	32.65	29.31
b) Compassionate Gratuity	**0.66**	0.39	0.33
c) Post Retirement Medical Benefit			
Retirees after 01.01.2007	**19.33**	17.48	12.55
Retirees before 01.01.2007	**82.46**	80.12	65.76
d) Half Pay Leave	**37.85**	35.74	28.93
e) Gratuity	-	3.47	2.17
f) Superannuatuion Benefits	-	-	-
g) Service Award	**12.66**	14.15	8.34
h) Bonus/performance related pay	**128.18**	101.52	51.05
i) Employee's Family Benefit Scheme	**8.27**	10.16	9.43
j) Special benefit to MICA employees	**5.19**	1.23	-
h) Others	-	-	-
Sub Total (A)	**327.48**	**296.90**	**207.88**
FOR OTHER			
Destinational weight and analysis risk	**0.66**	0.47	0.67
Provision for Litigation Settlements	**414.62**	382.21	321.77
Sub Total (B)	**415.28**	**382.68**	**322.44**
Total (A+B)	**742.76**	**679.58**	**530.31**

23 Other Liabilities

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current			
Advance Received from Customers	**25,233.92**	1,934.58	1,613.17
Statutory dues Payable	**86.05**	64.34	122.46
Corporate Social Responsibility Expenses	**2.34**	3.41	-
Amount payable towards unbilled purchases	**4,592.31**	3,518.05	3,150.90
Others	**467.60**	301.50	546.95
Total	**30,382.23**	**5,821.88**	**5,433.47**

24 Current tax liabilities (Net)

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Income tax payable for the FY 2016-17	**276.28**	-	
Income tax payable for the FY 2015-16	**-**	61.00	
Income tax payable for the FY 2014-15	**-**	-	157.50
Total	**276.28**	**61.00**	**157.50**

25 Revenue From Operations

(₹ in Million)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Sale of Products	**115,680.01**	124,344.04
Sale of Services	**254.27**	262.37
Other Operating Revenue		
- Claims	**275.28**	185.93
- Subsidy	**-**	206.81
- Despatch Earned	**1.91**	0.73
- Other Trade Income	**872.12**	689.71
Total	**117,083.58**	**125,689.59**

26 Other Income

(₹ in Million)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest Income		
- From Fixed Deposits	**128.32**	32.03
- From Customers on amount overdue	**0.10**	324.36
- Others	**148.89**	235.93
Dividend Income		
-From Subsidiary/Joint Ventures	**-**	122.12
- From Others	**12.14**	2.33
Other Non Operating Revenue (Net of expenses directly attributable to such income)		
-Staff Quarters Rent	**5.60**	5.15
-Liabilities Written Back	**68.53**	79.97
-Foreign Exchange Gain	**0.70**	0.62
-Misc. Receipt	**58.74**	68.17
Total	**423.02**	**870.69**

27 **Cost of Materials Consumed**

(₹ in Million)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Raw Materials	**1,117.47**	757.98
Consumables	**-**	-
Others	**-**	-
TOTAL	**1,117.47**	**757.98**

28 **Purchase of Stock-in-Trade**

(₹ in Million)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
A. Purchases		
Precious Metal	**54,170.64**	66,107.11
Metals	**7,470.02**	5,122.22
Fertilizers	**26,464.05**	28,783.28
Minerals	**12,497.75**	4,437.85
Agro Products	**20,935.97**	4,215.88
Coal and Hydrocarbons	**6,222.12**	7,270.62
General Trade	**467.47**	40.88
Others	**-**	-
B. Stock Received/(Issued) in kind		
Precious Metals	**(5.50)**	(1.21)
Non-Ferrous Metals	**0.00**	(0.00)
TOTAL	**128,222.51**	**115,976.64**

29 **Changes in Inventory**

(₹ in Million)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
A. Finished Goods		
Opening Balance	**775.29**	358.98
Closing Balance	**466.62**	775.29
Changes in Inventory of Finished Goods	**308.66**	(416.31)
B. Stock-In-Trade		
Opening Balance	**3,161.95**	2,601.63
Closing Balance	**23,149.99**	3,163.09
Changes in Inventory of Stock in Trade	**(19,988.04)**	(561.46)
Net (Increase) /Decrease	**(19,679.37)**	(977.77)

30 **Employees' Benefit Expenses**

(₹ in Million)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
a) Salaries and Wages		
Salaries and Allowances	**1,284.09**	1,342.21
Leave Encashment	**115.26**	114.70
Bonus	**0.82**	0.89
Performance Related Pay	**65.00**	55.40
Medical Expenses	**233.90**	223.57
Group Insurance	**2.62**	0.49
Contribution to DLIS	**2.86**	4.16
VR Expenses	**20.03**	-

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
b) Contribution to Provident Fund & Other Funds		
Providend Fund	**97.64**	102.44
Gratutity Fund	**5.07**	(1.53)
Family Pension Scheme	**17.96**	19.97
Superannuation Benefit	**80.45**	83.38
c) Staff Welfare Expenses	**31.06**	65.43
TOTAL	**1,956.78**	**2,011.13**

31 Finance Cost

(₹ in Million)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
a) Interest Expenses	**201.72**	281.77
b) Other Borrowing Costs	**-**	0.20
c) Net exchange difference on Borrowings	**-**	-
d) Premium on forward contract	**10.93**	17.02
TOTAL	**212.65**	**298.99**

32 Depreciation And Amortization Expenses

(₹ in Million)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Depreciation / Amortisation for the year		
Depreciation on PPE	**58.12**	50.68
Depreciation on Investment Property	**1.68**	1.84
Amortization of Intagible Assets	**6.98**	5.45
TOTAL	**66.78**	57.97

33 Other Expenses

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Operating Expenses :		
Freight	**229.87**	1,798.77
Demurrage	**170.55**	8.51
Clearing, Handling, Discount & Other charges	**749.83**	661.15
L/C negotiation and other charges	**13.86**	7.43
Difference in foreign exchange	**8.67**	(166.73)
Customs duty	**3,775.87**	5,629.38
Exise Duty	**0.79**	1.73
Packing Material	**23.14**	4.07
Insurance	**9.07**	2.81
Godown insurance	**35.65**	9.14
Plot and Godown rent	**160.49**	10.90
Provision for destinational weight and analysis risk	**0.66**	0.47
Sub total (a)	**5,178.45**	7,967.63
Administrative Expenses :		
Rent	**29.26**	27.32
Security Expenses	**15.96**	7.94
Rates and taxes	**14.91**	14.71
Insurance	**1.15**	1.08
Repairs to buildings	**41.31**	76.45
Repairs to machinery	**0.69**	0.52

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Repairs & Maintenance- Computers	**13.99**	12.50
Repairs & Maintenance - Others	**5.62**	11.21
Electricity & Water Charges	**38.57**	39.03
Advertisement & Publicity	**18.49**	21.00
Printing & Stationery	**6.55**	6.31
Postage & Courier	**1.21**	1.68
Telephone	**17.29**	16.14
Telecommunication	**6.90**	7.42
Travelling	**36.08**	35.67
Vehicle	**17.54**	19.24
Entertainment	**6.81**	7.67
Legal	**70.06**	49.24
Auditors' Remuneration (i)	**6.58**	6.36
Bank Charges	**7.05**	8.11
Books & Periodicals	**0.54**	0.50
Trade / Sales Promotion	**8.55**	5.33
Subscription	**5.39**	3.85
Training, Seminar & Conference	**4.73**	4.27
Professional/Consultancy	**29.20**	20.62
CSR Expenditure	**8.14**	4.57
Difference in foreign exchange	**(10.05)**	11.28
Donations	**-**	0.00
Service Tax	**15.17**	12.32
Exhibition and Fairs	**40.62**	34.53
Bad Debts/Claims/Assets written off/withdrawn	**6.61**	0.97
Allowance for Bad and Doubtful Debts / claims/ advances	**4.80**	2.80
Miscellaneous Expenses	**62.04**	71.62
Sub Total (b)	**531.76**	542.24
TOTAL (a+b)	**5,710.21**	8,509.88

i) Amount paid to auditors

(₹ in Million)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
As Auditor	**3.18**	3.21
For Taxation Matters/Tax Audit	**1.58**	1.41
For Other Services	**1.79**	1.69
For Reimbursement of Expenses	**0.02**	0.05
TOTAL	**6.58**	6.36

(ii) Details of CSR Expenditure: Gross amount required to be spent by the company

(₹ in Million)

	March 31, 2017	March 31, 2016
Gross amount required to be spent by the company	8.14	-

Particulars	Spent during the year	Balance unspent
(a) Amount spent during the year 31st March, 2017		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	8.14	-
(iii) Against CSR Reserve of previous year	0.05	-
(b) Amount spent during the year 31st March,2016		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	3.29	1.21
(iii) Against CSR Reserve of previous year	0.07	-

34. Exceptional Items

(₹ in Million)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Write-down of inventories to net realisable value and its reversal	**47.15**	1.14
Disposals of items of fixed assets	**(0.09)**	(0.83)
Disposal of non current investment	**-**	(100.00)
Reversal of subsidy claim	**76.73**	-
Interest on delayed payments (i)	**(1,044.32)**	(389.90)
Litigation settlements (ii)	**28.50**	82.96
Provisions no longer required	**(20.71)**	(247.04)
TOTAL	**(912.74)**	(653.67)

(i) Inculdes interest of ₹ 933.83 million claimed from APCSCL, as per the terms of Agreement between MMTC and APCSCL, on abnormal delayed receipt of Subsidy of ₹ 2453.07 million from the Government by the Company for supply and distribution of RBD Palmolin and ₹ 110.49 million towards interest on delayed payment made by APSCSCL as per the agreement which have been accounted for on receipt of the said subsidy.

(ii) Includes ₹ 32.40 million (P.Y. ₹ 33.45 million) towards liability in respect of an arbitration award against the company on account of claim filed by a foreign supplier against invocation of Performance Bank Guarantee relating to import of urea. The award was challenged by the company in Hon'ble Delhi High Court which was not admitted. The company has since filed Special Leave petition against the said award in the Hon'ble Supreme Court which has been admitted by the Hon'ble Court. However, total liability amounting to ₹ 414.62 million towards the claim (₹ 225.26 million), interest (₹172.44 million) and other cost etc. (₹ 16.92 million) has been made upto 31.03.2017.

35 Tax Expense

Tax recognised in Statement of profit and loss

(₹ in Million)

Particulars	For the year Ended March 31, 2017	For the year Ended March 31, 2016
Current year	**282.00**	61.00
Adjustments relating to prior periods	**(7.47)**	(2.80)
MAT Credit		(14.00)
Sub Total (A)	**274.53**	**44.20**
Deferred tax expense		
Origination and reversal of temporary differences	**(32.80)**	(14.00)
Sub Total (B)	**(32.80)**	**(14.00)**
Total (A+B)	**241.73**	**30.20**

Tax recognised in other comprehensive income

(₹ in Million)

Particulars	For the year Ended March 31, 2017	For the year Ended March 31, 2016
Defined benefit plan acturial gains (losses)	**1.00**	
Total	**1.00**	**-**

Reconciliation of effective tax rates

(₹ in Million)

Particulars	For the year Ended March 31, 2017	For the year Ended March 31, 2016
Profit before tax	**812.30**	579.14
Enacted tax Rate	**34.61**	21.34
Computed Expected Tax Expenses	**281.14**	123.59
Non-deductible expenses	**48.68**	(35.95)
Tax exempt income/ any other deduction or allowable exp.	**(47.80)**	(26.56)
Change in estimates related to prior years	**(7.47)**	(2.80)

Particulars	For the year Ended March 31, 2017	For the year Ended March 31, 2016
Other Adjustments MAT Credit Deferred Tax	- - **(32.80)**	(0.07) (14.00) (14.00)
Tax Expenses for the year	**241.74**	**30.20**

36. **Contingent Liabilities & Disclosures:**

i) **(₹ in Millions)**

	Particulars	As at 31.3.2017	As at 31.3.2016
a)	Claims against the company not acknowledged as debts including foreign currency claim.	4370.32	4614.32
b)	Disputed Income Tax Demand against which ₹ 303.13 (P.Y. ₹ 455.56 miliion) deposited.	430.57	613.02
c)	Disputed TDS demands	10.02	7.59
d)	Disputed Sales Tax Demand against which ₹ 143.70 million (P.Y. ₹181.17 million) deposited and ₹ 0.67 million (P.Y. ₹ 0.67 million) covered by Bank Guarantees.	2367.55	2342.94
e)	Disputed Service Tax Demand	989.31	942.72
f)	Disputed Central Excise demand	193.17	193.17
g)	Disputed PF demand	22.36	22.36
Total		**8383.30**	**8736.12**

ii) Guarantees issued by Banks on behalf of the Company ₹154.30 million (P.Y. ₹ 1120.67 million) in favour of customer towards performance of contracts against which backup guarantees amounting to ₹ 425.70 million (P.Y. ₹ 1255.78 million) have been obtained from associate suppliers.

iii) Letters of Credit opened by the Company remaining outstanding ₹ 650.84 million (P.Y. ₹ 1869.19 million).

iv) Bonds have been furnished to Customs Authorities for performance, submission of original documents, etc, some of which are still outstanding. The amount of un-expired Bonds is ₹ 6002.88 million as on 31.03.2017 (P.Y. ₹ 6842.98 million). Show cause notices demanding ₹ 62.71 million (P.Y. ₹ 58.28 million) received by the company at Delhi Regional Office against which appeal has been filed by the company.

v) Corporate Guarantees of ₹ 14605.60 million (P.Y. ₹ 14605.60 million) given by the company in favour of financial institutions/banks on behalf of Neelachal Ispat Nigam Limited (NINL) Joint Venture Company for securing principal and interest in respect of loans to NINL. The company has also issued a comfort letter in respect of a loan of ₹ 1800.00 million given to NINL by a bank against which corporate guarantee amounting to ₹ 900.00 million has been given by the company. The company has also issued standing instruction (SI) to the bank authorizing the bank to debit company's bank account @ ₹ 25.00 million every month and credit the current account of NINL maintained in the same bank during the tenor of the loan i.e. 4 years from Oct, 2014 availed by NINL. Pending commitment against the said SI is ₹ 475.00 million as on 31.3.2017.

vi) The company entered into a purchase contract with a foreign supplier for import of coking coal for onward sale to NINL (a JV company) in the year 2008-09. Due to non-performance of the contract, the supplier referred the matter for arbitration. An award was decided against MMTC for an amount of Rs. 5105.41 million (USD 78.72 million @ ₹ 64.855 as on 31.03.2017) (PY ₹ 5216.80 million), cost of Rs 63.56 million (USD 0.98 million @ ₹ 64.855 as on 31.03.2017) (PY ₹ 64.94 million) alongwith interest thereon @ 7.50% p.a. from 30.9.2009 to 12.5.2014 and post award interest @ 15% p.a. from 1st June, 2014 until payment. The company filed petition before the Hon'ble Delhi High Court under section 34 of the Arbitration and Conciliation Act, 1996 against the final award which was not allowed. Against this decision of the court, the company filed an appeal before Hon'ble Division Bench of Delhi High Court that has been admitted by the Hon'ble Division Bench of Delhi High Court. The appeal is expected to come up for regular hearing after 2nd July 2017.

Pending final out-come of the legal proceedings, the Management has considered it prudent not to make any provision towards the award in its books of accounts as on 31.03.2017, since as per the legal opinion of senior advocate, the company has a strong case for rejection of the supplier's claim. Further, as per the legal opinion taken by the company, the liability, if any on account of this claim is to be borne by NINL exclusively. The company has communicated to NINL, the legal position on bearing of liability, if any arising out of the referred dispute.

vii) A back to back supplier of steam coal has claimed an amount of ₹ 504.30 million (P.Y. ₹ 504.30 million) towards increased railway freight, belt sampling rejection, rake rejection and interest for delayed payment in relation to Coal Supply on back to back basis to a customer during 2011-12 to 2012-13 which has been disputed by the customer.

viii) Custom department have raised demand of ₹ 1792.10 million (P.Y. ₹ 1902.44 million) at various RO's on account of differential custom duty/interest/penalty etc. on import of Steam Coal supplied by the company to Power utilities through associate suppliers on back to back terms on fixed margin basis. Also in case of RO Kolkata and Mumbai ₹ 174.82 million (P.Y. ₹ 174.82 million) and ₹ 215.61 million (P.Y. ₹ 215.61 million) shown as firm liability respectively in their books of accounts. The liability, if any, on account of custom duty shall be to the account of the backup supplier.

ix) In respect of GR-1 forms pertaining to period prior to 1993-94, outstanding beyond due date the Company has filed application with the authorized dealers for extension of time/waiver/ write off. Pending decision on the application, the liability, if any, that may arise is unascertainable. Enforcement Directorate has imposed penalty for ₹19.31 million (P.Y. ₹ 19.31 million) which are being contested. Against this, an amount of ₹ 0.30 million (P.Y. ₹ 0.30 million) has been deposited and bank guarantee of ₹ 10.30 million (P.Y. ₹ 10.30 million) furnished.

x) In some of the cases, amounts included under contingent liabilities relate to commodities handled on Govt. of India's account and hence the same would be recoverable from the Govt. of India.

xi) Additional liability, if any, on account of sales tax demands on completion of assessments, disputed claims of some employees, non-deduction of Provident Fund by Handling Agents/Contractors, disputed rent and interest/penalty/ legal costs etc., in respect of amounts indicated as contingent liabilities being indeterminable, not considered.

37. **Commitments**

Capital Commitments: Estimated amount of contracts including foreign currency contracts net of advances remaining to be executed on capital account and not provided for is ₹ 0.81 million (P.Y. ₹ 7.41 million).

Capital commitment in respect of investment in joint venture ₹ 84.28 million (P.Y. ₹ 65.20 million)

38. **General Disclosures :-**

a) Following goods on account of un-billed purchases are held by the Company under deposit and shown under other current assets (note no. 13 (B)) as well as other current liabilities (note no.23).

(₹ in Million)

Items	31/03/2017		31/03/2016	
	Qty	Value	Qty	Value
Gold (in Kgs)	1,262.19	3,272.76	521.00	1,368.71
Gold Jewellery (in Grams)	288.96	3.28	-	-
Silver (in Kgs)	34,927.32	1,316.26	63,661.03	2,149.34
TOTAL	**36,478.47**	**4,592.31**	**64,182.03**	**3,518.05**

b) The company has taken decision to replace the existing ERP Package due to various changes taken place in the business model in the recent years and to also meet the latest statutory requirements.

c) Investment in Neelachal Ispat Nigam Ltd (NINL)-Joint Venture company :-

(i) The company alongwith Government of Odisha has set up a 1.1 MT integrated steel plant in Odisha and invested ₹ 3796.85 million (P.Y. ₹ 3796.85 million) (Note 8) towards 49.78% in equity capital in M/s Neelachal Ispat Nigam Ltd (NINL), a Joint Venture company.

(ii) The company has been extending, from time to time, short term credit facility to NINL upto a limit of ₹ 12750.00 million for its day to day operational activities on continuing basis. In addition, one time loan of ₹ 1300.00 million has been extended for debt repayment. Against this, outstanding under trade receivable (note 9) is ₹ 2309.96 million (P.Y. ₹ 1417.04 million), under Other Assets (advances to related parties) (note 13) is ₹ 9664.89 million (P.Y. ₹ 6566.44 million) and under Loans (note 10) is ₹ 1300.00 million (P.Y. ₹ 1300.00 million) aggregating to ₹ 13274.85 million (P.Y. ₹ 9283.48 million).

(iii) The company has also given corporate guarantees amounting to ₹ 14605.60 million (P.Y. ₹ 14605.60 million) in favour of FIs/Banks/others to secure the loans availed by NINL and issued standing instruction to a bank to credit NINL bank account @ ₹ 25 million every month during the tenor of the loan i.e. 4 years from October, 2014 against which pending commitment is ₹ 475 million as on 31.3.2017(note 36 (v).

(iv) The company has recognised trade related interest of ₹ 720.82 million (P.Y. ₹ 603.95 million) and other interest income of ₹ 154.03 million (P.Y. ₹ 163.14 million) on the credit facilities extended to NINL.

(v) NINL is incurring losses (Net Loss is 28.11% of sales for the F.Y.2016-17) and net asset of NINL as per their financial statements, excluding MMTC dues is ₹ 11523.44 million as on 31.3.2017. Considering the clearance of mining rights of allotted Iron Ore mine to NINL in January 2017 and expected revival of the Steel sector globally, the management has considered its investment as good.

d) The Company has filed a recovery suit of ₹ 314.02 million against M/s AIPL in respect of Mint sale transaction (P.Y. ₹ 314.02 million) which included overdue interest of ₹ 29.49 million (P.Y. ₹ 29.49 million) which has been decreed in favour of the Company. M/s AIPL have also filed a suit against Government Mint/MMTC for damages of ₹ 1671.97 million (P.Y. ₹ 1671.97 million) which is not tenable as per legal opinion and is being contested.

e) Under Price Stabilization Scheme of the Government of India to create Buffer Stock of Pulses, MMTC imported Pulses from July 2015 onwards until 31.03.2017. As per the scheme MMTCs trading margin has been fixed at 1.5% on C&F cost at the time of sale and all expenses related to the import shall be to the account of Govt. The stocks have been stored at various CWC/SWC/Other Godown in various States. Accordingly, the closing stock has been valued at cost as on 31.03.17.

f) A claim for ₹ 18.89 million (P.Y. ₹ 18.89 million) against an associate on account of damaged imported Polyester is pending for which a provision of ₹ 15.28 million (P.Y. ₹ 15.28 million) exists in the accounts after taking into account the EMD and other payables amounting to ₹ 3.61 million (P.Y. ₹ 3.61 million). The company has requested customs for abandonment which is pending for adjudication. A criminal & civil suit has been filed against the Associate.

g) Salary revision of employees is due w.e.f. 1.1.2017. However, DPE is yet to issue guidelines on salary revision and accordingly liability for 1.1.17 to 31.3.17 could not be estimated and hence no provision has been made in the accounts.

h) At Regional Office, Mumbai, during the year 2011-12, a foreign supplier has submitted forged shipping documents through banking channels to obtain payment of ₹ 35.31 million (P.Y. ₹ 36.08 million) without making delivery of the material (copper). However, the company has obtained an interim stay restraining the bank from making the payment under the letter of credit which was vacated and Indian bank had to make payment to the foreign bank. The matter is still pending in the court. The same supplier is also fraudulently holding on to the master bills of lading of another shipment of copper which would enable the Regional Office, Mumbai to take delivery and possession of goods valued at ₹ 85.98 million (P.Y. ₹ 85.98 million), already paid for and after adjustment of EMD & payables provision for the balance amount has been made during the year 2014-15.

i) At Regional Office, Hyderabad fake bills of lading covering two shipments of copper valued at ₹ 37.52 million (P.Y. ₹ 37.52 million) were received during 2011-12 through banking channels against which no material was received. The foreign supplier has been paid in full through letter of credit after the company received full payment from its Indian customer. The company has initiated legal action against the foreign supplier.

39. **Financial Instruments- Fair Values and Risk Management**

39.1 **Financial Instruments by Categories**

The following tables show the carrying amounts and fair values of financial assets and financial liabilities by categories. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in Millions as at March 31, 2017)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Investments in Equity Instruments (Ref Note No.8)	-	-	198.09	198.09	198.09
Cash & Cash Equivalents (Ref Note No. 15)	3616.67	-	-	3616.67	-
Trade Receivable (Ref Note No. 9)	5143.16	-	-	5143.16	-
Employee Loans (Ref Note No. 10)	125.01	-	-	125.01	-
Loans to related party (Ref Note No. 10)	1300.05	-	-	1300.05	-
Security Deposits & Other Loans (Ref Note No. 10)	18.69	-	-	18.69	-
Security Deposits (Ref Note No. 13)	46.42	-	-	46.42	
Other Financial Assets (Ref Note No. 11)	468.55	-	-	468.55	-
Liabilities:					
Trade Payable (Ref Note No. 20)	6889.42	-	-	6889.42	-
Borrowings (Ref Note No.19)	4401.80	-	-	4401.80	-
Other Financial Liabilities (Ref Note No. 21)	1872.68	-	-	1872.68	-

The carrying value and fair value of financial instruments by categories were as follows as on March 31, 2016:

(₹ in Millions as at March 31, 2016)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Investments in Equity Instruments (Ref Note No.8)	-	-	190.00	190.00	190.00
Cash & Cash Equivalents (Ref Note No. 15)	463.10	-	-	463.10	-
Trade Receivable (Ref Note No. 9)	8308.89	-	-	8308.89	-
Employee Loans (Ref Note No. 10)	157.45	-	-	157.45	-
Loans to related party (Ref Note No. 10)	1300.03	-	-	1300.03	-
Security Deposits & Other Loans (Ref Note No. 10)	25.55	-	-	25.55	-
Security Deposits (Ref Note No. 13)	36.86	-	-	36.86	
Other Financial Assets (Ref Note No. 11)	3945.59	-	-	3945.59	-
Liabilities:					
Trade Payable (Ref Note No. 20)	9294.25	-	-	9294.25	-
Borrowings (Ref Note No.19)	2718.16	-	-	2718.16	-
Other Financial Liabilities (Ref Note No. 21)	3506.49	-	-	3506.49	-

The carrying value and fair value of financial instruments by categories were as follows as on April 01, 2015:

(₹ in Millions as at April 1, 2015)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Investments in Equity Instruments (Ref Note No.8)	-	-	48.90	48.90	48.90
Cash & Cash Equivalents (Ref Note No. 15)	1321.29	-	-	1321.29	-
Trade Receivable (Ref Note No. 9)	30363.69	-	-	30363.69	-
Employee Loans (Ref Note No. 10)	171.05	-	-	171.05	-
Loans to related party (Ref Note No. 10)	1300.03	-	-	1300.03	-
Security Deposits & Other Loans (Ref Note No. 10)	26.25	-	-	26.25	-
Security Deposits (Ref Note No. 13)	40.64	-	-	40.64	
Other Financial Assets (Ref Note No. 11)	4631.38	-	-	4631.38	-
Liabilities:					
Trade Payable (Ref Note No. 20)	31732.62	-	-	31732.62	-
Borrowings (Ref Note No.19)	2866.49	-	-	2866.49	-
Other Financial Liabilities (Ref Note No. 21)	3112.45	-	-	3112.45	-

39.2 **Fair Value Hierarchy**

- **Level 1** - Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active markets.
- **Level 2** - Level 2 hierarchy includes financial instruments measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3** - Level 3 hierarchy includes financial instruments measured using inputs that are not based on observable market data (unobservable inputs).

The following tables present fair value hierarchy of assets and liabilities measured at fair value:

(₹ in Millions as at March 31, 2017)

Particulars	Level 1	Level 2	Level 3	Total	Valuation Technique and key inputs	Significant unobservable inputs
Financial Assets						
Financial Investments at FVTOCI						
Investment in Equity Instruments (BSE)	38.09	-	-	38.09		Quoted Price
Investment in Equity Instruments (ICEX)	-	-	160.00	160.00	Cost adopted as best estimate of Fair Value.	-
Total	38.09	-	160.00	198.09		

(₹ in Millions as at March 31, 2016)

Particulars	Level 1	Level 2	Level 3	Total	Valuation Technique and key inputs	Significant unobservable inputs
Financial Assets						
Financial Investments at FVTOCI						
Investment in Equity Instruments (BSE)			30.00	30.00	Cost adopted as best estimate of Fair Value.	
Investment in Equity Instruments (ICEX)			160.00	160.00	Cost adopted as best estimate of Fair Value.	
Total	-	-	190.00	190.00		

(₹ in Millions as at April 1, 2015)

Particulars	Level 1	Level 2	Level 3	Total	Valuation Technique and key inputs	Significant unobservable inputs
Financial Assets						
Financial Investments at FVTOCI						
Investment in Equity Instruments (USE)			30.00	30.00	Carrying value adopted as best estimate of Fair Value	
Investment in Equity Instruments (ICEX)			18.90	18.90	Carrying value adopted as best estimate of Fair Value	
Total	-	-	48.90	48.90		

39.3 Financial risk management, objectives and policies

The company's activities expose it to the following financial risks:

- market risk
- credit risk and
- liquidity risk.

The company has not arranged funds that have any interest rate risk.

a) **Market risk**

(i) **Foreign Exchange Risk**

The company has import and export transactions and hence has foreign exchange risk primarily with respect to the US$. The company has not arranged funds through long term borrowings. The short term foreign currency loans (buyer's credit) availed from banks are fixed interest rate borrowings. As a result, the company does not have any interest rate risk. The company's risk management policy is to use hedging instruments to hedge the risk of foreign exchange.

The company uses foreign exchange forward contracts to hedge its exposure in foreign currency risk. The company designates the spot element of forward contracts with reference to relevant spot market exchange rate. The difference between the contracted forward and the spot market exchange rate is treated as the forward element. The changes in the spot exchange rate of hedging instrument that relate to the hedged item is deferred in the cash flow hedge reserve and recognized against the related hedged transaction when it occurs. The forward element of forward exchange contract is deferred in cost of hedging reserve and is recognized to the extent of change in forward element when the transaction occurs.

The following tables show the summary of quantitative data about the company's exposure to foreign currency risk from financial instruments expressed in ₹:

(₹ in Millions as at March 31, 2017)

Particulars	**US Dollars (in Equiv INR)**	**Other Currencies (in Equiv INR)**	**Total**
Cash & cash equivalents	-	-	-
Trade Receivable	1,398.92	-	1,398.92
Demurrage / Despatch Receivable	68.79	-	68.79
Other Receivable	1.69	-	1.69
Total Receivable in foreign currency	1,469.40	-	1,469.40
Foreign Currency Loan payable	2,401.74	-	2,401.74
Interest on foreign currency loan payable	9.11	-	9.11
Trade Payables	879.20	-	879.20
Freight Demurrage / Despatch Payable	41.91	-	41.91
Provision towards Litigation Settlement	414.62	-	414.62
Others	5.53	-	5.53
Total Payable in Foreign Currency	3,752.10	-	3,752.10

The company has no exposure in respect of foreign currency receivable/payable since loss/gain is to the account of the Associate supplier/customer except on provision towards litigation settlement where matter is still under dispute. Also the company has taken forward exchange contracts in respect of payables at the risk and cost of the associate.

(₹ in Millions as at March 31, 2016)

Particulars	**US Dollars (in Equiv INR)**	**Other Currencies (in Equiv INR)**	**Total**
Cash & cash equivalents	-	-	-
Trade Receivable	899.91	-	899.91
Demurrage / Despatch Receivable	69.54	-	69.54
Other Receivable	1.69	-	1.69
Total Receivable in foreign currency	971.14	-	971.14
Foreign Currency Loan payable	1,352.70	-	1,352.70
Interest on foreign currency loan payable	2.40	-	2.40
Trade Payables	809.18	-	809.18
Freight Demurrage / Despatch Payable	44.07	-	44.07
Provision towards Litigation Settlement	382.21	-	382.21
Others	74.51	-	74.51
Total Payable in Foreign Currency	2,665.08	-	2,665.08

The company has no exposure in respect of foreign currency receivable/payable since loss/gain is to the account of the Associate supplier/customer except on provision towards litigation settlement where matter is still under dispute. Also the company has taken forward exchange contracts in respect of payables at the risk and cost of the associate.

(₹ in Millions as at April 1, 2015)

Particulars	US Dollars (in Equiv INR)	Other Currencies (in Equiv INR)	Total
Cash & cash equivalents	-	-	-
Trade Receivable	1,310.39	-	1,310.39
Demurrage / Despatch Receivable	61.36	-	61.36
Other Receivable	1.69	-	1.69
Total Receivable in foreign currency	1,373.44	-	1,373.44
Foreign Currency Loan payable	1,287.54	-	1,287.54
Interest on foreign currency loan payable	1.85	-	1.85
Trade Payables	983.26	-	983.26
Freight Demurrage / Despatch Payable	43.17	-	43.17
Provision towards Litigation Settlement	321.77	-	321.77
Others	17.96	-	17.96
Total Payable in Foreign Currency	2,655.54	-	2,655.54

The company has no exposure in respect of foreign currency receivable/payable since loss/gain is to the account of the Associate supplier/customer except on provision towards litigation settlement where matter is still under dispute. Also the company has taken forward exchange contracts in respect of payables at the risk and cost of the associate.

Sensitivity:

As of March 31, 2017 and March 31, 2016, every 1% increase or decrease of the respective foreign currencies compared to our functional currency would impact our profit before tax by approximately ₹ NIL and ₹ NIL, respectively.

(ii) **Price Risk**

The company's exposure to equity securities price risk arises from investments held by the company and classified in balance sheet as at fair value through other comprehensive income. Out of the two securities held by the company, one is listed in NSE and the other (ICEX) is not listed.

As of March 31, 2017 and March 31, 2016, every 1% increase or decrease of the respective equity prices would impact other component of equity by approximately ₹ 1.98 million and ₹ 1.60 million, respectively. It has no impact on profit or loss.

b) **Credit Risk**

Credit risk refers to the risk of default on its obligation by a counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Accordingly, credit risk from trade receivables has been separately evaluated from all other financial assets in the following paragraphs.

Trade Receivables

The company's has outstanding trade receivables are mostly secured through letter of credit/BG except in respect of JV's and Govt of India.

Impairment on trade receivables is recognized based on expected credit loss in accordance with provisions of IndAS 109. The company's historical experience for customers, present economic condition and present performance of the customers, future outlook for the industry etc are taken into account for the purposes of expected credit loss.

Credit risk exposure

An analysis of age of trade receivables at each reporting date is summarized as follows:

(₹ in Millions as at March 31, 2017)

Particulars	Gross amount	Impairment	Carrying Value
Not past due	3,889.30	-	3,889.30
Past due less than 30 days	29.60	-	29.60
Past due more than 30 days but not more than 60 days	10.52	-	10.52
Past due more than 60 days but not more than 90 days	6.36	-	6.36
Past due more than 90 days but not more than 120 days	7.43	-	7.43
Past due more than 120 days	5,161.38	3,961.44	1,199.94
Total	**9,104.60**	**3,961.44**	**5,143.16**

(₹ in Millions as at March 31, 2016)

Particulars	Gross amount	Impairment	Carrying Value
Not past due	2,320.96	-	2,320.96
Past due less than 30 days	0.18	-	0.18
Past due more than 30 days but not more than 60 days	1.21	-	1.21
Past due more than 60 days but not more than 90 days	2.44	-	2.44
Past due more than 90 days but not more than 120 days	492.66	112.84	379.82
Past due more than 120 days	9,448.75	3,844.47	5,604.28
Total	**12,266.19**	**3,957.30**	**8,308.89**

(₹ in Millions as at April 1, 2015)

Particulars	Gross amount	Impairment	Carrying Value
Not past due	2,854.05	-	2,854.05
Past due less than 30 days	294.10	-	294.10
Past due more than 30 days but not more than 60 days	0.34	-	0.34
Past due more than 60 days but not more than 90 days	0.01	-	0.01
Past due more than 90 days but not more than 120 days	3.32	-	3.32
Past due more than 120 days	31,170.30	3,958.43	27,211.87
Total	**34,322.13**	**3,958.43**	**30,363.69**

Trade receivables are generally considered credit impaired after three years past due (except government dues), unless the amount is considered receivable, when recoverability is considered doubtful based on the recovery analysis performed by the company for individual trade receivables. The company considers that all the above financial assets that are not impaired and past due for each reporting dates under review are of good credit quality.

With regard to trade receivable on certain transactions, the company has equivalent trade payables to associate suppliers which are payable on realization of trade receivables. Such trade receivables are considered not impaired though past due.

Other financial assets

Credit risk relating to cash and cash equivalents is considered negligible because our counterparties are banks. We consider the credit quality of term deposits with scheduled banks which are subject to the regulatory oversight of the Reserve Bank of India to be good, and we review these banking relationships on an ongoing basis. Credit risk related to employee loans are considered negligible since major loans like house building loans, vehicle loans etc are secured against the property for which loan is granted to the employees. The other employee loans are covered under personal guarantee of concerned employees along with surety bonds of other serving employees. There are no impairment provisions as at each reporting date against these financial assets. We consider all the above financial assets as at the reporting dates to be of good credit quality.

c) **Liquidity Risk**

Our liquidity needs are monitored on the basis of monthly and yearly projections. The company's principal sources of liquidity are cash and cash equivalents, cash generated from operations and availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

Due to the dynamic nature of underlying businesses, the company maintains flexibility in funding by maintaining availability under committed credit lines.

Short term liquidity requirements consists mainly of sundry creditors, expense payable, employee dues arising during the normal course of business as of each reporting date. The company maintains sufficient balance in cash and cash equivalents to meet short term liquidity requirements.

The company assesses long term liquidity requirements on a periodical basis and manages them through internal accruals and committed credit lines.

The table below provides details regarding the contractual maturities of non-derivative financial liabilities. The table has been drawn up based on the undisclosed cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The table includes both principal & interest cash flows.

(₹ in Millions as at March 31, 2017)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Trade Payables	6889.42	-	-	-	-	**6889.42**
Short term borrowings	4401.80	-	-	-	-	**4401.80**
Other Financial Liabilities	1872.68	-	-	-	-	**1872.68**
Total	**13163.90**	-	-	-	-	**13163.90**

(₹ in Millions as at March 31, 2016)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Trade Payables	9294.25	-	-	-	-	**9294.25**
Short term borrowings	2718.16	-	-	-	-	**2718.16**
Other Financial Liabilities	3506.49	-	-	-	-	**3506.49**
Total	**15518.91**	-	-	-	-	**15518.91**

(₹ in Millions as at April 1, 2015)

Particulars	Less than 6 months	6 months to 1 year	1-3 years	3-5 years	More than 5 years	Total
Trade Payables	31732.62	-	-	-	-	**31732.62**
Short term borrowings	2866.49	-	-	-	-	**2866.49**
Other Financial Liabilities	3112.45	-	-	-	-	**3112.45**
Total	**37711.56**	-	-	-	-	**37711.56**

40. **Impact of Hedging Activities**

40.1 **Cash Flow Hedge**

As at 31st March 2017 there was no outstanding Hedging Instrument on account of the company.

40.2 **Fair Value Hedge**

As per the Risk Management Policy, the company enters into forward contracts with commodity exchanges to hedge against price fluctuations in gold and silver inventories. The gain or loss on the hedging instrument is recognized in profit or loss. The hedging gain or loss on the hedged item adjusts the carrying amount of the hedged item and is recognised in profit or loss.

a. *Disclosure of effects of hedge accounting on financial position for hedging instruments:*

(₹ in Millions as at March 31, 2017)

Type of Hedge and risk	**Carrying amount of hedging instrument**		**Change in fair value of hedging instrument used as the basis for recognizing hedge ineffectiveness for the period**	**Nominal amounts of the hedging instruments**	
	Assets	Liabilities		Quantity (Kg)	Value
Fair Value hedge					
Price Risk					
Forward contract to sell gold				414	1187.13

b. *Disclosure of effects of hedge accounting on financial position for hedged items*:

(₹ in Millions as at March 31, 2017)

Type of Hedge and risk	**Carrying amount of hedged item**		**Accumulated amount of hedge adjustments on the hedged item included in the carrying amount of hedged item**	**Line item in the Balance Sheet in which the hedged item is included**	**Changes in value used as the basis for recognizing hedge ineffectiveness**	**Accumulated amount of hedge adjustments remaining in the balance sheet for any hedged items that have ceased to be adjusted for hedging gains and losses (para 6.5.10 of IndAS 109)**
Fair Value hedge						
Price Risk						
Inventory of gold	938.79	-	2.92	Inventories	-	-

The company did not designate hedge accounting prior to 1st April 2016. Hence the figures as at 31st March 2016 and 1st April 2015 are NIL.

41. **Disclosure in respect of Indian Accounting Standard (Ind AS)-36 "Impairment of assets"**

During the year, the company assessed the impairment loss of assets and accordingly provision towards impairment in the value of PPE amounting to ₹ 3.76 million has been made during the year.

42. **Disclosure in respect of Indian Accounting Standard (Ind AS)-19 "Employee Benefits"**

42.1 General description of various employee's benefits schemes are as under:

a) Gratuity:

Gratuity is paid to all employees on retirement/separation based on the number of years of service. The scheme is funded by the Company and is managed by a separate Trust through LIC. In case of MICA division employees the scheme is managed directly by the company through LIC. The scheme is funded by the company and the liability is recognized on the basis of contribution payable to the insurer, i.e., the Life Insurance Corporation of India, however, the disclosure of information as required under Ind AS-19 have been made in accordance with the actuarial valuation.

As per Actuarial Valuation company's best estimates for FY 2016-17 towards the Gratuity Fund Contribution is ₹ 4.28 million (including actuarial deficit of ₹ NIL Millions for 2015-16). However, the company is making contribution to the fund as per the demand made by Life Insurance Corporation of India.

b) Leave:

Payable on separation to eligible employees who have accumulated earned and half pay leave. Encashment of accumulated earned leave is also allowed during service leaving a minimum balance of 15 days twice in a year.The liability on this account is recognized on the basis of actuarial valuation.

c) Long Service Benefits: Long Service Benefits payable to the employees are as under-

(i) **Service Award:**

Service Award amounting to ₹ 3,500/- for each completed year of service is payable to the employees on superannuation/voluntary retirement scheme.

(ii) **Compassionate Gratuity**

Compassionate Gratuity amounting to ₹ 50,000/- is payable in lump-sum to the dependants of the employee on death while in service.

(iii) **Employees' Family Benefit Scheme**

Payments under Employees' Family Benefit Scheme is payable to the dependants of the employee who dies in service till the notional date of superannuation. A monthly benefit @ 40% of Basic Pay & DA last drawn subject to a maximum of ₹ 12,000/- on rendering service of less than 20 years and similarly a monthly benefit @ 50% of Basic Pay & DA last drawn subject to maximum ₹ 12,000/- on rendering service of 20 years or more at the time of death.

(iv) **Special Benefit to MICA Division employees** amounting to ₹ 5,00,000/- (Officer), ₹ 4,00,000/- (Staff) and ₹ 3,00,000/- (Worker) upon retirement

The summarized position of various defined benefits recognized in the Statement of Profit & Loss, Other Comprehensive Income (OCI) and Balance Sheet & other disclosures are as under:

Net defined benefit obligation

(₹ in Millions)

Particulars		Gratuity	Earned Leave	Sick Leave	Long Service Award	Special Benefit	Compas-sionate Gratuity	Employee Family Benefit
		(Funded)	(Non-Funded)	(Non-Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)
Defined Benefit Obligation	**C.Y.**	697.47	231.54	231.61	72.58	29.56	1.85	52.52
	P.Y.	751.77	215.27	229.71	76.00	23.95	2.01	56.63
Fair Value of Plan Assets	**C.Y.**	708.33	-	-	-	-	-	-
	P.Y.	758.33	-	-	-	-	-	-
Funded Status [Surplus/(Deficit)]	**C.Y.**		-	-	-	-	-	-
	P.Y.		-	-	-	-	-	-
Effect of asset ceiling	**C.Y.**		-	-	-	-	-	-
	P.Y.		-	-	-	-	-	-
Net Defined Benefit Assets/(Liabilities)	**C.Y.**	10.86	(231.54)	(231.61)	(72.58)	(29.56)	(1.85)	(52.52)
	P.Y.	6.57	(215.27)	(229.71)	(76.00)	(23.95)	(2.01)	(56.63)

Movement in defined benefit obligation

(₹ in Millions)

Particulars		Gratuity	Earned Leave	Sick Leave	Long Service Award	Special Benefit	Compassionate Gratuity	Employee Family Benefit
		(Funded)	(Non-Funded)	(Non-Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)
Defined benefit obligation - Beginning of the year	**C.Y.**	751.77	215.27	229.71	76.00	23.95	2.01	56.63
	P.Y.	782.71	277.00	227.11	56.03	-	2.19	58.48
Current service cost	**C.Y.**	4.81	9.52	8.63	2.48	0.94		
	P.Y.	6.33	8.89	8.67	4.28	0.78		
Past Service Cost	P.Y.				17.44	45.14		
Interest Cost	**C.Y.**	60.14	17.22	18.38	6.08	1.92		
	P.Y.	62.62	22.16	18.17	4.48	-		
Benefits Paid	**C.Y.**	(111.40)	(70.76)	(22.73)	(12.11)	-		
	P.Y.	(91.46)	(149.74)	(17.40)	(6.65)	(21.97)		
Re-measurements - actuarial loss/(gain)	**C.Y.**	(7.85)	60.28	(2.38)	0.14	2.75	(0.16)	(4.12)
	P.Y.	(8.43)	56.95	(6.84)	0.42	-	(0.18)	(1.84)
Defined benefit obligation – End of the year	**C.Y.**	697.47	231.54	231.61	72.58	29.56	1.85	52.52
	P.Y.	751.77	215.27	229.71	76.00	23.95	2.01	56.63

Movement in plan asset

(₹ in Millions)

Particulars	Gratuity (Funded)	
	31.03.2017	**31.03.2016**
Fair value of plan assets at beginning of year	758.33	785.68
Interest income	60.67	62.85
Employer contributions	2.85	1.28
Benefits paid	(111.40)	(91.46)
Re-measurements - Actuarial (loss)/ gain	(2.12)	(0.02)
Fair value of plan assets at end of year	708.33	758.33

Amount Recognized in Statement of Profit and Loss

(₹ in Millions)

Particulars		Gratuity	Earned Leave	Sick Leave	Long Service Award	Special Benefit	Compassionate Gratuity	Employee Family Benefit
		(Funded)	(Non-Funded)	(Non-Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)
Current service cost	**C.Y.**	4.81	9.52	8.63	2.48	0.94		
	P.Y.	6.33	8.89	8.67	4.28	0.78		
Past Service Cost – Plan Amendment	**C.Y.**				-			
	P.Y.				17.44	45.14		
Service Cost (A)	**C.Y.**	4.81	9.52	8.63	2.48	0.94		
	P.Y.	6.33	8.89	8.67	21.71	45.92		
Net Interest on Net Defined Benefit Liability/(assets) (B)	**C.Y.**	(0.53)	17.22	18.38	6.08			
	P.Y.	(0.24)	22.16	18.17	4.48			
Net actuarial (gain) / loss recognized in the period	**C.Y.**		60.28	(2.38)	-		-0.16	-4.12
	P.Y.		56.95	(6.84)	-		-0.18	-1.84
Cost Recognized in P&L (A+B)	**C.Y.**	4.28	87.03	24.63	8.55	0.94	-0.16	-4.12
	P.Y.	6.09	88.01	20.00	26.20	45.92	-0.18	-1.84

Amount recognized in Other Comprehensive Income (OCI)

(₹ in Millions)

Particulars		Gratuity	Earned Leave	Sick Leave	Long Service Award	Special Benefit	Compas-sionate Gratuity	Employee Family Benefit
		(Funded)	(Non-Funded)	(Non-Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)
Actuarial gain/(loss) due to DBO Experience	**C.Y.**	7.85			(0.51)	-		
	P.Y.	8.43	-	-	(0.09)	-	-	-
Actuarial gain/(loss) due to assumption changes	**C.Y.**	(2.12)	-	-	(0.14)	(2.75)	-	-
	P.Y.	(0.02)	-	-	(0.42)	-	-	-
Actuarial gain/(loss) arising during the period (A)	**C.Y.**	5.72	-	-	(0.65)	(2.75)	-	-
	P.Y.	8.41	-	-	(0.51)	-	-	-
Return on Plan assets (greater)/less than discount rate (B)	**C.Y.**		-	-	-	-	-	-
	P.Y.		-	-	-	-	-	-
Actuarial gain/(loss) recognized in OCI (A+B)	**C.Y.**	5.72	-	-	(0.65)	(2.75)	-	-
	P.Y.	8.41	-	-	(0.51)	-	-	-

Sensitivity Analysis

(₹ in Millions as at March 31, 2017)

Assumption	Change in Assump-tion	Gratuity	Earned Leave	Sick Leave	Long Service Benefits	Special Benefit	Compas-sionate Gratuity	Employee Family Benefit
		(Funded)	(Non-Funded)	(Non-Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)
Discount rate	0.50%	(15.69)	(5.82)	(5.26)	(1.44)	0.56		
	-0.50%	16.45	6.15	5.51	1.50	(0.58)		
Salary growth rate	0.50%	2.34	6.21	5.57	-	-		
	-0.50%	(2.58)	(5.93)	(5.36)	-	-		

(₹ in Millions as at March 31, 2016)

Assumption	Change in Assump-tion	Gratuity	Earned Leave	Sick Leave	Long Service Benefits	Special Benefit	Compas-sionate Gratuity	Employee Family Benefit
		(Funded)	(Non-Funded)	(Non-Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)
Discount rate	0.50%	(16.65)			(1.54)	-	-	-
	-0.50%	17.45			1.60	-	-	-
Salary growth rate	1.00%	2.80	-		-	-	-	-
	-1.00%	(3.02)	-		-	-	-	-

Actuarial Assumption

Particulars		Gratuity	Earned Leave	Sick Leave	Long Service Benefits	Special Benefit	Compas-sionate Gratuity	Employee Family Benefit
		(Funded)	(Non-Funded)	(Non-Funded)	(Non Fund-ed)	(Non Fund-ed)	(Non Fund-ed)	(Non Fund-ed)
Method used	**C.Y.**	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit
	P.Y.	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit
Discount rate	**C.Y.**	7.54%	7.54%	7.54%	7.54%	7.54%	7.54%	7.54%
	P.Y.	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
Rate of salary increase	**C.Y.**	6.00%	6.00%	6.00%	-	-	-	-
	P.Y.	6.00%	6.00%	6.00%	-	-	-	-
Mortality rate	**C.Y.**	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)
	P.Y.	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)

Expected Benefit Payments

(₹ in Millions)

Year of payment	Gratuity	Earned Leave	Sick Leave	Long Service Benefits	Special Benefit	Compassionate Gratuity	Employee Family Benefit
	(Funded)	(Non-Funded)	(Non-Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)
April 2017- March 2018	102.74	32.89	37.85	12.66	5.19	-	-
April 2018- March 2019	94.39	37.07	40.83	13.66	5.37	-	-
April 2019- March 2020	82.65	27.37	25.61	8.73	3.68	-	-
April 2020- March 2021	70.91	24.49	19.07	7.93	2.31	-	-
April 2021- March 2022	67.20	22.82	22.36	6.37	3.27	-	-
April 2022- March 2023	57.50	17.97	20.33	5.33	3.00	-	-
April 2023 onwards	222.07	68.93	65.56	17.90	6.73	-	-

Category of investment in Plan assets

Category of Investment	% of fair value of plan assets
Insured benefits	100%

d) **Provident Fund:** The Company's contribution paid/payable during the year to Provident Fund and the liability is recognized on accrual basis. The Company's Provident Fund Trust is exempted under Section 17 of Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The conditions for grant of exemptions stipulate that the employer shall make good deficiency, if any, in the interest rate declared by the Trusts vis-à-vis statutory rate. The company does not anticipate any further obligations in the near foreseeable future having regard to the assets of the funds and return on investment.

e) **Pension Scheme** – During the year, the Company has recognized ₹ 80.45 million (P.Y. ₹ 83.38 million) towards Defined Contribution Superannuation Pension Scheme in the Statement of Profit & Loss.

f) **Post-Retirement Medical Benefit:** Available to retired employees at empanelled hospitals for inpatient treatment and also for OPD treatment under 'Defined Contribution Scheme' as under:

a. The liability for the year 2016-17 has been calculated at the rate of 1.50% of PBT for the retirees prior to 1.1.2007 and @ 4.50% of Basic+DA in respect of serving employees as per the defined contribution scheme.

b. Pending creation of trust for management of fund, the contribution for the current year along with the liability as on 31.3.2016 has been shown as company's obligation as on 31.3.2017 under 'Defined Contribution Scheme' and additional contribution @ 8.50% has been added during the year in the present value of obligation being one year closer to settlement.

c. During the year, total expenses of ₹ 171.23 million (P.Y. ₹ 139.78 million) has been charged to Profit & Loss Account.

43. **Disclosure in respect of Indian Accounting standard (Ind AS)-108: "Operating Segments"**

Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the company's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented for each business segment. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual business segments, and are as set out in the significant accounting policies. Business segments of the company are:-Precious Metals, Metals, Minerals, Coal & Hydrocarbon, Agro Products, Fertilizer and Others

Segment Revenue and Expense

Details regarding revenue and expenses attributable to each segment must be disclosed

Segment assets include all operating assets in respective segments comprising of net fixed assets and current assets, loans and advances etc. Assets relating to corporate and construction are included in unallocated segments. Segment liabilities include liabilities and provisions directly attributable to respective segment.

Segment revenues and results

(₹ in Millions as at March 31, 2017)

Particulars	Precious Metals	Metals	Minerals	Coal & Hydro-Carbon	Agro Products	Fertilizers	Others	Total
Segment Revenue from External Customers								
Within India	60473.30	4508.76	145.65	6352.16	2089.56	26523.11	40.30	100132.83
Outside India	1.51	2415.80	12727.99	0.00	0.00	211.00	445.14	15801.44
Inter-Segment Revenue								
Total Segment Revenue	60474.81	6924.56	12873.64	6352.16	2089.56	26734.11	485.44	115934.28
Segment Results								
Within India	491.23	965.78	6.55	220.33	46.26	31.03	4.62	1765.79
Outside India	0.03	73.79	352.63	0.00	0.00	0.00	13.18	439.63
Total segmental results	491.26	1039.56	359.18	220.33	46.26	31.03	17.79	2205.42
Unallocated Corporate expenses:								
Interest expenses (net)								(88.24)
Other unallocated expenses net of other income								1481.34
Profit before tax from ordinary activities								812.32

(₹ in Millions as at March 31, 2016)

Particulars	Precious Metals	Metals	Minerals	Coal & Hydro-Carbon	Agro Products	Fertilizers	Others	Total
Segment Revenue from External Customers								
Within India	70505.50	3279.98	340.07	11230.09	3565.12	28843.96	115.96	117880.69
Outside India	0.00	2301.03	4424.69	0.00	0.00	0.00	0.00	6725.72
Inter-Segment Revenue								
Total Segment Revenue	70505.50	5581.00	4764.76	11230.09	3565.12	28843.96	115.96	124606.40
Segment Results								
Within India	233.86	859.60	(12.80)	216.93	256.58	70.43	81.01	1705.61
Outside India	0.00	69.63	115.21	0.00	0.00	0.00	0.00	184.84
Total segmental results	233.86	929.23	102.41	216.93	256.58	70.43	81.01	1890.44
Unallocated Corporate expenses:								
Interest expenses (net)								(50.63)
Other unallocated expenses net of other income								1361.94
Profit before tax from ordinary activities								579.14

Segment assets and liabilities

(₹ in Millions as at March 31, 2017)

Particulars	Precious Metals	Metals	Minerals	Coal & Hydro-Carbon	Agro Products	Fertilizers	Others	Total
A.01 **Segment Assets :**								
Assets	6383.78	11219.90	2247.20	3960.19	20227.06	250.31	4851.65	49140.09
Unallocated assets								11642.80
Total Assets								60782.89
A.02 **Segment Liabilities :**								
Liabilities	4848.52	1060.05	1670.05	6521.09	22870.09	681.93	916.24	38567.96
Unallocated liabilities								7874.16
Total Liabilities								46442.12

(₹ in Millions as at March 31, 2016)

Particulars	Precious Metals	Metals	Minerals	Coal & Hydro-Carbon	Agro Products	Fertilizers	Others	Total
A.01 **Segment Assets :**								
Assets	5095.89	7951.81	1162.65	9529.36	4551.43	3315.73	705.28	32312.14
Unallocated assets								5680.08
Total Assets								37992.22
A.02 **Segment Liabilities :**								
Liabilities	4095.35	766.04	1017.19	7180.92	1374.01	1090.51	262.73	15786.76
Unallocated liabilities								8084.18
Total Liabilities								23870.94

Information about major customers

The revenues from transactions with a single external customer amounting to 10 per cent or more of the entity's revenues are given below:-

(₹ in Millions)

Major Customer (customer having more than 10% revenue)	2016-17	2015-16
Total Revenue	23913.01	25304.92
No. of customers	1	1
% of Total Revenue	20.63%	20.31%
Product Segment	Fertilizers	Fertilizers

44. **Disclosure in respect of Indian Accounting Standard 24 "Related Parties Disclosures"**

44.1 **Disclosures for Other than Govt. Related Entities**

a. **List of key management personnel**

Name	Designation
i. Shri Ved Prakash	Chairman and Managing Director- (Managing Director)
ii. Shri Rajeev Jaideva	Director (upto 31.12.2016)
iii. Shri M.G. Gupta	Director- (Chief Financial Officer)(upto 8.12.2016)
iv. Shri Anand Trivedi	Director (Upto 6.12.2016 and under suspension w.e.f.6.12.2016)
v. Shri P.K.Jain	Director
vi. Shri Ashwani Sondhi	Director
vii. Shri T K Sengupta	Director (w.e.f 02.01.2017)

b. **Subsidiary**

MMTC Transnational Pte. Ltd., Singapore

c. **Joint Venture:-**

i. Neelachal Ispat Nigam Ltd
ii. Free Trade Warehousing Pvt. Ltd.
iii. MMTC Pamp India Pvt. Ltd.
iv. MMTC Gitanjali Ltd.
v. Sical Iron Ore Terminal Ltd.
vi. TM Mining Co. Ltd.

d. Government and its related entities

i. Government of India - holds 89.93% equity shares of the Company and has control over the company.
ii. Central Public Sector Enterprises in which Government of India has control.

e. Post-Employment Benefit Plan

i. MMTC Limited CPF Trust
ii. MMTC Limited Gratuity Trust
iii. MMTC Limited Employees' Defined Contribution Superannuation Trust

f. **Compensation of key management personnel**

(₹ in Millions)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Short-term benefits	16.64	16.04
Post-employment benefits	3.44	3.25
Other long-term benefits	-	-
Share-based payments	-	-
Termination benefits	-	-
Total	20.08	19.29
Recovery of Loans & Advances during the year	0.10	0.11
Advances released during the year		-
Closing Balance of Loans & Advances as on 31.03.2017	0.25	0.35

g. **Transactions with Related Parties**

(₹ in Millions)

Particulars	MMTC Gitanjali Limited		MMTC PAMP India Private Limited		Sical Iron Ore Terminal Limited		Indian Commodity Exchange Limited		MTPL		Neelachal Ispat Nigam Limited		Free Trade Ware-housing Pvt. Ltd.		Others	
	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16
Sale of goods and services	-	-	-	-	-	-	-	-	0.83	1206.96	6302.72	4833.53	-	-	-	-
Purchase of raw material/goods and services	15.48	9.21	8688.57	5609.42	-	-	-	-	6503.21	4205.02	5308.16	4399.43	-	-	-	-
Payments on behalf of company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	418.92	427.42
Other transactions	2.00	2.19	0.95	0.84	-	-	0.24	-	-	0.08	-	-	-	-	375.69	203.24

h. **Outstanding balances arising from sale/purchase of goods/services**

(₹ in Millions)

	MMTC Gitanjali Limited			MMTC PAMP India Private Limited			Sical Iron Ore Terminal Limited			Indian Commodity Exchange Limited			MTPL			Neelachal Ispat Nigam Limited			Free Trade Ware-housing Pvt. Ltd.		
	2017	2016	2015	2017	2016	2015	2017	2016	2015	2017	2016	2015	2017	2016	2015	2017	2016	2015	2017	2016	2015
Trade Payables	0.19	-	2.72	0.05	0.10	0.05	-	-	-	-	-	-	5.11	-	-	-	-	-	-	-	-
Trade receivables	-	-	-	-	-	-	-	-	-	-	-	-	4.45	-	-	2309.96	1417.04	1478.45	-	-	-
Other Payables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.02	-	-	-	-	-
Other Receivables	-	-	-	-	-	-	-	-	-	0.03	-	-	10.65	4.65	3.94	-	-	-	-	-	-

i. **Loans to Joint Ventures**

(₹ in Millions)

Particulars	MMTC Gitanjali Limited		MMTC PAMP India Private Limited		Sical Iron Ore Terminal Limited		Indian Commodity Exchange Limited		MTPL		Neelachal Ispat Nigam Limited		Free Trade Ware-housing Pvt. Ltd.	
	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16
Loans at beginning of the year	-	-	-	-	-	-	-	-	-	-	1300.00	1300.00	-	-
Loan advanced	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repayment received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest charged	-	-	-	-	-	-	-	-	-	-	154.03	163.14	-	-
Interest received	-	-	-	-	-	-	-	-	-	-	154.03	163.14	-	-
Balance at end of the year including interest	-	-	-	-	-	-	-	-	-	-	1300.00	1300.00	-	-

j. **Advances to Joint Ventures**

(₹ in million)

Particulars	MMTC Gitanjali Limited		MMTC PAMP India Private Limited		Sical Iron Ore Terminal Limited		Indian Commodity Exchange Limited		MTPL		Neelachal Ispat Nigam Limited		Free Trade Ware-housing Pvt. Ltd.		Haldia Free Trade Warehousing Pvt Ltd		Kandla Free Trade Warehousing Pvt Ltd	
	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16
Advances given	-	-	-	-	-	-	-	-	-	-	9,664.89	6,566.44	48.68	48.68	-	218.65	-	23.77

k. As per Ind AS 112 ‘Disclosure of interest in other entities ‘, the company’s share of ownership interest, assets, liabilities, income, expenses, contingent liabilities and capital commitments in the joint venture companies, all incorporated in India are given below:

(₹ in Millions)

Name of the Joint Venture Company	% of Company’s ownership Interest	Country of Incorporation	Assets	Liabilities	Income	Expenditure	Cont. Liabilities	Capital Commitments
1. Free Trade Warehousing Pvt. Ltd.*		India	343.23	73.39	2.16	17.56	-	-
2. MMTC Pamp India Pvt. Ltd.	26	India	1535.99	857.77	63584.94	63237.63	15.46	39.12
3. Sical Iron Ore Terminal Ltd.	26	India	1966.07	1623.38	-	-	-	-
4. MMTC Gitanjali Ltd.	26	India	89.71	71.48	69.24	70.23	1.70	-
5. TM Mining Company Ltd.	26	India	0.01	0.09	-	-	-	-
6. Neelanchal Ispat Nigam Limited	49.78	India	18545.9	19417.74	6411.91	9097.44	1455.14	624.22

*The Company has already released advance against equity towards 50% shares & ownership interest considered 50%

l. Loans to KMP

(₹ in Millions)

Particulars	Mar-17	Mar-16
Loans at beginning of the year	0.35	4.51
Loan advanced	-	-
Repayment received	0.01	0.04
Interest charged	0.00	0.01
Interest received	0.09	0.07
Balance at end of the year including interest	0.25	0.35

m. Loans to related parties are for short term & to KMP are in the nature of welfare advances. Interest is charged basis market rates from time to time.

n. Disclosure for transactions entered with Govt. and Govt. Entities

(₹ in Millions)

S. No.	NAME OF GOVT/ GOVT ENTITIES	NATURE OF RELATIONSHIP WITH THE COMPANY	NATURE OF TRANSACTIONS	VALUE (₹)	OUTSTANDING BALANCE	
					RECEIVABLE	PAYABLES
1	Deptt. Of Fertilizer GOI	Majority Owner	Sale of Goods	23913.01	123.58	
2	Other Departments of Govt of India	Majority Owner	Purchase/sale of goods	643.73	16.35	0.09
3	CPSEs	Related through GOI	Purchase/sale of goods	4798.99	508.59	903.68

45. **Disclosure in respect of Indian Accounting standard (Ind AS) 17 "Leases"**

45.1 As lessee

a) Finance leases : The company does not have any finance lease arrangement during the period.

b) Operating lease

- **Future minimum lease payments under non-cancellable operating leases**

(₹ in Millions)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Not later than 1 year	42.93	42.31
Later than 1 year and not later than 5 years	205.36	197.32
Later than 5 years	298.06	348.74

- **Payments recognised as an expense**

(₹ in Millions)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Minimum lease payments	70.56	68.88
Contingent rentals	-	-
Sub-lease payments received	-	-

45.2 As a lessor

a) Finance leases: The company does not have any finance lease arrangement during the period.

b) Operating leases

- **Future minimum lease receivables under non-cancellable operating lease**

(₹ in Millions)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Not later than 1 year	69.17	53.17
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-

46. Disclosure in respect of Indian Accounting Standard (Ind AS)-33 "Earnings Per Share(EPS)"

a) Basic & Diluted EPS

The earnings and weighted average number of ordinary shares used in the calculation of basic & diluted EPS and Basic EPS is as follows:

(₹ in Millions)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit (loss) for the year, attributable to the owners of the company	**570.59**	548.93
Weighted average number of ordinary shares for the purpose of basic earnings per share	**1,000,000,000**	1,000,000,000
Basic & Diluted EPS	**0.57**	0.55

47. Disclosure in respect of Indian Accounting Standard (Ind AS)-37 "Provisions, Contingent Liabilities and Contingent Assets"

(₹ in Millions)

Particulars of Provision	Opening Balance as on 01.04.16	Adjustment during year	Addition	Closing Balance as on 31.03.17
		during year		
Destinational Weight & Analysis Risk	0.47	0.47	0.66	0.66
Bonus/PRP	101.52	39.16	65.82	128.18
Provision for Litigation Settlements	382.21	-	32.40	414.62

48. There are no micro, small or medium enterprises to whom the Company owes dues as at 31st March, 2017 to the extent information available with the company.

49. Letters have been issued to parties for confirmation of balances with the request to confirm or send comment by the stipulated date failing which balance as indicated in the letter would be taken as confirmed. Confirmation letters have not been received in a few cases. However, no adverse communication received from any party.

50. Whole time Directors are allowed usage of staff cars for private use up to 1,000 km per month on payment of ₹ 2000 per month in accordance with guidelines issued by Department of Public Enterprise (GOI).

51. Accounting policies and notes attached form an integral part of the financial statements.

52. During the year, the company has specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 30, 2017. The details of Specified Bank Notes (SBN) held and transacted during the period from Nov 8, 2016 to Dec 30, 2016 the denomination wise SBNs and other notes as per notification is given below:

(₹ in Millions)

	SBNs	Other denominations notes	Total
Closing cash in hand as on 08-11-2016	3.20	0.05	**3.24**
(+) Permitted receipts	0.06	8.28	**8.35**
(-) Permitted payment	-	-	**-**
(-) Amount deposited in Banks	3.26	8.24	**11.50**
Closing cash in hand as on 30-12-2016	-	0.09	**0.09**

For the purposes of this clause, the term „Specified Bank Notes" shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016."

53. Approval of financial statements

The financial statements were approved by the board of directors and authorised for issue on 29.05.2017

54. Transition from IGAAP to IND AS

These financial statements, for the year ended March 31st, 2017, are first financial statements prepared by the Company in accordance with Ind AS. For years upto and including the year ended March 31st, 2016, the company prepared its financial statements in accordance with IGAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended).

Accordingly, the company has prepared Ind AS compliant financial statements for year ending on March 31st, 2017. In preparing these financial statements, the company has prepared opening Ind AS balance sheet as at 1st April, 2015 the company's date of transition to Ind-AS in accordance with requirement of Ind AS 101, "First time Adoption of Indian Accounting Standards". The principal adjustments made by the company in restating its IGAAP financial statements, including the balance sheet as at 1st April, 2015 and the financial statements as at and for the year ended 31st March 2016 are quantified and explained in detail as Appendix. However the basic approach adopted is again summarized hereunder:

i) All assets and liabilities have been classified into financial assets/liabilities and non-financial assets/liabilities.

ii) All non-current financial assets/liabilities at below market rate of interest or zero interest and outstanding as on 1st April, 2015 have been measured at fair value.

iii) In accordance with Ind AS 101, the resulting adjustments are considered as arising from events and transactions entered before date of transition and recognized directly in the retained earnings at the date of transition to Ind AS.

iv) The estimates as at 1st April 2015 and at 31st March 2016 are consistent with those made for the same dates in accordance with IGAAP (after adjustments to reflect any differences in accounting policies).

v) Ind AS 101 also allows to first time adopter certain exemptions from the retrospective application of certain requirements under Ind AS. Accordingly, the company has availed the following exemptions/mandatory exceptions as per Ind AS 101:

a) **Deemed Cost for Property, Plant & Equipment and Intangible Assets:** The company has availed exemption under para D7AA of appendix D to Ind AS 101 which permits a first time adopter to continue with the carrying values for its PPE as at date of transition to Ind ASs measured as per previous GAAP.

b) **Classification & Fair value measurement of financial assets or financial liabilities at initial recognition:** The financial assets and financial liabilities have been classified on the basis of facts existing as at the date of transition to Ind AS. In addition, the exemption permits prospective application of requirements of Ind AS 109 to transactions entered into on or after date of transition.

c) **Impairment of financial assets**: The company has availed exemption under para B8D of appendix B which permits the first time adopter to apply the impairment requirement of Ind AS 101 prospectively.

As per our report of even date attached

For O P Tulsyan & Co.
Chartered Accountants
F.R. No.:500028N

(CA. Rakesh Agarwal)
Partner
M. No. 081808

Date: 29.05.2017
Place: New Delhi

For and on behalf of Board of Directors

(G. Anandanarayanan)
Company Secretary
ACS-13691

(Vijay Pal)
Executive Director (F)

(P K Jain)
Director
DIN: 6594855

(Ved Prakash)
Chairman and Managing Director
DIN: 02988628

Appendix to Note on transition from previous GAAP to IND-AS

A. **Reconciliation between previous GAAP and IndAS**

i. Reconciliaiton of Statement of Equity as on Previuosly Reported IGAAP and Ind-AS as at 1 April 2015

Particulars	Note to transition to IND-AS	Previous GAAP*	Adjustments	Ind AS
ASSETS				
Non-current assets				
Property, Plant and Equipment	4	568.64	(11.01)	557.63
Capital work-in-progress	5	0.05	-	0.05
Investment Property	6	44.44	-	44.44
Other intangible assets	7	1.47	-	1.47
Financial Assets				
Investments	8A	4,420.26	-	4,420.26
Trade Receivables	9A	68.37	-	68.37
Loans	10	1,428.50	-	1,428.50
Others	11	645.79	-	645.79
Deferred tax Assets (net)	12	2,278.97	-	2,278.97
Other non-current Assets	13A	431.53	-	431.53
Current Assets				
Inventories	14	3,194.04	-	3,194.04
Financial Assets				
Investments	8B	-	-	-
Trade Receivables	9B	30,295.32	-	30,295.32
Cash & Cash Equivalents	15	1,321.29	-	1,321.29
Bank Balances other than above	16	316.32	-	316.32
Loans	10	68.83	-	68.83
Others	11	3,985.59	-	3,985.59
Current Tax Assets (net)	17	179.70	-	179.70
Other Current Assets	13B	10,259.89	(19.48)	10,240.41
Total		**59,508.99**	**(30.49)**	**59,478.50**
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	18A	1,000.00	-	1,000.00
Other Equity	18B	12,591.92	282.50	12,874.42
Liabilities				
Non-current liabilities				
Provisions	22A	1,771.24	-	1,771.24
Current liabilities				
Financial Liabilities				
Borrowings	19	2,866.49	-	2,866.49
Trade payables	20	31,732.62	-	31,732.62
Other Financial Liabilities	21	3,112.45	-	3,112.45
Provisions	22B	831.21	(300.89)	530.31
Current Tax Liabilities (net)	24	157.50	-	157.50
Other current liabilities	23	5,445.57	(12.10)	5,433.47
Total		**59,508.99**	**(30.49)**	**59,478.50**

*Previous GAAP figures have been reclassified to conform to presentation requirements under Ind-AS for the purposes of this note

ii. **Reconciliaiton of Statement of Equity as on Previuosly Reported IGAAP and Ind-AS as as 31 March 2016**

Particulars	Note to transition to IND-AS	Previous GAAP*	Adjustments	Ind AS
ASSETS				
Non-current assets				
Property, Plant and Equipment	4	551.67	(12.74)	538.93
Capital work-in-progress	5	7.50	-	7.50
Investment Property	6	47.74	(5.14)	42.60
Other intangible assets	7	28.02	-	28.02
Financial Assets				
Investments	8A	4,561.23	-	4,561.23
Trade Receivables	9A	89.74	-	89.74
Loans	10	1,421.90	-	1,421.90
Others	11	654.76	-	654.76
Deferred tax Assets (net)	12	2,306.97	-	2,306.97
Other non-current Assets	13A	509.30	-	509.30
Current Assets				
Inventories	14	4,015.09	-	4,015.09
Financial Assets				
Investments	8B	-	-	-
Trade Receivables	9B	8,219.14	-	8,219.14
Cash & Cash Equivalents	15	463.10	-	463.10
Bank Balances other than above	16	321.29	-	321.29
Loans	10	61.13	-	61.13
Others	11	3,282.59	8.25	3,290.83
Current Tax Assets (net)	17	86.12	(1.20)	84.92
Other Current Assets	13B	11,375.85	(0.10)	11,375.75
Total		**38,003.16**	**(10.94)**	**37,992.22**
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	18A	1,000.00	-	1,000.00
Other Equity	18B	12,779.39	341.89	13,121.28
Liabilities				
Non-current liabilities				
Provisions	22A	1,789.58	-	1,789.58
Current liabilities				
Financial Liabilities				
Borrowings	19	2,718.16	-	2,718.16
Trade payables	20	9,294.25	-	9,294.25
Other Financial Liabilities	21	3,506.49	-	3,506.49
Provisions	22B	1,040.65	(361.07)	679.58
Current Tax Liabilities (net)	24	61.00	-	61.00
Other current liabilities	23	5,813.64	8.25	5,821.88
Total		**38,003.16**	**(10.94)**	**37,992.22**

*Previous GAAP figures have been reclassified to conform to presentation requirements under Ind-AS for the purposes of this note

iii. **Reconciliation of Statement of Profit and Loss Account under previously reported IGAAP and Ind AS**

Particulars	Note to transition to Ind-AS	Previous GAAP*	Adjustments	Ind AS
Income				
Revenue From Operations	25	125,691.32	1.73	125,689.59
Other Income	26	870.69	-	870.69
Total Income (I)		**126,562.01**	**1.73**	**126,560.28**
Expenses				
Cost of material consumed	27	757.98	-	757.98
Purchase of Stock in Trade	28	115,976.64	-	115,976.64
Changes in inventories of finished goods, stock in trade and work in progress	29	(977.77)	-	(977.77)
Employees' Benefit Expenses	30	2,019.67	8.54	2,011.13
Finance Cost	31	298.99	-	298.99
Depreciation & Amortization Expenses	32	46.29	(11.68)	57.97
Other Expenses	33	8,515.11	5.23	8,509.88
Total expenses (II)		**126,636.90**	**2.09**	**126,634.81**
Profit/(loss) before exceptional items and tax (I-II)		(74.89)	0.36	(74.53)
Exceptional Items - expense/ (income)	34	(653.67)	-	(653.67)
Profit Before Tax		578.78	0.36	579.14
Tax Expenses	35			
- Current Tax		47.00	-	47.00
- Adjustments relating to prior periods		(2.80)		(2.80)
- Deferred Tax		(14.00)		(14.00)
Total Tax Expense		**30.20**		**30.20**
Profit for the year (A)		**548.58**	**0.36**	**548.93**
Other Comprehensive Income				
Items that will not be reclassified to profit or loss:				
-Remeasurements of the defined benefit plans		-	(8.54)	(8.54)
Net Other Comprehensive Income net of tax (B)		**-**	**(8.54)**	**(8.54)**
Total Comprehensive Income for the year (A)+(B)		**548.58**	**(8.18)**	**540.39**

*Previous GAAP figures have been reclassified to conform to presentation requirements under Ind-AS for the purposes of this note

iv. **Reconciliation of Total Equity as at March 31, 2016**

Particulars	As at March 31, 2016	As At March 31, 2015
Total Equity (Shareholders' fund) as per previous GAAP	13,779.39	13,591.92
Adjustments:		
Proposed Dividend	361.07	300.89
Deferred forward element of forward contracts	(0.10)	(7.38)
Depreciation on Investment Properties	(5.14)	(4.44)
Depreciation on componentisation of PPEs	(12.74)	(6.57)
Others	(1.20)	-
Total Adjustments	341.89	282.50
Total Equity as per Ind AS	14,121.28	13,874.42

v. **Reconciliation of Total comprehensive income for the year ended March 31, 2016**

Particulars	Year Ended March 31, 2016
Profit After Tax as per previous GAAP	548.55
Adjustments:	
Depreciation on Investment Properties	(0.70)
Depreciation on componentisation of PPEs	(10.98)
Remeasurement of post employment benefit obligations	8.54
Others	3.53
Total Adjustments	0.39
Profit after tax as per Ind AS	548.93
Other comprehensive income	(8.54)
Total comprehensive income as per Ind AS	540.39

vi. **Impact of Ind AS adoption on the statement of cash flows for the year ended March 31, 2016**

Particulars	Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities	(1,633.48)	677.21	(956.27)
Net cash flow from investing activities	1,529.22	(682.92)	846.30
Net cash flow from financing activities	(748.93)	0.72	(748.21)
Net increase / (decrease) in cash and cash equivalents	(853.20)	(4.99)	(858.18)
Cash and cash equivalents as at April 1, 2015	1,637.74		1,321.29
Cash and cash equivalents as at March 31, 2016	**784.54**	**(4.99)**	**463.10**

B. **Notes to transition from previous GAAP to IndAS**

Note 1: **Fair Value of Equity Investments:**

Under the previous GAAP, the investments in equity instruments were classified as long term investments. The long term investments were carried at cost less provision for other than temporary decline in the value of such investments. Under Ind AS, the equity investments (other than those in Joint Ventures, associates and subsidiary) are required to be measured at fair value. The company has classified these equity instruments as at fair value through other comprehensive income. The resulting fair value changes of these investments have been recognized in equity instruments through other comprehensive income reserve as at the date of transaction and subsequently in other comprehensive income for the year ended March 31st, 2016. This increased the total equity as at March 31st, 2016 by ₹ NIL (April 1, 2015 ₹ NIL) and other comprehensive income for the year ended March 31st, 2016 by ₹ NIL

Note 2: **Investment Property:**

Under Previous GAAP, Investment properties were presented as part of non-current investments and no depreciation was charged on the investment property. Under Ind AS, investment properties are required to be separately presented on the face of the Balance Sheet and depreciation is required to be charged based on the useful life of the property. The resulting additional depreciation on such property has been recognized in Retained Earnings as at the date of transition and subsequently in the profit or loss for the year ended 31st March, 2016. This decreased the Retained Earning by ₹ 5.14 million as at March 31st, 2016 and decreased by ₹ 4.44 million as at 01st April, 2015.

Note 3: **Property, Plant and Equipments**

a) During the year ended March 31st, 2016, payments relating to one of the PPE expenditure were wrongly classified and included in the statement of profit and loss. The same has been rectified by reversing the expenditure, recognizing PPE and applicable depreciation on the same. As a result, the carrying value of PPE has increased by ₹ 24.10 million and retained earnings has increased by ₹ 3.65 million as at March 31st, 2016. The profit for the year ended March 31st, 2016 has increased by ₹ 3.65 million

Note 4: **Proposed dividend:**

Under the previous GAAP, dividend proposed by the Board of Directors after the balance sheet date but before the approval of the financial statements was considered as adjusting events. Accordingly, provision for proposed dividend was recognized as a liability under provisions. Under Ind AS such dividends are recognized when the same is approved by the share holders in the general meeting. Accordingly, the liability for proposed of ₹ 361.09 million as at March 31st, 2016 (April 1st, 2015 ₹ 300.89 million) included under provisions has been reversed with corresponding adjustments to retained earnings. Consequently, the total equity increased by an equivalent amount.

Note 5: **Excise Duty:**

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under IndAS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is included under other expenses of the statement of profit and loss. This change has resulted in an increase in total revenue and there expenses for the year ended March 31st, 2016 by ₹ 1.73 million. There is no impact on the total equity and profit.

Note 6: **Remeasurements of Post-Employment Benefit Obligations:**

Under Ind AS, re-measurements i.e. actuarial gains or losses are recognized in other comprehensive income instead of profit or loss. Under the previous GAAP these re-measurements were forming part of the profit or loss for the year. As a result of this change the profit for the year ended March 31, 2016 increased by ₹ 8.54 million there is no impact on the total equity as at March 31st, 2016.

Note 7: **Retained Earnings:**

Retained earnings as at April 1st, 2015 and as at March 31, 2016 has been adjusted consequent to the above Ind AS transition adjustments.

Note 8: **Other Comprehensive Income:**

Under Ind AS, all items of income and expense recognized in a period should be included in the profit or loss of the period, unless a standard requires or permits otherwise. Items of income or expense that are not recognized under profit or loss but are shown in the statement of profit and loss as other comprehensive income include re-measurements of defined benefit plans, effective portion of gains and losses on cash flow hedging instruments and fair value gains or losses on equity instruments through other comprehensive income. The concept of other comprehensive income did not exist under previous GAAP.

MMTC LIMITED

India's Largest International Trading Company

एमएमटीसी लिमिटेड

भारत की प्रमुख अंतर्राष्ट्रीय व्यापारिक कंपनी

- **IMPORT OF METALS AND INDUSTRIAL RAW MATERIALS SUCH AS**:
  - Non Ferrous Metals: Copper, Aluminum, Zinc Ingots, Lead Ingots, Tin ingots, Nickel.
  - Minor Metals: Antimony, Silicon, Magnesium, Mercury.
  - Industrial Raw Materials, Noble Metals and Ferro Alloys.
- **AGRO PRODUCTS**
  - Import & Export of Wheat, Rice, Maize, Soyabean Meal, Sugar, Edible Oil, Pulses, etc.
- **IMPORT OF FERTILISERS**
  - Finished (Urea, DAP, MOP), Intermediate & raw materials (Sulphur, Rock Phosphate), Phosphoric Acid, Ammonia, etc.
- **IMPORT OF COAL & HYDROCARBON**
- **EXPORT OF MINERALS**
  - Iron Ore, Manganese Ore, Chrome Ore etc.
- **IMPORT OF PRECIOUS METALS**
  - Gold, Silver, Rough Diamonds etc.
  - Export of Gold and Studded Jewellery
- **INTEGRATED IRON AND STEEL PLANT**
  - Con cast Steel Billets, Pig Iron, etc.

- **धातु एवं औद्योगिक कच्चे माल का आयात जैसे:**
  - अलौह धातुएं : कॉपर, एल्यूमिनियम, जिंक इन्गटस, लैड इन्गटस, टिन इन्गटस, निकल
  - माइनर धातु : एंटीमोनी, सिलीकॉन, मैग्नेशियम, मर्करी
  - औद्योगिक कच्चा माल : नोबल मेटल्स व फेरो एलॉयस
- **एग्रो प्रोडक्टस**
  - गेहूं, चावल, मैज, सोयाबीन मील, चीनी, खाद्य तेल, दालों का आयात व निर्यात इत्यादि
- **उर्वरक का आयात**
  - तैयार (यूरिया, डीएपी, एमओपी), मध्यवर्ती तथा कच्चा माल(सल्फर, रॉक, फास्फेट) फासफोरिक एसिड, अमोनिया इत्यादि
- **कोल व हाइड्रोकार्बन का आयात**
- **खनिजों का निर्यात**
  - लौह अयस्क, मैगनीज अयस्क, क्रोम अयस्क इत्यादि
- **बहुमूल्य धातुओं का आयात**
  - गोल्ड, सिल्वर, कच्चे हीरे इत्यादि
  - गोल्ड व जड़ित आभूषणों का निर्यात
- **इंटीग्रेटिड आयरन व स्टील प्लांट**
  - कोनकास्ट स्टील बिल्लेटस, पिग आयरन इत्यादि

Retail Division

Gold & Silver Medallions, Gold and Studded Jewellery, Sanchi Sterling Silverware Items (Plain/Design, Dining Set/Tea Set, Pooja Items, Decorative Items, Corporate Gifts , Birthday/ wedding/ anniversary Gifts, etc.)

खुदरा प्रभाग

गोल्ड तथा सिल्वर मेडालियन, गोल्ड व जड़ित आभूषण, सांची स्टर्लिंग सिल्वर आर्टिकल्स (प्लेन/डिजाइन, डाइनिंग सैट/टी सैट, पूजा आइटम, सजावटी आइटम, कॉर्पोरेट उपहार, जन्मदिन/ शादी/ शादी की सालगिरह उपहार, इत्यादि)

CONTACT ADDRESS | संपर्क हेतु पता:

CORPORATE OFFICE **कारपोरेट कार्यालय**	Core-1, Scope Complex, 7 Institutional Area, Lodi Road, New Delhi: 110 003 Tel:011-24368426 Fax: 011-24366274 Website: www.mmtclimited.com E-mail:mmtc@mmtclimited.com	कोर-1, स्कोप काम्पलेक्स, 7 इंस्टीट्यूशनल एरिया, लोदी रोड, नई दिल्ली – 110003 वेबसाइट: www.mmtclimited.com ई मेल – mmtc@mmtclimited.com

MMTC TRANSNATIONAL PTE LTD

(Incorporated in Singapore. Registration Number: 199407265M)

Financial Statements

For the financial year ended 31st March, 2017

DIRECTORS' STATEMENT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

The Directors present their statement to the member together with the audited financial statements for the financial year ended 31 March 2017.

In the opinion of the Directors,

(a) the financial statements as set out on pages 6 to 27 are as drawn up so as to give a true and fair view of the financial position of the Company at 31 March 2017 and the financial performance, changes in equity and cash flows of the Company for the financial year covered by the financial statements; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The Directors in office at the date of this statement are as follows:

Ved Prakash
Tapas Kumar Sengupta (appointed on 2 January 2017)
Praveen Kumar Jain
Ashwani Sondhi
Rajender Prasad
Deepak Kumar Dua

Arrangements to enable Directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' interests in shares or debentures

According to the register of Directors' shareholdings, none of the Directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations.

Share options

There were no options granted during the financial year to subscribe for unissued shares of the Company.

No shares were issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

Independent auditor

The independent auditor, PricewaterhouseCoopers LLP, have expressed their willingness to accept re-appointment.

On behalf of the Directors

Rajender Prasad Director	**Deepak Kumar Dua** Director

27 April, 2017

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDER OF MMTC TRANSNATIONAL PTE LTD

Report on the Audit of the Financial Statements

Our opinion

In our opinion, the accompanying financial statements of MMTC Transnational Pte Ltd ("the Company") are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 ("the Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 March 2017 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

What we have audited

The financial statements of the Company comprise:

- the balance sheet as at 31 March 2017;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Price water house Coopers LLP
Public Accountants and Chartered Accountants, Singapore,
27 April, 2017

MMTC TRANSNATIONAL PTE LTD
STATEMENT OF COMPREHENSIVE INCOME
for the financial year ended 31st March, 2017

	Note	2017	2016
		US$	**US$**
Revenue	3	**113,169,928**	108,278,496
Other income – net	4	**1,012,530**	490,015
Net currency translation (loss)/gain		**(708)**	4,112
Expenses			
- Purchases for resale		**(107,547,714)**	(105,622,789)
- Freight cost		**(5,084,186)**	(2,244,766)
- Employee compensation	5	**(633,816)**	(682,590)
- Depreciation	12	**(6,029)**	(7,421)
- Rental expense - operating lease		**(112,575)**	(113,602)
- Bank charges		**(59,733)**	(49,867)
- Finance expense	6	**(21,245)**	(64,280)
- Other expenses	7	**(678,358)**	(300,748)
Total expenses		**(114,143,656)**	(109,086,063)
Profit/(loss) before income tax		**38,094**	(313,440)
Income tax (expense)/credit	8	**(4,599)**	34,830
Profit/(loss) after tax and total comprehensive income/(loss)		**33,495**	(278,610)

BALANCE SHEET AS AT 31ST MARCH, 2017

	Note	2017	2016
		US$	US$
ASSETS			
Current assets			
Cash and bank deposits	9	**15,200,509**	15,549,790
Trade and other receivables	10	**673,004**	5,783,598
Other current assets	11	**41,788**	42,966
Inventories		**9,833**	5,933
		15,925,134	21,382,287
Non-current assets			
Property, plant and equipment	12	**2,821**	8,573
		2,821	8,573
Total assets		**15,927,955**	21,390,860
LIABILITIES			
Current liabilities			
Trade and other payables	13	**520,596**	5,868,723
Borrowings	14	**-**	155,375
Current income tax liabilities	8	**8,959**	1,857
Total liabilities		**529,555**	6,025,955
NET ASSETS		**15,398,400**	15,364,905
EQUITY			
Share capital	16	**1,000,000**	1,000,000
Retained profits		**14,398,400**	14,364,905
Total shareholder's equity		**15,398,400**	15,364,905

STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

	Share capital	Retained profits	Total
	US$	US$	US$
2017			
Beginning of financial year	1,000,000	14,364,905	15,364,905
Total comprehensive income		33,495	33,495
End of financial year	**1,000,000**	**14,398,400**	**15,398,400**
2016			
Beginning of financial year	1,000,000	14,643,515	15,643,515
Total comprehensive loss	-	(278,610)	(278,610)
End of financial year	**1,000,000**	**14,364,905**	**15,364,905**

STATEMENT OF CASH FLOW

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

	Note	2017 US$	2016 US$
Cash flows from operating activities			
Profit/(loss) after tax		**33,495**	(278,610)
Adjustments for:			
Income tax expense/(credit)		**4,599**	(34,830)
Depreciation		**6,029**	7,421
Interest income		**(243,603)**	(291,783)
Interest expense		**21,245**	64,280
		(178,235)	(533,522)
Changes in working capital:			
Inventories		**(3,900)**	(455)
Trade and other receivables		**5,113,329**	38,863,116
Other current assets		**1,178**	57,742
Trade and other payables		**(5,348,127)**	(31,753,605)
Cash (used in)/generated from operations		**(415,755)**	6,633,276
Interest received		**-**	45,548
Income tax refund/(paid)		**2,503**	(448)
Net cash (used in)/provided by operating		**(413,252)**	6,678,376
Cash flows from investing activities			
Purchase of property, plant and equipment		**(531)**	(254)
Proceeds from disposal of property, plant and equipment		**254**	-
Interest received		**240,868**	253,786
Net cash provided by investing activities		**240,591**	253,532
Cash flows from financing activities			
Interest paid		**(21,245)**	(64,280)
Proceeds from borrowings		**-**	155,375
Repayment of borrowings		**(155,375)**	(7,074,653)
Net cash used in financing activities		**(176,620)**	(6,983,558)
Net decrease in cash and cash equivalents		**(349,281)**	(51,650)
Cash and cash equivalents at beginning of financial year		**15,549,790**	15,601,440
Cash and cash equivalents at end of financial year	9	**15,200,509**	15,549,790

MMTC TRANSNATIONAL PTE. LTD. NOTES TO THE FINANCIAL STATEMENTS

for the financial year ended 31st march, 2017

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General information

The Company is incorporated and domiciled in Singapore. The address of its registered office is 3 Raffles Place, #08-01, Bharat Building, Singapore 048617.

The principal activities of the Company are trading in minerals, metals, fertilizers, agricultural products, coal, gold and hydrocarbon products, jewellery and other commodities.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS") under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The management has assessed that there are no estimates or judgements used that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Interpretations and amendments to published standards effective in 2016

On 1 April 2016, the Company adopted the new or amended FRS and interpretation to FRS ("INT FRS") that are mandatory for application from that date. Changes to the Company's accounting policies have been made as required, in accordance with the relevant transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the Company's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

2.2 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the Company's activities. Revenue is presented, net of goods and services tax, rebates and discounts.

Revenue is recognised as follows:

(a) Sale of goods

Revenue from the sale of goods is recognised when products have been delivered in accordance with the shipment terms.

(b) Freight income

Freight income is recognised rateably over the terms of the agreement. All freight income and freight costs are recognised as the freight services are rendered (percentage of completion). The percentage of completion is determined using the discharge-to-discharge method. According to this method, freight income and related costs are recognised in the income statement according to the charter parties from the vessel's departure date to the delivery of the cargo (discharge). For voyages in progress at the end of an accounting period that will conclude in a subsequent accounting period, freight income and related costs are recognised according to the percentage of the estimated duration of the voyage concluded at the reporting date.

(c) Interest income

Interest income is recognised using the effective interest method.

(d) Demurrage income

Demurrage income is recognised if the claim is considered probable.

2.3 Currency translation

These financial statements are presented in United States Dollar, which is the functional currency of the Company.

Transactions denominated in a currency other than United States Dollar ("foreign currency") are translated into United States Dollar using the exchange rates prevailing at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss.

2.4 Bank balances

Trade and other receivables

Deposits

Bank balances, trade and other receivables and deposits are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method, less any accumulated impairment losses.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

Trade receivables that are factored out to banks and other financial institutions with recourse to the Company are not derecognised until the recourse period has expired and the risks and rewards of the receivables have been fully transferred. The corresponding cash received from the financial institutions is recorded as borrowings.

The Company assesses at each balance sheet date whether there is objective evidence that these financial assets are impaired and recognises an allowance for impairment when such evidence exists. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

These assets are presented as current assets, except for those maturing later than 12 months after the balance sheet date which are presented as non-current assets.

2.5 Income taxes

Current income tax is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of transaction.

Current and deferred income taxes are recognised as income or expenses in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

2.6 Inventories

Inventories, comprise goods held for resale, are carried at the lower of cost and net realisable value. Cost is determined on a specific identification method. Net realisable value is the estimated selling price in the ordinary course of business less applicable variable selling expenses.

2.7 Property, plant and equipment

Property, plant and equipment are recognised at cost less accumulated depreciation and accumulated impairment losses.

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Company and cost of the item can be measured reliably.

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate depreciable amounts over their expected useful lives of 3 years.

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

On disposal of an item of property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to profit or loss.

2.8 Impairment of non-financial assets

Property, plant and equipment and investments in subsidiary are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of accumulated depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset is recognised in profit or loss.

2.9 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently measured at amortised cost, using the effective interest method.

2.10 Operating lease payments

Leases where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are recognised in profit or loss on a straight-line basis over the period of the lease. Payments made under operating leases (net of any incentives received from the lessor) are recognised in profit or loss on a straight-line basis over the period of the lease.

2.11 Employee compensation

(a) *Defined contribution plans*

Defined contribution plans are post-employment benefit plans under which the Company pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid.

The Company's contributions to defined contribution plans are recognised as employee compensation expense when the contributions are due.

(b) *Employee leave entitlement*

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

2.12 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits with financial institutions and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

2.13 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method.

2.14 Fair value estimation of financial assets and liabilities

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

2.15 Borrowings

Borrowings are presented as current liabilities unless the Company has an unconditional right to defer settlement for at least 12 months after the balance sheet date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at their fair values (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

3. Revenue

	2017	2016
	US$	US$
Sale of goods	**107,901,088**	105,826,186
Freight income	**5,268,840**	2,452,310
	113,169,928	108,278,496

4. Other income - net

	2017	2016
	US$	US$
Interest income		
- short-term bank deposits	**243,603**	246,235
- customers	**-**	45,548
	243,603	291,783
Sundry income	**136,878**	10,268
Demurrage, despatch and shortages	**632,049**	187,964
	1,012,530	490,015

5. Employee compensation

	2017	2016
	US$	US$
Wages and salaries	**389,132**	431,118
Employer's contribution to defined contribution plans such as Central Provident Fund	**38,706**	43,738
Other benefits	**205,978**	207,734
	633,816	682,590

Other benefits include the rental expenses for the residential premises provided to the employees which amounted to US$81,605 (2016: US$94,514).

6. Finance expenses

	2017	2016
	US$	US$
Interest expense:		
- trust receipts and invoice financing	**21,245**	27,196
- discounted bills	**-**	37,084
	21,245	64,280

7. Other expenses

	2017	2016
	US$	US$
Demurrage, despatch and shortages	**582,088**	174,257
Other expenses	**96,270**	126,491
	678,358	300,748

8. Income taxes

(a) Income tax expense

	2017 US$	2016 US$
Tax expense attributable to profit is made up of:		
Current income tax	**7,104**	-
Over provision in prior financial years:		
Current income tax	**(2,505)**	(34,830)
	4,599	(34,830)

	2017 US$	2016 US$
(Loss)/profit before income tax	**38,094**	(313,440)
Tax calculated at a tax rate of 17% (2016: 17%)	**6,476**	(53,285)
Effects of:		
Expenses not deductible for tax purposes	**1,025**	1,262
Income not subject to tax	**(2,302)**	(551)
Tax losses not recognised as deferred tax assets	**-**	52,574
Utilisation of previously unrecognised tax losses	**(5,199)**	-
Over provision of tax in prior financial years	**(2,505)**	(34,830)
Others	**7,104**	-
	4,599	(34,830)

As at 31 March 2017, the Company has unabsorbed tax losses of approximately US$278,676 (2015: US$309,258) which can be carried forward and used to offset against future taxable income subject to the provisions of the Singapore Income Tax Act and agreement with the Singapore tax authorities. The deferred tax asset on these unabsorbed tax losses has not been recognised in the financial statements as its realisation is uncertain.

(b) Movements in current income tax liabilities

	2017 US$	2016 US$
Beginning of financial year	**1,857**	37,135
Income tax paid	**-**	(448)
Income tax refund	**2,503**	-
Tax payable on profit for current financial year	**7,104**	-
Over provision in prior financial years	**(2,505)**	(34,830)
End of financial year	**8,959**	1,857

9. Cash and bank deposits

	2017 US$	2016 US$
Cash and bank balances	**200,741**	228,383
Fixed deposits with banks	**14,999,768**	15,321,407
	15,200,509	15,549,790

Cash and bank deposits are denominated in the following currencies:

	2017 US$	2016 US$
United States Dollar	**15,176,682**	15,536,393
Singapore Dollar	**23,827**	13,397
	15,200,509	15,549,790

At balance sheet date, the fixed deposits bear interest rates ranging from 1.50% to 1.85% (2016: 1.25% to 1.70%) per annum with the maturity dates ranging between 12 months (2016: 12 months).

10. Trade and other receivables

	2017	2016
	US$	US$
Trade receivables:		
- third parties	**32,871**	205,058
- holding corporation	**-**	5,458,521
- related corporation	**506,670**	-
Interest receivable	**118,421**	115,686
Other receivables	**15,042**	4,333
	673,004	5,783,598

Trade and other receivables are denominated in the following currencies:

	2017	2016
	US$	US$
United States Dollar	**664,889**	5,779,265
Singapore Dollar	**8,115**	4,333
	673,004	5,783,598

11. Other current assets

	2017	2016
	US$	US$
Deposits	**41,423**	42,966
Prepayments	**365**	-
	41,788	42,966

Deposits are denominated mainly in Singapore Dollars.

12. Property, plant and equipment

	Leasehold improvements	Furniture and fittings	Computer equipment	**Office equipment**	**Total**
	US$	US$	US$	US$	US$
2017					
Cost					
Beginning of financial year	121,394	40,537	48,036	23,979	233,946
Additions	-	-	531	-	531
Disposal	-	-	-	(254)	(254)
End of financial year	121,394	40,537	48,567	23,725	234,223
Accumulated depreciation					
Beginning of financial year	113,998	40,537	47,811	23,027	225,373
Depreciation charge	4,930	-	401	698	6,029
End of financial year	118,928	40,537	48,212	23,725	231,402
Net book value					
End of financial year	**2,466**	**-**	**355**	**-**	**2,821**

	Leasehold improvements	Furniture and fittings	Computer equipment	**Office equipment**	**Total**
	US$	US$	US$	US$	US$
2016					
Cost					
Beginning of financial year	121,394	40,537	48,036	23,725	233,692
Additions	-	-	-	254	254
End of financial year	121,394	40,537	48,036	23,979	233,946
Accumulated depreciation					
Beginning of financial year	109,069	40,537	46,102	22,244	217,952
Depreciation charge	4,929	-	1,709	783	7,421
End of financial year	113,998	40,537	47,811	23,027	225,373
Net book value					
End of financial year	**7,396**	**-**	**225**	**952**	**8,573**

13. Trade and other payables

	2017	2016
	US$	US$
Trade payables:		
- third parties	**352,434**	5,668,469
- holding corporation	**91,116**	40,758
Accrued operating expenses	**77,046**	58,972
Advances from customers	**-**	100,524
	520,596	5,868,723

Trade and other payables are denominated in the following currencies:

	2017	2016
	US$	US$
United States Dollar	**437,104**	5,809,592
Singapore Dollar	**83,492**	59,131
	520,596	5,868,723

14. Borrowings

	2017	2016
	US$	US$
Short-term loan	**-**	155,375

The short term loan has a maturity of nil days (2016: 13 days) from the balance sheet date.

The interest rate of the borrowing at the balance sheet date is nil% (2016: 1.06%) per annum.

15. Immediate and ultimate holding corporation

The Company's immediate and ultimate holding corporation is MMTC Limited, incorporated in India.

16. Share capital

The Company's share capital comprises fully paid-up 1,461,502 (2016: 1,461,502) ordinary shares with no par value, amounting to a total of US$1,000,000 (2016: US$1,000,000).

17. Contingent Liability

The Company submitted a bid for tender of a sales transaction with a third party customer in April 2015. As required by the customer, the Company issued a letter of guarantee of US$1,134,000 from a bank for the tender. However, the customer placed a letter of intent with different terms from the bid submitted by the Company and attempted to encash the letter of guarantee when the Company did not accept the revised terms. As a result, the Company has entered into a legal suit with the customer and the court has issued a restraint order on the invocation of the letter of guarantee. As at 31 March 2017, the restraint order remains effective. Management considers that it is not probable for the customer to encash the letter of guarantee, as the customer has no right to invoke the letter of guarantee given the letter of intent is not in accordance with the terms of the bid offered by the Company. The suit is still in progress as at the report date.

18. Commitments

(a) Purchase and sales commitments

As at balance sheet date, the outstanding commitments under purchases and sales contracts for goods not recognised in the financial statements are as follows:

	2017	2016
	US$	US$
Purchase commitments	**-**	241,737
Sales commitments	**-**	245,334

(b) Operating lease commitments

The Company leases residential and office premises under non-cancellable operating leases agreements. The leases have varying terms and renewal rights.

The future minimum lease payments under non-cancellable operating leases contracted for at the balance sheet date but not recognised as liabilities, are as follows:

	2017	2016
	US$	US$
Not later than one year	**157,411**	165,805
Later than one year but not later than five years	**22,834**	-
	180,245	165,805

19. Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Company and related parties at terms agreed between the parties:

(a) Sales and purchases of goods and services

	2017	2016
	US$	US$
Sales to holding corporation	**94,424,515**	80,547,098
Freight income from holding corporation	**1,714,646**	2,452,310
Freight income from related corporation	**3,554,194**	-
Purchases from holding corporation	**12,422**	19,080,500

(b) Key management personnel compensation is as follows:

	2017	2016
	US$	US$
Salaries and other short-term employee benefits	**361,939**	367,614
Post-employment benefits - contribution to defined contribution plans	**8,397**	8,139
	370,336	375,753

The amount disclosed above represents amount paid to directors during the financial year.

20. Financial risk management

Financial risk factors

The Company's activities expose it to market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company.

Risk management is carried out under policies approved by the Board of Directors. The Board of Directors and the holding corporation provide guidelines for overall risk management, as well as policies covering these specific areas.

(a) Market risk

(i) Foreign currency exchange rate risk

The Company's business operations are not exposed to significant foreign currency risks, as it has no significant transactions denominated in foreign currencies.

(ii) Interest rate risk

Interest rate risk arises primarily with respect to short-terms borrowings under import and export financing. The Company monitors market interest rates closely to ensure that favourable interest rates are secured. At 31 March 2016, as the short-term borrowings has a fixed interest rate, the Company has minimal exposure to interest rate risk. The Company has no borrowings as at 31 March 2017.

(iii) Price risk

The Company has insignificant exposure to commodities price risk as it does not hold significant commodities financial instruments.

(b) Credit risk

Bank deposits that are neither past due nor impaired are mainly deposits with banks with high credit-ratings as determined by international credit rating agencies.

The Company has no significant concentration of credit risk except for amount due from holding corporation which has a good collection track record with the Company. The Company has policies in place to ensure that sales of goods are made to customers with adequate financial standing and an appropriate credit history. At balance sheet date, there is no class of financial assets that is past due or impaired.

(c) Liquidity risk

The Company manages liquidity risk by maintaining cash and available funding through an adequate amount of committed credit facilities sufficient to enable it to meet its operational requirements.

The Company's major classes of financial liabilities are trade and other payables and borrowings and their contractual maturities are less than one year.

(d) Capital risk

The Company's objectives when managing capital are to ensure that the Company is adequately capitalised and to maintain an optimal capital structure by issuing or redeeming additional equity and debt instruments when necessary.

The Company monitors capital on the basis of the total shareholder's equity as shown on the balance sheet.

The Company is not subject to any externally imposed capital requirements.

(e) **Financial instruments by category**

The aggregate carrying amounts of loans and receivables and financial liabilities at amortized cost are as follows:

	2017	2016
	$	$
Loans and receivables	**15,914,936**	21,376,354
Financial liabilities at amortised cost	**520,596**	5,923,574

21. New or revised accounting Standards and Interpretations

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Company's accounting periods beginning on or after 1 April 2017 and which the Company has not early adopted:

- **FRS 115 Revenue from contracts with customers (effective for annual periods beginning on or after 1 January 2018)**

  This is the converged standard on revenue recognition. It replaces FRS 11 Construction contracts, FRS 18 Revenue, and related interpretations. Revenue is recognised when a customer obtains control of a good or service. A customer obtains control when it has the ability to direct the use of and obtain the benefits from the good or service. The core principle of FRS 115 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

FRS 115 also includes a cohesive set of disclosure requirements that will result in an entity providing users of financial statements with comprehensive information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

Management is currently assessing the effects of applying FRS115 on the Company's financial statements and plans to adopt the standard on the required effective date.

- **FRS 109 Financial instruments (effective for annual periods beginning on or after 1 January 2018)**

  The complete version of FRS 109 replaces most of the guidance in FRS 39. FRS 109 retains the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through Other Comprehensive Income (OCI) and fair value through Profit or Loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI. There were no changes to classification and measurement of financial liabilities except for the recognition in own credit risk in OCI, for liabilities designated at fair value through profit or loss.

  FRS 109 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes.

There is now a new expected credit losses model that replaces the incurred loss impairment model used in FRS 39. It applies to financial assets classified at amortised cost, debt instruments measured at fair value through OCI, contract assets under FRS 115 Revenue from contracts with customers, lease receivables, loan commitments and certain financial guarantee contracts.

The new standard also introduces expanded disclosure requirements and changes in presentation.

Management is currently assessing the effects of applying FRS109 on the Company's financial statements and plans to adopt the standard on the required effective date.

- **FRS 116 Leases (effective for annual periods beginning on or after 1 January 2019)**

FRS 116 will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not change significantly.

The standard will affect primarily the accounting for the Company's operating leases. As at the reporting date, the Company has non-cancellable operating lease commitments of US$180,245 (Note 18). However, the Company has yet to determine to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the Company's profit and classification of cash flows.

Some of the commitments may be covered by the exception for short-term and low-value leases and some commitments may relate to arrangements that will not qualify as leases under FRS 116.

Management is currently assessing the effects of applying FRS116 on the Company's financial statements and plans to adopt the standard on the required effective date.

22. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of MMTC Transnational Pte Ltd on27 April 2017

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Consolidated Financial Statements

For the financial year ended 31st March, 2017

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MMTC LTD.

Report on the Consolidated Ind AS Financial Statements

1. We have audited the accompanying Consolidated Ind AS financial statements of MMTC Limited (herein after referred to as "The Holding Company") its subsidiaries and (the Holding Company and its subsidiaries together referred to as "the Group") and jointly controlled entities, which comprise the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Ind AS Financial Statements

2. The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated Ind AS financial statements to give a true and fair view of the Consolidated financial position, Consolidated financial performance (including other comprehensive income), Consolidated cash flows and Consolidated Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the Consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these Consolidated Ind AS financial statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the Consolidated Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanation provided to us, the aforesaid Consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS, of the Consolidated financial position of the Holding Company as at 31st March, 2017 and its Consolidated financial performance including other comprehensive income, its Consolidated cash flows and the Consolidated changes in the equity for the year ended on that date.

Emphasis of Matter

a. We draw attention to Note No.36 (viii) to the Consolidated Ind AS financial statements in respect of non-provision of liability, if any arises, in case of non- extension of time/waiver/write off of GR-1 forms.

b. We draw attention to Note No.51 to the Consolidated Ind AS financial statements in respect of Balances under Sundry Creditors/Sundry Debtors/Claims Recoverable/Loans & advances/Other Liabilities which, in many cases have not been confirmed and any adjustments due to consequent reconciliation, if any, required is not ascertainable.

c. We draw attention to Note No.36 (iv)& (v) and 38 (c) to the Consolidated Ind AS financial statements in respect of fund based and non-fund based exposure of the Company in M/s Neelachal Ispat Nigam Ltd. (NINL) – a Joint Venture Company.

Our opinion is not modified in respect of this matter.

Other Matter

A. We did not audit the Ind AS financial statements of one subsidiary and six jointly controlled entities, whose Ind AS financial statements reflect and incorporated in the consolidated Ind AS financial statement as below:

Relationship	Asset	Revenue	Profit/ (Loss)
Wholly owned Subsidiary Company	1,307.70	7,659.03	-
Joint Ventures			(869.54)
Total	**1,307.70**	**7,659.03**	**(869.54)**

These Ind AS financial statements have been audited by some other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiaries and joint controlled entities and our report in terms of the sub section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and jointly controlled entities is based solely on the report of the other auditors.

B. The comparative financial information of the Holding Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these Consolidated Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended). Financial statement for the financial year ended 31st March 2016 were audited by us and expressed an unmodified opinion vide report dated 27thMay 2016, whereas financial statement for the year ended 31stMarch 2015 which were audited by the predecessor auditor and expressed an unmodified opinion vide report dated 21stMay 2015. The adjustments to those financial statements for the differences in accounting principles adopted by the Holding Company on transition to the Ind AS have been audited by us.

Report on Other Legal and Regulatory Requirements

4. As required by Section 143 (3) of the Act, we report that:

a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS financial statements;

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS financial statements have been kept by the Company so far as appears from our examination of those books;

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, Consolidated Statement of Cash Flow and Consolidated Statement of Changes in Equity, referred to in this report are in agreement with the books of account;

d) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder;

e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, and jointly controlled companies incorporated in India, none of the directors of the Group companies, and its jointly controlled companies incorporated in India is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of internal financial controls over financial reporting of the Company and operating effectiveness of such controls, refer to our separate report in **"Annexure-1"**

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us

i. There are pending litigations including matters relating to sales tax, custom duty and excise duty which are disclosed as contingent liability - refer to Note No. 36 to the Consolidated Ind AS financial statements, the impact of the same is unascertainable as the matters are *sub-judice*.

ii. Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.

iii. There has been no delay in transferring amounts required to be transferred to the investors Education and Protection Fund by the Holding Company, its subsidiary and jointly controlled companies incorporated in India.

iv. The company has provided requisite disclosure in note no. 54 to these Consolidated Ind AS financial statements as to holding of Specified Bank Notes on 8th November 2016 and 30th December 2016 as well as dealing in specified notes during the period 8th November 2016 to 30th December 2016. The disclosures are in accordance with the books of accounts maintained Holding Company and jointly controlled companies incorporated in India and as produced before us by the management of the Holding company.

For **O.P. Tulsyan & Co.**
Chartered Accountants
FRN: 500028N

Place: New Delhi
Date:29.05.2017

Rakesh Agarwal
Partner
M No.: 081808

Annexure-1 To the Independent Auditor's Report of even date on the Consolidated Ind AS Financial Statements of MMTC Ltd.

Report on the Internal Financial Controls under Section 143(3) (i) of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **MMTC Ltd.** ("the Company") as of March 31, 2017, in conjunction with our audit of the Consolidated Ind AS financial statements of the Company for the year ended on that date

Management's Responsibility for Internal Financial Controls:

The respective Board of Directors of the of the Holding company, its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013

Auditor's Responsibility:

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal financial controls over financial reporting and the Standards on Auditing, issued by the ICAI deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those standards and the Guidance Note that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exist, and testing and evaluating the design and operating effectiveness of the internal control based on the assessed risk . The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatements of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting:

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting:

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion:

In our opinion, the Holding Company and jointly controlled companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to six jointly controlled companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **O.P. Tulsyan & Co.**
Chartered Accountants
FRN: 500028N

Place: New Delhi
Date:29.05.2017

Rakesh Agarwal
Partner
M No.: 081808

MANAGEMENT'S REPLY TO AUDITORS OBSERVATIONS IN THE AUDIT REPORT ON CONSOLIDATED FINANCIAL STATEMENTS FOR 2016-17

Para No.	AUDITORS' OBSERVATION	MANAGEMENT'S REPLY
3.	**Emphasis of Matter**	
a.	We draw attention to Note No. 36 (viii) to the Consolidated Ind AS financial statements in respect of non-provision of liability, if any arises, in case of non-extension of time/waiver/write off of GR-1 forms.	Refer to the reply in respect of observation on Standalone Financial Statements.
b.	We draw attention to Note No. 51 to the Consolidated Ind AS financial statements in respect of Balances under Sundry Creditors/Sundry Debtors / Claims Recoverable / Loans &advances/Other Liabilities which, in many cases have not been confirmed and any adjustments due to consequent reconciliation, if any, required is not ascertainable.	Refer to the reply in respect of observation on Standalone Financial Statements.
c.	We draw attention to Note No.36 (iv) & (v) and 38 (c) to the Consolidated Ind AS financial statements in respect of fund based and non-fund based exposure of the Company in M/s Neelachal Ispat Nigam Ltd. (NINL) - a Joint Venture Company.	Refer to the reply in respect of observation on Standalone Financial Statements.

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2017

(₹ in Million)

Particulars	Note No	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
ASSETS				
Non-current assets				
Property, Plant and Equipment	4	507.44	545.63	565.64
Capital work-in-progress	5	0.41	7.50	0.05
Investment Property	6	40.92	42.60	44.44
Other intangible assets	7	21.42	28.02	1.47
Financial Assets				
Investments	8A	1,508.12	2,097.86	3,612.75
Trade Receivables	9A	84.89	89.75	68.37
Loans	10	1,402.98	1,421.91	1,428.50
Others	11	351.39	654.77	645.79
Deferred tax Assets (net)	12	2,325.77	2,306.97	2,278.97
Other non-current Assets	13A	345.78	509.30	431.54
Current Assets				
Inventories	14	23,668.39	4,015.19	3,194.10
Financial Assets				
Investments	8B	960.00	-	-
Trade Receivables	9B	5,087.35	8,226.33	30,361.35
Cash & Cash Equivalents	15	3,629.68	478.26	1,333.33
Bank Balances other than above	16	1,645.44	1,337.79	1,281.55
Loans	10	40.77	61.13	68.83
Others	11	125.81	3,298.51	3,994.95
Current Tax Assets	17	279.28	84.92	179.70
Other Current Assets	13B	16,452.12	11,378.90	10,246.91
Total		**58,477.96**	**36,585.34**	**59,738.25**
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	18A	1,000.00	1,000.00	1,000.00
Other Equity	18B	11,007.41	11,683.16	13,053.59
Non Controlling Interest		-	-	-
Liabilities				
Non-current liabilities				
Financial Liabilities				
Provisions	22A	1,876.96	1,789.58	1,771.24
Current liabilities				
Financial Liabilities				
Borrowings	19	4,401.80	2,728.48	3,309.64
Trade payables	20	6,890.06	9,260.60	31,357.12
Other Financial Liabilities	21	1,894.87	3,548.13	3,116.16
Provisions	22B	747.04	680.76	532.91
Current Tax Liabilities	24	276.86	61.12	160.74
Other current liabilities	23	30,382.96	5,833.51	5,436.85
Total		**58,477.96**	**36,585.34**	**59,738.25**

As per our report of even date attached

For O P Tulsyan & Co.
Chartered Accountants
F.R. No.:500028N

(CA. Rakesh Agarwal)
Partner
M. No. 081808

Date: 29.05.2017
Place: New Delhi

For and on behalf of Board of Directors

(G. Anandanarayanan)
Company Secretary
ACS-13691

(Vijay Pal)
Executive Director (F)

(P K Jain)
Director
DIN: 6594855

(Ved Prakash)
Chairman and Managing Director
DIN: 02988628

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

(₹ in Million)

Particulars	Note No.	Year Ended March 31, 2017	Year Ended March 31, 2016
Income			
Revenue From Operations	25	118,269.81	126,080.61
Other Income	26	448.49	889.80
Total Income (I)		**118,718.30**	**126,970.41**
Expenses			
Cost of material consumed	27	1,117.47	757.98
Purchase of Stock in Trade	28	129,105.87	116,180.80
Changes in inventories of finished goods, stock in trade and work in progress	29	(19,679.29)	(977.48)
Employees' Benefit Expenses	30	1,999.30	2,055.82
Finance Cost	31	214.08	303.20
Depreciation & Amortization Expenses	32	67.98	60.09
Other Expenses	33	5,991.65	8,686.98
Total expenses (II)		**118,817.06**	**127,067.38**
Profit/(loss) before exceptional items and tax (I - II)		(98.76)	(96.98)
Exceptional Items - expense/(income)	34	(912.74)	(653.67)
Profit before tax and share of equity accounted investees		**813.98**	**556.69**
Share of profit/(loss) of equity accounted investees (net of income tax)		(869.54)	(1,495.59)
Profit before tax		(55.56)	(938.90)
Tax Expense	35		
Current Tax		282.31	44.72
Adjustment relating to prior periods		(7.47)	(2.80)
Deferred tax (credit) / expense		(32.80)	(14.00)
Total Tax Expense		242.03	27.92
Profit/(loss) for the year (A)		**(297.59)**	**(966.82)**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss:			
-Remeasurements of the defined benefit plans		2.83	(8.54)
-Equity Instruments through other comprehensive income		8.09	-
-Share of Other Comprehensive Income in Joint Ventures (net of tax)		2.19	(7.70)
-Income Tax effect		(1.00)	-
Items that will be reclassified to profit or loss:			
-Exchange differences in translating financial statements of foreign operations		(23.29)	58.44
-Share of Other Comprehensive Income in Joint Ventures (net of tax)		-	-
-Income Tax effect		-	-
Other Comprehensive Income (net of tax) (B)		**(11.18)**	**42.20**
Total Comprehensive Income for the year (A+B)		**(308.77)**	**(924.62)**
Total Comprehensive Income Attributable to :			
Owners of the company		**(308.77)**	**(924.62)**
Non-controlling interest		**-**	**-**
Total Comprehensive Income for the year		**(308.77)**	**(924.62)**
Earnings per equity share : ₹			
Basic & Diluted (In ₹/share)	48	**(0.30)**	**(0.97)**

As per our report of even date attached

For O P Tulsyan & Co.
Chartered Accountants
F.R. No.:500028N

(CA. Rakesh Agarwal)
Partner
M. No. 081808

Date: 29.05.2017
Place: New Delhi

For and on behalf of Board of Directors

(G. Anandanarayanan)
Company Secretary
ACS-13691

(Vijay Pal)
Executive Director (F)

(P K Jain)
Director
DIN: 6594855

(Ved Prakash)
Chairman and Managing Director
DIN: 02988628

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

(₹ in Million)

Particulars	For the year ended March 31, 2017		For the year ended March 31, 2016	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit/Loss after tax		(297.59)		(966.82)
Adjustment for:-				
Loss on valuation of inventories	47.15		1.14	
Depreciation & amortisation expense	67.98		60.09	
Net Foreign Exchange (gain)/loss	8.02		(167.62)	
(Profit) /Loss on sale of Tangible Assets	(0.09)		(0.83)	
(Profit) /Loss on sale of Investment	-		(100.00)	
Interest income	(293.65)		(611.43)	
Dividend income	(12.14)		(124.46)	
Finance Costs	214.08		303.20	
Debts/claims written off	6.61		0.97	
Allowance for Bad and Doubtful Debts / claims/ advances	4.80		2.80	
Provision no longer Required	(20.71)		(247.04)	
Liabilities Written Back	(68.53)		(79.97)	
Provision for DWA risk	0.66		0.47	
Reversal of subsidy claim	76.73		-	
Share of (profit)/loss of equity accounted investees (net of income tax)	869.54		1,495.59	
		900.45		532.92
Operating Profit before Working Capital Changes		**602.86**		**(433.90)**
Adjustment for:-				
Inventories	(19,700.35)		(822.23)	
Trade Receivables	3,132.43		22,110.50	
Loans & Other Financial Assets	3,130.99		645.52	
Other current & non current assets	(4,965.30)		(1,365.96)	
Trade payables	(2,370.54)		(21,929.52)	
Other Financial Liabilities	(1,653.26)		431.97	
Other current & non current liabilities	24,617.98		476.63	
Provisions	173.71		412.77	
		2,365.66		(40.33)
		2,968.52		**(474.23)**
Taxes Paid		**(239.45)**		**(60.76)**
Net Cash From Operating Activities		**2,729.06**		**(534.99)**
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets	(25.11)		(71.92)	
Sale/(Purchase) of Investment	(960.00)		200.13	
Sale of tangible Assets	3.51		1.07	
Interest received	293.65		611.43	
Dividend Received	12.14		124.46	

Particulars	For the year ended March 31, 2017		For the year ended March 31, 2016	
		(675.81)		865.17
Net Cash From Investing Activities		**(675.81)**		**865.17**
C. CASH FLOW FROM FINANCING ACTIVITIES				
Borrowings	1,673.32		(581.16)	
Finance Costs	(214.08)		(303.20)	
Dividend (inclusive of tax) paid	(361.07)		(300.89)	
		1,098.17		(1,185.25)
Net Cash From Financing Activities		**1,098.17**		**(1,185.25)**
D. Net changes in Cash & Cash equivalents		**3,151.42**		**(855.07)**
E. Opening Cash & Cash Equivalents (Note No 15)		478.26		1,333.33
F. Closing Cash & Cash Equivalents (Note No 15)		**3,629.68**		**478.26**

Note:

1. The above cash flow statement has been prepared under the “Indirect method” as set out in Indian Accounting Standard (Ind AS) -7 on Statement of Cash Flow.

2. Cash and Cash equivalents consists of :-

(₹ in Million)

Particulars	As at March,31 2017	As at March,31 2016
Cash on hand	0.08	0.32
Cheques, Drafts on hand	2.70	-
Balances with Banks		
(a) in Current Account	309.21	17.98
(b) in Cash Credit Account	267.63	328.00
In term deposit with original maturity upto 3 months	3,050.06	131.96
	3,629.68	**478.26**

As per our report of even date attached

For O P Tulsyan & Co.
Chartered Accountants
F.R. No.:500028N

(CA. Rakesh Agarwal)
Partner
M. No. 081808

Date: 29.05.2017
Place: New Delhi

For and on behalf of Board of Directors

(G. Anandanarayanan)
Company Secretary
ACS-13691

(Vijay Pal)
Executive Director (F)

(P K Jain)
Director
DIN: 6594855

(Ved Prakash)
Chairman and Managing Director
DIN: 02988628

STATEMENT FOR CHANGES IN EQUITY FOR THE PERIOD ENDING 31.03.2017

Equity Share Capital

(₹ in Million)

Particulars	As at March 31, 2017		
	No of Shares	Amount	Amount
Opening Equity Shares	1,000,000,000	1,000	1,000
Changes in Equity Share Capital during the year	-	-	-
Closing balance	1,000,000,000	1,000	1,000

Other Equity as at March 31, 2017

(₹ in Million)

	Equity Components of compound financial instruments	Reserves & Surplus						Equity instruments through OCI	Effective Portion of cash flow hedges	Exchange differences on translating the financials of a foreign operation	Other items of OCI	Total
		Bond Redemption Reserve	General Reserve	Capital Reserve	Corporate Social Responsibility Reserve	Research & Development Reserve	Retained Earnings					
Balance as at 01.04.2016	17.50	82.97	6,185.39	-	0.06	3.54	5,363.55	-	-	58.44	(28.29)	11,683.16
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-	(295.40)	8.09	-	(23.29)	1.83	(308.77)
Dividend and DDT	-	-	-	-	-	-	(361.07)	-	-	-	-	(361.07)
Unamortized premium on forward contract	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	(0.05)	-	-	-	-	-	-	(0.05)
Any other changes	(6.24)	-	-	-	-	-	0.38	-	-	-	-	(5.86)
Balance as at 31.03.2017	11.26	82.97	6,185.39	-	0.01	3.54	4,707.46	8.09	-	35.15	(26.46)	11,007.41

Other Equity as at March 31, 2016

(₹ in Million)

	Equity Components of compound financial instruments	Reserves & Surplus						Equity instruments through OCI	Effective Portion of cash flow hedges	Exchange differences on translating the financials of a foreign operation	Other items of OCI	Total
		Bond Redemption Reserve	General Reserve	Capital Reserve	Corporate Social Responsibility Reserve	Research & Development Reserve	Retained Earnings					
Balance as at 01.04.2015	23.07	82.97	6,084.70	0.69	0.13	3.54	6,878.24	-	-	-	(19.75)	13,053.59
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-	(974.52)	-	-	58.44	(8.54)	(924.62)
Dividend and DDT	-	-	-	-	-	-	(447.88)	-	-	-	-	(447.88)
Unamortized premium on forward contract	-	-	-	-	-	-	(0.10)	-	-	-	-	(0.10)
Transfer to retained earnings	-	-	100.00	-	-	-	(100.00)	-	-	-	-	-
Any other changes	(5.57)	-	0.69	(0.69)	(0.07)	-	7.81	-	-	-	-	2.17
Balance as at 31.03.2016	17.50	82.97	6,185.39	-	0.06	3.54	5,363.55	-	-	58.44	(28.29)	11,683.16

Other Equity as at April 01, 2015

(₹ in Million)

	Equity Components of compound financial instruments	Reserves & Surplus						Equity instruments through OCI	Effective Portion of cash flow hedges	Exchange differences on translating the financials of a foreign operation	Other items of OCI	Total
		Bond Redemption Reserve	General Reserve	Capital Reserve	Corporate Social Responsibility Reserve	Research & Development Reserve	Retained Earnings					
Balance as at 31.03.2015	23.07	82.97	6,084.70	0.69	0.13	3.54	6,538.25	-	-	37.74	-	12,771.09
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-	-	-	-	-	(19.75)	(19.75)
Dividend and DDT	-	-	-	-	-	-	300.89	-	-	-	-	300.89
Unamortized premium on forward contract	-	-	-	-	-	-	(7.38)	-	-	-	-	(7.38)
Transfer to retained earnings	-	-	-	-	-	-	37.74	-	-	(37.74)	-	-
Any other changes	-	-	-	-	-	-	8.74	-	-	-	-	8.74
Balance as at 01.04.2015	23.07	82.97	6,084.70	0.69	0.13	3.54	6,878.24	-	-	-	(19.75)	13,053.59

Dividend not recongised at the end of reporting period

	As at March 31, 2017	As at March 31, 2016
Dividend proposed @ of ₹ 0.30 per share for year ended March 31, 2017 (@ of ₹ 0.30 per share for year ended March 31, 2016) fully paid equity shares. Proposed dividedn is subject to the approval of shareholders in the ensuing Annual General Meeting.	300	300

As per our report of even date attached

For O P Tulsyan & Co.
Chartered Accountants
F.R. No.:500028N

(CA. Rakesh Agarwal)
Partner
M. No. 081808

Date: 29.05.2017
Place: New Delhi

For and on behalf of Board of Directors

(G. Anandanarayanan)
Company Secretary
ACS-13691

(Vijay Pal)
Executive Director (F)

(P K Jain)
Director
DIN: 6594855

(Ved Prakash)
Chairman and Managing Director
DIN: 02988628

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2017

1. **General Information**

Established in 1963 and domiciled in India, the Company is a Mini-Ratna public sector undertaking under the administrative control of Ministry of Commerce & Industry, Government of India. The registered office of the Company is situated at Core-1, Scope Complex, 7, Institutional Area, Lodi Road, New Delhi-110003, India. The company has 9 Regional Offices at various places in India and a wholly owned subsidiary MMTC Transnational Pte Ltd, at Singapore.

The principal activities of the Company are export of Minerals and import of Precious Metals, Non-ferrous metals, Fertilizers, Agro Products, coal and hydrocarbon etc.

The company's trade activities span across various countries in Asia, Europe, Africa, Middle East, Latin America and North America.

2. **First time adoption of Indian Accounting Standards (Ind-AS)**

All companies (listed or unlisted) having net worth of ₹ 5,000 Million or more are required to adopt Ind AS. Accordingly, the company has adopted Ind-AS, in accordance with Notification dated February 16, 2015 issued by Ministry of Corporate Affairs, Government of India, with effect from April 01, 2016 with a transition date on April 01, 2015. The details of transition from previous GAAP to Ind-AS is given at Note 57.

3. **Significant Accounting Policies**

3.1 a) **Statement of Compliance and basis of preparation of Financial Statements**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind-AS) as notified by Ministry of Corporate Affairs, Government of India vide Notification dated February 16, 2015. Accounting policies have been applied consistently to all periods presented in these financial statements. The Financial Statements are prepared under historical cost convention from the books of accounts maintained under accrual basis except for certain financial instruments which are measured at fair value and in accordance with the Indian Accounting Standards prescribed under the Companies Act, 2013

b) **Basis of Consolidation**

MMTC Limited together with its subsidiaries is hereinafter referred to as 'the Group'. The Company consolidates entities which it owns or controls as per the provisions of Ind AS-110. The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as disclosed in Note 43. The financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions, including unrealized gain / loss from such transactions, are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the group , are excluded.

Associates are entities over which the Group has significant influence but not control. Joint Ventures are entities in which the group has joint control and has rights to the net assets of the entity. Investments in associates and joint ventures are accounted for using the equity method of accounting as per the provisions of Ind AS-28. The investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the profit or loss of the investee after the acquisition date.

3.2 **Functional & presentation currency**

All amounts included in the financial statements are reported in millions of Indian rupees (Rupees in millions) except number of equity shares and per share data and when otherwise indicated.

3.3 **Use of estimates and judgment**

The preparation of financial statements requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised

3.4 **Functional and presentation currency**

These financial statements are presented in Indian rupees, the national currency of India, which is the functional currency of the Company.

3.5 **Revenue Recognition**

i) *Trading Income*

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discount and volume rebates. Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, it is probable that economic benefits associated with the transaction will flow to the entity, the associated costs incurred or to be incurred in respect of the transaction can be measured reliably and there is no continuing management involvement with the goods. The point of transfer of risks and rewards depends upon the terms of the contract of sale with individual customers.

Purchases and Sales

a. In case of certain commodities import of which is canalized through the company, imported on 'Government Account' against authorization letter issued by Government of India, Purchase/ Sale is booked in the name of the Company

b. Products are also traded through the commodity exchanges. Purchase/ Sale is booked in respect of trade done through different commodity exchanges and is backed by physical delivery of goods.

c. Gold/Silver kept under deposit: As per the arrangements with the Suppliers of Gold/Silver, the metal is kept by the supplier with the company on unfixed price basis for subsequent withdrawal on loan or outright purchase basis.

(i) Purchases include gold/silver withdrawn from consignment deposit of the supplier on outright purchase basis for sale to exporters, as per the scheme of Exim Policy being operated by the Company as a nominated agency.

(ii) Purchase of Gold during the year for domestic sale is accounted for on withdrawal from the Gold/Silver consignment deposit of the supplier and fixation of price with the suppliers. The stock held by the company at year end as Gold/ Silver under Deposit is accounted for under current assets as 'stock towards unbilled purchases' and under current liability as amount payable towards unbilled purchases' at the bullion price prevailing as at the close of the year. However, customs duty paid in respect of balance in deposits is accounted for as prepaid expenses.

(iii) Gold/silver withdrawn on loan basis from the Gold/Silver under deposit, are booked as loan given to customers and grouped under financial assets. The corresponding liability towards the stocks received from foreign suppliers is grouped under Sundry Creditors. Loan/Sundry Creditors are adjusted when purchase and sales are booked.

d. In the case of replenishment basis, gold/silver booked by exporter by paying margin money, purchase is booked after "fixing" the price with the foreign suppliers. However, sale is booked when quantity is actually delivered after completion of export.

e. High Sea Sales

Sale during the course of import by transfer of documents of title i.e. high seas sale is booked upon transfer of documents of title to the goods in favour of buyer before the goods cross the custom frontiers of India.

ii) *Other Operating Revenue*

The income relating to the core activities of the company which are not included in revenue from sales / services for e.g. dispatch earned, subsidy, claims against losses on trade transactions, interest on credit sales and trade related advances (other than on overdue) etc., which are derived based on the terms of related trade agreements with business associates or schemes on related trade, are accounted for under 'Other Operating Revenue'.

iii) *Claims*

Claims are recognized in the Statement of Profit & Loss (Net of any payable) on accrual basis including receivables from Govt. towards subsidy, cash incentives, reimbursement of losses etc, when it is not unreasonable to expect ultimate collection. Claims recognized but subsequently becoming doubtful are provided for through Statement of Profit and Loss. Insurance claims are accounted upon being accepted by the insurance company

iv) *Service Income*

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction shall be recognized by reference to the stage of completion (Percentage of Completion Method) of the transaction at the end of the reporting period. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:-

a) The amount of revenue can be measured reliably;

b) It is probable that the economic benefits associated with the transaction will flow to the company ;

c) The stage of completion of the transaction can be measured reliably;

d) Costs incurred for the transaction and to complete the transaction can be measured reliably.

v) *Dividend and interest income*

Dividend income from investments is recognized when the Company's right to receive payment is established and it is probable that the economic benefits associated with the transactions will flow to the Company and the amount of income can be measured reliably.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

vi) *Revenue Recognition on Actual Realization*

Revenue is recognized on accrual basis except in the following items which are accounted for on actual realization since realisability of such items is uncertain, in accordance with the provisions of Ind AS-18 :-

a) Duty credit / exemption under various promotional schemes of EXIM policy in force, Tax credit, refund of custom duty on account of survey shortage, and refund of income-tax/service tax / sales-tax /VAT and interest thereon etc.

b) Decrees pending for execution/contested dues and interest thereon, if any:

c) Interest on overdue recoverable where realisability is uncertain.

d) Liquidated damages on suppliers/underwriters.

3.6 **Property, Plant and Equipments**

All Property, Plant and Equipments (PPE) are stated at carrying value in accordance with previous GAAP, which is used as deemed cost on the date of transition to Ind AS using the exemption granted under Ind AS 101.

The cost of an item of property, plant and equipment is recognized as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The cost of an item of PPE is the cash price equivalent at the recognition date. The cost of an item of PPE comprises:

i) Purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

ii) Costs directly attributable to bringing the PPE to the location and condition necessary for it to be capable of operating in the manner intended by management.

iii) The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the company incurs either when the PPE is acquired or as a consequence of having used the PPE during a particular period for purposes other than to produce inventories during that period.

The company has chosen the cost model of recognition and this model is applied to an entire class of PPE. After recognition as an asset, an item of PPE is carried at its cost less any accumulated depreciation and any accumulated impairment losses.

3.7 **Intangible Assets**

All Intangible Assets are stated at carrying value in accordance with previous GAAP, which is used as deemed cost on the date of transition to Ind AS using the exemption granted under Ind AS 101

Identifiable intangible assets are recognized when the company controls the asset; it is probable that future economic benefits expected with the respective assets will flow to the company for more than one economic period; and the cost of the asset can be measured reliably. At initial recognition, intangible assets are recognized at cost. Intangible assets are amortized on straight line basis over estimated useful lives from the date on which they are available for use. Softwares are amortized over its useful life subject to a maximum period of 5 years or over the license period as applicable.

3.8 **Non-Current Assets Held for Sale**

The company classifies a non-current asset (or disposal group of assets) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. The non-current asset (or disposal group) classified as held for sale is measured at the lower of its carrying amount and the fair value less costs to sell.

3.9 **Depreciation**

Depreciation is provided on straight line method as per the useful lives approved by the Board of Directors, which are equal to those provided under schedule II of the Companies Act, 2013. The useful life of an asset is reviewed at each financial year-end. Each part of an item of PPE with a cost that is significant in relation to the total cost of the asset and if the useful life of that part is different from remaining part of the asset; such significant part is depreciated separately. Depreciation on all such items have been provided from the date they are 'Available for Use' till the date of sale / disposal and includes amortization of intangible assets and lease hold assets. Freehold land is not depreciated. An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Certain items of small value like calculators, wall clock, kitchen utensils etc. whose useful life is very limited are directly charged to revenue in the year of purchase. Cost of mobile handsets is also charged against revenue. The residual value of all the assets is taken as Re 1/-. The useful lives of the assets are taken as under:-

Name of Assets	Useful life as adopted by the company as per Schedule II
A. General Assets	
Furniture & Fittings	10
Office Equipment	5
Vehicles – Scooter	10
Vehicles – Car	8
Computers - Servers and networks	6
Computers – End User Devices	3
Lease-hold Land	As per Lease Agreement
Wagon Rakes	As per Agreement / Wagon Investment Scheme
Electrical installations excluding fans	10
Water Supply, Sewerage and Drainage	5
Roads	
Carpeted Roads – RCC	10
Carpeted Roads - Other than RCC	5
Non Carpeted Roads	3
Culverts	30
Buildings	
RCC	60
Other than RCC	30
Residential Flats (Ready Built)	
RCC	60
Other than RCC	30
Temporary Structure & wooden partition	3
Warehouse / Godown	30
B. Manufacturing Unit's Assets	
Factory Buildings	30
Electronic installations excluding fans	10
Water Supply, Sewerage and Drainage	5
Plant and Machinery	
Single Shift	15
Double Shift	10
Triple Shift	7.5
Plant and Machinery- Wind Energy Generation Plant	22
C. Fixed Assets created on Land and neither the Fixed Assets nor the Land belongs to the Company	5
D. Amortization of Intangible Assets	
Softwares	5 years or License period as applicable

3.10 **Borrowing Costs**

The Company capitalises borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset as a part of the cost of the asset.

The Company recognises other borrowing costs as an expense in the period in which it incurs them.

A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

1.11 **Foreign currency translation**

Transactions in currencies other than the functional currency are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are re-translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Foreign currency monetary items (except overdue recoverable where reliasibility is uncertain) are converted using the closing rate as defined in the Ind AS-21. Non-monetary items are reported using the exchange rate at the date of the transaction. The exchange difference gain/loss is recognized in the Statement of Profit and Loss.

Liability in foreign currency relating to acquisition of fixed assets is converted using the closing rate. The difference in exchange is recognized in the Statement of Profit and Loss.

3.12 **Inventory**

Inventories are stated at the lower of cost and net realisable value. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. The method of determination of cost and valuation is as under:

a) Exports:

(i) Cost of export stocks is arrived at after including direct expenses incurred up to the point at which the stocks are lying. Similarly the realisable value is derived by deducting from the market price the expenses to be incurred from that point to the stage where they are sold.

(ii) In respect of mineral ores the realisable value of ores is worked out at the minimum of the Fe/Mn contents of the grade of the ore as per export contract and is compared with the weighted average cost at weighted average Fe/Mn contents/weighted average moisture contents of the ore. The embedded stocks of Iron ore are excluded from inventory and hence not valued.

b) Imports:

(i) The cost of imported stocks is arrived at by working out the yearly regional weighted average cost except for Non-ferrous Metals where weighted average cost of remaining stock after including all expenses incurred up to the point at which they are lying is considered. However, where stocks are specifically identifiable, actual cost of the material including all expenses incurred up to the point at which they are lying is considered.

(ii) Gold/Silver purchased from foreign suppliers against booking by exporters under replenishment option and not delivered at the year-end are shown as stocks of company and valued at cost.

c) Domestic:

(i) The cost of gold/silver medallions and silver articles is arrived at by working out the yearly location-wise weighted average cost of material and cost of opening stock. Costs include manufacturing/fabrication charges, wastages and other direct cost.

(ii) In case of cut & polished stones and jewellery (finished/semi-finished) where stocks are specifically identifiable, actual cost of the material including all expenses incurred up to the point at which they are lying is considered. Costs include wastage and other direct manufacturing costs.

d) Packing material

Packing material is valued at lower of the cost or net realisable value.

e) Stocks with fabricators

Stocks with fabricators are taken as the stocks of the company, till adjustments.

3.13 **Provisions**

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

3.14 **Contingent Liabilities / Assets**

Contingent Liabilities

Contingent liabilities are not recognized but disclosed in Notes to the Accounts when the company has possible obligation due to past events and existence of the obligation depends upon occurrence or non-occurrence of future events not wholly within the control of the company.

Contingent liabilities are assessed continuously to determine whether outflow of economic resources have become probable. If the outflow becomes probable then relative provision is recognized in the financial statements.

Where an entity is jointly and severally liable for an obligation, the part of the obligation that is expected to be met by other parties is treated as a contingent liability. The entity recognises a provision for the part of the obligation for which an outflow of resources embodying economic benefits is probable, except in the extremely rare circumstances where no reliable estimate can be made

Contingent Liabilities are disclosed in the General Notes forming part of the accounts

Contingent Assets

Contingent Assets are not recognised in the financial statements. Such contingent assets are assessed continuously and are disclosed in Notes when the inflow of economic benefits becomes probable. If it's virtually certain that inflow of economic benefits will arise then such assets and the relative income will be recognised in the financial statements.

3.15 **Leases**

Assets held under lease, in which a significant portion of the risks and rewards of ownership are transferred to lessee are classified as finance leases. Other leases are classified as operating leases. The company normally enters into operating leases which are accounted for as under:-

(i) Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease.

(ii) Where the company is a lessee, operating lease payments are recognized as an expense on a straight-line basis over the lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

3.16 **Employee benefits**

i. Provision for gratuity, leave encashment/availment and long service benefits i.e. service award, compassionate gratuity, employees' family benefit scheme and special benefit to MICA division employees is made on the basis of actuarial valuation using the projected unit credit method. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to Statement of Profit or Loss.

ii. Provision for post-retirement medical benefit is made on defined contribution basis.

iii. Provident fund contribution is made to Provident Fund Trust on accrual basis.

iv. Payment of Ex-gratia and Notice pay on Voluntary Retirement are charged to revenue in the year incurred.

v. Superannuation plan, a defined contribution scheme is administered by Life Insurance Corporation of India (LIC). The Company makes contributions based on a specified percentage of each eligible employee's salary.

Short-term employee benefit obligations

Short-term employee benefit obligations are measured on an undiscounted basis and are recorded as expense as the related service is provided. A liability is recognized for the amount expected to be paid under PLI / PRP Scheme, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

3.17 **Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit or loss and other comprehensive income/statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

3.18 **Investment Property**

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. All of the Company's property interests held under operating leases to earn rentals or for capital appreciation purposes are accounted for as investment properties.

After initial recognition, the company measures investment property at cost.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de recognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

Investment properties to be depreciated in accordance to the class of asset that it belongs and the life of the asset shall be as conceived for the same class of asset at the Company.

3.19 **Impairment**

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalue amount, in which case the impairment loss is treated as a revaluation decrease.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

At the end of each reporting period, the company reviews the carrying amounts of its tangible, intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, The Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified,

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Impairment of financial assets

Financial assets, other than those at Fair Value through Profit and Loss (FVTPL), are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected. For Available for Sale (AFS) equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- Significant financial difficulty of the issuer or counterparty;
- Breach of contract, such as a default or delinquency in interest or principal payments;
- It becoming probable that the borrower will enter bankruptcy or financial re-organisation; or the disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial assets, such as trade receivables, assets are assessed for impairment on individual basis. Objective evidence of impairment for a portfolio of receivables could include company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of zero days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets that are carried at cost, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables; such impairment loss is reduced through the use of an allowance account for respective financial asset. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognized.

De-recognition of financial assets

The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, The Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss.

3.20 **Earnings per share**

A basic earnings per equity is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any shares splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

3.21 **Discontinued operations**

A discontinued operation is a component of the Company's business that represents a separate line of business that has been disposed off or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon the earlier of disposal or when the operation meets the criteria to be classified as held for sale.

3.22 **Financial instruments**

i) Non-derivative financial instruments

Non-derivative financial instruments consist of:

- financial assets, which include cash and cash equivalents, trade receivables, unbilled revenues, finance lease receivables, employee and other advances, investments in equity and debt securities and eligible current and non-current assets;
- Financial liabilities, which include long and short-term loans and borrowings, bank overdrafts, trade payables, eligible current and non-current liabilities.

Non derivative financial instruments are recognized initially at fair value including any directly attributable transaction costs. Financial assets are derecognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when the Company has not retained control over the financial asset.

Subsequent to initial recognition, non-derivative financial instruments are measured as described below:

a) Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents include cash in hand, at banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system. In the statement of financial position, bank overdrafts are presented under borrowings within current liabilities.

b) Investments in liquid mutual funds, equity securities (other than Subsidiaries, Joint Venture and Associates) are valued at their fair value. These investments are measured at fair value and changes therein, other than impairment losses, are recognized in other comprehensive income and presented within equity, net of taxes. The impairment losses, if any, are reclassified from equity into statement of income. When an available for sale financial asset is derecognized, the related cumulative gain or loss recognised in equity is transferred to the statement of income.

c) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Loans and receivables are initially recognized at fair value plus directly attributable transaction costs and subsequently measured at amortized cost using the effective interest method, less any impairment losses. Loans and receivables comprise trade receivables, unbilled revenues and other assets.

The company estimates the un-collectability of accounts receivable by analysing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

d) Trade and other payables

Trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method. For these financial instruments, the carrying amounts approximate fair value due to the short term maturity of these instruments.

e) Investments in Subsidiary, Associates and Joint Venture

The company accounts investment in subsidiary, joint ventures and associates at cost

An entity controlled by the company is considered as a subsidiary of the company.

Investments in subsidiary company outside India are translated at the rate of exchange prevailing on the date of acquisition.

Investments where the company has significant influence are classified as associates. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement is classified as a joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

ii) Derivative financial instruments

The Company is exposed to foreign currency fluctuations on foreign currency assets, liabilities, net investment in foreign operations and forecasted cash flows denominated in foreign currency.

The Company limits the effect of foreign exchange rate fluctuations by following established risk management policies including the use of derivatives. The Company enters into derivative financial instruments where the counterparty is primarily a bank.

Derivatives are recognized and measured at fair value. Attributable transaction costs are recognized in statement of income as cost.

Subsequent to initial recognition, derivative financial instruments are measured as described below:

a) Cash flow hedges

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognized in other comprehensive income and held in cash flow hedging reserve, net of taxes, a component of equity, to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognized in the statement of income and reported within foreign exchange gains/ (losses), net within results from operating activities. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the statement of income upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, such cumulative balance is immediately recognized in the statement of income.

b) Others

Changes in fair value of foreign currency derivative instruments neither designated as cash flow hedges nor hedges of net investment in foreign operations are recognized in the statement of income and reported within foreign exchange gains/ (losses), net within results from operating activities.

Changes in fair value and gains/ (losses) on settlement of foreign currency derivative instruments relating to borrowings, which have not been designated as hedges are recorded in finance expense.

3.23 **Segment Information**

The Chairman cum Managing Director (CMD) of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS-108, “Operating Segments.” The CMD of the Company evaluates the segments based on their revenue growth and operating income.

The Company has identified its Operating Segments as Minerals, Precious Metals, Metals, Agro Products, Coal & Hydrocarbon, Fertilizer and Others.

The Assets and liabilities used in the Company’s business that are not identified to any of the operating segments are shown as unallocable assets/liabilities. Management believes that it is currently not practicable to provide segment disclosures relating to total assets and liabilities since a meaningful segregation of the available data is onerous.

3.24 **Prior Period Errors**

Errors of material amount relating to prior period(s) are disclosed by a note with nature of prior period errors, amount of correction of each such prior period presented retrospectively, to the extent practicable along with change in basic and diluted earnings per share. However, where retrospective restatement is not practicable for a particular period then the circumstances that lead to the existence of that condition and the description of how and from where the error is corrected are disclosed in Notes to Accounts. Taking into account the nature of activities of the company, prior period errors are considered material if the items of income / expenditure collectively (net) exceed 0.5% of sales turnover of the company.

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4. **Property, Plant and Equipment**

(₹ in Million)

Particulars	Gross carrying value as at April 1, 2016	Additions	Disposal/ adjust-ments	Gross carrying value as at March 31, 2017	Accumu-lated de-preciation as at April 1, 2016	Additions	Disposal/ adjust-ments	Accu-mulated deprecia-tion as at March 31, 2017	Net Carrying Value as at March 31, 2017
Land freehold									
- Office building	3.66	-	-	**3.66**	-	0.05	-	**0.05**	**3.61**
- Staff Quarters	1.33	-	-	**1.33**	-	-	-	**-**	**1.33**
Land leasehold									
- Office building	26.97	-	-	**26.97**	0.50	0.50	-	**1.00**	**25.97**
- Staff Quarters	1.53	-	-	**1.53**	0.03	0.03	-	**0.06**	**1.47**
Building									
- Office Building	66.87	2.01	-	**68.88**	1.48	1.50	-	**2.98**	**65.90**
- Staff Quarters/Residential Flats	12.30	1.03	-	**13.33**	0.42	0.45	(0.12)	**0.75**	**12.58**
- Water supply, Sewerage & Drainage	0.04	0.53	-	**0.57**	-	0.10	-	**0.10**	**0.47**
-Electrical Installations	26.50	3.68	-	**30.18**	8.29	8.67	-	**16.96**	**13.22**
-Roads & Culverts	0.23	-	-	**0.23**	0.03	0.03	-	**0.06**	**0.17**
- Audio/Fire/Airconditioning	1.03	0.09	-	**1.12**	0.28	0.23	-	**0.51**	**0.61**
Plant & Equipment	408.78	1.94	(1.97)	**408.75**	30.58	34.34	-	**64.92**	**343.83**
Furniture & Fixtures									
- Partitions	12.17	0.03	(0.20)	**12.00**	1.36	2.43	-	**3.79**	**8.21**
- Others	6.54	4.56	(0.11)	**10.99**	0.86	1.30	(0.03)	**2.13**	**8.86**
Vehicles	2.80	1.35	-	**4.15**	0.32	0.73	-	**1.05**	**3.10**
Office Equipments	13.52	2.51	(1.03)	**15.00**	2.92	3.34	(0.08)	**6.18**	**8.82**
Others:-									
- Railway Wagon Rakes		-	-	**-**	-	-	-	**-**	**-**
- Railway Loop Line at BNHT	-	-	-	**-**	-	-	-	**-**	**-**
- Computer/ Data Processors	14.02	6.59	(0.20)	**20.41**	5.59	5.65	(0.12)	**11.12**	**9.29**
- Others (specify nature)	-	-	-	**-**	-	-	-	**-**	**-**
Total	**598.29**	**24.32**	**(3.51)**	**619.10**	**52.66**	**59.35**	**(0.35)**	**111.66**	**507.44**

(₹ in Million)

Particulars	Deemed cost as at April 1, 2015	Additions	Disposal/ adjust-ments	Gross carrying value as at March 31, 2016	Accumu-lated de-preciation as at April 1, 2015	Additions	Disposal/ adjust-ments	Accu-mulated deprecia-tion as at March 31, 2016	Net Carrying Value as at March 31, 2016
Land freehold									
- Office building	3.66	-	-	**3.66**	-	-	-	-	**3.66**
- Staff Quarters	1.33	-	-	**1.33**	-	-	-	-	**1.33**
Land leasehold*									
- Office building	26.97	-	-	**26.97**	-	0.50	-	0.50	**26.47**
- Staff Quarters	1.53	-	-	**1.53**	-	0.03	-	0.03	**1.50**

Particulars	Deemed cost as at April 1, 2015	Additions	Disposal/ adjustments	Gross carrying value as at March 31, 2016	Accumulated depreciation as at April 1, 2015	Additions	Disposal/ adjustments	Accumulated depreciation as at March 31, 2016	Net Carrying Value as at March 31, 2016
Building									
- Office Building	66.87	-	-	**66.87**	-	1.48	-	1.48	**65.39**
- Staff Quarters/Residential Flats	12.30	-	-	**12.30**	-	0.42	-	0.42	**11.88**
- Water supply, Sewerage & Drainage	-	0.04	-	**0.04**	-	-	-	-	**0.04**
-Electrical Installations	17.59	8.91	-	**26.50**	-	8.29	-	8.29	**18.21**
-Roads & Culverts	0.23	-	-	**0.23**	-	0.03	-	0.03	**0.20**
- Audio/Fire/Airconditioning	0.81	0.22	-	**1.03**	-	0.28	-	0.28	**0.75**
Plant & Equipment	408.79	0.39	(0.40)	**408.78**	-	30.58	-	30.58	**378.20**
Furniture & Fixtures									
- Partitions	7.25	4.41	0.51	**12.17**	-	1.36	-	1.36	**10.81**
- Others	3.55	2.97	0.02	**6.54**	-	0.87	-	0.86	**5.68**
Vehicles	0.86	1.94	-	**2.80**	-	0.32	-	0.32	**2.48**
Office Equipments	6.21	7.36	(0.05)	**13.52**	-	3.01	(0.09)	2.92	**10.60**
Others:-									
- Railway Wagon Rakes	-	-	-	**-**	-	-	-	-	**-**
- Railway Loop Line at BNHT	-	-	-	**-**	-	-	-	-	**-**
- Computer/ Data Processors	7.69	6.18	0.15	**14.02**	-	5.61	(0.02)	5.59	**8.43**
- Others (specify nature)	-	-	-	**-**	-	-	-	-	**-**
Total	**565.64**	**32.42**	**0.23**	**598.29**	**-**	**52.78**	**(0.11)**	**52.66**	**545.63**

5. **Capital Work- In- Progress**

(₹ in Million)

Particulars	**2016-17**				**2015-16**			
	Balance as at April 1, 2016	**Additions/ Adjustments during the year**	**Capitalized during the year**	**Balance as at March 31, 2017**	**Balance as at April 1, 2015**	**Additions/ Adjustments during the year**	**Capitalized during the year**	**Balance as at March 31, 2016**
Building								
-Building Under Construction	-	-	-	**-**	-	-	-	**-**
-Electrical Installations	-	-	-	**-**	-	-	-	**-**
Roads & Culverts	-	-	-	**-**	-	-	-	**-**
Furniture	-	-	-	**-**	0.05	-	(0.05)	**-**
Plant & Equipment	-	-	-	**-**	-	-	-	**-**
Renovation of Staff Quarter L1	7.50	0.41	(7.50)	**0.41**	-	7.50	-	**7.50**
Total	**7.50**	**0.41**	**(7.50)**	**0.41**	**0.05**	**7.50**	**(0.05)**	**7.50**

6. **Investment Property**

(₹ in Million)

Particulars	**Total**
Gross carrying value as at April 1, 2016	44.44
Additions	-
Disposal/adjustments	-
Gross carrying value as at March 31, 2017	**44.44**
Accumulated depreciation as at April 1, 2016	1.84
Additions	1.68
Disposal/adjustments	-
Accumulated depreciation as at March 31, 2017	**3.52**
Net Carrying Value as at March 31, 2017	**40.92**

(₹ in Million)

Particulars	Total
Deemed cost as at April 1, 2015	44.44
Additions	-
Disposal/adjustments	-
Gross carrying value as at March 31, 2016	**44.44**
Accumulated depreciation as at April 1, 2015	-
Additions	1.84
Disposal/adjustments	-
Accumulated depreciation as at March 31, 2016	**1.84**
Net Carrying Value as at March 31, 2016	**42.60**
Net Carrying Value as at April 1, 2015	**44.44**

Amounts recognised in profit or loss for investment properties

(₹ in Million)

Particualrs	March 31, 2017	March 31 ,2016
Rental income	21.36	20.34
Direct operating expenses from property that generated rental income	-	-
Direct operating expenses from property that did not generate rental income	-	-
Profit from investment properties before depreciation	21.36	20.34
Depreciation	1.68	1.84
Profit from investment properties	19.68	18.50

Leasing arrangements

Certain investment properties are leased to tenants under long-term operating leases with rentals payable monthly. Minimum lease payments receivable under non-cancellable operating leases of investment properties are as follows:

(₹ in Million)

Particulars	March 31, 2017	March 31, 2016	April 01, 2015
Within one year	6.33	5.32	4.48
Later than one year but not later than five year	-	-	-
Later than five year	-	-	-
Total	6.33	5.32	4.48

Estimation of fair value

The investment properties have been measured following cost model. The fair values of investment properties determined by independent valuer is ₹828.76 million.

7. Other Intangible Assets

(₹ in million)

Particulars	Computer Softwares	Total
Gross carrying value as at April 1, 2016	33.48	33.48
Additions	0.38	0.38
Disposal/adjustments	(0.01)	(0.01)
Gross carrying value as at March 31, 2017	**33.85**	**33.85**
Accumulated Amortization/Impairment as at April 1, 2016	5.46	5.46
Additions	6.98	6.98
Disposal/adjustments	(0.01)	(0.01)
Accumulated Amortization/Impairment as at March 31, 2017	**12.43**	**12.43**
Net Carrying Value as at March 31, 2017	**21.42**	**21.42**

(₹ in Million)

Particulars	Computer Softwares	Total
Gross carrying value as at April 1, 2015	1.47	1.47
Additions	32.00	32.00
Disposal/adjustments	0.01	0.01
Gross carrying value as at March 31, 2016	**33.48**	**33.48**
Accumulated Amortization/Impairment as at April 1, 2015	-	-
Additions	5.46	5.46
Disposal/adjustments	-	-
Accumulated Amortization as at March 31, 2016	**5.46**	**5.46**
Net Carrying Value as at March 31, 2016	**28.02**	**28.02**
Deemed cost as at April 1, 2015	**1.47**	**1.47**

8. Investments

(₹ in Million)

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
A. NON-CURRENT						
Investments in Equity Instruments (Quoted)						
Bombay Stock Exchange Limited. 38961 (NIL 31st March 2016 and NIL 1st April 2015) fully paid up equity shares of Rs.2 each.	30.00					
Add :Fair Value Adjustment through Other Comprehensive Income	8.09	38.09		-		-
Investments in Equity Instruments (Unquoted)*						
i) Joint Ventures						
Neelachal Ispat Nigam Limited. 289342744(289342744, 31st March 2016 and 289342744,1st April 2015) fully paid up equity shares of 10 each.	3,796.85		3,796.85		3,796.85	
Add : Income from Joint Venture till date	(3,796.85)	-	(2,891.75)	905.10	(1,228.15)	2,568.70
MMTC Gitanjali Limited. 2987400(2987400, 31st March 2016 and 29874001st April 2015) fully paid up equity shares of Rs.10 each.	29.87		29.87		29.87	
Add : Income from Joint Venture till date	(11.65)	18.22	(11.02)	18.85	(5.35)	24.52
Free Trade Warehousing Pvt. Limited.2600(2600, 31st March 2016 and 2600,1st April 2015) fully paid up equity shares of Rs.10 each	0.03		0.03		0.03	
Add : Income from Joint Venture till date	(0.03)		6.34	6.37	6.39	6.42
MMTC Pamp India Pvt. Limited.17446000(17446000, 31st March 2016 and 174460001st April 2015) fully paid up equity shares of Rs. 10 each.	174.46		174.46		174.46	
Add : Income from Joint Venture till date	503.77	678.23	465.22	639.68	451.71	626.17
Sical Iron Ore Terminal Limited. 33800000(33800000, 31st March 2016 and 33800000,1st April 2015) fully paid up equity shares of Rs. 10 each.	338.00		338.00		338.00	
Add : Income from Joint Venture till date	(0.16)	337.84	(0.14)	337.86	(0.10)	337.90
TM Mining Company Limited. 57200,(57200, 31st March 2016 and 57200,1st April 2015) fully paid up equity shares of Rs. 10 each.	0.57		0.57		0.57	

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
Add : Income from Joint Venture till date	(0.57)	-	(0.57)	-	(0.56)	0.01
iii) Others						
Indo French Biotech Limited. 4750000(4750000, 31st March 2016 and 4750000,1st April 2015) fully paid up equity shares of Rs. 10 each.	47.50		47.50		47.50	
Less: Fair value adjustment	47.50	-	47.50	-	47.50	0.00
United Stock Exchange Limited. NIL,(NIL, 31st March 2016 and 30000000,1st April 2015) fully paid up equity shares of Rs.1 each.		-		-		30.00
Bombay Stock Exchange Limited. NIL (77922, 31st March 2016 and NIL 1st April 2015) fully paid up equity shares of Rs.1 each.		-		30.00		-
Indian Commodity Exchange Limited.320000000(320000000, 31st March 2016 and 520000000,1st April 2015) fully paid up equity shares of Rs. 5 each.	160.00		160.00		260.00	
Less: Impairment in value of investment	-	160.00	-	160.00	241.10	18.90
Devona Thermal Power & Infrastructure Limited.NIL(NIL, 31st March 2016 and 13000, 1st April 2015) fully paid up equity shares of Rs. 10 each.	-		-			0.13
Advance against Equity Shares :-						
Haldia Free Trade Warehousing Pvt. Ltd.	220.92					
Integrated Warehousing Kandla Project Development Pvt. Ltd.	54.80					
Free Trade Warehousing Pvt. Ltd.	0.02	275.74		-		-
Total Investments in Equity Instruments		1,508.12		2,097.86		3,612.75

(₹ in Million)

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
B. CURRENT						
Investments in Mutual Funds(Quoted)						
SBI Premier Liquid Fund -Direct Plan-Daily Dividend						
478533.79 units of NAV Rs.1003.064 each(NIL units of NAV Rs. NIL each, 31st March 2016 andNIL units of NAV Rs. NIL each, 1st April 2015)		480.00		-		-
UTI - Liquid Cash Plan -Institutional-Direct Plan- DDR						
470927.669 units of NAV Rs.1019.265 each(NIL units of NAV Rs. NIL each, 31st March 2016 and NIL units of NAV Rs. NIL each, 1st April 2015)		480.00		-		-
Total		960.00		-		-

i. All Non-Current Investments in Equity Instruments of Joint Ventures are carried at cost less impairment in value of investment, if any. The Investment in Equity Instruments of others are carried at Fair Value. As per provisions of Ind AS -28, the carrying value of investments in Joint Ventures as on the reporting date has been adjusted by group's share in Profit/(Loss) of the respective Joint Ventures.

ii. The aggregate amount of Quoted Investments is ₹998.09 million (NIL, 31st March 2016 and NIL, 1st April 2015) and the aggregate amount of un-quoted investments is ₹ 4547.28 million (₹ 4547.28 31st March 2016 and ₹ 4647.28 1st April 2015) million. The aggregate amount of impairment in value of investments is ₹ 47.50 million (₹ 47.50, 31st March 2016 and ₹ 288.60 1st April 2015) million.

iii. The Company has invested ₹ 338.00 Million (P.Y ₹ 338.00 Million) towards 26% equity in SICAL Iron Ore Terminal Limited (SIOTL), a Joint Venture for the construction and operation of iron ore terminal at Ennore Port. The construction of terminal was completed by November 2010, the port could not be commissioned due to restrictions on mining, transportation and export of iron ore. The proposal for modification of the facility for handling of coal through Kamarajar Port Limited (KPL) (erstwhile known as Ennore Port Limited) in addition to existing facility has been approved by the Authorities. After due tender process, KPL has awarded the facility to SIOTL (having first right of refusal) for necessary modifications to also handle common user coal. In view of changed Iron ore export trade scenario, increase in project cost requirement of additional equity infusion by promoters, changing dynamics of coal imports, etc., MMTC's Board of Directors during its 428th meeting held on 14.09.16 approved MMTC's exit through open tender mechanism from the JV. A consultant has been appointed for extending advisory services in connection with MMTC's exit from SIOTL by disinvestment of the equity. Accordingly, the management has considered the investment as good.

iv. During the year the company has converted advance of ₹ 275.74 million lying with joint venture company HFTWPL, KFTWPL & FTWPL into advance against equity pending allotment of shares.

9. **Trade Receivable**

(₹in million)

Particulars	**As at March 31, 2017**	**As at March 31, 2016**	**As at April 1, 2015**
A. NON-CURRENT			
(i) Trade Receivables from related parties			
Secured, considered Good	-	-	-
Unsecured, considered good	0.01	0.01	0.01
Doubtful	-	-	-
Less : Allowances for doubtful debts	-	-	-
Sub-Total	0.01	0.01	0.01
(ii)Other Trade Receivables			
Secured, considered Good	-	16.85	-
Unsecured, considered good	84.88	72.89	68.36
Doubtful	3,961.44	3,957.30	3,958.43
Less : Allowances for doubtful debts	3,961.44	3,957.30	3,958.43
Sub-Total	84.88	89.74	68.36
Total	**84.89**	**89.75**	**68.37**
B. CURRENT			
(i) Trade Receivables from related parties			
Secured, considered Good	-	-	-
Unsecured, considered good	2,341.81	1,419.22	1,478.45
Doubtful	-	-	-
Less : Allowances for doubtful debts	-	-	-
Sub-Total	2,341.81	1,419.22	1,478.45
(ii)Other Trade Receivables			
Secured, considered Good	10.90	902.18	2,014.15
Unsecured, considered good	2,734.64	5,904.93	26,868.75
Doubtful	-	-	-
Less : Allowances for doubtful debts	-	-	-
Sub-Total	2,745.54	6,807.11	28,882.90
Total	**5,087.35**	**8,226.33**	**30,361.35**

Out of the above, amount due by directors or other officers of the company or any of them either severally or jointly with any other person or amounts due by firms or private companies respectively in which any director is a partner or a director or a member is₹NIL million (₹ NILmillion 31st March 2016 and ₹ NIL million 1st April 2015).

Movement in allowances for bad and doubtful debt:

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016
Balance at the beginning of the year	3,957.30	3,958.43
Impairment losses/ provision during the year recognised	4.80	-
Amount written off during the year	(0.66)	(1.13)
Amounts recovered during the year		
Foreign exchange translation gain/losses		
Balance at the end of the year	**3,961.44**	**3,957.30**

10. **Loans**

(₹ in Million)

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT
Secured (considered good)						
Security Deposits	-	0.05	-	0.05	-	0.05
Loans to Related Parties	-	-	-	-	-	-
Loans to Employees	14.08	53.57	15.88	58.27	15.31	63.31
Others	-	-	-	-	-	-
Sub- Total	14.08	53.62	15.88	58.32	15.31	63.36
Unsecured (considered good)						
Security Deposits	-	15.74	-	15.81	8.13	7.53
Loans to Related Parties	-	1,300.05	-	1,300.03	-	1,300.03
Loans to Employees	23.78	33.57	35.55	47.75	34.85	57.58
Others	2.91	-	9.70	-	10.54	-
Sub- Total	26.69	1,349.36	45.25	1,363.59	53.52	1,365.14
Unsecured (doubtful)						
Security Deposits	-	2.76	-	2.76	-	3.16
Loans to Related Parties	-	-	-	-	-	-
Loans to Employees	-	-	-	-	-	-
Others (Specify)	0.29	1.44	0.29	1.44	0.29	1.44
Less: Allowance for bad and doubtful loans	0.29	4.20	0.29	4.20	0.29	4.60
Sub- Total	-	-	-	-	-	-
Total	40.77	1,402.98	61.13	1,421.91	68.83	1,428.50

Out of the above, amount due by directors or other officers of the company or any of them either severally or jointly with any other person or amounts due by firms or private companies respectively in which any director is a partner or a director or a member is ₹ 0.25 million (₹ 0.35 million, 31st March 2016 and ₹ 0.05 million 1st April 2015).

11. **Other Financial Assets**

(₹ in Million)

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT	CURRENT	NON-CURRENT
Bank Deposits with more than 12 months maturity	-	0.50	-	0.20	-	0.13
Receivable From NSEL	-	2,097.92	-	2,097.92	-	2,096.34
Demurrage and Dispatch recievable	82.77	56.48	39.30	57.40	39.51	59.39
Advances to other Companies	-	53.53	-	383.52	-	368.17
Other Advances	5.82	81.46	2.60	89.86	200.78	94.30
Subsidy Recoverable	9.32	-	3,220.28	-	3,611.60	-
Interest accrued due/not due on:						
-Term Deposits	23.39	-	15.14	0.01	28.65	-
-Loans to Employees	13.90	117.41	12.00	127.16	11.35	120.40
-Loans to Related Parties	-	-	-	-	-	-
-Loans to Others	0.02	8.69	0.75	8.66	0.03	8.66
Others	0.98	251.15	19.09	217.06	113.58	237.65
Less: Impairment / Allowances for bad and Doubtful Receivables	10.39	2,315.75	10.65	2,327.02	10.55	2,339.25
Total	125.81	351.39	3,298.51	654.77	3,994.95	645.79

Includes ₹ 2097.92 million (P.Y ₹ 2097.92 million) recoverable from various borrowers and National Spot Exchange (NSEL) arising on account of default of payment obligation of NSEL against which full provision of ₹ 2097.92 million(P.Y₹ 2097.92 million) has already been made during 2013-14. The Company has filed legal suit in Bombay High Court against NSEL and others and hearings are in progress. The Government has also issued final order of merger of NSEL with its parent company, Financial Technologies (FTIL) in Feb, 2016. Against this merger order, FTIL has filed a case against Government. MMTC is also one of the intervening party in the legal case supporting the merger. CBI also investigated the case.

Includes debit balance of ₹ 51.00 million (PY ₹51 million) which based on the special audit report of RO Chennai, which remained un-recognised against which full provision already exist in the accounts and is under reconciliation.

12. **Deferred Tax Assets**

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Deferred Tax Liability			
Property, plant and equipment	**(104.71)**	(110.66)	(113.40)
Intangible assets	-	-	-
Sub Total	**(104.71)**	**(110.66)**	**(113.40)**
Deferred tax Assets			
Prov. For Doubtful Debts	**2279.15**	2,264.99	2,267.59
DWA Risk	**0.23**	0.16	0.23
VRS Expenses	**7.10**	5.03	11.07
Provision for CSR	**0.50**	1.18	2.12
Provision for Litigation Settlement	**143.50**	132.27	111.36
MAT credit	**-**	14.00	-
Sub Total	**2,430.48**	**2,417.63**	**2,392.37**
Deferred tax Assets (net)	**2,325.77**	**2,306.97**	**2,278.97**

Movement in deferred tax balances during the year

(₹ in Million)

Particulars	Balance As at March 31 2016	Recognised in Profit and Loss	Adjustments	Balance As at March 31 2017
Deferred Tax Liability				
Property plant and equipment	110.66	(5.95)	-	**104.71**
Sub Total	**110.66**	**(5.95)**	-	**104.71**
Deferred tax Assets				
Provisions for Bad & Doubtful Debts	2264.99	14.16	-	**2279.15**
Prov. for DWA Risk	0.16	0.07	-	**0.23**
VRS Expenses	5.03	2.07	-	**7.10**
CSR Provision	1.18	(0.68)	-	**0.50**
Prov for Litiqation Settlement	132.27	11.23	-	**143.50**
MAT Credit	14.00	-	(14.00)	**-**
Sub Total	**2417.63**	**26.85**	**(14.00)**	**2430.48**
Total	**2,306.97**	**32.80**	**(14.00)**	**2,325.77**

(₹ in Million)

Particulars	Balance As at April 01 2015	Recognised in profit & loss	Adjustments	Balance As at March 31 2016
Deferred Tax Liability				
Property plant and equipment	113.40	(2.74)	-	110.66
Sub Total	**113.40**	**(2.74)**	-	**110.66**
Deferred tax Assets				
Provisions for Bad & Doubtful Debts	2267.59	(2.60)	-	2264.99
Prov. for DWA Risk	0.23	(0.07)	-	0.16
VRS Expenses	11.07	(6.04)	-	5.03
CSR Provision	2.12	(0.94)	-	1.18
Prov for Litiqation Settlement	111.36	20.91	-	132.27
MAT Credit	-	-	14.00	14.00
Sub Total	**2392.37**	**11.26**	**14.00**	**2417.63**
Total	**2278.97**	**14.00**	**14.00**	**2306.97**

Unrecognized Deferred tax assets

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Deductible temporary differences	**2325.77**	**2306.97**	**2278.97**
Total	**2325.77**	**2306.97**	**2278.97**

13. **Other Assets**

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
A. Non-Current			
Capital Advances	-	-	-
Advances other than Capital Advances			
-Security Deposits	0.37	0.37	1.68
-Advances to Related Parties	-	-	-
- Advances to other Suppliers	51.60	39.18	39.10

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
- Other Advances	171.96	172.48	50.81
Allowances for bad and Doubtful Advance	(181.42)	(173.47)	(51.80)
Others			
- Income Tax paid recoverable	303.14	470.61	391.52
- Sales Tax paid recoverable	-	-	0.10
- Excise/Custom duty paid recoverable	-	-	-
- Others	0.13	0.13	0.13
Total	**345.78**	**509.30**	**431.54**
B. Current			
Capital Advances	-	-	-
Advances other than Capital Advances			
-Security Deposits	48.74	36.49	38.96
-Advances to Related Parties	9,665.03	6,566.44	5,891.56
- Advances to other Suppliers	809.91	245.57	47.68
- Claim Recoverable Others	193.44	40.66	117.97
-Gold/Silver stock towards unbilled purchases	4,592.31	3,518.05	3,150.90
- Other Advances	819.34	703.95	723.68
Allowances for bad and Doubtful Advance	(37.04)	(37.04)	(0.76)
Others			
- Income Tax refund due	42.86	-	-
- Sales Tax refund due	159.76	157.21	147.79
- Excise/Custom duty refund due	43.50	43.50	-
- Service Tax refund due	-	0.01	0.01
-Others	114.27	104.06	129.12
Total	**16,452.12**	**11,378.90**	**10,246.91**

14. **Inventories**

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Raw Materials	92.27	77.85	233.43
Finished Goods	461.11	775.29	358.98
Stock in trade	23,114.35	3,162.05	2,601.69
(includes goods in transit valued at ₹ 773.02 million, 31st March,2016 ₹ 627.73 million, 01st April,2015- ₹ 544.19 million)			
Packing Materials	0.66	-	-
Others	-	-	-
Total	**23,668.39**	**4,015.19**	**3,194.10**

a) As taken, valued and certified by the management.

b) Inventories including goods in transit are valued at lower of the cost or realizable value as on 31st March 2017. Valuation of closing stock at market price being lower than cost, has resulted in a loss of ₹47.15 million (31st March, 2016 - ₹ 1.14 million, 01st April,2015- ₹173.80 million) during the year out of which ₹ Nil (31st March, 2016 - ₹ NIL million, 01st April,2015- ₹ 32.66 million) is to the account of backup supplier/handling agents and accordingly, debited to their account.

c) Stock-in-trade includes the following:

(i) 21020 Certified Emission Reductions (CERs), 21020 Verified Carbon Units (VCUs) and same has been valued at ₹1.01 million as at 31st March 2017 (₹ 0.78 million as at 31st March 2016 and ₹ 0.78 million as at 1st April 2015) as per IndAS-2, Inventories being lower of cost or net realizable value.

(ii) Nil number of CERs under certification.

(iii) An amount of ₹43.03 million (P.Y. ₹ 45.15 million)has been spent on account of Depreciation, O&M cost of Emission Reduction equipment.

15. **Cash & Cash Equivalents**

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Cash on hand	0.08	0.32	0.85
Cheques, Drafts on hand	2.70	-	0.99
Balances with Banks			
(a) in Current Account	309.21	17.98	32.30
(b) in Cash Credit Account	267.63	328.00	1,005.19
In term deposit with original maturity upto 3 months	3,050.06	131.96	294.00
Total	**3,629.68**	**478.26**	**1,333.33**

16. **Bank Balances other than above (₹in million)**

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
For Unpaid Dividend	0.90	0.59	0.31
As Margin money/under lien	-	-	-
In term deposit with original maturity more than 3 months but less than 12 months	1,644.54	1,337.20	1,281.24
Others	-	-	-
Total	**1,645.44**	**1,337.79**	**1,281.55**

17. **Current tax Assets**

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Advance tax paid for the FY 2016-17	279.19	-	-
Advance tax paid for the FY 2015-16	0.09	84.92	-
Advance tax paid for the FY 2014-15	-	-	179.70
Total	**279.28**	**84.92**	**179.70**

18. **A. Equity Shares**

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
	Number	**Number**	**Number**
Authorized			
Ordinary shares of par value of Rs. 1/- each			
Number	1,000,000,000	1,000,000,000	1,000,000,000
Amount	1,000	1,000	1,000
Issued, subscribed and fully paid			
Ordinary shares of par value of Rs. 1/- each			
Number	1,000,000,000	1,000,000,000	1,000,000,000
Amount	1,000	1,000	1,000

Reconciliation of number of shares:

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016
Opening Equity Shares	1,000,000,000	1,000,000,000
Add: -No. of Shares, Share Capital issued/ subscribed during the year	-	-
Less: Deduction	-	-
Closing balance	**1,000,000,000**	**1,000,000,000**

No. of Shares in the company held by shareholder holding more than 5 percent

(₹ in Million)

Name of the Shareholder	As at March 31, 2017	As at March 31, 2016
- President of India	899,268,762	899,268,762

The Company has one class of share capital, comprising ordinary shares of Rs. 1/- each. Subject to the Company's Articles of Association and applicable law, the Company's ordinary shares confer on the holder the right to receive notice of and vote at general meetings of the Company, the right to receive any surplus assets on a winding-up of the Company, and an entitlement to receive any dividend declared on ordinary shares.

The Company does not have any holding company.

18. B. Other Equity

(₹ in Million)

Particulars	As at March 31 2017	As at March 31 2016	As at April 1 2015
a) Reserves and Surplus			
General Reserve	**6,185.39**	6,185.39	6,084.70
Capital Reserve	**-**	-	0.69
Corporate Social Responsibility Reserve	**0.01**	0.06	0.13
Research & Development Reserve	**3.54**	3.54	3.54
Retained Earnings	**4,707.46**	5,363.55	6,878.24
Bond Redemption Reserve	**82.97**	82.97	82.97
Total	**10,979.37**	**11,635.51**	**13,050.27**
b) Other Reserves	**28.04**	**47.65**	**3.32**
Total (a + b)	**11,007.41**	**11,683.16**	**13,053.59**

(i) General Reserve

(₹ in Million)

Particulars	As at March 31 2017	As at March 31 2016
Opening Balance	**6,185.39**	6,084.70
Transfer from surplus/other reserves	**-**	100.69
Closing Balance	**6,185.39**	6,185.39

(ii) Capital Reserve

(₹ in Million)

Particulars	As at March 31 2017	As at March 31 2016
Opening Balance	**-**	-
Transfer to general reserve	**-**	-
Closing Balance	**-**	-

(iii) Corporate Social Responsibility Reserve

(₹ in Million)

Particulars	As at March 31 2017	As at March 31 2016
Opening Balance	**0.06**	0.13
Transfer from surplus	**-**	-
Deduction	**(0.05)**	(0.07)
Closing Balance	**0.01**	0.06

(iv) Research & Development Reserve

(₹ in Million)

Particulars	As at March 31 2017	As at March 31 2016
Opening Balance	**3.54**	3.54
Transfer from surplus	**-**	-
Deduction	**-**	-
Closing Balance	**3.54**	3.54

(v) Bond Redemption Reserve

(₹ in Million)

Particulars	As at March 31 2017	As at March 31 2016
Opening Balance	**17.50**	23.07
Transfer from surplus	**-**	-
Deduction	**(6.24)**	(5.57)
Closing Balance	**11.26**	17.50

(vi) Retained Earnings

(₹ in Million)

Particulars	As at March 31 2017	As at March 31 2016
Opening Balance	**5,363.55**	6,878.24
Net Profit / (Loss) for the year	**(295.40)**	(974.52)
Items of other comprehensive income recognized directly in retained earnings		
Unamortized premium on forward contract	**-**	(0.10)
Transfer from Corporate Social Reponsibility	**-**	0.07
Reversal of Dividend and Dividend Tax proposed	**(361.07)**	(447.88)
Other Adjustments	**0.38**	7.74
General Reserve	**-**	(100.00)
Closing Balance	**4,707.46**	5,363.55

(vi) Other Reserves

(₹ in Million)

	Equity Components of compound financial instruments	Equity instruments through OCI	Effective Portion of cash flow hedges	Exchange differences on translating the financials of a foreign operation	Remeasure-ments - Post Employee Benefit Plans	Total other reserves
As at April 1 2015	23.07	-	-	-	(19.75)	3.32
Remeasurements of the defined benefit plans	-	-	-	-	(8.54)	(8.54)
Deferred tax on above	-	-	-	-	-	-
Addtion / (Deduction)	(5.57)	-	-	58.44		52.87
As at April 1 2016	**17.50**	**0.00**	**0.00**	**58.44**	**(28.29)**	**47.65**
Remeasurements of the defined benefit plans	-	-	-	-	1.83	1.83
Equity Instruments through other comprehensive income	-	8.09	-	-	-	8.09
Addtion / (Deduction)	(6.24)	-	-	(23.29)	-	(29.53)
As at April 1 2017	**11.26**	**8.09**	**-**	**35.15**	**(26.46)**	**28.04**

19. **Borrowings**

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
CURRENT			
Loans repayable on Demand			
(a)From Banks	-		
-Secured (against hypothecation of inventories, trade receivables and other current assets present and future)	4,401.80	2,127.32	2,060.42
-Unsecured	-	601.16	1,249.22
Total	**4,401.80**	**2,728.48**	**3,309.64**

The loans have not been guaranteed by any of the director or others.

The loans have been taken from Banks under Cash Credit/Packing Credit Accounts/Others and are repayable within one year.

The company has not defaulted in repayment of any loan and interest thereon.

20. **Trade Payable**

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
CURRENT			
Other than MSMEs			
-Trade Payables	6,889.82	8,898.76	28,634.42
-Trade Payables to Related Parties	0.24	361.84	2,722.70
MSMEs	-	-	-
Total	**6,890.06**	**9,260.60**	**31,357.12**

21. **Other Financial Liabilities**

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
CURRENT			
Security Deposit &EMD	485.18	569.66	350.90
Payables-Other than trade	137.36	271.86	71.40
Despatch/ Demurrage payable	90.59	46.53	42.43
Amount recovered -pending remittance	10.13	4.46	19.68
Interest accrued on borrowings	36.87	2.79	4.26
Unpaid Dividend	0.90	0.59	0.31
Others	806.21	2,456.85	2,299.18
Claims	147.65	129.88	282.46
Forward Contract Payable	179.98		
Amount Payable to Bank	-	1,921.51	2,389.67
Less: Foreign Currency Receivable	-	(1,856.00)	(2,344.13)
Total	**1,894.87**	**3,548.13**	**3,116.16**

22. **Provisions**

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
A. NON-CURRENT			
FOR EMPLOYEE BENEFITS			
a) Earned Leave	198.65	182.62	247.92
b) Compassionate Gratuity	1.19	1.62	1.86
c) Post Retirement Medical Benefit	-	-	-
Retirees after 01.01.2007	899.82	807.52	723.48
Retirees before 01.01.2007	455.00	472.81	502.79
d) Half Pay Leave	193.76	193.97	198.44
e) Service Award	59.92	61.85	47.70
f) Employee's Family Benefit Scheme	44.25	46.47	49.05
g) Special benefit to MICA employees	24.37	22.72	-
h) Others	-	-	-
Total	**1,876.96**	**1,789.58**	**1,771.24**
B. CURRENT			
FOR EMPLOYEE BENEFITS			
a) Earned Leave	32.89	32.65	29.31
b) Compassionate Gratuity	0.66	0.39	0.33
c) Post Retirement Medical Benefit			
Retirees after 01.01.2007	19.33	17.48	12.55
Retirees before 01.01.2007	82.46	80.12	65.76
d) Half Pay Leave	37.85	35.74	28.93
e) Gratuity	-	3.47	2.17
f) Superannuatuation Benefits	-	-	-
g) Service Award	12.66	14.15	8.34
h) Bonus/performance related pay	130.01	102.69	53.65
i) Employee's Family Benefit Scheme	8.27	10.16	9.43
j) Special benefit to MICA employees	5.19	1.23	-
h) Others	2.44	-	-
Sub Total (a)	**331.76**	**298.08**	**210.47**

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
FOR OTHER			
Destinational weight and analysis risk	0.66	0.47	0.67
Provision for Litigation Settlements	414.62	382.21	321.77
Sub Total (b)	**415.28**	**382.68**	**322.44**
Total (a+b)	**747.04**	**680.76**	**532.91**

23. **Other Liabilities**

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Current			
Advance Received from Customers	25,233.92	1,934.86	1,613.43
Statutory dues Payable	86.05	64.34	122.46
Corporate Social Responsibility Expenses	2.34	3.41	-
Amount payable towards unbilled purchases	4,592.31	3,518.05	3,150.90
Others	468.34	312.85	550.06
Total	**30,382.96**	**5,833.51**	**5,436.85**

24. **Current tax liabilities**

(₹ in Million)

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Income tax payable for the FY 2016-17	276.86	-	-
Income tax payable for the FY 2015-16	-	61.12	-
Income tax payable for the FY 2014-15	-	-	160.74
Total	**276.86**	**61.12**	**160.74**

25. **Revenue From Operations**

(₹ in Million)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Sale of Products	116,551.51	124,722.08
Sale of Services	254.27	262.37
Other Operating Revenue		
- Claims	275.28	185.93
- Subsidy	-	206.81
- Despatch Earned	44.30	13.04
- Other Trade Income	1,144.45	690.38
Total	**118,269.81**	**126,080.61**

26. **Other Income**

(₹ in Million)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest Income		
- From Fixed Deposits	144.66	48.15
- From Customers on amount overdue	0.10	324.36
- Others	148.89	238.92
Dividend Income		
-From Subsidiary/Joint Ventures	-	122.12
- From Others	12.14	2.33
Other Non Operating Revenue (Net of expenses directly attributable to such income)		
-Staff Quarters Rent	5.60	5.15
-Liabilities Written Back	68.53	79.97
-Foreign Exchange Gain	0.65	0.62
-Misc. Receipt	67.92	68.18
Total	**448.49**	**889.80**

27. **Cost of Materials Consumed**

(₹ in Million)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Raw Materials	1,117.47	757.98
Consumables	-	-
Others	-	-
TOTAL	**1,117.47**	**757.98**

28. **Purchase of Stock-in-Trade**

(₹ in Million)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
A. Purchases		
Precious Metal	54,170.64	66,107.11
Metals	7,497.51	5,176.79
Fertilizers	27,319.91	28,757.37
Minerals	12,497.75	4,565.24
Agro Products	20,935.97	4,204.70
Coal and Hydrocarbons	6,222.12	7,329.92
General Trade	467.47	40.88
Others	-	-
B. Stock Received/(Issued) in kind		
Precious Metals	(5.50)	(1.21)
Non-Ferrous Metals	-	-
TOTAL	**129,105.87**	**116,180.80**

29. Changes in Inventory

(₹ in Million)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
A. Finished Goods		
Opening Balance	775.29	358.98
Closing Balance	466.62	775.29
Changes in Inventory of Finished Goods	308.67	(416.31)
B. Stock-In-Trade		
Opening Balance	3,161.95	2,601.63
Closing Balance	23,149.91	3,162.79
Changes in Inventory of Stock in Trade	(19,987.96)	(561.17)
Net (Increase) /Decrease	(19,679.29)	(977.48)

30. Employees' Benefit Expenses

(₹ in Million)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Salaries and Wages		
Salaries and Allowances	1,322.28	1,382.31
Leave Encashment	115.56	114.99
Bonus	0.82	0.89
Performance Related Pay	65.00	55.40
Medical Expenses	234.03	223.63
Group Insurance	3.21	1.10
Contribution to DLIS	2.86	4.16
VR Expenses	20.03	-
Contribution to Provident Fund & Other Funds		
Providend Fund	97.64	105.30
Gratutity Fund	5.19	(1.41)
Family Pension Scheme	18.20	20.20
Superannuation Benefit	83.05	83.38
Staff Welfare Expenses	31.43	65.87
Adjustment on account of effective interest - Employee loans	-	-
TOTAL	**1,999.30**	**2,055.82**

31. Finance Cost

(₹ in Million)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest Expenses	203.15	285.98
Other Borrowing Costs	-	0.20
Net exchange difference on Borrowings	-	-
Premium on Forward Contract	10.93	17.02
TOTAL	**214.08**	**303.20**

32. Depreciation And Amortization Expenses

(₹ in Million)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Depreciation / Amortisation for the year		
Depreciation on PPE	59.33	52.78
Depreciation on Investment Property	1.68	1.84
Amortization of Intangible Assets	6.97	5.47
TOTAL	67.98	60.09

33. Other Expenses

(₹ in Million)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Operating Expenses :		
Freight	452.23	1,945.74
Demurrage	209.60	19.92
Clearing, Handling, Discount & Other charges	751.87	661.15
L/C negotiation and other charges	17.87	10.70
Difference in foreign exchange	8.67	(167.00)
Customs duty	3,775.87	5,629.38
Excise Duty	0.79	1.73
Packing Material	23.14	4.07
Insurance	9.08	2.81
Godown insurance	35.65	9.14
Plot and Godown rent	160.49	10.90
Provision for destinational weight and analysis risk	0.66	0.47
Sub total (a)	5,445.92	8,129.01
Administrative Expenses :		
Rent	36.81	34.99
Security Expenses	15.96	7.94
Rates and taxes	14.91	15.01
Insurance	1.18	1.12
Repairs to buildings	41.30	76.45
Repairs to machinery	0.69	0.52
Repairs & Maintenance- Computers	13.99	12.50
Repairs & Maintenance - Others	5.62	11.30
Electricity & Water Charges	38.57	39.15
Advertisement & Publicity	18.62	21.10
Printing & Stationery	6.60	6.36
Postage & Courier	1.21	1.75
Telephone	17.29	16.14
Telecommunication	7.66	8.22
Travelling	36.83	36.13
Vehicle	17.54	19.63
Entertainment	6.81	7.80
Legal	70.06	52.79
Auditors' Remuneration (i)	7.11	6.90
Bank Charges	7.11	8.17
Books & Periodicals	0.54	0.50
Trade / Sales Promotion	8.55	5.33
Subscription	5.49	3.96
Training, Seminar & Conference	4.73	4.27

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Professional/Consultancy	29.44	20.91
CSR Expenditure (ii)	8.14	4.57
Difference in foreign exchange	(10.05)	11.28
Donations	-	-
Service Tax	15.16	12.32
Exhibition and Fairs	40.62	34.53
Bad Debts/Claims/Assets written off/withdrawn	6.61	0.97
Allowance for Bad and Doubtful Debts / claims/ advances	4.80	2.80
Miscellaneous Expenses	65.83	72.56
Sub Total (b)	545.73	557.97
TOTAL (a+b)	5,991.65	8,686.98

ii) Amount paid to auditors'

(₹ in Million)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
As Auditor	3.72	3.74
For Taxation Matters/Tax Audit	1.58	1.41
For Other Services	1.79	1.69
For Reimbursement of Expenses	0.02	0.06
TOTAL	7.11	6.90

(ii) Details of CSR Expenditure:

(₹ in Million)

Particulars	March 31, 2017	March 31, 2016
Gross amount required to be spent by the company	₹ 8.14 Million	-

(₹in million)

	Particulars	Spent during the year	Balance unspent
(a)	Amount spent during the year 31st March,2017		
	(i)Construction/acquisition of any asset	-	-
	(ii)On purposes other than (i) above	8.14	-
	(iii)Against CSR Reserve of previous year	0.05	-
(b)	Amount spent during the year 31st March,2016		
	(i)Construction/acquisition of any asset	-	-
	(ii)On purposes other than (i) above	3.29	1.21
	(iii)Against CSR Reserve of previous year	0.07	-

34. **Exceptional Items**

(₹ in Million)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Write-down of inventories to net realisable value and its reversal	47.15	1.14
Disposals of items of fixed assets	(0.09)	(0.83)
Reversal of Subsidy claims	76.73	-
Disposal of non current Investment	-	(100.00)
Interest on delayed payments (i)	(1,044.32)	-
Litigation settlements (ii)	28.50	(306.94)
Provisions no longer required	(20.71)	(247.04)
TOTAL	(912.74)	(653.67)

(i) Includes interest of₹ 933.83 million claimed from APCSCL, as per the terms of Agreement between MMTC and APCSCL, on abnormal delayed receipt of Subsidy of ₹ 2453.07 million from the Government by the Company for supply and distribution of RBD Palmolin and ₹ 110.49 million towards interest on delayed payment made by APSCSCL as per the agreement which have been accounted for on receipt of the said subsidy.

(ii) Includes ₹32.40 million (P.Y. ₹ 33.45 million) towards liability in respect of an arbitration award against the company on account of claim filed by a foreign supplier against invocation of Performance Bank Guarantee relating to import of urea. The award was challenged by the company in Hon'ble Delhi High Court which was not admitted. The company has since filed Special Leave petition against the said award in the Hon'ble Supreme Court which has been admitted by the Hon'ble Court. However, total liability amounting to ₹414.62 million towards the claim (₹ 225.26 million), interest (₹172.44 million) and other cost etc. (₹ 16.92 million) has been made upto 31.03.2017.

35. **Tax Expense**

Tax recognised in Statement of profit and loss

(₹ in Million)

Particulars	For the year Ended March 31, 2017	For the year Ended March 31, 2016
Current year	**282.31**	58.72
Adjustments relating to prior periods	**(7.47)**	(2.80)
MAT Credit	**-**	(14.00)
Sub Total (A)	**274.83**	**41.92**
Deferred tax expense		
Origination and reversal of temporary differences	**(32.80)**	(14.00)
Sub Total (B)	**(32.80)**	**(14.00)**
Total (A+B)	**242.03**	**27.92**

Tax recognised in other comprehensive income

(₹ in Million)

Particulars	For the year Ended March 31, 2017	For the year Ended March 31, 2016
Defined benefit plan actuarial gains (losses)	**(1.00)**	
Total	**(1.00)**	**-**

Reconciliation of effective tax rates

(₹ in Million)

Particulars	For the year Ended March 31, 2017	For the year Ended March 31, 2016
Profit /(loss) before tax	**(55.56)**	(938.90)
Enacted tax Rate (applicable for holding company)	**34.61**	21.34
Computed Expected Tax Expenses	**(19.23)**	(200.36)
Adjustments relating to holding company :		
Non-deductible expenses	**48.68**	(35.95)
Tax exempt income/ any other deduction or allowable exp.	**(47.80)**	(26.56)
Change in estimates related to prior years	**(7.47)**	(2.80)
MAT Credit	**-**	(14.00)
Deferred Tax	**(32.80)**	(14.00)
	(39.40)	**(93.31)**
Adjustments relating to Subsidiary & Joint Ventures	**300.66**	**321.60**
Tax Expense for the year	**242.03**	**27.92**

Effective Tax Rate not applicable due to diferrent tax rates applicable to different entities.

36. Contingent Liabilities & Disclosures

(₹ in Million)

Particulars		As at 31.3.2017	As at 31.3.2016
a)	Claims against the company not acknowledged as debts including foreign currency claim.	4443.86	4689.56
b)	Disputed Income Tax Demand against which ₹ 303.13 (P.Y. ₹ 455.56 miliion) deposited.	430.57	613.02
c)	Disputed TDS demands	10.02	7.59

Particulars		As at 31.3.2017	As at 31.3.2016
d)	Disputed Sales Tax Demand against which ₹ 143.70 million (P.Y. ₹181.17 million) deposited and ₹ 0.67 million (P.Y. ₹ 0.67 million) covered by Bank Guarantees	2367.55	2342.94
e)	Disputed Service Tax Demand	989.31	942.72
f)	Disputed Central Excise demand	193.17	193.17
g)	Disputed PF demand	22.36	22.36
	Total	**8456.84**	**8411.36**

Share in Contingent Liabilities of Joint Ventures:-

(₹ in Million)

Sl. No.	Name of Joint Venture	As at 31/03/2017	As at 31/03/2016
1	MMTC Gitanjali Limited	1.70	0.34
2	MMTC PAMP India Pvt. Ltd.	15.46	12.85
3	SICAL Iron Ore Terminal Limited	-	-
4	TM Mining Company Limited	-	-
5	Neelachal Ispat Nigam Limited	1,455.14	1,767.15
6	Free Trade Ware- housing Pvt. Ltd.	-	0.07

i) Guarantees issued by Banks on behalf of the Company ₹ 154.30 million (P.Y. ₹ 1120.67 million) in favour of customer have been given towards performance of contract against which backup guarantees amounting to ₹ 425.70 million (P.Y. ₹ 1255.78 million) have been obtained from associate suppliers.

ii) Letters of Credit opened by the Company remaining outstanding ₹ 650.84 million (P.Y. ₹ 1869.19 million).

iii) Bonds have been furnished to Customs Authorities for performance, submission of original documents, etc, some of which are still outstanding. The amount of un-expired Bonds is ₹ 6002.88 million as on 31.03.2017 (P.Y. ₹ 6842.98 million), out of which, demand against show cause notices for ₹ 62.71 million (P.Y. ₹ 58.28 million) received by the company at Delhi Regional Office against which appeal has been filed by the company.

iv) Corporate Guarantees of ₹ 14605.60 million (P.Y. ₹ 14605.60 million) given by the company in favour of financial institutions/banks on behalf of Neelachal Ispat Nigam Limited (NINL) Joint Venture Company for securing principal and interest in respect of loans to NINL. The company has also issued a comfort letter in respect of a loan of ₹ 1800.00 million given to NINL by a bank against which corporate guarantee amounting to ₹ 900.00 million has been given by the company. The company has also issued standing instruction to the bank authorizing the bank to debit company's bank account @ ₹ 25.00 million every month and credit the current account of NINL maintained in the same bank during the tenor of the loan i.e. 4 years from Oct, 2014 availed by NINL. Pending commitment against the said SI is ₹ 475 million as on 31.3.2017.

v) The company entered into a purchase contract with a foreign supplier for import of coking coal for onward sale to NINL (a JV company) in the year 2008-09. Due to non-performance of the contract, the supplier referred the matter for arbitration. An award was decided against MMTC for an amount of Rs. 5105.41 million (USD 78.72 million @ ₹ 64.855 as on 31.03.2017) (PY ₹ 5216.80 million), cost of Rs 63.56 million (USD 0.98 million @ ₹ 64.855 as on 31.03.2017) (PY ₹ 64.94 million) alongwith interest thereon @ 7.50% p.a. from 30.9.2009 to 12.5.2014 and post award interest @ 15% p.a. from 1st June, 2014 until payment. The company filed petition before the Hon'ble Delhi High Court under section 34 of the Arbitration and Conciliation Act, 1996 against the final award which was not allowed. Against this decision of the court, the company filed an appeal before Hon'ble Division Bench of Delhi High Court that has been admitted by the Hon'ble Division Bench of Delhi High Court. The appeal is expected to come up for regular hearing after 2nd July 2017.

Pending final out-come of the legal proceedings, the Management has considered it prudent not to make any provision towards the award in its books of accounts as on 31.03.2017, since as per the legal opinion of senior advocate, the company has a strong case for rejection of the supplier's claim. Further, as per the legal opinion taken by the company, the liability, if any on account of this claim is to be borne by NINL exclusively. The company has communicated to NINL, the legal position on bearing of liability, if any arising out of the referred dispute.

vi) A back to back supplier of steam coal has claimed an amount of ₹ 504.30 million (P.Y. ₹ 504.30 million) towards increased railway freight, belt sampling rejection, rake rejection and interest for delayed payment in relation to Coal Supply on back to back basis to a customer during 2011-12 to 2012-13 which has been disputed by the customer.

vii) Custom department have raised demand of ₹1792.10 million (P.Y. ₹1902.44 million) at various RO's on account of differential custom duty/interest/penalty etc. on import of Steam Coal supplied by the company to Power utilities through associate suppliers on back to back terms on fixed margin basis. Also in case of RO Kolkata and Mumbai ₹ 174.82 million (P.Y.₹ 174.82 million) and ₹ 215.61 million (P.Y.₹ 215.61 million) shown as firm liability respectively in their books of accounts. The liability, if any, on account of custom duty shall be to the account of the backup supplier.

viii) In respect of GR-1 forms pertaining to period prior to 1993-94, outstanding beyond due date the Company has filed application with the authorized dealers for extension of time/waiver/ write off. Pending decision on the application, the liability, if any, that may arise is unascertainable. Enforcement Directorate has imposed penalty for ₹19.31 million (P.Y. ₹ 19.31 million) which are being contested. Against this, an amount of ₹ 0.30 million (P.Y. ₹ 0.30 million) has been deposited and bank guarantee of ₹ 10.30 million (P.Y. ₹ 10.30 million) furnished.

ix) In some of the cases, amounts included under contingent liabilities relate to commodities handled on Govt. of India's account and hence the same would be recoverable from the Govt. of India.

x) Additional liability, if any, on account of sales tax demands on completion of assessments, disputed claims of some employees, non-deduction of Provident Fund by Handling Agents/Contractors, disputed rent and interest/penalty/legal costs etc., in respect of amounts indicated as contingent liabilities being indeterminable, not considered.

37. **Commitments**

Capital Commitments: Estimated amount of contracts including foreign currency contracts net of advances remaining to be executed on capital account and not provided for is ₹ 0.81 million (P.Y. ₹ 7.41million).

Capital commitment in respect of investment in joint venture ₹ 84.28 million (P.Y. ₹ 65.20 million)

Share in Capital Commitments of Joint Ventures :-

(₹ in Millions)

Sl. No.	Name of Joint Venture	As at 31/03/2017	As at 31/03/2016
1	MMTC Gitanjali Limited	-	-
2	MMTC PAMP India Pvt. Ltd.	39.12	39.17
3	SICAL Iron Ore Terminal Limited	-	-
4	TM Mining Company Limited	-	-
5	Neelachal Ispat Nigam Limited	624.22	648.59
6	Free Trade Ware- housing Pvt. Ltd.	-	-

38. **General Disclosures :-**

a) Following goods on account of un-billed purchases are held by the Company under deposit and shown under other current assets note no. 13(b) as well as other current liabilities note no. 23.

(₹ in Million)

Items	31/03/2017		31/03/2016	
	Qty	Value	Qty	Value
Gold (in Kgs)	1,262.19	3,272.76	521.00	1,368.71
Gold Jewellery (in Grams)	288.96	3.28	-	-
Silver (in Kgs)	34,927.32	1,316.26	63,661.03	2,149.34
TOTAL	**36,478.47**	**4,592.31**	**64,182.03**	**3,518.05**

b) The company has taken decision to replace the existing ERP Package due to various changes taken place in the business model in the recent years and to also meet the latest statutory requirements.

c) Investment in Neelachal Ispat Nigam Ltd (NINL)-Joint Venture company :-

(i) The company alongwith Government of Odisha has set up a 1.1 MT integrated steel plant in Odisha and invested ₹ 3796.85 million (P.Y. ₹ 3796.85 million) (Note 8) towards 49.78% in equity capital in M/s Neelachal Ispat Nigam Ltd (NINL), a joint venture company.

(ii) The company has been extending, from time to time, short term credit facility to NINL upto a limit of ₹12750.00 million for its day to day operational activities on continuing basis. In addition, one time loan of ₹ 1300.00 million has been extended for debt repayment. Against this, outstanding under trade receivable (note 9) is ₹2309.96 million (P.Y. ₹1417.04 million), under Other Assets (advances to related parties) (note 13) is ₹9664.89 million (P.Y. ₹6566.44 million) and under Loans(note 10) is ₹1300.00 million (P.Y. ₹1300.00million) aggregating to ₹13274.85 million (P.Y. ₹9283.48 million).

(iii) The company has also given corporate guarantees amounting to ₹14605.60 million (P.Y. ₹ 14605.60 million) in favour of FIs/Banks/others to secure the loans availed by NINL and issued standing instruction to a bank to credit NINL bank account @ ₹ 25 million every month during the tenor of the loan i.e. 4 years from October, 2014 against which pending commitment is ₹475 million as on 31.3.2017(note 36 (v).

(iv) The company has recognised trade related interest of ₹ 720.82 million (P.Y. ₹ 603.95 million) and other interest income of ₹ 154.03 million (P.Y. ₹163.14 million) on the credit facilities extended to NINL.

(v) NINL is incurring losses (Net Loss is 28.11% of sales for the F.Y.2016-17) and net asset of NINL as per their financial statements, excluding MMTC dues is ₹11523.44 million as on 31.3.2017. Considering the clearance of mining rights of allotted Iron Ore mine to NINL in January 2017and expected revival of the Steel sector globally, the management has considered its investment as good.

d) The Company has filed a recovery suit of ₹ 314.02 million against M/s AIPL in respect of Mint sale transaction (P.Y. ₹ 314.02 million) which included overdue interest of ₹ 29.49 million (P.Y. ₹ 29.49 million) which has been decreed in favour of the Company. M/s AIPL have also filed a suit against Government Mint/MMTC for damages of ₹ 1671.97 million (P.Y. ₹ 1671.97 million) which is not tenable as per legal opinion and is being contested.

e) Under Price Stabilization Scheme of the Government of India to create Buffer Stock of Pulses, MMTC imported Pulses from July 2015 onwards until 31.03.2017. As per the scheme MMTCs trading margin has been fixed at 1.5% on C&F cost at the time of sale and all expenses related to the import shall be to the account of Govt. The stocks have been stored at various CWC/SWC/Other Godown in various States. Accordingly, the closing stock has been valued at cost as on 31.03.17.

f) A claim for ₹ 18.89 million (P.Y. ₹ 18.89 million) against an associate on account of damaged imported Polyester is pending for which a provision of ₹ 15.28 million (P.Y. ₹ 15.28 million) exists in the accounts after taking into account the EMD and other payables amounting to ₹ 3.61 million (P.Y. ₹ 3.61 million). The company has requested customs for abandonment which is pending for adjudication. A criminal & civil suit has been filed against the Associate.

g) Salary revision of employees is due w.e.f. 1.1.2017. However, DPE is yet to issue guidelines on salary revision and accordingly liability for 1.1.17 to 31.3.17 could not be estimated and hence no provision has been made in the accounts.

h) At Regional Office, Mumbai, during the year 2011-12, a foreign supplier has submitted forged shipping documents through banking channels to obtain payment of ₹ 35.31 million (P.Y. ₹ 36.08 million) without making delivery of the material (copper). However, the company has obtained an interim stay restraining the bank from making the payment under the letter of credit which was vacated and Indian bank had to make payment to the foreign bank. The matter is still pending in the court. The same supplier is also fraudulently holding on to the master bills of lading of another shipment of copper which would enable the Regional Office, Mumbai to take delivery and possession of goods valued at ₹ 85.98 million (P.Y. ₹ 85.98 million), already paid for and after adjustment of EMD & payables provision for the balance amount has been made during the year 2014-15.

h) At Regional Office, Hyderabad fake bills of lading covering two shipments of copper valued at ₹ 37.52 million

(P.Y. ₹ 37.52 million) were received during 2011-12 through banking channels against which no material was received. The foreign supplier has been paid in full through letter of credit after the company received full payment from its Indian customer. The company has initiated legal action against the foreign supplier.

39. **Financial Instruments- Fair Values and Risk Management**

39.1 **Financial Instruments by Categories**

The following tables show the carrying amounts and fair values of financial assets and financial liabilities by categories. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in million as at March 31, 2017)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Investments in Equity Instruments (Ref Note No.8)	-	-	198.09	198.09	198.09
Cash & Cash Equivalents (Ref Note No. 15)	3629.68	-	-	3629.68	-
Trade Receivable (Ref Note No. 9)	5172.24	-	-	5172.24	-
Employee Loans (Ref Note No. 10)	125.00	-	-	125.00	-
Loans to related party (Ref Note No. 10)	1300.05	-	-	1300.05	-
Security Deposits & Other Loans (Ref Note No. 10)	21.46	-	-	21.46	-
Security Deposits (Ref Note No. 13)	49.11	-	-	49.11	
Other Financial Assets (Ref Note No. 11)	477.20	-	-	477.20	-
Liabilities:					
Trade Payable (Ref Note No. 20)	6890.06	-	-	6890.06	-
Borrowings (Ref Note No.19)	4401.80	-	-	4401.80	-
Other Financial Liabilities (Ref Note No. 21)	1894.87	-	-	1894.87	-

The carrying value and fair value of financial instruments by categories were as follows as on March 31, 2016:

(₹in Millions as at March 31, 2016)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Investments in Equity Instruments (Ref Note No.8)	-	-	190.00	190.00	190.00
Cash & Cash Equivalents (Ref Note No. 15)	478.26	-	-	478.26	-
Trade Receivable (Ref Note No. 9)	8316.08	-	-	8316.08	-
Employee Loans (Ref Note No. 10)	157.45	-	-	157.45	-

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Loans to related party (Ref Note No. 10)	1300.03	-	-	1300.03	-
Security Deposits & Other Loans (Ref Note No. 10)	25.56	-	-	25.56	-
Security Deposits (Ref Note No. 13)	36.86	-	-	36.86	
Other Financial Assets (Ref Note No. 11)	3953.28	-	-	3953.28	-
Liabilities:					
Trade Payable (Ref Note No. 20)	9260.60	-	-	9260.60	-
Borrowings (Ref Note No.19)	2728.48	-	-	2728.48	-
Other Financial Liabilities (Ref Note No. 21)	3548.13	-	-	3548.13	-

The carrying value and fair value of financial instruments by categories were as follows as on April 01, 2015:

(₹in Millions as at April 1, 2015)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Investments in Equity Instruments (Ref Note No.8)	-	-	48.90	48.90	48.90
Cash & Cash Equivalents (Ref Note No. 15)	1333.33	-	-	1333.33	-
Trade Receivable (Ref Note No. 9)	30429.72	-	-	30429.72	-
Employee Loans (Ref Note No. 10)	171.06	-	-	171.06	-
Loans to related party (Ref Note No. 10)	1300.03	-	-	1300.03	-
Security Deposits & Other Loans (Ref Note No. 10)	26.25	-	-	26.25	-
Security Deposits (Ref Note No. 13)	40.64	-	-	40.64	
Other Financial Assets (Ref Note No. 11)	4640.74	-	-	4640.74	-
Liabilities:					
Trade Payable (Ref Note No. 20)	31357.12	-	-	31357.12	-
Borrowings (Ref Note No.19)	3309.64	-	-	3309.64	-
Other Financial Liabilities (Ref Note No. 21)	3116.16	-	-	3116.16	-

39.2 Fair Value Hierarchy

- **Level 1** - Level 1 hierarchy includes financial instruments measured using quoted prices (unadjusted) in active markets.
- **Level 2** - Level 2 hierarchy includes financial instruments measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3** - Level 3 hierarchy includes financial instruments measured using inputs that are not based on observable market data (unobservable inputs).

The following tables present fair value hierarchy of assets and liabilities measured at fair value:

(₹in Millions as at March 31, 2017)

Particulars	Level 1	Level 2	Level 3	Total	Valuation Technique and key inputs	Significant unobservable inputs
Financial Assets						
Financial Investments at FVTOCI						
Investment in Equity Instruments (BSE)	38.09			38.09		Quoted Price
Investment in Equity Instruments (ICEX)			160.00	160.00	Cost adopted as best estimate of Fair Value.	
Total	38.09	-	160.00	198.09		

(₹in Millions as at March 31, 2016)

Particulars	Level 1	Level 2	Level 3	Total	Valuation Technique and key inputs	Significant unobservable inputs
Financial Assets						
Financial Investments at FVTOCI						
Investment in Equity Instruments (BSE)			30.00	30.00	Cost adopted as best estimate of Fair Value.	
Investment in Equity Instruments (ICEX)			160.00	160.00	Cost adopted as best estimate of Fair Value.	
Total	-	-	190.00	190.00		

(₹in Millions as at April 1, 2015)

Particulars	Level 1	Level 2	Level 3	Total	Valuation Technique and key inputs	Significant unobservable inputs
Financial Assets						
Financial Investments at FVTOCI						
Investment in Equity Instruments (USE)			30.00	30.00	Carrying value adopted as best estimate of Fair Value	
Investment in Equity Instruments (ICEX)			18.90	18.90	Carrying value adopted as best estimate of Fair Value	
Total	-	-	48.90	48.90		

39.3 Financial risk management, objectives and policies

The company's activities expose it to the following financial risks:

- market risk
- credit risk and
- liquidity risk.

The company has not arranged funds that have any interest rate risk.

a) **Market risk**

(i) **Foreign Exchange Risk**

The company has import and export transactions and hence has foreign exchange risk primarily with respect to the US$. The company has not arranged funds through long term borrowings. The short term foreign currency loans (buyer's credit) availed from banks are fixed interest rate borrowings. As a result, the company does not have any interest rate risk. The company's risk management policy is to use hedging instruments to hedge the risk of foreign exchange.

The company uses foreign exchange forward contracts to hedge its exposure in foreign currency risk.The company designates the spot element of forward contracts with reference to relevant spot market exchange rate. The difference between the contracted forward and the spot market exchange rate is treated as the forward element. The changes in the spot exchange rate of hedging instrument that relate to the hedged item is deferred in the cash flow hedge reserve and recognized against the related hedged transaction when it occurs. The forward element of forward exchange contract is deferred in cost of hedging reserve and is recognized to the extent of change in forward element when the transaction occurs.

The following tables show the summary of quantitative data about the company's exposure to foreign currency risk from financial instruments expressed in ₹:

(₹ in Millions as at March 31, 2017)

Particulars	US Dollars (in Equiv INR)	Other Currencies (in Equiv INR)	Total
Cash & cash equivalents & Bank Balances	985.75	-	985.75
Trade Receivable	1,433.91	-	1,433.91
Demurrage / Despatch Receivable	68.79	-	68.79
Other Receivable	10.35	-	10.35
Total Receivable in foreign currency	2,498.80	-	2,498.80
Foreign Currency Loan payable	2,401.74	-	2,401.74
Interest on foreign currency loan payable	9.11	-	9.11
Trade Payables	885.75	-	885.75
Freight Demurrage / Despatch Payable	49.42	-	49.42
Provision towards Litigation Settlement	414.62	-	414.62
Others	29.04	-	29.04
Total Payable in Foreign Currency	3,789.67	-	3,789.67

The company has no exposure in respect of foreign currency receivable/payable since loss/gain is to the account of the Associate supplier/customer except on provision towards litigation settlement where matter is still under dispute. Also the company has taken forward exchange contracts in respect of payables at the risk and cost of the associate.

(₹ in Millions as at March 31, 2016)

Particulars	US Dollars (in Equiv INR)	Other Currencies (in Equiv INR)	Total
Cash & cash equivalents & Bank Balances	1,031.65	-	1,031.65
Trade Receivable	1,275.66	-	1,275.66
Demurrage / Despatch Receivable	69.54	-	69.54
Other Receivable	12.50	-	12.50
Total Receivable in foreign currency	2,389.35	-	2,389.35
Foreign Currency Loan payable	1,363.01	-	1,363.01
Interest on foreign currency loan payable	2.40	-	2.40
Trade Payables	1,144.10	-	1,144.10
Freight Demurrage / Despatch Payable	44.07	-	44.07
Provision towards Litigation Settlement	382.21	-	382.21
Others	127.88	-	127.88
Total Payable in Foreign Currency	3,063.68	-	3,063.68

The company has no exposure in respect of foreign currency receivable/payable since loss/gain is to the account of the Associate supplier/customer except on provision towards litigation settlement where matter is still under dispute. Also the company has taken forward exchange contracts in respect of payables at the risk and cost of the associate.

(₹ in Millions as at April 1, 2015)

Particulars	US Dollars (in Equiv INR)	Other Currencies (in Equiv INR)	Total
Cash & cash equivalents & Bank Balances	977.27	-	977.27
Trade Receivable	4,097.98	-	4,097.98
Demurrage / Despatch Receivable	63.00	-	63.00
Other Receivable	17.56	-	17.56
Total Receivable in foreign currency	5,155.81	-	5,155.81
Foreign Currency Loan payable	1,731.01	-	1,731.01
Interest on foreign currency loan payable	1.85	-	1.85
Trade Payables	3,329.32	-	3,329.32
Freight Demurrage / Despatch Payable	43.17	-	43.17
Provision towards Litigation Settlement	321.77	-	321.77
Others	27.99	-	27.99
Total Payable in Foreign Currency	5,455.10	-	5,455.10

The company has no exposure in respect of foreign currency receivable/payable since loss/gain is to the account of the Associate supplier/customer except on provision towards litigation settlement where matter is still under dispute. Also the company has taken forward exchange contracts in respect of payables at the risk and cost of the associate.

Sensitivity:

As of March 31, 2017 and March 31,2016, every 1% increase or decrease of the respective foreign currencies compared to our functional currency would impact our profit before tax by approximately ₹ NIL and ₹ NIL, respectively.

(ii) **Price Risk**

The company's exposure to equity securities price risk arises from investments held by the company and classified in balance sheet as at fair value through other comprehensive income. Out of the two securities held by the company, one is listed in NSE and the other (ICEX) is not listed.

As of March 31, 2017 and March 31, 2016, every 1% increase or decrease of the respective equity prices would impact other component of equity by approximately ₹1.98 million and ₹1.60 million, respectively. It has no impact on profit or loss.

b) **Credit Risk**

Credit risk refers to the risk of default on its obligation by a counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Accordingly, credit risk from trade receivables has been separately evaluated from all other financial assets in the following paragraphs.

Trade Receivables

The company's has outstanding trade receivables are mostly secured through letter of credit/BG except in respect of JV's and Govt of India.

Impairment on trade receivables is recognized based on expected credit loss in accordance with provisions of IndAS 109. The company's historical experience for customers, present economic condition and present performance of the customers, future outlook for the industryetcare taken into account for the purposes of expected credit loss.

Credit risk exposure

An analysis of age of trade receivables at each reporting date is summarized as follows:

(₹in Millions as at March 31, 2017)

Particulars	Gross amount	Impairment	Carrying Value
Not past due	3,889.30	-	3,889.30
Past due less than 30 days	31.73	-	31.73
Past due more than 30 days but not more than 60	11.02	-	11.02
Past due more than 60 days but not more than 90	27.60	-	27.60
Past due more than 90 days but not more than 120	7.43	-	7.43
Past due more than 120 days	5,166.59	3,961.44	1,205.15
Total	**9,133.68**	**3,961.44**	**5,172.24**

(₹in Millions as at March 31, 2016)

Particulars	Gross amount	Impairment	Carrying Value
Not past due	2,328.15	-	2,328.15
Past due less than 30 days	0.18	-	0.18
Past due more than 30 days but not more than 60	1.21	-	1.21
Past due more than 60 days but not more than 90	2.44	-	2.44
Past due more than 90 days but not more than 120	492.66	112.84	379.82
Past due more than 120 days	9,448.75	3,844.47	5,604.28
Total	**12,273.38**	**3,957.30**	**8,316.08**

(₹in Millions as at April 1, 2015)

Particulars	Gross amount	Impairment	Carrying Value
Not past due	2,854.05	-	2,854.05
Past due less than 30 days	294.10	-	294.10
Past due more than 30 days but not more than 60	66.37	-	66.37
Past due more than 60 days but not more than 90	0.01	-	0.01
Past due more than 90 days but not more than 120	3.32	-	3.32
Past due more than 120 days	31,170.30	3,958.43	27,211.87
Total	**34,388.15**	**3,958.43**	**30,429.72**

Trade receivables are generally considered credit impaired after three years past due (except government dues), unless the amount is considered receivable, when recoverability is considered doubtful based on the recovery analysis performed by the company for individual trade receivables. The company considers that all the above financial assets that are not impaired and past due for each reporting dates under review are of good credit quality.

With regard to trade receivable on certain transactions, the company has equivalent trade payables to associate suppliers which are payable on realization of trade receivables. Such trade receivables are considered not impaired though past due.

Other financial assets

Credit risk relating to cash and cash equivalents is considered negligible because our counterparties are banks. We consider the credit quality of term deposits with scheduled banks which are subject to the regulatory oversight of the Reserve Bank of India to be good, and we review these banking relationships on an ongoing basis. Credit risk related to employee loans are considered negligible since major loans like house building loans, vehicle loans etc are secured against the property for which loan is granted to the employees. The other employee loans are covered under personal guarantee of concerned employees along with surety bonds of other serving employees. There are no impairment provisions as at each reporting date against these financial assets. We consider all the above financial assets as at the reporting dates to be of good credit quality.

c) **Liquidity Risk**

Our liquidity needs are monitored on the basis of monthly and yearly projections. The company's principal sources of liquidity are cash and cash equivalents, cash generated from operations and availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

Due to the dynamic nature of underlying businesses, the company maintains flexibility in funding by maintaining availability under committed credit lines.

Short term liquidity requirements consists mainly of sundry creditors, expense payable, employee dues arising during the normal course of business as of each reporting date. The company maintains sufficient balance in cash and cash equivalents to meet short term liquidity requirements.

The company assesses long term liquidity requirements on a periodical basis and manages them through internal accruals and committed credit lines.

The table below provides details regarding the contractual maturities of non-derivative financial liabilities. The table has been drawn up based on the undisclosed cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The table includes both principal & interest cash flows.

(₹in Millions as at March 31, 2017)

Particulars	**Less than 6 months**	**6 months to 1 year**	**1-3 years**	**3-5 years**	**More than 5 years**	**Total**
Trade **Payables**	6890,06					**6890.06**
Shortterm borrowings (cash credit)*	4401,80					**4401.80**
Other Financial Liabilities	1894,87					**1894.87**
Total	**13186.73**	**0.00**	**0.00**	**0.00**	**0.00**	**13186.73**

*Includes interest accrued on borrowings

(₹in Millions as at March 31, 2016)

Particulars	**Less than 6 months**	**6 months to 1 year**	**1-3 years**	**3-5 years**	**More than 5 years**	**Total**
Trade Payables	9260,60					9260.60
Shortterm borrowings (cash credit)*	2728,48					2728.48
Other Financial Liabilities	3548,13					3548.13
Total	15537.21	0.00	0.00	0.00	0.00	15537.21

*Includes interest accrued on borrowings

(₹in Millions as at April 1, 2015)

Particulars	**Less than 6 months**	**6 months to 1 year**	**1-3 years**	**3-5 years**	**More than 5 years**	**Total**
Trade Payables	31357.12					**31357.12**
Short term borrowings (cash credit)*	3309.64					**3309.64**
Other Financial Liabilities	3116.16					**3116.16**
Total	**37782.92**	**0.00**	**0.00**	**0.00**	**0.00**	**37782.92**

*Includes interest accrued on borrowings

40. **Impact of Hedging Activities**

40.1 **Cash Flow Hedge**

As at 31st March 2017 there was no outstanding Hedging Instrument on account of the company.

40.2 Fair Value Hedge

As per the Risk Management Policy, the company enters into forward contracts with commodity exchanges to hedge against price fluctuations in gold and silver inventories. The gain or loss on the hedging instrument is recognized in profit or loss. The hedging gain or loss on the hedged item adjusts the carrying amount of the hedged item and is recognised in profit or loss.

a. *Disclosure of effects of hedge accounting on financial position for hedging instruments:*

(₹in Millions as at March 31, 2017)

Type of Hedge and risk	Carrying amount of hedging instrument		Change in fair value of hedging instrument used as the basis for recognizing hedge ineffectiveness for the period	Nominal amounts of the hedging instruments	
	Assets	Liabilities		Quantity (kgs)	Value
Fair Value hedge					
Price Risk					
Forward contract to sell gold	-	-	-	414.00	1,187.13

a. *Disclosure of effects of hedge accounting on financial position for hedged items*:

(₹in Millions as at March 31, 2017)

Type of Hedge and risk	Carrying amount of hedged item	Accumulated amount of hedge adjustments on the hedged item included in the carrying amount of hedged item	Line item in the Balance Sheet in which the hedged item is included	Changes in value used as the basis for recognizing hedge ineffectiveness	Accumulated amount of hedge adjustments remaining in the balance sheet for any hedged items that have ceased to be adjusted for hedging gains and losses (para 6.5.10 of IndAS 109)
Fair Value hedge					
Price Risk					
Inventory of gold	938.79	2.92	Inventories	-	-

The company did not designate hedge accounting prior to 1st April 2016. Hence the figures as at 31st March 2016 and 1st April 2015 are NIL.

41. **Disclosure in respect of Indian Accounting Standard (Ind AS)-36 "Impairment of assets"**

During the year, the company assessed the impairment loss of assets and accordingly provision towards impairment in the value of PPE amounting to Rs. 3.76 million has been made during the year.

42. Disclosure in respect of Indian Accounting Standard (Ind AS)-19 “Employee Benefits”

42.1 General description of various employee’s benefits schemes are as under:

a) Gratuity:

Gratuity is paid to all employees on retirement/separation based on the number of years of service. The scheme is funded by the Company and is managed by a separate Trust through LIC. In case of MICA division employees the scheme is managed directly by the company through LIC. The scheme is funded by the company and the liability is recognized on the basis of contribution payable to the insurer, i.e., the Life Insurance Corporation of India, however, the disclosure of information as required under Ind AS-19 have been made in accordance with the actuarial valuation.

As per Actuarial Valuation company’s best estimates for FY 2016-17 towards the Gratuity Fund Contribution is ₹ 4.28 million (including actuarial deficit of ₹ NIL Millions for 2015-16). However, the company is making contribution to the fund as per the demand made by Life Insurance Corporation of India.

b) Leave:

Payable on separation to eligible employees who have accumulated earned and half pay leave. Encashment of accumulated earned leave is also allowed during service leaving a minimum balance of 15 days twice in a year. The liability on this account is recognized on the basis of actuarial valuation.

c) Long Service Benefits: Long Service Benefits payable to the employees are as under-

(i) Service Award:

Service Award amounting to 3,500/- for each completed year of service is payable to the employees on superannuation/voluntary retirement scheme.

(ii) Compassionate Gratuity

Compassionate Gratuity amounting to 50,000/- is payable in lump-sum to the dependants of the employee on death while in service.

(iii) Employees’ Family Benefit Scheme

Payments under Employees’ Family Benefit Scheme is payable to the dependants of the employee who dies in service till the notional date of superannuation. A monthly benefit @ 40% of Basic Pay & DA last drawn subject to a maximum of 12,000/- on rendering service of less than 20 years and similarly a monthly benefit @ 50% of Basic Pay & DA last drawn subject to maximum 12,000/- on rendering service of 20 years or more at the time of death.

(iv) Special Benefit to MICA Division employees amounting to 5,00,000/- (Officer), 4,00,000/- (Staff) and 3,00,000/- (Worker) upon retirement

The summarized position of various defined benefits recognized in the Statement of Profit & Loss, Other Comprehensive Income (OCI) and Balance Sheet & other disclosures are as under:

Net defined benefit obligation

(₹in Millions)

Particulars		Gratuity	Earned Leave	Sick Leave	Long Service Award	Special Benefit	Compas-sionate Gratuity	Employee Family Benefit
		(Funded)	(Non-Funded)	(Non-Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)
Defined Benefit Obligation	**C.Y.**	697.47	231.54	231.61	72.58	29.56	1.85	52.52
	P.Y.	751.77	215.27	229.71	76.00	23.95	2.01	56.63
Fair Value of Plan Assets	**C.Y.**	708.33	-	-	-	-	-	-
	P.Y.	758.33	-	-	-	-	-	-
Funded Status [Surplus/(Deficit)]	**C.Y.**		-	-	-	-	-	-
	P.Y.		-	-	-	-	-	-
Effect of asset ceiling	**C.Y.**		-	-	-	-	-	-
	P.Y.		-	-	-	-	-	-
Net Defined Benefit Assets/ (Liabilities)	**C.Y.**	10.86	(231.54)	(231.61)	(72.58)	(29.56)	(1.85)	(52.52)
	P.Y.	6.57	(215.27)	(229.71)	(76.00)	(23.95)	(2.01)	(56.63)

Movement in defined benefit obligation

(₹in Millions)

Particulars		Gratuity	Earned Leave	Sick Leave	Long Service Benefits	Special Benefit	Compas-sionate Gratuity	Employee Family Benefit
		(Funded)	(Non-Funded)	(Non-Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)
Defined benefit obligation - Beginning of the year	**C.Y.**	751.77	215.27	229.71	76.00	23.95	2.01	56.63
	P.Y.	782.71	277.00	227.11	56.03	-	2.19	58.48
Current service cost	**C.Y.**	4.81	9.52	8.63	2.48	0.94		
	P.Y.	6.33	8.89	8.67	4.28	0.78		
Past Service Cost	P.Y.				17.44	45.14		
Interest Cost	**C.Y.**	60.14	17.22	18.38	6.08	1.92		
	P.Y.	62.62	22.16	18.17	4.48	-		
Benefits Paid	**C.Y.**	(111.40)	(70.76)	(22.73)	(12.11)	-		
	P.Y.	(91.46)	(149.74)	(17.40)	(6.65)	(21.97)		
Re-measurements - actuarial loss/(gain)	**C.Y.**	(7.85)	60.28	(2.38)	0.14	2.75	(0.16)	(4.12)
	P.Y.	(8.43)	56.95	(6.84)	0.42	-	(0.18)	(1.84)
Defined benefit obligation – End of the year	**C.Y.**	697.47	231.54	231.61	72.58	29.56	1.85	52.52
	P.Y.	751.77	215.27	229.71	76.00	23.95	2.01	56.63

Movement in plan asset

(₹ in Millions)

Particulars	Gratuity (Funded)	
	31.03.2017	31.03.2016
Fair value of plan assets at beginning of year	758.33	785.68
Interest income	60.67	62.85
Employer contributions	2.85	1.28
Benefits paid	(111.40)	(91.46)
Re-measurements -Actuarial (loss)/ gain	(2.12)	(0.02)
Fair value of plan assets at end of year	708.33	758.33

Amount Recognized in Statement of Profit and Loss

(₹ in Millions)

Particulars		Gratuity	Earned Leave	Sick Leave	Long Service Benefits	Special Benefit	Compas-sionate Gratuity	Employee Family Benefit
		(Funded)	(Non-Funded)	(Non-Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)
Current service cost	C.Y.	4.81	9.52	8.63	2.48	0.94		
	P.Y.	6.33	8.89	8.67	4.28	0.78		
Past Service Cost - Plan Amendment	C.Y.							
	P.Y.				17.44	45.14		
Service Cost (A)	C.Y.	4.81	9.52	8.63	2.48	0.94		
	P.Y.	6.33	8.89	8.67	21.71	45.92		
Net Interest on Net Defined Benefit Liability/fassets) (B)	C.Y.	(0.53)	17.22	18.38	6.08			
	P.Y.	(0.24)	22.16	18.17	4.48			
Net actuarial (gain)/ loss recognized in the period	C.Y.		60.28	(2.38)			(0.16)	(4.12)
	P.Y.		56.95	(6.84)			(0.18)	(1.84)
Cost Recognized in P&L (A+B)	C.Y.	4.28	87.03	24.63	8.55	0.94	(0.16)	(4.12)
	P.Y.	6.09	88.01	20.00	26.20	45.92	(0.18)	(1.84)

Amount recognized in Other Comprehensive Income (OCI)

(₹ in Millions)

Particulars		Gratuity	Earned Leave	Sick Leave	Long Service Benefits	Special Benefit	Compas-sionate Gratuity	Em-ployee Family Benefit
		(Funded)	(Non-Funded)	(Non-Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)
Actuarial gain/ (loss) due to DBO Experience	C.Y.	7.85			(0.51)			
	P.Y.	8.43	-		(0.09)		-	-
Actuarial gain/(loss) due to assumption changes	C.Y.	(2.12)	-		(0.14)	(2.75)	-	-
	P.Y.	(0.02)	-		(0.42)		-	-
Actuarial gain/floss) arising during the period (A)	C.Y.	5.72	-		(0.65)	(2.75)	-	-
	P.Y.	8.41	-		(0.51)		-	-
Return on Plan assets (greater)/less than discount rate (B)	C.Y.		-		-		-	-
	P.Y.		-		-		-	-
Actuarial gain/floss) recognized in OCI (A+B)	C.Y.	5.72	-		(0.65)	(2.75)	-	-
	P.Y.	8.41	-		(0.51)		-	-

Sensitivity Analysis

(₹ in Millions as at March 31, 2017)

Assumption	Change in Assumption	Gratuity	Earned Leave	Sick Leave	Long Service Benefits	Special Benefit	Compas-sionate Gratuity	Employee Family Benefit
		(Funded)	(Non-Funded)	(Non-Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)
Discount rate	0,50%	(15,69)	**(5,82)**	(5,26)	(1.44)	0,56		
	-0,50%	16,45	**6,15**	5,51	1,50	(0,58)		
Salary growth rate	0,50%	2,34	**6,21**	5,57	-			
	-0,50%	(2,58)	**(5,93)**	(5,36)	-			

(₹in Millions as at March 31, 2016)

Assumption	Change in Assump-tion	Gratuity	Earned Leave	Sick Leave	Long Service Benefits	Special Benefit	Compas-sionate Gratuity	Employee Family Benefit
		(Funded)	(Non-Funded)	(Non-Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)
Discount rate	0.50%	(16.65)			(1.54)	-	-	-
	-0.50%	17.45			1.60	-	-	-
Salary growth rate	1.00%	2.80	-		-	-	-	-
	-1.00%	(3.02)	-		-	-	-	-

Actuarial Assumption

Particulars		Gratuity	Earned Leave	Sick Leave	Long Service Benefits	Special Benefit	Compas-sionate Gratuity	Employee Family Benefit
		(Funded)	(Non-Funded)	(Non-Funded)	(Non Funded)	(Non Funded)	(Non Funded)	(Non Funded)
Method used	**C.Y.**	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit
	P.Y.	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit	Projected Unit Credit
Discount rate	**C.Y.**	7.54%	7.54%	7.54%	7.54%	7.54%	7.54%	7.54%
	P.Y.	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
Rate of salary increase	**C.Y.**	6.00%	6.00%	6.00%	-	-	-	-
	P.Y.	6.00%	6.00%	6.00%	-	-	-	-
Mortality rate	**C.Y.**	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)
	P.Y.	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)

Expected Benefit Payments

(₹ in Millions)

Sr. No.	Year of payment	Gratuity (Funded)	Earned Leave (Non-Funded)	Sick Leave (Non-Funded)	Long Service Benefits (Non Funded)	Special Benefit (Non Funded)	Compassionate Gratuity (Non Funded)	Employee Family Benefit (Non Funded)
1	April 2017- March 2018	102.74	32.89	37.85	12.66	5.19	-	-
2	April 2018- March 2019	94.39	37.07	40.83	13.66	5.37	-	-
3	April 2019- March 2020	82.65	27.37	25.61	8.73	3.68	-	-
4	April 2020- March 2021	70.91	24.49	19.07	7.93	2.31	-	-
5	April 2021- March 2022	67.20	22.82	22.36	6.37	3.27	-	-
6	April 2022- March 2023	57.50	17.97	20.33	5.33	3.00	-	-
7	April 2023 onwards	222.07	68.93	65.56	17.90	6.73	-	-

Category of investment in Plan assets

Category of Investment	% of fair value of plan assets
Insured benefits	100%

d) **Provident Fund:** The Company's contribution paid/payable during the year to Provident Fund and the liability is recognized on accrual basis. The Company's Provident Fund Trust is exempted under Section 17 of Employees' Provident Fund and Miscellaneous Provisions Act, 1952. The conditions for grant of exemptions stipulate that the employer shall make good deficiency, if any, in the interest rate declared by the Trusts vis-à-vis statutory rate. The company does not anticipate any further obligations in the near foreseeable future having regard to the assets of the funds and return on investment.

e) **Pension Scheme** – During the year, the Company has recognized ₹ 80.45 million (P.Y. ₹ 83.38 million) towards Defined Contribution Superannuation Pension Scheme in the Statement of Profit & Loss.

f) **Post-Retirement Medical Benefit:** Available to retired employees at empanelled hospitals for inpatient treatment and also for OPD treatment under 'Defined Contribution Scheme' as under:

a. The liability for the year 2016-17 has been calculated at the rate of 1.50% of PBT for the retirees prior to 1.1.2007 and @ 4.50% of Basic+DA in respect of serving employees as per the defined contribution scheme.

b. Pending creation of trust for management of fund, the contribution for the current year along with the liability as on 31.3.2016 has been shown as company's obligation as on 31.3.2017 under 'Defined Contribution Scheme' and additional contribution @ 8.50% has been added during the year in the present value of obligation being one year closer to settlement.

c. During the year, total expenses of ₹ 171.23 million (P.Y. ₹ 139.78 million) has been charged to Profit & Loss Account.

43. Group Information

Subsidiaries

The group's subsidiaries are set out below. They have share capital consisting solely of equity shares that are held directly by the group and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

S.No	Name of Subsidiary	Principal Activity	Place of Incorporation	Ownership Interest held by the group		
				31/03/2017	31/03/2016	01/04/2015
1	MMTC Transnational PTE LTD	Trading in minerals, Metals, fertilizers, agriculture products, coal, gold and hydrocarbon products, jewellery and other commodities	Singapore	100% (Non Controlling Interest NIL)	100% (Non Controlling Interest NIL)	100% (Non Controlling Interest NIL)

Joint Ventures

The details of Joint Ventures in which the Group is a Joint Venturer are set out below. They have share capital consisting solely of equity shares that are held directly by the group and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Sr. No.	Name of Joint Venture	Principal Activity	Place of Incorporation	Ownership Interest held by the group			Accounting Method
				31/03/17	31/03/16	1/04/15	
1	MMTC Gitanjali Limited	Trading in gold and silver coins, gold jewellery, diamond studded jewellery, lifestyle jewellery	India	26%	26%	26%	Equity Method
2	MMTC PAMP India Pvt. Ltd.	Trading in Gold and silver bars, coins and related items and refining of gold and silver dores.	India	26%	26%	26%	Equity Method
3	SICAL Iron Ore Terminal Limited	The company has set up its Iron Ore Terminal Facility	India	26%	26%	26%	Equity Method
4	TM Mining Company Limited	Engaged in exploration, search, prospecting, development, extraction, exploitation of the mineral blocks/deposits.	India	26%	26%	26%	Equity Method
5	Neelachal Ispat Nigam Limited	Iron & steel plant with captive power plant	India	49.78%	49.78%	49.78%	Equity Method
6	Free Trade Warehousing Pvt. Ltd. *	Development of free trade warehousing Zones in India	India	26%	26%	26%	Equity Method

*The group holds 26% share in equity share capital of joint venture. However, as per agreement group has 50% share in income/expenses of the JV, hence 50% share in profit/(loss) of the JV has been accounted for in consolidated financial statements.

Quoted fair value: All the above joint ventures are unlisted entities and hence no quoted price is available. The details of carrying amount is given in Note no. 8.

The unrecognised share of losses of the Joint Venture, as the group has stopped recognising its share of losses of the joint venture while applying the equity method, is given below :-

(Rs. In Millions)

Sr. No.	Name of Joint Venture	Cumulative Balance as at 31/03/17	For the year ended 31/03/17	For the year ended 31/03/16	As at 1/04/15
1	TM Mining Company Limited	0.08	0.02	0.06	-
2	Neelachal Ispat Nigam Limited	872.19	872.19	-	-
3	Free Trade Warehousing Pvt. Ltd.	9.95	9.95	-	-

44. **Information regarding Joint Ventures**

Summarized Balance Sheet	**MMTC Gitanjali Limited**			MMTC PAMP India Private Limited			Sical Iron Ore Terminal Limited			TM Mining Company Limited			**Neelachal Ispat Nigam Limited**			Free Trade Ware-housing Pvt, Ltd,		
	31-Mar-17	31-Mar-16	I-Apr-15	31-Mar-17	31-Mar-16	I-Apr-15	31-Mar-17	31-Mar-16	I-Apr-15	31-Mar-17	31-Mar-16	I-Apr-15	31-Mar-17	31-Mar-16	I-Apr-15	31-Mar-17	31-Mar-16	I-Apr-15
Current Assets																		
Cash and Cash equivalents	0.34	0.51	0.24	665.59	24.29	5822.28	0.36	0.07	0.24	0.01	0.06	0.20	881.34	164.65	128.54	18.82	26.93	40.53
Other Assets	331.63	239.18	184.78	3318.22	4167.39	2013.56	82.31	81.29	83.23				3105.12	2640.09	3455.46	0.39	0.00	0.00
Total Current Assets	331.97	239.69	185.02	3983.81	4191.68	7835.84	82.67	81.36	83.47	0.01	0.06	0.20	3986.46	2804.74	3584.00	19.21	26.93	40.53
Total Non current Assets	13.05	18.31	32.74	1923.86	2101.64	2200.32	7479.15	6463.41	5727.94	0.04	0.04	0.03	33269.26	32069.40	31467.09	667.24	619.78	591.52
Current Liabilities																		
Financial Liabilities (excluding trade payables and provisions)	21.17	22.94	22.31	549.15	3070.97	614.63	0.00	54.59	242.88		0.01	0.00	13648.43	10007.56	13149.91	40.12	80.94	80.93
Other Liabilities	253.57	162.33	100.79	2508.87	475.51	6672.07	6241.53	4690.27	2432.91	0.37	0.33	0.18	4811.00	3687.80	2845.93	15.50	13.64	14.21
Total Current Liabilities	274.74	185.27	123.10	3058.02	3546.48	7286.70	6241.53	4744.86	2675.79	0.37	0.34	0.18	18459.43	13695.36	15995.84	55.62	94.58	95.14
Non current Liabilities																		
Financial Liabilities (excluding trade payables and provisions)					41.50	105.95		480.22	1823.75				18974.88	17726.83	12496.59			
Other Liabilities	0.20	0.21	0.35	241.09	245.04	235.18	2.25	2.20	2.04				1572.82	1633.06	1397.88	91.15	539.35	524.03
Total Non Current Liabilities	0.20	0.21	0.35	241.09	286.54	341.13	2.25	482.42	1825.79				20547.70	19359.89	13894.47	91.15	539.35	524.03
Net Assets	70.08	72.52	94.31	2608.56	2460.30	2408.33	1318.04	1317.49	1309.83	(0.32)	(0.24)	0.05	(1751.41)	1818.89	5160.78	539.68	12.78	12.88

Particulars	**MMTC Gitanjali Limited**		**MMTC PAMP India Private Limited**		**Sical Iron Ore Terminal Limited**		**TM Mining Company Limited**		**Neelachal Ispat Nigam Limited**		**Free Trade Ware-housing Pvt. Ltd.**	
	2016-17	**2015-16**	**2016-17**	**2015-16**	**2016-17**	2015-16	**2016-17**	2015-16	**2016-17**	**2015-16**	2016-17	2015-16
Revenue	266.24	283.23	243901.61	267650.12	0.00	0.00	0.00	0.00	12687.37	11783.47	0.00	0.00
Interest income	0.07	0.08	276.76	445.52	0.00	0.00	0.00	0.00	104.08	40.02	0.48	2.55
Depreciation and amortization	3.72	1.63	224.28	222.89	0.00	0.00	0.00	0.00	1809.87	1050.86	0.00	0.00
Interest expense	0.04	0.09	897.23	763.40	0.00	0.00	0.00	0.00	3599.31	2432.80	0.02	0.00
Income tax expense	1.32	3.07	65.01	175.57	0.00	0.00	0.00	0.00	(1827.35)	6.30	1.85	0.26
Profit from continuing operations	(2.48)	(21.95)	149.29	616.22	(0.10)	(0.13)	(0.08)	(0.29)	(3567.44)	(3314.58)	(32.64)	(0.09)
Profit from discontinued operations **(Post tax)**												

Particulars	MMTC Gitanjali Limited		MMTC PAMP India Private Limited		Sical Iron Ore Terminal Limited		TM Mining Company Limited		Neelachal Ispat Nigam Limited		Free Trade Ware-housing Pvt. Ltd.	
	2016-17	**2015-16**	**2016-17**	**2015-16**	**2016-17**	2015-16	**2016-17**	2015-16	**2016-17**	**2015-16**	2016-17	2015-16
Profit for the year	(2.48)	(21.95)	149.29	616.22	(0.10)	(0.13)	(0.08)	(0.29)	(3567.44)	(3314.58)	(32.64)	(0.09)
Other comprehensive income	0.04	0.16	(1.03)	1.07	0.00	0.00	0.00	0.00	9.68	(16.11)	0.00	0.00
Total Comprehensive income	(2.44)	(21.79)	148.26	617.29	(0.10)	(0.13)	(0.08)	(0.29)	(3557.76)	(3330.69)	(32.64)	(0.09)

Particulars	MMTC Gitanjali Limited		MMTC PAMP India Private Limited		Sical Iron Ore Terminal Limited (SIOTL)		TM Mining Company Limited		Neelachal Ispat Nigam Limited (NINL)		Free Trade Ware-housing Pvt. Ltd. (FTWPL)	
	31-3-2017	**31-3-2016**	**31-3-2017**	**31-3-2016**	**31-3-2017**	**31-3-2016**	**31-3-2017**	**31-3-2016**	**31-3-2017**	**31-3-2016**	**31-3-2017**	**31-3-2016**
Opening net assets	72.52	94.31	2,460.30	2,408.33	1,317.49	1,309.83	(0.24)	0.05	1,818.89	5,160.78	12.78	12.88
Profit for the year	(2.48)	(21.95)	149.29	616.22	(0.10)	(0.13)	(0.08)	(0.29)	(3,567.44)	(3,314.58)	(32.64)	(0.10)
Other comprehensive income	0.04	0.16	(1.03)	1.07	-	-	-	-	9.68	(16.11)	-	-
Other Adjustments*				(565.32)	0.65	7.79			(12.54)	(11.20)		
Advance against equity											559.53	
Closing net assets	70.08	72.52	2,608.56	2,460.30	1,318.04	1,317.49	(0.32)	(0.24)	(1,751.41)	1,818.89	539.67	12.78
Group's share in %	26%	26%	26%	26%	26%	26%	26%	26%	49.78%	49.78%	50%	50%
Group's share in INR	18.22	18.85	678.23	639.68	342.69	342.55	(0.08)	(0.06)	(871.85)	905.44	269.84	6.39
Goodwill/(Capital Reserve)	-	-	-	-	-	-	-	-	-	(0.34)	-	-
Carrying amount **	18.22	18.85	678.23	639.68	337.84	337.86				905.10		6.37

*Adjustments pertains to Equity contribution by M/s SICAL Logisitcs Ltd. (Holding company of SIOTL) in form of Corporate Guarantee Reserve due to which carrying amount of investment in SIOTL differs from group share in net assets of SIOTL.

**The group is recognising 50% share in income & expenses of FTWPL whereas 26% stake is held in equity due to which carrying amount of investment as at 31.03.2016 in FTWPL differs from group share in net assets of FTWPL.

** The carrying amount of investment in case of, TM Mining as t 31.03.2016 & 31.03.2017, NINL as at 31.03.2017 & FTWPL as at 31.03.2017 is NIL as group's share in Loss of Joint Venture company exceeds the carrying amount of investment in respective Joint venture company.

45. **Disclosure in respect of Indian Accounting standard (Ind AS)-108: "Operating Segments"**

Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the company's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented for each business segment. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual business segments, and are as set out in the significant accounting policies. Business segments of the company are:-Precious Metals, Metals, Minerals, Coal & Hydrocarbon, Agro Products, Fertilizer and Others

Segment Revenue and Expense

Details regarding revenue and expenses attributable to each segment must be disclosed

Segment assets include all operating assets in respective segments comprising of net fixed assets and current assets, loans and advances etc. Assets relating to corporate and construction are included in unallocated segments. Segment liabilities include liabilities and provisions directly attributable to respective segment.

Segment revenues and results

(₹in Millions as at March 31, 2017)

Particulars	Precious Metals	Metals	Minerals	Coal & Hydro-Carbon	Agro Products	Fertilizers	Others	Total
Segment Revenue from External Customers								
Within India	60473.30	4508.76	145.65	6352.16	2089.56	26523.11	40.30	100132.83
Outside India	1.22	2443.86	12727.99	(33.94)	0.00	1088.67	445.14	16672.94
Inter-Segment Revenue								NIL
Total Segment Revenue	60474.52	6952.62	12873.64	6318.22	2089.56	27611.78	485.44	116805.78
Segment Results								
Within India	491.23	965.78	6.55	220.33	46.26	31.03	4.62	1765.79
Outside India	0.03	73.17	352.63	0.00	0.00	6.43	13.18	445.44
Total segmental results	491.26	1038.94	359.18	220.33	46.26	37.46	17.79	2211.23
Unallocated Corporate expenses:								
Interest expenses (net)								(90.50)
Other unallocated expenses net of other income								1487.75
Profit before tax from ordinary activities								813.98

(₹in Millions as at March 31, 2016)

Particulars	Precious Metals	Metals	Minerals	Coal & Hydro-Carbon	Agro Products	Fertilizers	Others	Total
Segment Revenue from External Customers								
Within India	70505.50	3279.98	340.07	11230.09	3565.12	28843.96	115.96	117880.69
Outside India	0.00	2361.20	4552.37	221.96	(7.98)	(23.78)	0.00	7103.77
Inter-Segment Revenue								NIL
Total Segment Revenue	70505.50	5641.17	4892.44	11452.05	3557.14	28820.18	115.96	124984.45
Segment Results								
Within India	233.86	859.60	(12.80)	216.93	256.58	70.43	81.01	1705.61
Outside India	0.00	69.92	115.43	0.76	3.30	0.00	0.00	189.41
Total segmental results	233.86	929.52	102.63	217.69	259.88	70.43	81.01	1895.01

Particulars	Precious Metals	Metals	Minerals	Coal & Hydro-Carbon	Agro Products	Fertilizers	Others	Total
Segment Revenue from External Customers								
Unallocated Corporate expenses:								
Interest expenses (net)								(325.45)
Other unallocated expenses net of other income								1663.78
Profit before tax from ordinary activities								556.69

Segment assets and liabilities

(₹in Millions as at March 31, 2017)

Particulars	Precious Metals	Metals	Minerals	Coal & Hydro-Carbon	Agro Products	Fertilizers	Others	Total
A.01 Segment Assets:								
Assets	6383.78	11219.35	2247.20	3991.78	20226.95	248.47	4851.65	49169.18
Unallocated assets								9308.78
Total Assets	6383.78	11219.35	2247.20	3991.78	20226.95	248.47	4851.65	58477.96
A.02 Segment Liabilities:								
Liabilities	4848.52	1064.05	1670.05	6532.42	22872.04	686.10	916.24	38589.41
Unallocated liabilities								7881.14
Total Liabilities	4848.52	1064.05	1670.05	6532.42	22872.04	686.10	916.24	46470.55

(₹in Millions as at March 31, 2016)

Particulars	Precious Metals	Metals	Minerals	Coal & Hydro-Carbon	Agro Products	Fertilizers	Others	Total
A.01 Segment Assets:								
Assets	5095.89	7965.41	1162.65	9529.86	4551.43	3308.91	705.28	32319.42
Unallocated assets								4265.92
Total Assets	5095.89	7965.41	1162.65	9529.86	4551.43	3308.91	705.28	36585.34
A.02 Segment Liabilities:								
Liabilities	4095.35	766.04	1017.19	7148.25	1374.01	1089.00	262.73	15752.58
Unallocated liabilities								8149.60
Total Liabilities	4095.35	766.04	1017.19	7148.25	1374.01	1089.00	262.73	23902.18

Information about major customers

The revenues from transactions with a single external customer amounting to 10 per cent or more of the entity's revenues are given below:-

(₹in Millions)

Major Customer (customer having more than 10% revenue)	**2016-17**	**2015-16**
Total Revenue	23913.01	25304.92
No. of customers	1	1
% of Total Revenue	20.63%	20.31%
Product Segment	Fertilizers	Fertilizers

46. **Disclosure in respect of Indian Accounting Standard 24 "Related Parties Disclosures"**

46.1 **Disclosures for Other than Govt. Related Entities**

a. **List of key management personnel**

i. Shri Ved Prakash Chairman and Managing Director – Managing Director
ii. Shri Rajeev Jaideva Director (upto 31.12.2016)
iii. Shri M.G. Gupta Director – (Chief Financial Officer) (upto 08.12.2016)
iv. Shri Anand Trivedi Director (upto 06.12.2016 and under suspension w.e.f 06.12.2016)
v. Shri P.K.Jain Director
vi. Shri Ashwani Sondhi Director
vii. Shri T K Sengupta Director (w.e.f 02.01.2017)
viii. Shri Rajender Prasad Managing Director, MTPL
ix. Shri Deepak Kumar Dua Director, MTPL

b. **Subsidiary**

MMTC Transnational Pte. Ltd., Singapore

c. Joint Venture:-
i. Neelachallspat Nigam Ltd
ii. Free Trade Warehousing Pvt. Ltd.
iii. MMTC Pamp India Pvt. Ltd.
iv. MMTC Gitanjali Ltd.
v. Sical Iron Ore Terminal Ltd.
vi.TM Mining Co. Ltd.

d. Government and its related entities

i. Government of India - holds 89.93% equity shares of the Company and has control over the company.

ii. Central Public Sector Enterprises in which Government of India has control.

e. Post-Employment Benefit Plan

vii. MMTC Limited CPF Trust

viii. MMTC Limited Gratuity Trust

iii. MMTC Limited Employees' Defined Contribution Superannuation Trust

f. **Compensation of key management personnel**

(₹in Millions)

Particulars	For **the year** ended March **31, 2017**	**For the year ended** March **31, 2016**
Short-term benefits	**40.92**	**40.07**
Post-employment benefits	**3.98**	**3.77**
Other long-term benefits	**-**	**-**
Share-based payments	**-**	**-**
Termination benefits	**-**	**-**
Total	**44.90**	43.84
Recovery of Loans & Advances during the year	**0.10**	0.11
Advances released during the year	-	-
Closing Balance of Loans & Advances as on 31.03.2017	**0.25**	0.35

g. **Transactions with Related Parties**

(₹in Millions)

Particulars	MMTC Gitanjali Limited		MMTC PAMP India Private Limited		Indian Commodity Exchange Limited		MTPL		Neelachal Ispat Nigam Limited		Others	
	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16
Sale of goods and services	-	-	-	-	-	-	0.83	1206.96	6302.72	4833.53		
Purchase of raw material/goods and services	15.48	9.21	8688.57	5609.42	-	-	6503.21	4205.02	5308.16	4399.43		
Payments on behalf of company	-	-	-	-	-	-	-	-	-	-	418.92	427.42
Other transactions	2.00	2.19	0.95	0.84	0.24	-	-	0.08	-	-	375.69	203.24

h. **Outstanding balances arising from sale/purchase of goods/services**

(₹in Millions)

	MMTC Gitanjali Limited		MMTC PAMP India Private Limited				Indian Commodity Exchange Limited			MTPL			Neelachal Ispat Nigam Limited		
	2017	2016	2015	2017	2016	2015	2017	2016	2015	2017	2016	2015	2017	2016	2015
Trade Payables	0.19	-	2.72	0.05	0.10	0.05	-	-	-	5.11	-	-	-	-	-
Trade receivables	-	-	-	-	-	-	-	-	-	4.45	-	-	2309.96	1417.04	1478.45
Other Payables	-	-	-	-	-	-	-	-	-	-	-	-	0.02	-	-
Other Receivables	-	-	-	-	-	-	0.03	-	-	10.65	4.65	3.94	-	-	-

i. **Loans to Joint Ventures**

(₹ in Millions)

Particulars	Neelachal Ispat Nigam Limited	
	Mar-17	Mar-16
Loans at beginning of the year	1300.00	1300.00
Loan advanced	-	-
Repayment received	-	-
Interest charged	154.03	163.14
Interest received	154.03	163.14
Balance at end of the year including interest	1300.00	1300.00

j. **Advances to Joint Ventures**

(₹in Millions)

Particulars	Neelachal Ispat Nigam Limited		Free Trade Ware-housing Pvt. Ltd.		Haldia Free Trade Warehousing Pvt Ltd		Kandla Free Trade Warehousing Pvt Ltd	
	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16	Mar-17	Mar-16
Advances given	9,664.89	6,566.44	48.68	48.68	-	218.65	-	23.77

k. **Loans to KMP**

(₹in Millions)

Particulars	Mar-17	Mar-16
Loans at beginning of the year	0.35	4.51
Loan advanced	-	-
Repayment received	0.01	0.04
Interest charged	0.00	0.01
Interest received	0.09	0.07
Balance at end of the year including interest	0.25	0.35

l. Loans to related parties are for short term & to KMP are in the nature of welfare advances. Interest is charged basis market rates from time to time.

m. Disclosure for transactions entered with Govt. and Govt. Entities

(₹in Millions)

S. No.	NAME OF GOVT/ GOVT ENTITIES	NATURE OF RELATIONSHIP WITH THE COMPANY	NATURE OF TRANSACTIONS	VALUE (RS)	OUTSTANDING BALANCE	
					RECEIVABLE	PAYABLES
1	Deptt. Of Fertilizer GOI	Majority Owner	Sale of Goods	23913.01	123.58	
2	Other Departments of Govt of India	Majority Owner	Purchase/sale of goods	643.73	16.35	0.09
3	CPSEs	Related through GOI	Purchase/sale of goods	4798.99	508.59	903.68

47. Disclosure in respect of Indian Accounting standard (Ind AS) 17 "Leases"

47.1 As lessee

a) **Finance leases : The company does not have any finance lease arrangement during the period.**

b) **Operating lease**

- **Future minimum lease payments under non-cancellable operating leases**

(₹in Millions)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Not later than 1 year	52.49	53.32
Later than 1 year and not later than 5 years	206.85	197.32
Later than 5 years	298.06	348.74

- **Payments recognised as an expense**

(₹in Millions)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Minimum lease payments	78.11	76.55
Contingent rentals	0.00	0.00
Sub-lease payments received	0.00	0.00

47.2 As a lessor

a) **Finance leases: The company does not have any finance lease arrangement during the period.**

b) **Operating leases**

- **Future minimum lease receivables under non-cancellable operating lease**

(₹in Millions)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Not later than 1 year	69.17	53.17
Later than 1 year and not later than 5 years	0.00	0.00
Later than 5 years	0.00	0.00

48. Disclosure in respect of Indian Accounting Standard (Ind AS)-33 "Earnings Per Share(EPS)"

a) Basic & Diluted EPS

The earnings and weighted average number of ordinary shares used in the calculation of basic& diluted EPS and Basic EPS is as follows:

(₹in Millions)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit (loss) for the year, attributable to the owners of the company	**(297.59)**	(966.82)
Weighted average number of ordinary shares for the purpose of basic earnings per s h a re	**1,000,00 0,0 00**	1,000,000,000
Basic & Diluted EPS (In ₹/share)	**(0.30)**	(0.97)

49. Disclosure in respect of Indian Accounting Standard (Ind AS)-37 "Provisions, Contingent Liabilities and Contingent Assets"

(₹in Millions)

Particulars of Provision	Opening Balance as on 01.04.16	Adjustment during year	Addition during year	Closing Balance as on 31.03.17
Destinational Weight & Analysis Risk	0.47	0.47	0.66	0.66
Bo n u s/P RP	102.69	38.50	65.82	130.01
Provision for Litigation Settlements	382.21	-	32.40	414.62

50. There are no micro, small or medium enterprises to whom the Company owes dues as at 31st March, 2017 to the extent information available with the company.

51. Letters have been issued to parties for confirmation of balances with the request to confirm or send comment by the stipulated date failing which balance as indicated in the letter would be taken as confirmed. Confirmation letters have not been received in a few cases. However, no adverse communication received from any party.

52. Whole time Directors are allowed usage of staff cars for private use up to 1,000 km per month on payment of ₹ 2000 per month in accordance with guidelines issued by Department of Public Enterprise (GOI).

53. Accounting policies and notes attached form an integral part of the financial statements.

54. During the year, the company has specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 30, 2017. The details of Specified Bank Notes (SBN) held and transacted during the period from Nov 8, 2016 to Dec 30, 2016 the denomination wise SBNs and other notes as per notification is given below:

(₹in Millions)

	SBNs	Other denominations notes	Total
Closing cash in hand as on 08-11-2016	3.20	0.05	**3.24**
(+) Permitted receipts	0.06	8.28	**8.35**
(-) Permitted payment	_		**-**
(-) Amount deposited in Banks	3.26	8.24	**11.50**
Closing cash in hand as on 30-12-2016	**-**	0.09	**0.09**

For the purposes of this clause, the term „Specified Bank Notes" shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016."

55. **Approval of financial statements**

The financial statements were approved by the board of directors and authorised for issue on 29.05.2017.

56. Statement containing salient features of the financial statements of Subsidiaries/Associates companies/ Joint Ventures pursuant to Section 129 (3) of the Companies Act, 2013 in prescribed form AOC-I is attached at Annexure-A.

57. **Transition from IGAAP to IND AS :**

These financial statements, for the year ended March 31st, 2017, are first financial statements prepared by the Company in accordance with Ind AS. For years upto and including the year ended March 31, 2016, the company prepared its financial statements in accordance with IGAAP, including accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended).

Accordingly, the company has prepared IND AS compliant financial statements for year ending on March 31st, 2017. In preparing these financial statements, the company has prepared opening IND AS balance sheet as at 1st April, 2015 the company's date of transition to Ind-AS in accordance with requirement of IND AS 101, "First time Adoption of Indian Accounting Standards". The principal adjustments made by the company in restating its IGAAP financial statements, including the balance sheet as at 1st April, 2015 and the financial statements as at and for the year ended 31 March 2016 are quantified and explained in detail as Appendix. However the basic approach adopted is again summarized hereunder:

i) All assets and liabilities have been classified into financial assets/liabilities and non-financial assets/liabilities.

ii) All non-current financial assets/liabilities at below market rate of interest or zero interest and outstanding as on 1st April, 2015 have been measured at fair value.

iii) In accordance with IND AS 101, the resulting adjustments are considered as arising from events and transactions entered before date of transition and recognized directly in the retained earnings at the date of transition to IND AS.

iv) The estimates as at 1 April 2015 and at 31 March 2016 are consistent with those made for the same dates in accordance with IGAAP (after adjustments to reflect any differences in accounting policies).

v) IND AS 101 also allows to first time adopter certain exemptions from the retrospective application of certain requirements under IND AS. Accordingly, the company has availed the following exemptions/mandatory exceptions as per IND AS 101:

   a) **Deemed Cost for Property, Plant & Equipment and Intangible Assets:** The company has availed exemption under para D7AA of appendix D to IND AS 101 which permits a first time adopter to continue with the carrying values for its PPE as at date of transition to IND ASs measured as per previous GAAP.

   b) **Classification & Fair value measurement of financial assets or financial liabilities at initial recognition:** The financial assets and financial liabilities have been classified on the basis of facts existing as at the date of transition to IND AS. In addition, the exemption permits prospective application of requirements of IND AS 109 to transactions entered into on or after date of transition.

vi) **Impairment of financial assets**: The company has availed exemption under para B8D of appendix B which permits the first time adopter to apply the impairment requirement of Ind AS 101 prospectively.

As per our report of even date attached

For O P Tulsyan & Co.
Chartered Accountants
F.R. No.:500028N

(CA. Rakesh Agarwal)
Partner
M. No. 081808

Date: 29.05.2017
Place: New Delhi

For and on behalf of Board of Directors

(G. Anandanarayanan)
Company Secretary
ACS-13691

(Vijay Pal)
Executive Director (F)

(P K Jain)
Director
DIN: 6594855

(Ved Prakash)
Chairman and Managing Director
DIN: 02988628

APPENDIX TO NOTES ON TRANSACTION FROM PREVIOUS GAAP TO IND-AS

A. Reconciliation between previous GAAP to Ind-AS

i) Reconciliation of Statement of Equity as on Previously Reported IGAAP and IND-AS as at 1 April 2015

(₹ In Millions)

Particulars	Note to transition to IND-AS	Previous GAAP	Adjustments	IndAS
ASSETS				
Non-current assets				
Property, Plant and Equipment	**4**	1,169.47	(603.83)	565.64
Capital work-in-progress	**5**	1,534.60	(1,534.55)	0.05
Investment Property	**6**	-	44.44	44.44
Other intangible assets	**7**	50.55	(49.08)	1.47
Financial Assets				
Investments	8A	2,625.72	987.03	3,612.75
Trade Receivables	9A	12.49	55.88	68.37
Loans	10	1,298.60	129.90	1,428.50
Others	11	-	645.79	645.79
Deferred tax Assets (net)	12	2,233.31	45.66	2,278.97
Other non-current Assets	13A	-	431.54	431.54
Current Assets				
Inventories	**14**	3,338.22	(144.12)	3,194.10
Financial Assets			-	-
Investments	**8B**	128.81	(128.81)	-
Trade Receivables	**9B**	30,436.35	(75.00)	30,361.35
Cash &Cash Equivalents	15	2,850.87	(1,517.54)	1,333.33
Bank Balances other than above	16	1,330.49	(48.94)	1,281.55
Loans	10	12,788.23	(12,719.40)	68.83
Others	11	0.13	3,994.82	3,994.95
Current Tax Assets	17	-	179.70	179.70
Other Current Assets	13B	3,203.79	7,043.12	10,246.91
Total		**63,001.63**	**(3,263.38)**	**59,738.25**
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	18A	1,000.00	-	1,000.00
Other Equity	18B	12,643.09	410.50	13,053.59
Non Controlling Interest				
Liabilities				
Non-current liabilities				
Financial Liabilities				-
Borrowings		501.72	(501.72)	-
Trade Payables		194.46	(194.46)	-
Other Financial Liabilities	21A	76.15	(76.15)	-
Provisions	22A	1,774.17	(2.93)	1,771.24
Other non-current liabilities	23A	-	-	-
Current liabilities				–
Financial Liabilities				-
Borrowings	19	3,862.85	(553.21)	3,309.64
Trade payables	20	33,017.74	(1,660.62)	31,357.12
Other Financial Liabilities	21	-	3,116.16	3,116.16
Provisions	22B	1,167.40	(634.49)	532.91
Current Tax Liabilities	**24**	-	160.74	160.74
Other current liabilities	23	8,764.05	(3,327.20)	5,436.85
Total Equity and Liabilities		**63,001.63**	**(3,263.38)**	**59,738.25**

ii) **Reconciliation of Statement of Equity as on Previously Reported IGAAP and IND-AS as as 31 March 2016**

(₹ In Millions)

Particulars	Note to transition to IND-AS	Previous GAAP	Adjustments	IndAS
ASSETS				
Non-current assets				
Property, Plant and Equipment	**4**	1,164.67	(619.04)	545.63
Capital work-in-progress	**5**	1,725.57	(1,718.07)	7.50
Investment Property	**6**	-	42.60	42.60
Other intangible assets	**7**	8.60	19.42	28.02
Financial Assets				
Investments	8A	941.95	1,155.91	2,097.86
Trade Receivables	9A	33.93	55.82	89.75
Loans	**10**	1,401.89	20.02	1,421.91
Others	**11**	-	654.77	654.77
Deferred tax Assets (net)	**12**	2,243.89	63.08	2,306.97
Other non-current Assets	13A	-	509.30	509.30
Current Assets				
Inventories	**14**	4,430.56	(415.37)	4,015.19
Financial Assets				
Investments	8B	2.60	(2.60)	-
Trade Receivables	9B	8,320.61	(94.28)	8,226.33
Cash &Cash Equivalents	**15**	523.86	(45.60)	478.26
Bank Balances other than above	**16**	1,364.88	(27.09)	1,337.79
Loans	**10**	13,186.46	(13,125.33)	61.13
Others	**11**	0.14	3,298.37	3,298.51
Current Tax Assets	**17**	-	84.92	84.92
Other Current Assets	13B	3,544.09	7,834.81	11,378.90
Total		**38,893.70**	**(2,308.36)**	**36,585.34**
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	18A	1,000.00	-	1,000.00
Other Equity	18B	11,173.18	509.98	11,683.16
Non Controlling Interest		-	-	-
Liabilities				
Non-current liabilities				
Financial Liabilities				
Borrowings		135.65	(135.65)	-
Trade Payables		181.45	(181.45)	-
Other Financial Liabilities	21A	79.81	(79.81)	-
Provisions	22A	1,792.77	(3.19)	1,789.58
Other non-current liabilities	23A	-	-	-
Current liabilities				
Financial Liabilities				
Borrowings	**19**	4,530	(1,801.71)	2,728.48
Trade payables	20	9,388.27	(127.67)	9,260.60
Other Financial Liabilities	**21**	-	3,548.13	3,548.13
Provisions	22B	1,132.29	(451.53)	680.76
Current Tax Liabilities	24	-	61.12	61.12
Other current liabilities	23	9,480.09	(3,646.58)	5,833.51
Total Equity and Liabilities		**38,893.70**	**(2,308.36)**	**36,585.34**

iii) **Reconciliation of Total Comprehensive Income for the year ended March 31, 2016**

(₹ In Millions)

Particulars	Note to transition to IND-AS	Previous GAAP	Adjustments	IndAS
Income				
Revenue From Operations	25	187,895.93	(61,815.32)	126,080.61
Other Income	26	1,706.41	(816.61)	889.80
Total Income		**189,602.34**	**(62,631.93)**	**126,970.41**
Expenses				
Cost of material consumed	27	602.4	155.58	757.98
Purchase of Stock in Trade	28	178217.93	(62,037.13)	116,180.80
Changes in inventories of finished goods, stock in trade and work in progress	29	(1,086.00)	108.52	(977.48)
Employees' Benefit Expenses	30	2136.87	(81.05)	2,055.82
Finance Cost	31	503.04	(199.84)	303.20
Depreciation &.Amortization Expenses	32	106.13	(46.04)	60.09
Other Expenses	33	9034.8	(347.82)	8,686.98
Total expenses		**189,515.17**	**(62,447.79)**	**127,067.38**
Profit/(loss) before exceptional items and tax		87.17	(184.15)	(96.98)
Exceptional Items	34	(649.70)	(3.97)	(653.67)
Profit before tax and share of equity accounted investees		736.87	(180.18)	556.69
Share of profit/(loss) of equity accounted investees (net of income tax)		(1,709.11)	-	(1,495.59)
Profit before tax		(972.24)	(180.18)	(938.90)
Tax Expenses	35			
-Current Tax		47.00	(2.28)	44.72
-Adjustment relating to prior periods		(5.08)	2.28	(2.80)
-Deferred Tax		(14.83)	0.83	(14.00)
-Share of Joint Ventures		45.76		
Total Tax Expense		72.85	0.83	27.92
Profit for the year (A)		(1,045.09)	(181.01)	(966.82)
Other Comprehensive Income				
Items that will not be reclassified to profit or loss:				
-Remeasurements of the defined benefit plans		-	-	(8.54)
-Share of Other Comprehensive Income in Joint Ventures		-	-	(7.70)
Items that will be reclassified to profit or loss:		-		-
-Exchange differences in translating financial statements of foreign operations		-	-	58.44
Other Comprehensive Income (net of tax) (B)		-	-	**42.20**
Total Comprehensive Income for the year (A+B)		**(1,045.09)**	**0.83**	**(924.62)**

iv) Reconciliation of Total Equity as at March 31, 2016

(₹ In Millions)

Particulars	Year Ended March 31,2016	Year Ended March 31, 2015
Total Equity (Shareholders' fund) as per previous GAAP	12,133.18	13,643.09
Adjustments:		
Proposed Dividend	361.07	300.89
Deferred forward element of forward contracts	(0.10)	(7.38)
Depreciation on Investment Properties	(5.14)	(4.44)
Depreciation on componentisation of PPEs	(12.74)	(6.57)
Others	(1.20)	-
Adjustments relating to Equity accounted investees	208.09	128.00
Total Adiustments	**549.98**	**410.50**
Total Equity as per IndAS	**12,683.16**	**14,053.59**

v) Reconciliation of Total comprehensive income for the year ended March 31, 2016

(₹ In Millions)

Particulars	Year Ended March 31, 2016
Profit After Tax as per previous GAAP	(1,045.09)
Adjustments:	
Depreciation on Investment Properties	(0.70)
Depreciation on componentisation of PPEs	(10.98)
Remeasurement of post employment benefit obligations	8.54
Others	
Tax effects of adjustments	3.53
Adjustments relatinq to Equity accounted investees	77.88
Total Adiustments	78.27
Profit after tax as per IndAS	(966.82)
Other comprehensive income	42.20
Total comprehensive income as per IndAS	(924.62)

vi) Impact of IndAS adoption on the statement of cash flows for the year ended March 31, 2016

(₹ In Millions)

Particulars	Previous GAAP	Adjustments	IndAS
Net cash flow from operating activities	(3,211.36)	2,676.37	(534.99)
Net cash flow from investing activities	1,295.20	(430.03)	865.17
Net cash flow from financing activities	(502.66)	(682.59)	(1,185.25)
Net increase / (decrease) in cash and cash equivalents	(2,418.82)	1,563.75	(855.07)
Cash and cash equivalents as at April 1, 2015	4,310.30	-	1,333.33
Cash and cash equivalents as at March 31, 2016	**1,891.48**	**1,563.75**	**478.26**

B. Notes to transition from previous GAAP to IndAS

Note 1: **Fair Value of Equity Investments:**

Under the previous GAAP, the investments in equity instruments were classified as long term investments. The long term investments were carried at cost less provision for other than temporary decline in the value of such investments. Under Ind AS, the equity investments (other than those in Joint Ventures, associates and subsidiary) are required to be measured at fair value. The company has classified these equity instruments as at fair value through other comprehensive income. The resulting fair value changes of these investments have been recognized in equity instruments through other comprehensive income reserve as at the date of transaction and subsequently in other comprehensive income for the year ended March 31, 2016. This increased the total equity as at March 31, 2016 by Rs NIL(April 1, 2015-Rs NIL) and other comprehensive income for the year ended March 31, 2016 by Rs NIL

Note 2: **Investment Property:**

Under Previous GAAP, Investment properties were presented as part of non-current investments and no depreciation was charged on the investment property. Under Ind AS , investment properties are required to be separately presented on the face of the Balance Sheet and depreciation is required to be charged based on the useful life of the property. The resulting additional depreciation on such property has been recognized in Retained Earnings as at the date of transition and subsequently in the profit or loss for the year ended 31st March,2016. This decreased the Retained Earning by Rs. 5.14 million as at March 31, 2016 and decresed by Rs. 4.44 million as at 01st April,2015.

Note 3: **Property, Plant and Equipments**

a) During the year ended March 31, 2016, payments relating to one of the PPE expenditure were wrongly classified and included in the statement of profit and loss. The same has been rectified by reversing the expenditure, recognizing PPE and applicable depreciation on the same . As a result, the carrying value of PPE has increased by Rs. 24.10 million and retained earnings has increased by Rs. 3.65 million as at March 31, 2016. The profit for the year ended March 31, 2016 has increased by Rs 3.65 million

Note 4: **Proposed dividend:**

Under the previous GAAP, dividend proposed by the Board of Directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognized as a liability under provisions. Under IndAS such dividends are recognized when the same is approved by the share holders in the general meeting. Accordingly, the liability for proposed dividend of Rs 361.09 million as at March 31, 2016 (April 1, 2015-Rs 300.89 million) included under provisions has been reversed with corresponding adjustments to retained earnings. Consequently, the total equity increased by an equivalent amount.

Note 5: **Excise Duty:**

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under IndAS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is included under other expenses of the statement of profit and loss. This change has resulted in an increase in total revenue and ther expenses for the year ended March 31, 2016 by Rs. 1.73 million. There is no impact on the total equity and profit.

Note 6: **Remeasurements of Post Employment Benefit Obligations:**

Under IndAS, remeasurements i.e. acturial gains or losses are recognized in other comprehensive income instead of profit or loss. Under the previous GAAP these remeasurements were forming part of the profit or loss for the year. As a result of this change the profit for the year ended March 31, 2016 increased by Rs 8.54 million There is no impact on the total equity as at March 31, 2016.

Note 7: **Retained Earnings:**

Retained earnings as at April 1, 2015 and as at March 31, 2016 has been adjusted consequent to the above IndAS transition adjustments.

Note 8: **Other Comprehensive Income:**

Under IndAS, all items of income and expense recognized in a period should be included in the profit or loss of the period, unless a standard requires or permits otherwise. Items of income or expense that are not recognized under profit or loss but are shown in the statement of profit and loss as other comprehensive income include remeasurements of defined benefit plans, effective portion of gains and losses on cash flow hedging instruments and fair value gains or losses on equity instruments through other comprehensive income. The concept of other comprehensive income did not exist under previous GAAP.

Note 9 : **Equity Accounted Investees** :

Under previous GAAP, Joint Ventures were accounted for using proportionate consolidation method. Under Ind AS , the investment in joint ventures are to be accounted using equity method which is used in accounting of share held by the group in different joint ventures.

Annexure-'A'

AOC-I

Statement containing salient features of the financial statements of Subsidiaries/Associate Companies/ Joint Ventures

(Pursuant to Section 129 (3) of the Companies Act, 2013)

Part "A": Subsidiaries

(₹ In Millions)

1	Sl. No.	1
2	Name of the Subsidiary	MMTC Transnational Pte Ltd., Singapore
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	US Dollars, Exchange Rate Rs. 67.0775 (Average Rate)
5	Share capital	31.45
6	Reserves & surplus	972.22
7	Total assets	1,038.01
8	Total Liabilities	34.34
9	Investments	-
10	Turnover	7,633.55
11	Profit before taxation	1.74
12	Provision for taxation	0.31
13	Profit after taxation	1.43
14	Proposed Dividend	NIL
15	% of shareholding	100
a)	Names of subsidiaries which are yet to commence operations	NIL
b)	Names of subsidiaries which have been liquidated or sold during the year	NIL

AOC-I - Part “B”: Associates and Joint Ventures

(₹ In Millions)

Name of Associates/Joint Ventures	Neelachal Ispat Nigam Limited	Free Trade Warehousing Pvt. Ltd.	MMTC Pamp India Pvt. Ltd.	Sical Iron Ore Terminal Ltd.	MMTC Gitanjali Ltd.	TM Mining Company Ltd.
1. Latest audited Balance Sheet Date	31.03.2017	31.03.2017	31.03.2017	31.03.2017	31.03.2017	31.03.2017
2. Shares of Associate/Joint Ventures held by the company at the year end						
Number	289342744	2600	17446000	33800000	2987400	57200
Amount of Investment in Associates/Joint Venture	3796.85	0.03	174.46	338.00	29.87	0.57
Extent of Holding %	49.78	26.00	26.00	26.00	26.00	26.00
3. Description of how there is significant influence	Equity & Management Control	Equity	Equity	Equity	Equity	Equity
4. Reason why the associate/joint venture is not consolidated	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
5. Networth attributable to Shareholding as per latest audited Balance Sheet	(871.85)	269.84	678.23	337.84	18.22	(0.08)
6. Profit / Loss for the year						
i. Considered in Consolidation	(898.86)	(6.37)	38.55	(0.03)	(0.63)	-
ii. Not Considered in Consolidation	(872.19)	(9.95)	-	-	-	(0.02)
a) Names of associates or joint ventures which are yet to commence operations.				NIL		
b) Names of associates or joint ventures which have been liquidated or sold during the year				NIL		

Additional information as per Part -III - General Instructions for preparation of Consolidated Financial Statements

(₹ In Millions)

Sl. No.	Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
		As % of consolidated net assets	Amount (In ₹ Million)	As % of consolidated profit or loss	Amount (In ₹ Million)	As % of consolidated other comprehensive income	Amount (In ₹ Million)	As % of total comprehensive income	Amount (In ₹ Million)
Parent									
MMTC Limited		119.43	14340.77	(191.74)	570.59	(88.75)	9.92	(188.00)	580.51
Subsidiaries-Foreign									
1	MMTC Transnational Pte Ltd.,Singapore	8.10	972.14	(0.46)	1.35	208.33	(23.29)	7.10	(21.93)
2	Minority Interest		-						
Joint Ventures-Indian (investment as per equity method)									
1	Free Trade Warehousing Pvt. Ltd.	(0.00)	(0.03)	2.14	(6.37)	-	-	2.06	(6.37)
2	MMTC Pamp India Pvt. Ltd.	4.20	503.77	(13.05)	38.82	2.40	(0.27)	(12.48)	38.55
3	Sical Iron Ore Terminal Ltd.	(0.00)	(0.16)	0.01	(0.03)	-	-	0.01	(0.03)
4	Neelachal Ispat Nigam Limited	(31.62)	(3,796.85)	302.88	(901.31)	(21.89)	2.45	291.11	(898.86)
5	MMTC Gitanjali Ltd.	(0.10)	(11.65)	0.22	(0.65)	(0.09)	0.01	0.21	(0.63)
6	TM Mining Company Ltd.	(0.00)	(0.57)	-	-	-	-	-	-
	Total	**100.00**	**12,007.41**	**100.00**	**(297.59)**	**100.00**	**(11.18)**	**100.00**	**(308.77)**

AUDITORS

Office of the Comptroller & Auditor General of India vide their letter No. CA. V/COY/CENTRAL GOVERNMENT, MMTC (12)/687 dated 03rd Aug, 2016 have communicated the appointment of Auditors of the company under section 139 of the Companies Act, 2013 for the financial year 2016-17. The details are given below:-

Statutory Auditor	Region
O P Tulsyan & Co. New Delhi	- RO Delhi including SROs
	- CO, New Delhi (Including foreign offices), Office of Mica Division Consolidation and merger of all branches
Branch Auditors	
Das Mohanty & Associates Cuttack	- Bhubneshwar Regional Office including Sub-Offices/ distribution centers
B J Patel & J L Shah Ahmedabad	- Ahmedabad Regional Office including Sub-Offices/ distribution centers
Jayesh Sanghrajka &Co. LLP. Mumbai	- Mumbai Regional Office including Sub-Offices/ distribution centers
Abhijit Dutt & Associates Kolkata	- Kolkata Regional Office including Sub-Offices/ distribution centers - Mica Division at Kolkata, Abhraknagar, Jhumritalaya & Giridih
Venugopal &Chenoy. Hyderabad	- Hyderabad Regional Office including Sub-Offices/ distribution centers
R M K & Co. Jaipur	- Jaipur Regional Office
Padmanabhan Prakash &Co. Chennai	- Chennai Regional Office including Sub-Offices/ distribution centers - MICA Division at Gudur
D M Rao & Co. Visakhapatnam	- Visakhapatnam Regional Office including Sub-Offices/ distribution centers

MMTC Bankers

1. State Bank of India
2. HDFC Bank
3. Bank of Maharashtra
4. Union Bank of India
5. Standard Chartered Bank
6. Punjab National Bank
7. Indian Overseas Bank
8. IDBI Bank
9. Dena Bank
10. Indusind Bank
11. Oriental Bank of Commerce
12. AXIS Bank
13. ICICI Bank
14. YES Bank
15. DBS
16. Kotak Mahindra Bank
17. ANZ Bank
18. HSBC Bank
19. Vijaya Bank
20. Andhra Bank

MMTC OFFICES

CORPORATE OFFICE

MMTC Limited, Core 1, SCOPE Complex, 7, Institutional Area, Lodi Road,
New Delhi-110 003
Tel: 91-11-24362200, **Email:** mmtc@mmtclimited.com
Website: www.mmtclimited.com

Regional Offices

NORTH ZONE	**DELHI REGIONAL OFFICE** F 8-11, Jhandewalan Flatted Factory Complex, Rani Jhansi Road, New Delhi-110055 Tel : 011-23623950,23623952, 23670408 Fax : 011-23633175 Email: head_jjc@mmtclimited.com **SROs/FOs: Agra, Kanpur, Ludhiana** **JAIPUR** 2nd Floor, Block 'C' Gaurav Tower-II, Malviya Nagar, JLN Marg, Jaipur -302017 Tel : 0141-2554809, 2554053, 2554735 Fax : 0141-2722501 Email : head_jaipur@mmtclimited.com
SOUTH ZONE	**CHENNAI** Essar House, 6, Espalande, Chennai -600108 (Tamilnadu) Tel : 044-25341942, 25341938 Fax : 044-25340544, 25340317 Email : head_chennai@mmtclimited.com, jvnrao@mmtclimited.com **SROs/FOs: Kochi, Bengaluru, Mangalore, Gajendragad, Bellary, Banihatti, Hospet, Ranjitpura** **VIZAG** MMTC Bhawan, Port Area, P. B. No. 132, Vishakhapatnam-530035 (Andhra Pradesh) Tel : PBX : 0891-2562356, 2562771 Fax: 0891-2562611 Email : mmtcvizag@mmtclimited.com **SROs/FOs: Kakinada** **HYDERABAD** 9-1-76 to 77/1/B, 3rd Floor, S.D. Road, Secunderabad-500003 Tel : 040-27804033 Fax : 040-27804038, 27725401 Email: mmtchyd@mmtclimited.com, tsrao@mmtclimited.com **SROs/FOs: Guntur**
EAST ZONE	**KOLKATA** NIC Building, 4th & 5th Floor, 8 India Exchange Place Kolkata-700001 (West Bengal) Tel : 033-22101079,22421252, 22421261 Fax : 033-22421292 Email : head_kolkata@mmtclimited.com, mmtccol@mmtclimited.com **SRO/FOs: Haldia, Jamshedpur, Guwahati, Durgapur**
	BHUBANESWAR Alok Bharati Complex, 7th floor, Sahid Nagar, Bhubaneswar-751007 (Odisha) Tel : 0674-2546848, 2518517, 2503336, 2544783 Fax :0674-2546847, 2512832 Email:head_bhubaneswar@mmtclimited.com, mmtcbbsr@mmtclimited.com **SROs/FOs: Paradeep, Barbil, Duburi**

WEST ZONE	**MUMBAI** MMTC House, C-22,E-Block, Bandra Kurla Complex, Bandra East, Mumbai-400 051 Tel : 022-26572437,26594100, 26573193, 61214500 Fax : 022-26572541, 26572807 Email : head_mumbai@mmtclimited.com, mmtcmumbai@mmtclimited.com **SROs/FOs: Nagpur, Goa, Raipur** **AHMEDABAD** 2, Nagindas Chambers, Usmanpura, Ashram Road, Ahmedabad-380014 (Gujarat) Tel : 079-27540643, 27543796, 40244712, 40244711, 27545563 Fax : 079-27543739 Email : head_ahmedabad@mmtclimited.com, mmtcahm@mmtclimited.com **SROs/FOs: Kandla**
Promoted	Neelchal Ispat Nigam Ltd, 1st Floor of Annexe, IPICOL House, **Project** Janpath, Bhubaneswar-751022 Tel : 0674-2543231 Fax : 0674-2541763
Foreign	**Singapore** **Offices** MMTC Transnational Pte Ltd. 3 Raffles Place, #08-01, Bharat Building, Singapore - 048617 Tel: (65) 65385313 | Fax: (65) 65385316 Email : info@mtpl.com.sg

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