

# 53<sup>rd</sup> ANNUAL REPORT 2015-16

Towards global heights  
of growth and glory



एमएमटीसी  
लिमिटेड  
**MMTC**  
LIMITED

भारत सरकार का उपक्रम  
A GOVT. OF INDIA ENTERPRISE  
*touching lives, adding value*



## Towards global heights of growth and glory

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 'Premier Trading 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.

MMTC's Annual Report 2015-16 is aptly based on the Company's progress 'Towards Global Heights of Growth and Glory', depicted here in the graphic of a growth arrow emerging upwards from a business globe. The globe itself is portrayed in shades of green as a testament to MMTC's commitment to sustainable growth. The bold blue strokes and pointer aimed upwards, encompassing the Company's various businesses in the world market, represent the infinite skies of growth opportunities waiting for us.



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Hon'ble MoS (IC) Commerce & Industry inaugurating MMTC's Festival of Gold 2016 with Secretary Commerce, Govt. of India at Delhi

## 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

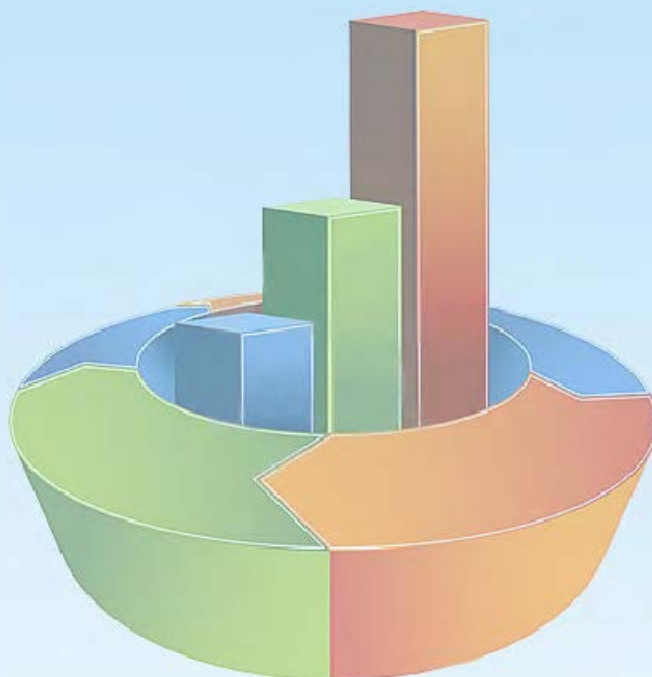
- To be a leading International Trading House in India operating in the competitive global trading environment, with focus on bulk as core competency and to improve returns on capital employed.
- To retain the position of single largest trader in the country for product lines like Minerals, Metals and 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 the settlement of commercial disputes.
- To promote development of trade-related infrastructure.

## MMTC TODAY

- One of the Largest International Trading Companies of India.
- Largest exporter of Minerals from India, bagging CAPEXIL award consecutively for the last 22 years, and recognized by EEPC for highest exports (merchant enterprise category).
- Leading importer/ supplier of Bullion and Non-ferrous Metals in the country, leading international trader of Agro Products, Fertilizers, Coal & Hydrocarbons.
- Present at 56 locations in India through offices, warehouses, port offices and retail outlets.
- Foreign office in Johannesburg, South Africa.
- MTPL, subsidiary in Singapore, with net worth of USD 15.36 million as on 31.03.16.
- Enhanced product offerings through its promoted project, Neelachal Ispat Nigam Ltd. (NINL), a 1.10 million ton Steel Plant in Odisha.
- MMTC-PAMP India Pvt. Ltd. (MPIPL) India's first LBMA accredited refiner for gold & silver.

## Strategic Initiatives

- Set up a gold/silver medallion —manufacturing unit as JV with international partner.
- Set up a chain of retail stores in different cities of India for sale of medallions, jewellery, and Sanchi silverware.
- Set up a Commodity Exchange jointly with Indiabulls.
- Commissioned a Wind Based Power Generation Project in Karnataka.
- Developed deep draught Iron ore loading berth in Paradeep as joint venture.



## Performance at a Glance

₹ in million

For the financial year ending 31st March	2016	2015	2014
<b>Total Sales</b>	<b>124604</b>	182415	250745
which includes-			
Exports	<b>6726</b>	23007	41270
Imports	<b>102958</b>	145302	187135
Domestic	<b>14920</b>	14106	22340
Trading Profit	<b>1297</b>	2079	3456
Income from Other Sources	<b>2179</b>	1949	2328
<b>Profit After Tax</b>	<b>549</b>	479	186
<b>At Year End</b>			
Total Assets	<b>38003</b>	59509	46970
Net Worth	<b>13779</b>	13592	13419
<b>Per Share (Rupees)</b>			
Earnings	<b>0.55</b>	0.48	0.19
Dividend	<b>0.30</b>	0.25	0.15
Net Worth to Share Capital (times)	<b>13.78</b>	13.59	13.42
Profit after Tax to Capital Employed (%)	<b>7.42</b>	6.41	2.37
Profit after Tax to Net Worth (%)	<b>3.98</b>	3.53	1.39
Sales per Employee (₹ Million)	<b>93.41</b>	126.77	163.89

# Chairman's Statement



Dear Shareholders,

On behalf of the Board of Directors, I extend a warm welcome to all of you to the 53rd Annual General Meeting of your Company. I also want to thank you for your support in our endeavor to make this company a leading public sector trader in the country.

The Global economic environment during the years 2015-16 has been full of challenges, both imports and exports in the country have been showing a declining trend. Amidst this challenging business environment and uncertainties of global trade because of declining demand, slowdown in China and Europe, geo-political tensions, high interest rates & high volatility in currencies., it has been a challenge to maintain the top and bottom-line of your company during the past year.

With many pro-business initiatives of Government such as implementation of GST, investment in infrastructure projects, incentives for exports, along with the expected improvement in global demand, your company is poised for growth during forthcoming years. All necessary

measures are being taken towards achieving the targeted goals during the current year.

## Performance

Your Company has successfully withstood the ongoing challenging International business environment and has registered a net profit of ₹54.86 crores as against a profit of ₹47.91 crores last year, an increase of 15 % over FY 2014-15. The business turnover was ₹12503.43 crores which includes Exports of ₹672.57 crores, Imports of ₹10295.85 crores and domestic trade of ₹1492.05 crores. The turnover of various business segments has been Minerals - ₹476 crores, the Precious Metals - ₹7050 crores, Agro Products - ₹356 crores, Metals - ₹558 crores, Fertilizer & Chemicals - ₹2884 crores, Coal & Hydrocarbons - ₹1126 crores. The net worth of your company increased to ₹1378 crores from ₹1359 crores in the previous year.

The company has been consistently rewarding the shareholders with good dividend and has declared a dividend of 30 % on the paid up capital during current year, which is the highest during last six years period.

## Business Diversification Initiatives

While traditionally, the company's role was limited to being a trade logistics and facilitator, your company has been regularly working towards realigning its business strategies to capitalize on the emerging new opportunities in the complex international trading environment. Some of the value multiplier initiatives of the company taken during FY2015-16 that are expected to yield rich dividends in times to come are production and marketing of the India's first Sovereign Gold Coin launched by Honourable Prime Minister as part of the "make in India" initiative of Government of India; Commencement of operations of Free Trade Warehousing Zone (FTWZ) at Kandla, Gujarat; Commissioning of steel making facility of NINL; entering into Long term Agreement for supply of Iron ore to Japanese and Korean Steel Mills; setting up a new office in Guwahati for capitalizing on the opportunities of business from North-East States; Importing pulses on behalf of Government of India and create a buffer stock of imported pulses as part of food security & Price stabilization measures; diversification of fertilizers basket for which MoUs have been inked with leading producers of fertilizers and fertilizer raw material; setting up new business divisions for business diversification. Development of trade with African nations, Russia & other partner countries is an ongoing initiative to add value to our operations.

Your Company's steel plant Neelachal Ispat Nigam Limited (NINL), promoted jointly with Govt. of Orissa, has been granted iron ore mining lease with an estimated reserves of 110 million tones, which is at an advanced stage of statutory environmental clearances. The Phase-2 of NINL has now commenced production of steel billets. NINL achieved a turnover of Rs.1086 crores during 2015-16, despite negative conditions in the steel sector. With the steel making facility getting stabilized and commencement of iron ore mining expected by this year end, the performance of NINL would improve substantially. Our gold and silver refinery MMTc-PAMP India Private Limited (MPIPL), which is India's first LBMA accredited refiner for precious metals, has achieved a turnover of ₹24560 Crores and a Profit after tax of ₹59 Crores. Your company's promoted 15 MW capacity Wind Mill project achieved the full return of capital on "real cash receipt basis" in February, 2015.

## Subsidiary Company

During the year, MMTc Transnational Pte. Ltd. (MTPL), Singapore a 100% subsidiary of your company, achieved a business turnover of US\$ 108.28 million. The net worth of MTPL stood at US \$ 15.36 million as on 31.03.2016.

## Technology and Standardisation

Your company has always recognized that in today's dynamic business environment for achieving long term sustainable growth, it is essential to harness the power of IT systems and development and implementation of sunrise technologies. Some of the initiatives taken by your company which are working smoothly include ERP, web enabled IGC management, customer interface and feedback, public grievance lodging monitoring system, facility of electronic filing of documents, development of employee portal to meet all employee needs, e-tender system with e-payment facility, e-voting for AGM are all opening up new opportunities for sustainable growth.

## Human Resource Management

In your company, Human Resource Management (HRM) has been structured in such a way that it motivates its employees, maximizes their performance, and encourages employee empowerment and the generation of innovative ideas and fair distribution of rewards.

Cordial and harmonious industrial relations are maintained in the Company. No man days were lost due to any industrial unrest and regular meetings are held with the Unions / Associations of Officers, Staff and SC/ST Employees under Joint Consultative Machinery.

## Corporate Social Responsibility and Sustainable Development

MMTC has always been a responsible Corporate committed to fulfilling its CSR obligations. The thrust areas identified for this purpose include health and medical care, sanitation, education/literacy enhancement, community development and rehabilitation measures, environment protection, conservation of natural resources, infrastructure and rural development etc. Some of the CSR activities undertaken during the year were - Creating of Sanitation and drinking water facilities in Govt. High Schools, Odisha under Swachh Bharat Mission; Contribution to Clean Ganga



Fund; Installation of hand pumps in Primary/Secondary schools; setting up a scheme of scholarships/financial assistance for meritorious students from socially and economically weak backgrounds studying in Govt. schools/colleges; Support to Music Therapy Trust for providing Music Therapy to people with disabilities through its Outreach Programme and Financial assistance to Amar Jyoti Charitable Trust for its school for disabled children to purchase school bags.

### **Corporate Governance**

Your company has been taking initiatives towards strengthening its commitment towards principles of sound corporate governance. It has met this objective by strengthening transparency and disclosure norms; putting in place an effective framework of checks and balances for efficient functioning; having a Whistle Blower Policy and a Risk Management policy; Independent external monitor programme of Transparency International, RTI and numerous other steps.

### **Vision for Future**

Your Company aims to be amongst the largest trading companies in the world by achieving excellence in all its activities through satisfaction of shareholders, customers, suppliers, employees and society. The focus is on existing core competency areas and also new business diversification with a resolve of improving the top and

bottom-line. With the help of a committed workforce, your Company is fully equipped to move swiftly forward by delivering exceptional outcomes to its stakeholders in its overall aim of building a strong and robust future.

With the positive signals from Government on multiple policy fronts, it is certain that the future business environment and international trade of the country and your Company will improve substantially. Implementation of GST and other far reaching policy initiatives would give further boost to the business of your company

### **Acknowledgements**

I take this opportunity, to express my gratitude to all the shareholders of the Company 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 the Government especially Ministry of Commerce and Industry, Finance, Agriculture, Consumer Affairs, Railways, Ports, NMDC, Banks, and all other stakeholders for their co-operation and support.

sd/-

**(Ved Prakash)**

**Chairman and Managing Director**

**Dated 28.09.2016**

# BOARD OF DIRECTORS



**VED PRAKASH**  
Chairman and Managing Director

## GOVERNMENT NOMINEE DIRECTORS



**R.R. RASHMI**  
upto 29.04.2015



**A.K. BHALLA**  
w.e.f. 29.04.2015



**B.P. PANDEY**  
upto 06.08.2015



**J.K. DADOO**  
w.e.f. 06.08.2015

## FUNCTIONAL DIRECTORS



**RAJEEV JAIDEVA**  
Director (Personnel)



**M.G. GUPTA**  
Director (Finance)



**ANAND TRIVEDI**  
Director (Marketing)



**P.K. JAIN**  
Director (Marketing)



**ASHWANI SONDHI**  
Director (Marketing)  
w.e.f. 06.01.2016

# BOARD OF DIRECTORS

## INDEPENDENT DIRECTORS



ARVIND KALRA  
upto 14.02.2016



RANA SOM  
upto 09.04.2016



N. BALA BASKAR  
upto 09.04.2016



DR. SUBAS PANI  
upto 09.04.2016



S.R. TAYAL  
upto 09.04.2016



R. ANAND  
w.e.f. 15.06.2016



B.K. SHUKLA  
w.e.f. 04.07.2016

## SENIOR EXECUTIVES



A.K. GUPTA  
CVO (2015-16)



SANJAY BHOOSREDDY  
IAS, CVO w.e.f. 04.08.2016



VIJAY PAL



UMESH SHARMA



M.Y. BIDIKAR



SANJEEV DUA



RAJENDER PRASAD



ALOK SRIVASTAVA



N. BALAJI



V.K. PANDEY



T.K. SENGUPTA



SANJAY KAUL



B.L. JAIN



P.K. SINGH



SURAJ MODI



ANJANA SINGH  
w.e.f. 04.04.2016



## Director's Report

The Members  
MMTC Limited,  
New Delhi.

Ladies & Gentlemen,

On behalf of Board of Directors, I have the pleasure of presenting the 53rd Annual Report on your company's performance for the financial year ended 31st March 2016 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 business turnover of ₹125,034.27 million

(including other trade earnings of ₹429.57 million) during 2015-16 as against the business turnover of ₹182,415.04 million registered during last fiscal. This business turnover includes Exports of ₹6725.70 million, Imports of ₹102958.5 million and domestic trade of ₹14920.50 million. The other trade related earnings contributed ₹429.57 million. The trading profit earned by your Company stood at ₹1296.81 million as against ₹2079.12 million during last fiscal. The Company has reported Profit After Tax of ₹548.58 million in the current fiscal compared to ₹479.10 million earned last year.

The highlights of the Company's performance during 2015-16 are as below:-

	(₹ in million)	
	2015-16	2014-15
<b>Sale of products</b>	<b>1,24,344.04</b>	1,82,374.40
<b>Sale of service</b>	<b>262.41</b>	46.20
<b>Other Trade Earning</b>	<b>429.57</b>	427.78
<b>Less : Excise Duty</b>	<b>1.75</b>	5.56
<b>Total Revenue from Operations</b>	<b>1,25,034.27</b>	1,82,842.82
Cost of Sales	<b>1,23,737.46</b>	1,80,763.70

		(₹ in million)
<b>Trading Profit</b>	<b>1,296.81</b>	2,079.12
Add: Dividend and other Income	<b>278.36</b>	252.05
Less: Establishment & Administrative Overheads, etc.	<b>1,886.85</b>	2,053.66
Less: Debts/Claims Written off	<b>0.97</b>	299.96
Less: Provisions for Doubtful Debts/Claims/Advances/Investments	<b>2.80</b>	12.36
Profit Before Interest, Depreciation and Amortization Expenses, Prior Period Expenses and Taxes	<b>(315.45)</b>	(34.81)
Add: Interest Earned (Net) (Interest earned minus Finance Cost)	<b>946.91</b>	827.65
Profit Before Depreciation and Amortization Expenses, Prior Period Expenses and Taxes	<b>631.46</b>	792.84
Less: Depreciation and Amortization Expenses	<b>46.29</b>	178.17
Less: Prior Period Expenses	<b>6.39</b>	15.99
Profit Before Extra-ordinary items and Taxes	<b>578.78</b>	598.68
Less: Extra-ordinary item	-	-
Less: Provision for Current Taxes	<b>44.20</b>	136.99
Less: Provision for Deferred Taxes	<b>(14.00)</b>	(17.41)
Profit After Taxes	<b>548.58</b>	479.10
Add: Balance brought forward from the previous year	<b>6,522.06</b>	6,448.82
Balance		
Which the Board has appropriated as under to:		
(I) Proposed Dividend	<b>300.00</b>	250.00
(II) Dividend Tax	<b>61.07</b>	50.89
(III) General reserve	<b>100.00</b>	100.00
(IV) Opening Adjustment of Depreciation	-	4.97
(V) Corporate Social Responsibility Reserve	<b>(0.07)</b>	-
Leaving a Balance to be carried forward	<b>6,609.64</b>	6,522.06

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 - Top Exporter for 2012-13
- EEPC Award - Top Exporter Gold Trophy in the Merchant Enterprise category for 2013-14
- Amity University - Export Excellence Award for Revolutionizing Export of Minerals & Metals from India
- Sharda - Top Rankers Excellence Award Leadership Excellence to Shri Ved Prakash, CMD.
- Asia Pacific HRM Congress Award 2015 - CEO with HR Orientation to Shri Ved Prakash, CMD

- Ministry of Commerce awarded Rajbhasha Trophy (third prize) for the excellence in implementation of Official Language Policy.
- Economic Times - 56th rank by ET500 in 2015.

#### 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 2015-16 out of profits of the Company.

#### RESERVES

A sum of ₹12,591.95 million was available in the reserves and surplus of your Company as on 1st April, 2015. Your Directors have proposed that Dividend at the rate of 30% be paid out of profits of the Company. Accordingly, an amount of ₹12,779.46 million was available in "Reserves and Surplus" of your Company as on 31st March, 2016.

## FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earnings and outgo of your Company during 2015-16 has been as under:-

	EARNINGS		OUTGO
	₹ in Million		₹ in Million
Exports	6,761.88	Imports	91,415.38
Others	63.04	Interest	0.54
		Others	420.58
Total	6,824.92	Total	91,836.50

## SUBSIDIARY COMPANY

The wholly owned subsidiary of your Company - MMTC Transnational Pte. Ltd. Singapore (MTPL) incorporated in October 1994 has been engaged in commodity trading and has established itself as a credible and reputable trading outfit in Singapore. During the financial year 2015 -16 MTPL achieved business turnover of USD 108.28 million as against US\$ 248.02 million during last fiscal. The Net Loss after tax incurred by MTPL during the financial year 2015-16 amounted to US\$ 0.28 million. The net worth of MTPL stood at US\$ 15.36 million as on 31st March 2016 as against the net worth of US\$ 15.64 million as on 31.3.2015.

Pursuant to the provisions of Section 129 of the Companies Act, 2013, the audited financial statements of MTPL together with Director's 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 project has been granted Iron ore mining lease with an estimated reserves of 110 million tonnes. The phase-II of the Project for production of steel, with Basic Oxygen Furnace, Oxygen Plant and SMS got commissioned in March 2013 and Steel Billets Production commenced. During the year 2015-16, NINL achieved a sales turnover of ₹10856 million and incurred net loss of ₹3345 million. This was primarily due to recession in the economy and steel sector in particular. 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.



## 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:

- Your Company has divested 10% stake in M/s Indian Commodity Exchange Limited (ICEX) out of 26% held by your Company out of the total paid up capital of ₹100 crores for ₹200 Million, thereby reducing the equity holding to 16% as on 31.3.2016. During the year ICEX has reported a net loss of ₹74.56 million for the year 2015-16 as against a net loss of ₹81.56 million during 2014-15.

- (ii) 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 77,922 equity shares of ₹1 each in BSE. During the year BSE earned a net profit of ₹1061.2 millions against 1014.4 millions in 2014-15 and declared an interim dividend of ₹3.50 and final dividend of ₹4.00 on equity share of ₹1/- each.



- (iii) The joint venture for medallion manufacturing unit in collaboration with PAMP Switzerland in the name of MMTC-PAMP India Pvt. Ltd. achieved a turnover of ₹2,45,607 millions and profit after tax of ₹590.2 million during 2015-16. MMTC-PAMP became India's first LBMA accredited refiner for Gold and silver. During 2015-16 MMTC has sold Gold Bars produced by MPIPL in the domestic market achieving a turnover of ₹5301.0 million.
- (iv) 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 ₹283.24 million and net loss of ₹21.8 million for the year 2015-16 as against net loss of ₹9.7 million during 2014-15.
- (v) The JV Company - M/s. SICAL Iron Ore Terminals Limited (SIOTL) allocated primarily for export of Iron ore could not make any progress during 2015-16 due to continuing ban on iron ore exports from

Bellary-Hospet Sector in Karnataka State. In view of uncertain future of iron ore exports, at the instance of SIOTL, Kamarajar Port Ltd. (erstwhile Ennore Port Ltd.) is in the process of converting the facility into coal handling also.

- (vi) 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.
- (vii) 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. Work Orders for preparation of Business Plan and architectural Master Plan for the Haldia Project have been issued to the selected bidders.
- (viii) MMTC commissioned a 15 MW capacity Wind Mill project with 25 Wind Energy Generators in March, 2007 at Gajendragad in Karnataka. The cost of the project was ₹68.75 crores and its life expectancy is 30 years. Full return of capital on "real cash receipt basis" was achieved in Feb, 2015 itself. The total sale value of power from the project till 31.03.2016 is about ₹77 crores which qualifies for full tax holiday benefit. The power generated from the project is sold to HESCOM. The project is running successfully and has contributed to the development of the area by meeting some portion of energy needs of Karnataka state. The turnover of the project during 2015-16 was ₹73.9 million with a profit of ₹56.8 million.





## 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 and also to mitigate employees' grievances.

The aggregate manpower of the company as on 31st March, 2016 stood at 1340, including 6 Board level executives, comprising of 513 Officers and 827 staff. This manpower includes 7 officers, 106 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 21.12% (283 employees) of the total manpower; SC, ST, OBC &

persons with disabilities (PWD) to the extent of 21.19% (284 employees), 9.18% (123 employees), 9.10% (122 employees) and 2.01% (27 employees) respectively. During the year 8 officers were inducted through campus recruitment and 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, 1243 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- 221, ST- 99 and women - 240). In terms of man days, such training works out to 1776 training man days during the year 2015-16.



**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 2015 -16 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 programme viz. Hindi Workshops/Hindi Typing, training on Computers/Hindi Day/Week/Fortnight were organized at Corporate Office and Regional Offices during the year. Apart from this Special Hindi Classes were also arranged for staff in Corporate Office to train them in Hindi Notings and Drafting. 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 Corporate Office and Ahmedabad Regional Office. The Company was awarded Third Prize viz. Rajbhasha Trophy for the excellence in

implementation of Official Language Policy by Ministry of Commerce during this period. For the very same year, the Company was also awarded with Vishesh Prashansa Puraskar by Town Official Language Implementation Committee for 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. During the year under review, the vigilance division processed fourteen complaints (eleven were carried over from last year and there were three new complaints) out of these, 10 complaints have been disposed off and action on remaining 4 complaints is in progress. Scrutiny of Annual Property Return, for the calendar year 2015 from MMTC employees has been done. Division was also instrumental in organizing "Vigilance Awareness Week" in various offices of MMTC from 27.10.2015 to 31.10.2015 with the theme of "Preventive Vigilance as a Tool of Good Governance".

Training to Vigilance and Non-Vigilance Officers has been imparted on zonal basis for sensitizing the employees about the preventive vigilance aspect. During the period under review, no new vigilance case has been registered.

**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 compliance with the directions of Audit Committee of Directors. This Audit Committee Vigil Mechanism is established for Directors and employees to report their genuine concerns. The scheme has been notified vide Circular dated 14th August 2014. The concerns if any from any employee/Director shall be addressed to the Chairman of the Audit Committee. During the year under review, no such complaint has been received. This mechanism is apart from the Whistle Blower Policy, already in force.

### 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. In your Company too it has been implemented to promote transparency/equity amongst the bidders and to plug any possibility of corrupt practices in trade conducted by the Company. Shri DRS Chaudhary IAS (Retd.), has been appointed to function as Independent External Monitors (IEM).



### CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABLE DEVELOPMENT

In compliance to CSR Rules, your Company in its endeavor to continue its commitment towards CSR & Sustainability initiatives, a fund of ₹45 lakhs was agreed in the annual MOU with Ministry of Commerce. This will be utilized for undertaking CSR activities under Swachh Bharat Abhiyan during 2015-16. The annual report on CSR activity undertaken by your Company during 2015-16 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 is yet to be made by the Government. Two Independent Directors have since joined the Board of your Company as on date.

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.

### 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, 2016, to whom the said Code is applicable, have affirmed compliance of the same for the period ended 31st March, 2016. 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 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, 2016."

**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 2015-16. The framework and principles suggested by SEBI to assess compliance with environment, social and governance norms pertain 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.

#### **PUBLIC DEPOSIT SCHEME**

As on 1st April 2016, there were no outstanding public deposits and the company did not invite/accept any public deposit during the year ended 31st March, 2016.

#### **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 2015-16 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 31.03.2016. The communication dated 28.7.2016 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, 2016. The Secretarial Audit Report (in Form MR - 3) alongwith 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 6.2, 7.5 and 19 respectively of the Notes forming part of the financial statements.

## **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 2015-16. The approval of the Board and Shareholders through postal ballot for such Related Party Transactions were taken. Suitable disclosures as required under AS-18 have been made in Note 25 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](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 2015-16, there was no activity in Mica group of your company. Pursuant to rule 8(3) of Companies (Accounts) Rules, 2014, a statement on conservation of energy is annexed to this report.

## **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 2015-16.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

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

- 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 31.3.2016;
- 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 WORK PLACE (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.

#### **BOARD OF DIRECTORS**

Following are the changes in the Board of Directors of your company since 1st April 2015: -

<b>Name of the Director</b>	<b>Category</b>	<b>Date of Appointment/ Cessation</b>	<b>Appointment/ Cessation</b>
Mr. Rajni Ranjan Rashmi	Govt. Nominee Director	29.04.2015	Cessation
Mr. Ajay Kumar Bhalla	Govt. Nominee Director	29.04.2015	Appointment
Mr. Bhagwati Prasad Pandey	Govt. Nominee Director	06.08.2015	Cessation
Mr. J. K. Dadoo	Govt. Nominee Director	06.08.2015	Appointment
Mr. Ashwani Sondhi	Director (Marketing)	06.01.2016	Appointment
Mr. Arvind Kalra	Independent Director	14.02.2016	Cessation
Mr. Rana Som	Independent Director	10.04.2016	Cessation
Mr. N Bala Baskar	Independent Director	10.04.2016	Cessation
Dr. Subas Pani	Independent Director	10.04.2016	Cessation
Mr. S R Tayal	Independent Director	10.04.2016	Cessation
Mr. R. Anand	Independent Director	15.06.2016	Appointment
Mr. Balkrishna K. Shukla	Independent Director	04.07.2016	Appointment

The Board places on record its deep appreciation for the commendable services and the contributions made by Mr. Rajni Ranjan Rashmi, Mr B P Pandey, Mr. Arvind Kalra, Dr Subas Pani, Mr S R Tayal, Mr. Rana Som and Mr. N Bala Baskar. The Board also welcomes Shri A K Bhalla, Shri J K Dadoo, Shri Ashwani Sondhi, Shri R Anand and Shri Balkrishna Khanderao Shukla, and expresses its confidence that the Company shall immensely benefit from their rich and varied experience.

In terms of provisions of Article 87(4)(A) of Articles of Association of the Company regarding rotational retirement of Directors, Shri Anand Trivedi, Director(Marketing) and Shri A K Bhalla, Govt Nominee Director shall retire at the AGM and, being eligible, have offered themselves 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: 19.08.2016**



## Management Discussion and Analysis Report 2015-16

### Overview of Global Trade and Developments

During the FY 2015-16, the global economic activity has been quite subdued. While the developed economies have been facing stagnant economic growth, the growth in emerging and developing economies have also been showing a declining trend. World Trade Organization (WTO) has lowered the forecast of world trade growth for 2016 to 3.9 %, which is below the average for the last 20 years(1995-2015) of 5%. This downward revision by WTO is due to several factors including falling import demand in China, Brazil and other emerging economies, falling prices for other primary commodities, significant exchange rate fluctuations, volatility in financial markets and uncertainties regarding monetary policy of the United State.

### Overview of developments in India during 2015-16

India has attained the status of one of the fastest growing economies in the world and has officially become a \$ 2 trillion economy in 2014-15. Its share of global GDP

increased from about 1.5% in 2000 to 2.6% in 2014(from about 4% in 2004 to 6.5% in 2014 in purchasing power parity terms).

Economic growth in India gained momentum in the final quarter of 2015-16 and pushed full-year growth to 7.6% in line with the Asian Development Outlook 2016 estimate. This is likely to bring new opportunities for Indian Corporate sector.

India's cumulative exports for the year April- March, 2016 registered a negative growth of 15.85 percent in Dollar terms and 9.89 percent in Rupee terms over the same period last year. Similarly, the cumulative imports for the year April-March 2016 registered a negative growth of 15.28 percent in Dollar terms and 9.34 percent in Rupee terms over the same period last year.

At present, a lot is happening in the world economy that has a bearing on the Indian economy. Britain's exit from the European Union(EU) is likely to impact Indian companies in a multiple way - demand weakness on

account of potential slowdown in the EU and the UK, volatility in commodity prices, currency impact on account of the potential depreciation of the Rupee, Euro and Pound, and the impact on account of exposure to unhedged overseas borrowings. Indian exporters are concerned over a fluctuating currency and global stock market volatility that is likely to impact its bilateral trade with U.K. India exports a range of goods and services to the UK, including apparel, motor vehicles, pharmaceuticals, IT services, and gems and jewellery.

### Outlook for 2016-17

As per latest report of Crisil, the Indian economy is likely to grow at 7.9 percent in the current fiscal provided the country receives normal monsoon, as against 7.6 % during the previous years. This will give boost to the agricultural growth and lift the rural demand.

### MMTC- 2015-16 in retrospect

#### Financial Review

In the backdrop of above international business scenario, your Company achieved a trade turnover of ₹1,24,604 million during 2015-16 as against the turnover of ₹182,420 million registered last fiscal. This turnover includes Exports of ₹6726 million, Imports of ₹102,958 million and domestic trade of ₹14,920 million. Your Company earned a trading profit of ₹1296.70 million as compared to ₹2079.12 million in 2014-15. The profit before tax from ordinary activities is ₹578.78 million as compared to ₹598.68 million in 2014-15. The Company has registered a net Profit of ₹548.57 million during the year as compared to ₹479.10 million earned last year, an increase of 15% over the previous year. Thus the earnings per share of face value of ₹1/- each for the financial year 2015-16 is ₹0.55 as on 31.3.2016. The company's management of financial resources yielded net interest earnings of ₹946.91 million. 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, 2016 comprises of shareholders fund amounting to ₹13,779.46 million including equity share capital of ₹1000 million and non-current and current liabilities of ₹1976.25 million and ₹22247.45 million respectively. These funds have been deployed inter alia towards non-current assets amounting to ₹8927.59 million and current assets of ₹29,075.58 million as on 31st March, 2016.

### 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, has been engaged in commodity trading and has established itself as a credible and reputable trading outfit in Singapore. During the financial year 2015 -16, MTPL achieved business turnover of US\$ 108.28 million as against US\$ 248.02 million during last fiscal. The Net Loss after tax incurred by MTPL during the financial year 2015-16 amounted to US\$ 0.28 million. The net worth of MTPL stood at US\$ 15.36 million as on 31st March 2016 as against the net worth of US\$ 15.64 million as on 31.3.2015.

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 Groupwise Review for 2015-16

### Minerals

The Minerals group of your company contributed a turnover of ₹4,763 million during the year 2015-16, which includes exports valued at ₹4,425 million, imports amounting to ₹172 million and domestic trade of ₹166 million. The exports made by the group include Iron Ore valued at ₹3,607 million, Chrome Ore/ Concentrate valued at ₹818 million. The import under this group included Manganese ore valued at ₹172 million. Domestic trade under this group consisted of iron ore valued at ₹48 million, Lime Stone at ₹78 million and other minerals valued at ₹40 million.

India is the fourth largest producer of iron ore with a huge reserves of iron ore exceeding 28 billion tons. However, continuation of restrictions on Iron ore mining and its ban on movement for exports from Bellary-Hospet Sector, regulation of export from Eastern Sector, uncompetitive FOB sale prices of Indian origin ore vis-a-vis other international suppliers i.e. Australia and Brazil (on



account of high Railway freight for exports, export duty), subdued iron ore demand/prices in the international/spot market, general slowdown of Chinese economy, increase in domestic demand of ore, etc. continued to have impact on the quantum of Indian iron ore exports during 2015-16. However, MMTC was able to successfully finalise the new long term agreement with Japanese Steel Mills and POSCO, South Korea which will give assured export volumes of Iron ore export for the next three years. Despite this and the stiff competition at national and international levels, MMTC continued to maintain its position as a prominent exporter of minerals during the year under review.

Capacity of domestic steel production has also expanded, resulting in lesser availability of Chrome Ore, Chrome Concentrate and Manganese Ore for exports. Restrictions on mining and 30% ad-valorem export duty resulted in limited export of chrome ore and chrome concentrate. Low grade Manganese ore did not attract any demand from any overseas buyer, and hence no export during 2015-16. Moreover, increase in steel production/consumption in India would result in further demand of iron ore from domestic industry and may also affect the availability of iron ore for export in future. To strengthen the mineral portfolio, a strategy has been chalked out to diversify into Ferro Alloys business and strengthen manganese ore imports to enhance business.

### Precious Metals, Gems & Jewellery

The Gems and Jewellery sector plays a significant role in the Indian economy, contributing around 6-7 per cent 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 market leader 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 turnover of ₹70,504 million during 2015-16 contributing to 56.58% of the total turnover achieved by your Company. This performance was realized through diversified activities, which include import of gold/silver worth ₹63,424 million and domestic sale of gold/silver/medallions/jewellery worth ₹7,081 million.

The company's joint venture - MMTC Pamp India Pvt Ltd which started commercial production in 2012, achieved a turnover of ₹2,45,607 millions and profit after tax of ₹590 million during 2015-16. MMTC-PAMP became India's first LBMA accredited refiner for Gold and silver. During 2015 - 16, MMTC has sold Gold Bars produced by MPIPL in the domestic market achieving a turnover of ₹5,301 million. Another Joint Venture M/s. MMTC Gitanjali Limited(MGL) set up for effective marketing of finished products of both medallions and jewellery in partnership with a leading Indian company has registered a sale of ₹283.24 million and recorded a net loss of ₹21.79 million during 2015-16.

The Precious Metals Group of your Company marketed the Indian Gold Coins(IGC) unveiled by the Honourable Prime Minister of India in 5 gm, 10 gms and bars in 20 gms minted at India Govt. Mint Mumbai and Kolkata. Total turnover of IGC sales achieved during 2015-16 is ₹247 million. Your Company tied up with Indian Overseas Bank to sell Indian Gold Coin through its branches upon approval from Reserve Bank of India. Efforts are on to tie up with India Post and other Banks for sale of Indian Gold Coin.

The flagship event of MMTC Limited "Festival of Gold" re-started after a gap of two years. The turnover achieved during the FOG DIWALI, 2015 was ₹483.2 million.

The strategies and directions for 2015-16 include opening of new bullion centres, enrolment of new foreign supplier to have better supplier base, to be more competitive and have adequate quantity to supply. To boost sale in DTA, replenishment scheme slab wise trade margin structure has been proposed. In addition, simplified procedures for export loan scheme are being introduced. Other strategies include approaching top bullion customers on Pan India basis to enter into MOU,

extension of MOU with MPIPL to push MPIPL-Gold sale in Vizag, Hyderabad, Kolkata, DRO regions, approaching other banks for sale of Indian Gold Coins, conducting exhibitions in non-metropolitan cities to promote IGC, medallions and jewellery. For increase in silver trade, the group will be giving more focus on major silver hubs like Agra, Salem, Ahmedabad and Kolkata, conducting Zonal Bullion Meet to address the issues pertaining to bullion business at bullion centres and conducting customers meet at all the bullion centres followed by marketing drive to enroll new customer or recommence business with existing customers. Proper follow-up mechanism shall be introduced to convert positive customers.

The outlook for the diamond business in FY 2016-17 looks more promising with revived demand and continuous follow up with our Russian supplier for invitations to SPOT sales and Tenders is planned alongwith pursuing of LTA through government channels.

The World demand of Gold in 2015 was 4,212 tons, wherein China accounted for 27% of the World demand. Estimated demand in India for calendar year 2015 was 850 tons. Innovators in Turkey, India, China and South East Asia are developing gold products, services, platforms and other infrastructure across the entire supply chain to boost market development. This includes introduction of gold monetization scheme in India, launch of International Board of Shanghai Gold Exchange and new Hong Kong Gold Futures by CME, introduction of Kilobar gold contract on the Singapore Exchange etc. With growing urbanization and rising middle class especially in India and China, gold market development is set to put all the gold in the system to good economic use.

With increasing competition among the gold traders, there is a continuous decrease in the profit margin being experienced in the trade. In addition to the existing competition, domestic refiners have gained more prominence. The gold and diamond jewellery to get costlier for consumers.

The involvement of MMTC in auctioning the gold mobilized under the Gold Monetization Scheme presents a great opportunity of business. Also, according to a report by Research and Markets, the jewellery market in India is expected to grow at a Compound Annual Growth Rate(CAGR) of 15.95 per cent over the period 2014-2019.

### Metals and Industrial Raw Material

The Metals group of your Company contributed ₹5,583 million to MMTC's turnover during 2015-16. The contribution of the group comprised of export of Pig iron worth ₹2,301 million produced by NINL - a MMTC promoted Iron & steel plant, imports of Non-Ferrous Metals/IRM worth ₹1,406 million and domestic sales of Pig Iron/Slag/Steel worth ₹1,871 million.

The annual turnover was directly impacted by the meltdown in LME prices of base non-ferrous metals and minor metals during FY 2015-16. The decline in prices by 25%-40% resulted in lower turnover in value terms even with higher quantities.

Metal prices declined during 2015 on the back of lower than expected demand from China and over-supply. By the end of 2015, most metals were trading at significant discount to their peak 2014 and 2013 prices. Prices of Nickel and Tin have fallen by about 42% and 30% during 2015. Lead, Copper, Aluminum, and Antimony prices have fallen by 25%-35% over the same period.

Since NFM Division of your company is engaged in imports, the growth of the domestic industry directly affects demand for our product. Our customers are in fabricated metals, machinery and equipment and automotive sector. Premium levels at other Asian ports affect premium levels at Indian ports. The increase in premium rates at foreign ports and quantity discount by local producers count as major disadvantages to MMTC.

The end users of non-ferrous metals are the fabricated metals, machinery and equipment, defence, and automotive sectors. The Government of India's "Make in India" program is expected to increase production in

these sectors and thereby step up demand for Non-Ferrous Metals.

In FY 2016-17 we expect increased competition from domestic producers of Non Ferrous Metals who offer quantity based discounts and just-in-time delivery. Other sources of competition include secondary metal producers and new entrants in minor metal refining segment.

The Non-Ferrous Metals Division of your company is exploring sale of NFM and Minor Metals through MMTC's extensive sales network in collaboration with foreign suppliers. Sale of Non-Ferrous Metals and metal alloys sourced from Asian countries under various trade agreement is also being explored.

The Steel Industry as well as MMTC faced decreased demand and increase in raw materials and power costs which have compressed the overall profit margins. Slowdown in Steel sector all across globe during 2015 had hit Indian Pig Iron exports to a great extent. Pig Iron exports in India witnessed a fall of around 40%. India recorded total exports of 4,20,500 MT Pig Iron during 2015 against 7,41,000 MT last year. Lower international prices have resulted in lower export realization thereby further affecting profitability margin to MMTC. Huge surge in imports and imports are being dumped at very low price below the cost of production of plants in India is also one of the reason for the depressed domestic steel industry. Also general slowdown of construction activities has caused a slump and has adversely affected demand for steel products.

The Metals Group of your Company is exploring possibilities to have a long term arrangement with leading steel units and also with other small/medium steel units for sale of billets through contract model or MOU route both short and long term. The group is also exploring possibilities/feasibility for Billet Exports to Bangladesh, Nepal and African countries, customization of billets at NINL plant to have a different segment of customers like small and medium Re-Rollers, Angles, Beams, Forging, Auto component manufacturers etc.

Other strategies include opening of sales depot/warehouse at strategic locations to help MMTC/NINL to have better price and sales realisation, appointment of C&F agent for sale of NINL's pig iron and billet, conversion of billets into TMT Re-Bars, empanelment of steel processing units for conversion of



billets into TMT Re-Bars through tender mode etc, import of HMS-I & II and shredded scraps through Kandla, Kolkata, Nava Sheva/JNPT and Chennai, empanelment of foreign suppliers for import HMS-1 & 2 and shredded scraps through Indian ports by inviting EOI, value addition/bottom line improvement through conversion model i.e. Iron ore to Sinter/Billets etc.

### Agro Products

Agri business is going to be lasting source of business for the organization considering the vast population of India and its dependence on monsoon to a large extent on irrigation. Depending upon the domestic production, opportunities either for export or for import emerge.

The Agro products group of your company achieved a turnover of ₹3,565 million during 2015-16, which includes imports worth ₹583 million and domestic trade of ₹2,982 million.



Discontinuation of import of edible oil by Andhra Pradesh and Gujarat Government as a sequel to bifurcation of the State and stoppage of Import of pulses, sugar, edible oil, etc., on back to back basis, due to volatile market and price of Edible oil, and sale on high seas basis with hypothecation of the cargo resulted in under performance of Agro Products by the Company.

Slowdown of economic growth in China, EU and other countries has adversely affected the commodities markets. Considering the fact that international market for agri commodities is yet to recover and major commodities like wheat, rice, edible oil, etc, are also yet to recover from the bearish sentiments, opportunity in agro commodities except pulses is not encouraging for 2016-17. However, considering the huge potential in value

addition and the growing domestic market for value added products, your Company is considering to develop value added products in edible oil/pulses. Initiatives have been taken and efforts are going on to export Indian Rice to Indonesia and Egypt on Government to Government arrangements. MMTC is the Government nodal agency for import of pulses under the price stabilization scheme.

### Fertilizers and Chemicals

The Fertilizer and Chemicals group contributed a turnover of ₹28,844 million during the financial year 2015-16. The top-line has been achieved from business in Urea, MOP, Sulphur, Technical Grade Urea, RLNG and Ammonium Sulphate. During the year, import of Urea on behalf of the Government of India has been valued at about ₹25,305 million. Sulphur import was about ₹164 million. The group continued its efforts in assisting the small scale sector by importing Technical Grade Urea for industrial use valued at about ₹804 million. The Company entered the field of supplying imported Re-gasified Liquefied Natural Gas to FACT. During 2015-16 Domestic Trade of Fertilizer was ₹1,598 million.

Fertilizer industry in India has been passing through a difficult phase in recent years. The year under review was a difficult period for the fertilizer industry in general in view of huge deficit in rainfall which directly impacts the quantum of chemical fertilizers used in agriculture. Further, disparity in the import price of various fertilizers resulted in demand destruction affecting business of the Company. Yet another factor which contributed to the lower volume in import was the increase in domestic production of fertilizers specially urea which substantially bridged the gap between production and consumption.



India is import intensive on the Fertilizers. Efforts are being made by the Government to increase the domestic production of the fertilizers. Production of several fertilizers in the country is dependent on the cost and availability of several raw materials like Ammonia, Rock Phosphate, Phosphoric Acid, Gas etc.

MOP requirements of India are fulfilled through imports from overseas. However, the agricultural sector continues to remain dependent on monsoon and the changes in the Government policy on fertilizer imports. Fertilizer industry in India has been passing through a difficult phase in recent years.

The Indian fertilizer industry is dependent on government subsidy regime and guidelines issued from time to time for imports, distribution, and sale. Urea remains the only canalized product for import and all other fertilizers are under OGL. With the introduction of Nutrient Based Subsidy Scheme, the subsidy is kept frozen and MRP floating depending on market conditions. The idea was to make fertilizer affordable to the farmers, for optimum application of all fertilizer nutrients to the soil thus making soil more fertile and reduce the subsidy outgo for the Government.

On the global front, the fertilizer industry is characterized by consolidation on the supply side. The global economy continues to face challenges but appears to be on the recovery path.

The outlook for 2016-17 for India will depend on the monsoon and the Government policy. 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.

The Fertilizer Group will pursue aggressive strategy for the year 2016-17, which includes expansion of volumes of on-going business of fertilizers and fertilizer raw-materials, as also diversify into new product lines in fertilizer intermediates and finished fertilizers for imports and domestic distribution. These objectives will be achieved by expanding customer base and developing new supply sources across the globe in which direction some success has already been achieved.



### Coal & Hydrocarbons

The Coal & Hydrocarbons group contributed a turnover of ₹11,269 millions which included import of steam coal valued at ₹5,727.70 million, Coking Coal amounting to ₹4,399.80 million and domestic trade of crude tar, Hard Coking Coal, lam coke, nut coke, etc amounting to ₹1,142 million. Despite higher production of domestic coal and lower demand of imported coal, your company has been able to import approx.1 million MT during FY 2015-16 to maintain highest position among PSUs.

India's Imports of non-coking coal has peaked to around 170 million MT during 2014-15, however, during the last FY imports of non-coking coal have 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 plants. In view of the increase in domestic production & improved supplies, thermal coal imports may witness stagnation, however, power plants at coastal region may continue to import due to their geographical advantage.

The Coal and Hydrocarbon group of your company envisages good opportunity in supplying imported steam coal to cement, sponge iron units and captive power plants in India so as to generate more business. It is estimated that 15-18 MMT imported coal supplied in India is sold under stock and sale model and there is good opportunity for your company to take some share of stock and sale market.

Increased production of domestic coal has almost reversed the scenario wherein India has not only become

self reliant to feed entire requirement of coal fired plants / industry but also generated surplus stocks. The changed scenario has opened up opportunity for export of domestic coal to neighboring countries on competitive prices vis-à-vis other coal exporting countries. Your company has already taken initiatives to export coal to Bangladesh procuring coal through Eastern Coalfields.

### Mica

As reported in earlier years, the changed market requirement 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

Other products group contributed ₹73.9 million to the turnover of the Company by way of sale of power generated at the 15 MW wind power farms commissioned in March 2007 in Karnataka. The Company finalized the proposal for export of Red Sanders during the year.

With the association of MSME sector in various products other than products mentioned above the General Trade Group of your Company is exploring new markets and new products for adding some business turnover.

### New initiatives

In order to expand the trade portfolio, MMTC has taken a number of new initiatives i.e. Launch of India's first

Sovereign Gold Coin; Commencement of Free Trade Warehousing Zone (FTWZ) at Kandla, Gujarat; Commissioning of steel making facility at NINL; Long Term Agreement for supply of iron ore to Japanese and Korean Steel Mills; Commencement of business in North-East for which a new office has been set up at Guwahati; creating a government buffer stock of imported Pulses; diversification of fertilizers basket for which MoUs have been signed with major producers etc. Two new divisions of Engineering goods and Drugs, Pharmaceuticals & Fine Chemicals have also been set up to diversify the business operations. All these initiatives are expected to show good results towards improving the turnover and profitability of the company in the coming years. Efforts are also being made to open a warehouse for display cum sale of engineering goods in South Africa so that the immense untapped business potential in the African continent can be tapped.

### 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 - 2015-16

**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. The CSR initiatives of the company have been in line with the UN Millennium Development Goals also.

MMTC's CSR policy has now been re-casted 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 now being undertaken in terms of Section 135 of the Companies Act. The New CSR Policy is hosted on MMTC's website.

During 2015-16, the Board of Directors allocated ₹45 lakhs for undertaking CSR activities to support the Swachh Bharat Abhiyan. The funds allocated for CSR were utilized for Creation of sanitation and drinking water facilities in 17 Govt. Schools in Odisha. Besides, 3 hand-pumps were installed in

schools in Ghosi (Mau) and 5 hand-pumps were installed in Jaitwardih village (Allahabad), Uttar Pradesh. A small contribution was also made towards Clean Ganga Fund established by the Government of India for the rejuvenation of River Ganga.

In addition, the Company extended support to Music Therapy Trust and to Amar Jyoti Charitable Trust for providing rehabilitative services to persons with disabilities.

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

- Shri S R Tayal, Independent Director as Chairman
- Shri Rana Som, Independent Director as Member
- Shri Ved Prakash, CMD as Member
- Shri Rajeev Jaideva, Director (Personnel) as Member
- Shri M G Gupta, Director (Finance) as Member

**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 2012-13, 2013-14 and 2014-15 were ₹(1270.8) million, ₹144.6 million and ₹598.7 million respectively.

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

The average net profit of the preceding three years was negative and worked out to ₹ (-) 527.5 million.

In accordance with the Companies Act, the average net profit of the Company in the preceding 3 years being negative, allocation was not mandated.

However considering the fact that MMTC has been continuously undertaking CSR initiatives since 2006; the Board of Directors allocated ₹45 lakhs for undertaking CSR activities during 2015-16.

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

(a) Total amount to be spent for the financial year;

₹45 lakhs

(b) Amount unspent, if any;

Nil

(c) Manner in which the amount spent during the financial year is provided as annexure.

**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/-

Chairman and Managing Director

sd/-

Chairman of the CSR Committee





**ANNEXURE**

**Manner in which the amount 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 upto the reporting period	Amount spent: Direct or through implementing agency
1	Creation of sanitation and drinking water facilities in Govt. high schools, Odisha (under Swachh Bharat Mission)	Promoting preventive health care, improvement of hygiene and sanitation and safe drinking water facilities; promoting education	Joda / Barbil/ Keonjhar/ Jajpur (NINL) districts in Odisha	Budget: ₹30 lakhs	₹40.47 lakhs	₹40.47 lakhs	₹40.47 lakhs. Implementing Agency: Civil engineers awarded work through tendering process
2	Contribution to Clean Ganga Fund	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, maintaining quality of water	--	Budget: ₹1 lakh	₹1 lakh	₹1 lakh	₹1 lakh. Implementing Agency: National Mission for Clean Ganga
3	Installation of hand-pumps in Primary/ Secondary schools	Promoting preventive health care and making available safe drinking water	Jaitwardih (Allahabad) and Ghosi (Mau) in Uttar Pradesh	Budget: ₹3 lakhs	₹3.53 lakhs	₹3.53 lakhs	₹3.53 lakhs. Implementing Agency: Paras India (NGO)
4	Setting up a scheme of scholarships/ financial assistance for meritorious students from socially and economically	Promoting education, Enabling higher education of meritorious but financially disadvantaged students	--	Budget: ₹10 lakhs	0	0	To be undertaken in the financial year 2016-17

	weak backgrounds studying in Govt. schools/ colleges						
5	Support to Music Therapy Trust for providing Music Therapy to people with disabilities through its Outreach Program	Promoting education and health care of the differently abled persons	Delhi	Budget: ₹1 lakh (out of Unutilized funds of 2012-13)	₹1 lakh	₹1 lakh	₹1 lakh. Implementing Agency: The Music Therapy Trust
6	Financial assistance to Amar Jyoti Charitable Trust for its school for disabled children to purchase school bags	Promoting education especially among differently abled children	Delhi	Budget: ₹0.5 lakhs (out of Unutilized funds of 2012-13)	₹0.5 lakhs	₹0.5 lakhs	₹0.5 lakhs Implementing Agency: Amar Jyoti Charitable Trust
TOTAL				₹46.5 lakhs (₹45 lakhs from 2015-16 and ₹1.5 lakhs (from Unutilized funds of 2012-13)	₹46.5 lakhs	₹46.5 lakhs	₹46.5 lakhs



## Report on Corporate Governance

### CORPORATE GOVERNANCE IN MMTC

MMTC is 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, three Whole Time Directors (Marketing), one Whole Time Director (Personnel), one Whole Time Director (Finance), two Part-Time Directors nominated by the Department of Commerce, Ministry of Commerce & Industry, Govt. of India and two Non-official Part Time (Independent) Directors. The President of India appoints all the Directors of MMTC 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 2015-16 was as under:

S. No.	Name of Director	Executive/ Non- Executive	Designation held	No. of Director-ship in other Board as on 31.3.2016	No. of Boar Committees of which Member/ Chairman* (as on 31.3.2016)
1	Mr Ved Prakash	Executive	Chairman & Managing Director	Chairman-3 Director-1	—
2	Mr Rajeev Jaideva	Executive	Director (Personnel)	Director-1	NIL
3	Mr. P.K Jain	Executive	Director (Marketing)	Director-3	NIL
4	Mr. Ashwani Sondhi (w.e.f. 06.01.2016)	Executive	Director (Marketing)	Director-1	NIL
5	Mr. M.G. Gupta	Executive	Director (Finance)	Director-4	Member-1
6	Mr. Anand Trivedi	Executive	Director (Marketing)	Director-5	NIL
7	Mr. Arvind Kalra (upto 14.02.2016)	Non-Executive	Non-official (Independent) Director	N.A##	N.A.##
8	Mr. Rana Som (upto 09.04.2016)	Non-Executive	Non-official (Independent) Director	Chairman-1 Director-7	NIL
9	Mr. N Bala Baskar (upto 09.04.2016)	Non-Executive	Non-official (Independent) Director	Director-3	NIL
10	Dr. Subas Pani (upto 09.04.2016)	Non-Executive	Non-official (Independent) Director	NIL	NIL
11	Mr. Skand Ranjan Tayal (upto 09.04.2016)	Non-Executive	Non-official (Independent) Director	NIL	NIL
12	Mr. J.K. Dadoo (w.e.f.06.08.2015)	Non-Executive	Govt. Nominee Director	Director-5	Chairman-4
13	Mr. Ajay Kumar Bhalla (w.e.f. 29.04.2015)	Non-Executive	Govt. Nominee Director	Director-1	NIL
14	Mr. B.P. Pandey (upto 06.08.2015)	Non-Executive	Govt. Nominee Director	N.A##	N.A.##
15	Mr. Rajni Ranjan Rashmi (upto 29.04.2015)	Non-Executive	Govt. Nominee Director	N.A##	N.A.##

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

## Since above directors ceased to be on the Board of the Company hence their disclosures as on 31.03.2016 are not available

## Changes in Board of Directors (since 01.04.2015)

Name of the Director	Category	Date of Appointment/ Cessation	Appointment/ Cessation
Mr. Rajni Ranjan Rashmi	Govt. Nominee Director	29.04.2015	Cessation
Mr. Ajay Kumar Bhalla	Govt. Nominee Director	29.04.2015	Appointment
Mr. Bhagwati Prasad Pandey	Govt. Nominee Director	06.08.2015	Cessation
Mr. J. K.Dadoo	Govt. Nominee Director	06.08.2015	Appointment
Mr. Ashwani Sondhi	Director (Marketing)	06.01.2016	Appointment
Mr. Arvind Kalra	Independent Director	14.02.2016	Cessation
Mr. Rana Som	Independent Director	10.04.2016	Cessation
Mr.N Bala Baskar	Independent Director	10.04.2016	Cessation
Dr. Subas Pani	Independent Director	10.04.2016	Cessation
Mr. S R Tayal	Independent Director	10.04.2016	Cessation
Mr. R. Anand	Independent Director	15.06.2016	Appointment
Mr. Balkrishna Khanderao Shukla	Independent Director	04.07.2016	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 generally appointed by the President of India 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 @₹15,000/- 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 2015-16 to Functional Directors including CMD are given below:

Name of Director	Salary & benefits (₹/lakhs)	Performance related pay during 2015-16*	Bonus, Stock option, pension, severance fee	No. of shares of MMTC held as on 31.3.2016
<b>Executive Directors</b>				
Mr. Ved Prakash	32,86,073/-	61,001/-	-	1010
Mr. Rajeev Jaideva	33,68,201/-	59,592/-	-	500
Mr. M G Gupta	32,40,720/-	57,290/-	-	5
Mr. Anand Trivedi	31,14,172/-	56,864/-	-	NIL
Mr. P.K Jain	34,26,371/-	55,350/-	-	508
Mr. Ashwani Sondhi**	25,48,006/-	44,791/-	-	2008

\* The PRP shown above pertain to the Financial Year 2014-15 paid during F.Y.2015-16 on ad-hoc basis.

\*\* Remuneration paid to Mr. Ashwani Sondhi is disclosed for the whole year but he assumed the charge of Director (Marketing) on 06.01.2016.

## 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 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 nine times i.e. on 21.5.2015, 07.7.2015, 13.8.2015, 08.9.2015, 11.9.2015, 13.11.2015, 21.12.2015, 20.1.2016 and 12.2.2016. The attendance of the Directors at these Board Meetings and at the last AGM held on 29th September 2015 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 29.09.2015
<b>(a)</b>	<b>Functional Directors</b>			
	Mr. Ved Prakash	9	9	YES
	Mr. Rajeev Jaideva	9	8	YES
	Mr. M G Gupta	9	9	YES
	Mr. Anand Trivedi	9	9	YES
	Mr. P K Jain	9	9	YES
	Mr. Ashwani Sondhi	2	2	NR
<b>(b)</b>	<b>Ex-officio Part Time Directors (Govt. Nominee)</b>			
	Mr. J.K. Dadoo (w.e.f. 06.08.2015)	7	5	NO
	Mr. Ajay Kumar Bhalla (w.e.f. 29.04.2015)	9	8	NO
	Mr. B P Pandey (upto 06.08.2015)	2	1	NR
	Mr. R.R. Rashmi (upto 29.04.2015)	0	0	NR
<b>(c)</b>	<b>Non-official Part Time (Independent) Directors</b>			
	Mr. Arvind Kalra	9	9	YES
	Mr. Rana Som	9	4	NO
	Mr. N Bala Baskar	9	7	YES
	Dr. Subas Pani	9	9	NO
	Mr. S R Tayal	9	9	NO

\*NR = Not Required.

## Separate Meeting of Independent Directors

A Separate Meeting of Independent Directors was held on 14th March, 2016 in terms of SEBI (Listing Obligations and 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 meeting 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) Regulations, 2015 and DPE Guidelines on Corporate Governance for CPSEs.

**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 committees 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 Directors on Personnel Policies
6. Committee of Directors 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. 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 Companies Act, 2013 and the SEBI( Listing obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

During the year 2015-16, the Committee met four times as detailed hereunder:-

S.No.	Date of Meeting	Members Present	Chairperson
1	21.05.2015	Shri Arvind Kalra Shri S R Tayal Shri B P Pandey	Shri Arvind Kalra
2	13.08.2015	Shri Arvind Kalra Shri J.K. Dadoo Shri S R Tayal	Shri Arvind Kalra
3	12.11.2015	Shri Arvind Kalra Shri J.K. Dadoo Shri S R Tayal	Shri Arvind Kalra
4	12.02.2016	Shri Arvind Kalra Shri S R Tayal	Shri Arvind Kalra

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.

**2. Nomination & Remuneration Committee of Directors**

Pursuant to the provisions of Companies Act, 2013 and

applicable provisions of Listing Regulations, the 'Nomination & Remuneration Committee of Directors' comprises of Shri Rana Som, Part Time non-official (Independent) Director, Shri Arvind Kalra, Part Time non-official (Independent) Director and Shri S.R.Tayal, Part Time non-official (Independent) Director as its Members. The members shall elect Chairman of the Committee amongst themselves. 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 2015-16 no meeting of Nomination & Remuneration Committee of Directors was held.

### 3. Stakeholders Relationship Committee

During 2015-16 the composition of Stakeholders Relationship Committee constituted by the Board of Directors comprised of Shri Arvind Kalra, Part Time non-

official (Independent) Director as Chairperson, CMD, MMTC & Director (Finance), 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 2015-16 no meeting of this Committee was held.

Details of Investor Complaints/Grievances during the FY 2015-16:

No. of Complaints received	No. of Complaints resolved	No. of Complaints pending as on 31.03.2016
11	10	1

### 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. The Committee expeditiously considers and approves requests for physical share transfers, re-materialization and dematerialization etc.

### 5. Committee of Directors on Personnel 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 2015- 16 one meeting of this Committee was held. The minutes of the said meeting was submitted to Board of Directors for information.

### 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 Bala Baskar, Part Time Non-official (Independent) Director as Member. The Company Secretary is the Secretary to the Committee. During 2015-16 one meeting of this Committee was held and the minutes of the said meeting were submitted to Board of Directors for information.

### 7. Committee 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 to approve and oversee the implementation and monitoring of CSR and 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 S R Tayal, Part Time Non-official (Independent) Director as Chairman of the Committee with Shri Rana Som, Part Time Non-official (Independent) Director, Shri Ved Prakash, CMD Shri Rajeev Jaideva, Director (Personnel) and Shri M.G. Gupta, Director (Finance) as its Members. The Company Secretary is the Secretary to the Committee. During 2015-16 two meetings of this Committee were held, the minutes of the same were submitted to Board of Directors for information.



**8. Functional Management Committee of Directors**

The "Functional Management Committee of Directors" constituted by the Board of Directors consists 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 the Board for its decision or for consideration and decision of any other committee constituted by Board of Directors under Article 99 of Articles of Association of MMTC. During 2015-16 thirty eight 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 March 2015. 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. One meeting of the Committee was held during the year and the Minutes of the same were submitted to the Board of Directors.

**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 Resolutions passed
50th Annual General Meeting	30.09.2013 at 1130 hrs	--
51st Annual General Meeting	18.09.2014 at 1130 hrs	One
52nd Annual General Meeting	29.09.2015 at 1130 hrs	One

During 2015-16, one postal ballot process was started vide notice dated 22nd July 2015 and the results of the same including two special resolutions passed by shareholders were declared by the Chairman on 9th September 2015 as per time frame approved by the Board of Directors.

**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](http://www.mmtclimited.com)

## Shareholders' information

### (a) Annual General Meeting

The 53rd Annual General Meeting of the Company is scheduled to be held on 28th September 2016 at 1030 Hrs at Weightlifting Auditorium, Sports Authority of India, Gate No. 19, Jawaharlal Nehru Stadium, Lodhi Road, New Delhi-110003.

### (b) Financial Calendar for 2016-17

1st quarter results (unaudited) shall be declared on or before 14.9.2016

2nd quarter results (unaudited) shall be declared on or before 14.12.2016

3rd quarter results (unaudited) shall be declared on or before 14.02.2017

4th quarter results (audited) and Annual Audited Results for 2016-17 shall be declared on or before 30.05.2017 in accordance with existing applicable provisions of the Listing Agreement.

### (c) Dates of Book Closure

The Share Transfer Books and Register of Members shall remain closed from 17.9.2016 to 28.9.2016 (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 3 years are as under:

Year	2012-2013	2013-2014	2014-15
Rate	10%	15%	25%
Date	26.10.2013	16.10.2014	12.10.2015

(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 the Stock Exchanges.

(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 2015-16, is given below:

Month	High (₹)	Low (₹)	Month	High (₹)	Low (₹)
<b>Bombay Stock Exchange</b>			<b>National Stock Exchange</b>		
April 2015	56.45	46.85	April 2015	56.35	47.05
May 2015	54.00	46.50	May 2015	54.00	46.35
June 2015	57.90	41.50	June 2015	57.80	41.45
July 2015	53.75	44.10	July 2015	53.70	44.30
August 2015	52.40	38.00	August 2015	52.40	38.05
September 2015	44.95	39.55	September 2015	43.85	39.10
October 2015	48.70	41.10	October 2015	48.80	41.45
November 2015	47.95	41.10	November 2015	47.95	41.15
December 2015	52.25	41.90	December 2015	50.20	41.80
January 2016	51.80	38.05	January 2016	51.90	37.85
February 2016	41.35	29.95	February 2016	40.40	29.85
March 2016	40.30	31.00	March 2016	40.35	30.30

(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 2016, out of 100 crores equity shares of MMTC Ltd of face value of ₹1/- each, 89,92,68,762 shares are held by the President of India and 10,07,28,159 shares by others in dematerialized form leaving only 3,079 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 31.03.2016. 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 31.3.2016:** the Distribution of shareholding as on 31.3.2016 is tabulated here in below:

Category of Shareholder	No. of Shareholders	Total number of shares	Total shareholding as %age of total number of shares
<b>Shareholding of Promoter and Promoter Group</b>			
Central Government	1	899268762	89.9268
<b>Public shareholding</b>			
Mutual Funds / UTI	2	131068	0.01
Financial Institutions/Banks	12	3071254	0.31
Foreign Institutional Investors	2	21500	0
Insurance Companies	6	57382994	5.7383
<b>Non-institutions</b>			
Bodies Corporate	1105	5618070	0.5613
Individual holders having share capital upto ₹2 lakh.	90780	33610024	3.36
Trust & Foundations	3	2200	0.0002
Non-Resident Individual	777	894128	0.0885
<b>TOTAL</b>	<b>92688</b>	<b>1000000000</b>	<b>100</b>

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

(k) **Top 10 Shareholders as on 31st March, 2016**

S.No.	Name	No. of shares held	% of total shares
1.	President of India	899268762	89.9269
2.	Life Insurance Corporation of India	48119732	4.8120
3.	United India Insurance Company Limited	5481180	0.5481
4.	General Insurance Corporation of India	2000000	0.2000
5.	The New India Assurance Company Limited	1141631	0.1142
6.	Bank of India	997061	0.0997
7.	Bank of Baroda	600000	0.0600
8.	Allahabad Bank	553290	0.0553
9.	National Insurance Company Limited	450179	0.0450
10.	Punjab and Sind Bank	376640	0.0377

(l) **Distribution of Shareholding by Size as on 31st March, 2016**

Category(shares)	No. of shares	% of Shareholding	Total No. of Shareholders	% of shareholders
1-500	9496745	.9497	79585	85.8633
501-1000	5615400	.5615	6893	7.4368
1001-2000	5046377	.5046	3306	3.5668
2001-3000	2704085	.2704	1050	1.1328
3001-4000	1864806	.1865	520	.5610
4001-5000	1867143	.1867	393	.4240
5001-10000	4036511	.4037	546	.5891
10001-50000	6598779	.6599	342	.3690
50001-100000	2375117	.2375	35	.0378
And Above	960395037	96.0395	18	.0194
<b>Total</b>	<b>1000000000</b>	<b>100.0000</b>	<b>92688</b>	<b>100.0000</b>

(m) **Geographical Distribution of Shareholders as on 31st March, 2016**

S. No.	City	No. of shareholders	% of total shareholders	No. of shares	% of total shares
1.	Ahmedabad	5584	6.025	2213386	0.221
2.	Bangalore	2916	3.146	1141453	0.114
3.	Chennai	3098	3.342	7152493	0.715
4.	Delhi	11685	12.607	904123916	90.412
5.	Hyderabad	2281	2.461	1497276	0.150
6.	Jaipur	1596	1.722	652627	0.065
7.	Kanpur	581	0.627	245988	0.025
8.	Kochi	259	0.279	131093	0.013
9.	Kolkata	4287	4.625	2922593	0.292
10.	Mumbai	13560	14.630	62722493	6.272
11.	NCR other than Delhi	2624	2.831	1240248	0.124
12.	Others	43831	47.289	15801643	1.580
13.	Patna	386	0.416	154791	0.015
	<b>TOTAL</b>	<b>92688</b>	<b>100.000</b>	<b>1000000000</b>	<b>100.000</b>

(n) **Shareholders/ other Investor's Grievances:**

Shareholders/ other Investors may also lodge their grievance(s) with Shri G. Anandanarayanan, Company Secretary at [ganarayanan@mmtclimited.com](mailto:ganarayanan@mmtclimited.com)

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](mailto: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, 2016, as stipulated in:

- Clause 49 of the listing Agreement of the Company with stock exchange for the period 1st April, 2015 to 30th November 2015.
- Regulation 17 to 27 and clause (b) to (i) of Regulation 46(2) and Para C, D and E of schedule V of listing Agreement for the period 1st December, 2015 to 31st March 2016.

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 Agreement/Listing regulations as applicable except to the following conditions as laid therein:

1. The company has not appointed Women Director as stipulated in Clause 49(II)(A)(1) of Listing Agreement.
2. The composition of the Board of Directors in terms of number of Independent Director has not been complied with. The company needs to appoint two more Independent Director in order to have optimum Board Structure as prescribed in Clause 49(II)(A)(2) of Listing Agreement.

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.

**Place:** New Delhi  
**Date:** August 4, 2016

For BLAK & Co.  
Company Secretaries  
  
ICS Archana Bansal  
Mg. Partner  
M.No. - A17865  
CoP No.- 11714

# Business Responsibility Report FY 2015-16

## About Us

The Company is incorporated and domiciled in India. It is a Mini-Ratna 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 10 Regional Offices in major cities and ports of India, a wholly owned subsidiary - MMTC Transnational Pte. Ltd (MTPL), Singapore and a liaison office in Johannesburg, South Africa.

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, Middle East, Latin America and North America.

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 Neelachal Ispat Nigam Ltd., MMTC PAMP, MMTC Gitanjali Ltd, SIOTL, Free Trade Warehousing Pvt. 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 2015-16

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

- Corporate Identity Number (CIN) of the Company  
**L51909DL1963G01004033**
- Name of the Company  
**MMTC LIMITED**
- Registered address  
**Core-1, Scope Complex,  
7 Institutional Area, Lodhi Road,  
New Delhi -110003**
- Website  
**www.mmtclimited.com**

- |   |  |
|---|--|
| <p>5. E-mail id<br/><b>mmtc@mmtclimited.com</b></p> <p>6. Financial Year reported<br/><b>2015-16</b></p> <p>7. Sector(s) that the Company is engaged in (industrial activity code-wise)<br/><b>Trading</b></p> <p>8. List three key products/services that the Company manufactures/provides (as in balance sheet)</p> <p><b>(i) Precious Metals</b><br/><b>(ii) Fertilizers</b><br/><b>(iii) Hydrocarbon</b></p> | <p>9. Total number of locations where business activity is undertaken by the Company</p> <p>i. Number of International Locations (Provide details of major 5)<br/><b>1 Subsidiary Company in Singapore</b><br/><b>1 Liaison Office in Johannesburg</b></p> <p>ii. Number of National Locations<br/><b>10 Regional Offices in India</b></p> <p>10. Markets served by the Company - Local/State/National/International<br/><b>Asia, Europe, Africa, Middle East, Latin America and North America</b></p> |
|---|--|

**SECTION B: FINANCIAL DETAILS OF THE COMPANY**

1.	Paid up Capital (INR)	1000 million
2.	Total Turnover (INR)	124604.7 million
3.	Total profit after taxes 2015-16 (INR)	548.5 million
4.	Total budgeted expenditure on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	In accordance with the Companies Act, the average net profit of the Company in the preceding 3 years being negative, allocation of funds was not mandated. However considering the fact that MMTC has been continuously undertaking CSR initiatives since 2006; the Board of Directors allocated ₹45 lakhs for undertaking CSR activities during 2015-16.
5.	List of activities in which expenditure in 4 above has been incurred	The funds allocated for CSR were utilized for Creation of sanitation and drinking water facilities in 17 Govt. Schools in Odisha. Besides, hand-pumps were installed in schools in Ghosi (Mau) and in Jaitwardih village (Allahabad), Uttar Pradesh. A small contribution was also made towards Clean Ganga Fund established by the Government of India for the rejuvenation of River Ganga.

**SECTION C: OTHER DETAILS**

- |   |  |
|---|--|
| <p>1. <b>Does the Company have any Subsidiary Company/ Companies?</b></p> <p>Yes. MMTC TRANSNATIONAL Pte LTD, SINGAPORE (Overseas Subsidiary Company)</p> <p><b>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)</b></p> | <p>No</p> <p>2. <b>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%]</b></p> <p>No</p> |
|---|--|

## 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

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 well being 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.

• DIN Number - **03368001**

• Name - **Shri Rajeev Jaideva**

• Designation - Director (Personnel)

b. Details of the BR head

**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	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have policy/ policies for...	Y	N	Y	Y	Y	N	N	Y	N
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	



S.No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
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	P1	P2	P3	P4	P5	P6	P7	P8	P9
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 discussion. 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 2015-16 MMTC's Management has discussed and reviewed following:

- Corporate Plan/ Draft MoU with MoC&I
- HR related issues
- Investments in JVs
- Budget
- Share price & shareholding pattern of MMTC
- Status of placement of surplus funds
- Approval of financial statements/results
- Annual Report / BRR for 2014-15
- Implementation of CSR activities
- Assessment of Organization Diagnostic Study

**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](http://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.

116 stakeholder complaints were received and 60% of grievances were resolved satisfactorily. There were grievances related to transfers and promotions majorly and attempts were made to consider requests that were genuine. Some cases relating to settlement dues like Pension and Gratuity are pending with EPFO. 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 well being of all the employees**

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

The total number of employees as on 31.3.2016 is 1340 (including 6 Board level executives)

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

Total of 230 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- 283

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

Total number of permanent employees with disabilities- 27

**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** - 1243 of 1334\* i.e. 93.18%
- **Permanent Women Employees** - 240 of 1243 i.e. 19.31%
- **Employees with Disabilities** - 30 of 1243 i.e. 2.41%

\* Total no. of employees here excludes 6 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. Taps and toilets have been adapted to facilitate use by persons with disabilities.

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 Enterprises, 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.

**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. Funds allocated by MMTC for undertaking CSR activities during 2015-16, was purely directed towards ensuring Swachh Bharat and creation of proper sanitation and drinking water facilities especially for school children in Odisha.

**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 Asst. Co. Secy. as Member Secretary. The CSR division thoroughly evaluates the various CSR proposals. Thereafter CSR proposals which fall within the parameters laid down in the Annual MOU and MMTC's CSR Policy, a base-line survey is conducted and the recommendations in the report are then forwarded along with observations to the CSR Committee. The proposals so submitted are considered by the CSR Committee and proposals accepted by the Committee are forwarded to the Board, for 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 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. 45 lakhs for undertaking CSR activities during 2015-16.

The funds allocated for CSR were utilized for Creation of sanitation and drinking water facilities in 17 Govt. Schools in Odisha. Besides, hand-pumps were installed in schools in Ghosi (Mau) and in Jaitwardih village (Allahabad), Uttar Pradesh. A small contribution was also made towards Clean Ganga Fund established by the Government of India for the rejuvenation of River Ganga.

**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.**

0%, since 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 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.**

None.

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

Yes. Many Regional Offices even organize regular Customers' Meet for Feedback and response.

Form No. MGT-9

# EXTRACT OF ANNUAL RETURN

## as on the financial year ended on March 31, 2016

[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	56.58
2.	Urea	3012	23.14

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

S. No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/SUBSIDIARY /ASSOCIATE WHOLLY OWNED FOREIGN SUBSIDIARY	% of shares Held	Applicable Section
1.	MMTC Transnational Pte Ltd, Singapore	199407265M	ASSOCIATE	100.00	2 (87)
2.	Neelachal Ispat Nigam Ltd.	U27109OR1982GOI001050	ASSOCIATE	49.78	2 (6)
3.	Free Trade Warehousing Pvt. Ltd.	U63023DL2005PTC134299	ASSOCIATE	26.00	2 (6)



S. No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/SUBSIDIARY /ASSOCIATE WHOLLY OWNED FOREIGN SUBSIDIARY	% of shares Held	Applicable Section
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 code	Category of Shareholder	No. of shares held at the beginning of the year (As on 01-Apr-15)				No. of shares held at the end of the year (As on 31-Mar-16)				% of Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>									
<b>1</b>	<b>Indian</b>									
(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
	<b>Sub Total (A) (1)</b>	89,92,68,762		89,92,68,762	89.93	89,92,68,762	0	89,92,68,762	89.93	0.00
<b>2</b>	<b>Foreign</b>									
(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
	<b>Sub Total (A) (2)</b>	0	0	0	0.00	0	0	0	-	0.00
	<b>Total Shareholding of Promoter and Promoter Group (A) = (A) (1) + (A) (2)</b>	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>(B)</b>	<b>Public shareholding</b>									
<b>1</b>	<b>Institutions</b>									
(a)	Mutual Funds	1,84,928	0	1,84,928	0.0185	1,31,068	0	1,31,068	0.0131	-0.01

(b)	Bank/FI	29,74,668	0	29,74,668	0.2975	30,71,254	0	30,71,254	0.3071	0.01
(c)	Central/State Govts.	0	0	0	0.0000	0	0	0	-	0.00
(d)	Venture Capital Funds	0	0	0	0.0000	0	0	0	-	0.00
(e)	Insurance Co.	5,73,82,994	0	5,73,82,994	5.7383	5,73,82,994	0	5,73,82,994	5.7383	0.00
(f)	FII	15,26,258	0	15,26,258	0.1526	21,500	0	21,500	0.0022	-0.15
(g)	Foreign Venture Capital Funds	0	0	0	0.0000	0	0	0	-	0.00
(i)	Any Other (specify)	0	0	0	0.0000	0	0	0	-	0.00
	<b>Sub-Total (B) (1)</b>	6,20,68,848	0	6,20,68,848	6.2069	6,06,06,816		6,06,06,816	6.0607	-0.15
<b>2</b>	<b>Non-institutions</b>									
(a)	Bodies Corp.	83,23,391	0	83,23,391	0.8323	56,18,070	0	56,18,070	0.56	-0.27
	i) Indian									
	ii) Overseas	0	0	0	-	0	0	0	-	0.00
(b)	Individuals							0	-	0.00
I	Resident Individuals holding nominal share capital up to Rs. 1 lakh	2,95,17,191	3,429	2,95,20,620	2.9521	0	0	0	-	-2.95
II	Resident Individuals holding nominal share capital in excess of Rs. 1 lakh.	1,06,000	0	1,06,000	0.0106	3,36,06,945	3,079	3,36,10,024	3.36	3.35
(c)	Others (Specify)							0		
(c-i)	Trust	1,900	0	1,900	0.0002	2,200	0	2,200	0.00	0.00
(c-ii)	Non-Resident Indians	7,10,479	0	7,10,479	0.0710	8,94,128	0	8,94,128	0.09	0.02
(c-iii)	Clearing Members	0	0	0	0.0000	0	0	0	-	0.00
(c-iv)	HUF	0	0	0	0.0000	0	0	0	-	0.00
	<b>Sub-Total (B) (2)</b>	3,86,58,961	3,429	3,86,62,390	3.87	4,01,21,343	3,079	4,01,24,422	4.0124	0.15
<b>(B)</b>	<b>Total Public Shareholding (B)=(B) (1)+(B) (2)</b>	10,07,27,809	3,429	10,07,31,238	10.0731	10,07,28,159	3,079	10,07,31,238	10.0731	0.00
									-	
(C)	Shares held by Custodian for GDR's & ADR's	0	0	0	0	0	0	0.00	-	0.00
									-	
	<b>GRAND TOTAL (A)+(B)+(C)</b>	99,99,96,571	3,429	1,00,00,00,000	100	99,99,96,921	3,079	1,00,00,00,000	100.00	0.00

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during 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	
1	THE PRESIDENT OF INDIA	899268762	89.9269	NIL	899268762	89.9269	NIL	0
	Total	899268762	89.9269	NIL	899268762	89.9269	NIL	0

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

S. No.		Shareholding		Date	Increase/(Decrease) in Shareholding	Reason	Cumulative Shareholding during the year (01-Apr-15 to 31-Mar-16)	
		No. of Shares at the beginning (01-Apr-15)/ end of the year (31-Mar-16)	% 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-15	No Change during the year			
	At the end of the year	89,92,68,762	89.9269	31-Mar-16			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	Shareholding			Date	Increase/(Decrease) in Shareholding	Reason	Cumulative Shareholding during the year (01-Apr-15 to 31-Mar-16)		Category
		PAN	No. of Shares at the beginning (01-Apr-15)/ end of the year (31-Mar-16)	% of total shares of the Company				Shares	% of total shares of the Company**	
1	LIFE INSURANCE CORPORATION OF INDIA	AAACL0582H	48119732	4.81	31.03.2015					INSURANCE COMPANIES
			48119732	4.81	31.03.2016	NIL	NIL			
2	UNITED INDIA INSURANCE COMPANY LIMITED	AAACU5552C	5481180	0.55	31.03.2015					GIC & ITS SUBSIDIARIES
			5481180	0.55	31.03.2016	NIL	NIL			
3	GENERAL INSURANCE CORPORATION OF INDIA	AAACG0615N	2000000	0.2	31.03.2015					GIC & ITS SUBSIDIARIES
			2000000	0.2	31.03.2016	NIL	NIL			
4	THE NEW INDIA ASSURANCE COMPANY LIMITED	AAACN4165C	1141631	0.11	31.03.2015					GIC & ITS SUBSIDIARIES
			1141631	0.11	31.03.2016	NIL	NIL			

5	BANK OF INDIA	AAACB0472C	997061	0.1	31.03.2015					NATIONALISED BANKS
			997061	0.1	31.03.2016	NIL	NIL			
6	BANK OF BARODA	AAACB1534F	600000	0.06	31.03.2015					NATIONALISED BANKS
			600000	0.06	31.03.2016	NIL	NIL			
7	ALLAHABAD BANK	AACCA8464F	553290	0.06	31.03.2015					NATIONALISED BANKS
			553290	0.06	31.03.2016	NIL	NIL			
8	NATIONAL INSURANCE COMPANY LTD	AAACN9967E	450179	0.05	31.03.2015					GIC & ITS SUBSIDIARIES
			450179	0.05	31.03.2016	NIL	NIL			
9	PUNJAB AND SIND BANK	AAACP1206G	376640	0.04	31.03.2015					NATIONALISED BANKS
			376640	0.04	31.03.2016	NIL	NIL			
10	KARVY STOCK BROKING LTD (BSE)	AABCK5190K	175000	0.02	31.03.2015					OTHER BODIES CORPORATES
					10.04.2015	150000	Purchase	325000	0.03	
					23.10.2015	150000	Purchase	475000	0.05	
					31.12.2015	-50000	Sale	425000	0.04	
					05.02.2016	-80000	Sale	345000	0.03	
					12.02.2016	-10000	Sale	335000	0.03	
					19.02.2016	55000	Purchase	390000	0.04	
			335000	0.03	31.03.2016	-55000	Sale			
11	KARVY STOCK BROKING LTD	AABCK5190K	227413	0.02	31.03.2015					OTHER BODIES CORPORATES
					30.04.2015	-3074	Sale	224339	0.02	
					10.04.2015	-156576	Sale	67763	0.01	
					17.04.2015	3847	Purchase	71610	0.01	
					24.04.2015	5614	Purchase	77224	0.01	
					01.05.2015	-708	Sale	76516	0.01	
					08.05.2015	-1807	Sale	74709	0.01	
					15.05.2015	-4716	Sale	69993	0.01	
					22.05.2015	-17919	Sale	52074	0.01	
					29.05.2015	35269	Purchase	87343	0.01	
					05.06.2015	-8190	Sale	79153	0.01	
					12.06.2015	-7656	Sale	71497	0.01	
					19.06.2015	-16266	Sale	55231	0.01	
					26.06.2015	-41258	Sale	13973	0	
					30.06.2015	51020	Purchase	64993	0.01	
		03.07.2015	-13072	Sale	51921	0.01				
		10.07.2015	-11139	Sale	40782	0				
		17.07.2015	21602	Purchase	62384	0.01				
		24.07.2015	-196	Sale	62188	0.01				

					31.07.2015	6085	Purchase	68273	0.01	
					07.08.2015	-10112	Sale	58161	0.01	
					14.08.2015	5141	Purchase	63302	0.01	
					21.08.2015	-7451	Sale	55851	0.01	
					28.08.2015	-10968	Sale	44883	0	
					04.09.2015	-1272	Sale	43611	0	
					11.09.2015	-9056	Sale	34555	0	
					18.09.2015	-3451	Sale	31104	0	
					25.09.2015	9487	Purchase	40591	0	
					30.09.2015	-1374	Sale	39217	0	
					02.10.2015	191	Purchase	39408	0	
					09.10.2015	-6257	Sale	33151	0	
					16.10.2015	145296	Purchase	178447	0.02	
					23.10.2015	-137974	Sale	40473	0	
					30.10.2015	-1853	Sale	38620	0	
					06.11.2015	1441	Purchase	40061	0	
					13.11.2015	8924	Purchase	48985	0	
					20.11.2015	-22272	Sale	26713	0	
					27.11.2015	-2215	Sale	24498	0	
					04.12.2015	-1041	Sale	23457	0	
					11.12.2015	5147	Sale	28604	0	
					18.12.2015	-8999	Sale	19605	0	
					25.12.2015	-15375	Sale	4230	0	
					31.12.2015	27802	Purchase	32032	0	
					08.01.2016	-30252	Sale	1780	0	
					15.01.2016	2519	Purchase	4299	0	
					22.01.2016	4499	Purchase	8798	0	
					29.01.2016	3868	Purchase	12666	0	
					05.02.2016	3820	Purchase	16486	0	
					12.02.2016	-4788	Sale	11698	0	
					19.02.2016	4060	Purchase	15758	0	
					26.02.2016	29906	Purchase	45664	0	
					04.03.2016	-19849	Sale	25815	0	
					11.03.2016	-1967	Sale	23848	0	
					18.03.2016	3208	Purchase	27056	0	
					25.03.2016	-5120	Sale	21936	0	
			84479	0.01	31.03.2016	62543	Purchase			
12	DB INTERNATIONAL (ASIA) LTD	AABC1383K	1405000	0.14	31.03.2015					FOREIGN FINANCIAL INSTITUTIONS
					17.07.2015	-854937	Sale	550063	0.06	
					24.07.2015	-550063	Sale	0		
			0	0	31.03.2016					

## V. Shareholding of Directors

S. No.	Name of Director	Shareholding		Date	Increase / (Decrease) in Shareholding	Reason	Cumulative Shareholding during the year (01-Apr-15 to 31-Mar-16)	
		No. of Shares at the beginning (01-Apr-15)/ end of the year (31-Mar-16)	% of total shares of the Company				No. of Shares	% of total shares of the Company**
1	Mr. Ved Prakash	1010		1-Apr-15	0	NIL movement during the year		
		1,010		31-Mar-16				
2	Mr. MG Gupta	1,005		1-Apr-15	0	Sale		
				7-Apr-15	-1,000		5	0.00
		5		31-Mar-16				
3	Mr. Rajeev Jaideva	1,500		1-Apr-15		Sale		
				20-Apr-15	-1000		500	0.00
		500		31-Mar-16				
4	Mr. Anand Trivedi	1,000		1-Apr-15		Sale		
				25-May-15	-500		500	0.00
				11-Jun-15	-500		0	
		0		31-Mar-16				
5	Mr. P.K. Jain	3,508		1-Apr-15		Sale		
				25-Jun-15	-3000		508	0.00
		508		31-Mar-16				
6	Mr. Ashwani Sondhi	2,008		1-Apr-15	0	NIL movement during the year		
		2008		31-Mar-16				

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/acrued but not due for payment (₹ in million)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total indebtedness
<b>Indebtedness at the beginning of the financial Year</b>				
i) Principal Amount	1617.27	1249.22		2866.49
ii) Interest due but not paid				3.28
iii) Interest accrued but not due				4.92
Total (i + ii + iii)				2874.69
<b>Change in the indebtedness during the financial year</b>				
Addition	499.74			499.74
Reduction		648.06		648.06
Net Change				-148.32
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	2117.01	601.16		2718.17
ii) Interest due but not paid				1.77
iii) Interest accrued but not due				2.79
Total (i + ii + iii)				2722.73

**VI. REMUNERATION TO DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**(A) Remuneration to Managing Director, Whole Time Directors and/or Manager**

(in ₹)

S. No.	Particulars of Remuneration	Name of WTD						Total
		Mr. Ved Prakash	Mr. MG Gupta	Mr. Rajeev Jaideva	Mr. Anand Trivedi	Mr. PK Jain	Mr. Ashwani Sondhi	
<b>1</b>	<b>Gross Salary</b>							
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	30,40,243	30,53,609	29,03,861	25,24,211	32,68,202	22,41,836	1,70,31,962
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	3,06,831	2,44,401	5,23,932	6,46,825	2,13,519	3,50,961	22,86,469
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-	-	-
<b>2</b>	<b>Stock Options</b>	-	-	-	-	-	-	-
<b>3</b>	<b>Sweat Equity</b>	-	-	-	-	-	-	-
4	Commission - as % of Profit - Others	-	-	-	-	-	-	-
5	Others	-	-	-	-	-	-	-
	<b>TOTAL (A)</b>	33,47,074	32,98,010	34,27,793	31,71,036	34,81,721	25,92,797	1,93,18,431
	Ceiling as per the Act	Not Applicable						

**(B) REMUNERATION TO OTHER DIRECTORS**

(in ₹)

S. No.	Category	Name of Director					Total Amount
		Mr. Arvind Kalra	Mr. Subas Pani	Mr. Rana Som	Mr. SR Tayal	Mr. N Bala Baskar	
	<b>Independent Directors</b>						
	Fees For Attending Board/ Committee Meetings	1,95,000	1,65,000	1,20,000	2,55,000	1,50,000	8,85,000
	Commission	0.00	0.00	0.00	0.00	0.00	0.00
	Others (Please Specify)	0.00	0.00	0.00	0.00	0.00	0.00
	<b>Total (1)</b>	1,95,000	1,65,000	1,20,000	2,55,000	1,50,000	8,85,000
	<b>Other Non-Executive Directors</b>						
	Fees For Attending Board/ Committee Meetings	0.00	0.00	0.00	0.00	0.00	0.00
	Commission	0.00	0.00	0.00	0.00	0.00	0.00
	Others (Please Specify)	0.00	0.00	0.00	0.00	0.00	0.00
	<b>Total (2)</b>	0	0.00	0.00	0.00	0.00	0.00
	Total B = (1 + 2)	1,95,000	1,65,000	1,20,000	2,55,000	1,50,000	8,85,000
	<b>Total Managerial Remuneration</b>						
	Overall ceiling as per the Act	Not Applicable					

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

S. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		CEO (Mr. Ved Prakash)	CFO (Mr. M G Gupta)	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	30,40,243	30,53,609	60,93,852
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	3,06,831	2,44,401	5,51,232
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.00	0.00	0.00
2	Stock Options	0.00	0.00	0.00
3	Sweat Equity	0.00	0.00	0.00
4	Commission - as % of Profit - Others	0.00	0.00	0.00
5	Others	0.00	0.00	0.00
	Medical Reimbursement, LTA	0.00	0.00	0.00
	<b>TOTAL</b>	<b>33,47,074</b>	<b>32,98,010</b>	<b>66,45,084</b>

**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					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	N.A.				
Punishment					
Compounding					



**BLAK & CO.**  
Company Secretaries

**SECRETARIAL AUDIT REPORT**  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2016  
*[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 provided 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 31<sup>st</sup> March, 2016, 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 31<sup>st</sup> March, 2016 according to the provisions of following applicable laws:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;



page 1 of 9

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (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) including Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - \*The company has made delisting application to the Stock Exchanges at Delhi, Kolkatta and Chennai*
- 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 with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. 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.

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 except following events mentioned below 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.

*Place: New Delhi*  
*Date : 04.08.2016*

For BLAK & Co.  
(Company Secretaries)  
  
(Archana Bansal)  
Mg. Partner  
M.No. - A17865  
CoP No.- 11714

**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.



**'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. 2015-16;
5. Trial Balance for FY 2015-16;
6. Quarterly Compliance Report on Corporate Governance as prescribed in Listing Agreement and LODR Regulations as applicable;
7. Quarterly Report on compliance of Corporate Governance as prescribed in Guideline for Corporate Governance for Central Public Sector Enterprises (CPSEs);
8. Internal Audit Reports;
9. List of Shareholders/Shareholding Pattern & Copy of Shareholding Pattern filed with Stock-Exchange;
10. Detail of Project Site/Branch Office/Factories/Works during the F.Y. 2015-16;
11. Documents with regard to appointment/re-appointment of :-
  - Statutory Auditor;
  - Internal Auditor; &
  - Tax Auditor
12. 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;
- 13. Minute books and Attendance Register of General Meeting, Board meeting and Committee Meetings under section 118;
- 14. All e-forms and returns filed during the Financial Year 2015-16 filed with ROC with respective receipts/ challans fees is paid;
- 15. Evidence of dispatch of notices of meeting;
- 16. Agenda papers;
- 17. Copies of circular resolutions passed by the Board ;
- 18. Newspaper cutting of notice of closure of register of members;
- 19. 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;
- 20. Dispatch register of Annual General Meeting/Extraordinary General Meeting notice;
- 21. Proxies lodged for general meetings, ballot papers , scrutinizer report;
- 22. Resolutions received from other company/companies who are shareholders and from whom resolutions for their authorized representatives have been received by the company ;
- 23. Copies of Form MBP-1 received from all directors under section 184 at the first meeting of the Board in financial year 2015-16 and during the FY whenever there is any change in the disclosures already made;
- 24. Relevant documents in respect of dividend paid;
- 25. Relevant documents in respect of postal ballot conducted during the audit period;
- 26. Agreement with the agency providing platform for e-voting;
- 27. Agreement with courier or posting agents for dispatch of annual reports, notices to members / depositors/ debenture-holders;
- 28. Agreement with RTA and RTA report in respect of various matters handled by them on behalf of the company;
- 29. Scrutinizer's report for postal ballot, poll and e-voting;
- 30. Director's retirement by rotation table;
- 31. Copies of all letters sent to and received from the stock exchange on which the company's securities are listed;
- 32. Copies of all disclosures received by the company under SEBI(Substantial Acquisition of Shares and Takeovers) Regulations, 1997;





33. Copies of all returns and forms filed with SEBI and stock exchange under SEBI(Substantial Acquisition of Shares and Takeovers) Regulations, 1997;
34. Copies of shareholding pattern filed with stock exchanges under clause 35 of the listing agreement and under clause 31 of LODR regulations as applicable ;
35. Copies of all communication with regard to SEBI (Prohibition of Insider Trading) Regulations, 1992 as per Companies Insider Trading Code;
36. List of Contracts executed by the Company during the F.Y. 2015-16 including any amendment/modification therein
37. Compliance records under the Depositories act, 1996 and the regulations framed under the Act;
38. 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;
39. Sample check basis:
  - a. Service Tax
  - b. Work Contract Tax
  - c. Labour Laws

*Place: New Delhi*  
*Date : 04.08.2016*

For BLAK & Co.  
(Company Secretaries)  
  
*Archana*  
(Archana Bansal)  
Mg. Partner  
M.No. – A17865  
CoP No.- 11714

**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 as on March 31,2016 the company has not appointed the Company Secretary, which is non – compliance of both- Section 203 of Companies Act, 2013 and Clause 47(a) of Listing Agreement (now Clause 6 of SEBI (LODR), 2015) entered into with Stock Exchanges.
2. That the company has not appointed a Women Director, which is non – compliance of both- Section 149 of Companies Act, 2013 and Clause 49 of Listing Agreement (now Clause 17 of SEBI (LODR), 2015) entered into with Stock Exchanges.
3. That as per the requirements of Guideline for Corporate Governance for Central Public Sector Enterprises (CPSEs) and Listing Agreement, the Company needs to appoint Independent Directors to have a optimum Board Structure as prescribed.
4. That in the absence of agreement/ bilaterally signed documents, the Terms and Condition including period of Investment made/ Guarantee given by the Company to/ in favour of Neelanchal Ispat Nigam Limited (NINL) was not ascertained. Henceforth, Register maintained is not providing requisite information in accordance with the provisions of Section 186 of The Companies Act,2013.

Place: New Delhi  
Date : 04.08.2016

For BLAK & Co.  
  
(Archana Bansal)  
Mg. Partner  
M.No. – A17865  
CoP No.- 11714





#### 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.

*Place: New Delhi*  
*Date : 04.08.2016*

For BLAK & Co.  
  
(Archana Bansal)  
Mg. Partner  
M.No. - A17865  
CoP No.- 11714

## MANAGEMENT'S REPLY TO OBSERVATIONS OF SECRETARIAL AUDITOR IN THEIR REPORT FOR THE FINANCIAL YEAR 2015-16

AUDITORS' OBSERVATION	MANAGEMENT'S REPLY
(i) That the company has not appointed the Company Secretary, which is non-compliance of both-Section 203 of Companies Act, 2013 and Clause 47(a) of Listing Agreement (now Clause 6 of SEBI (LODR), 2015) entered into with Stock Exchanges.	i) The post of Company Secretary has since been filled up after due process advised by the Board and the appointment has been made effective from 1.6.2016
(ii) That the company has not appointed a Woman Director, which is non-compliance of both-Section 149 of Companies Act, 2013 and Clause 49 of Listing Agreement (now Clause 17 of SEBI (LODR), 2015) entered into with Stock Exchanges.	For (ii) & (iii)MMTC Ltd being a Govt of India PSU, the Directors on the Board of MMTC are appointed by the President of India through the administrative Ministry i.e. Ministry of Commerce & Industry, Govt of India. The company has taken up the matter regarding mandatory requirement of appointment of at least one woman director on the Board 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.
(iii) That as per the requirements of Guideline for Corporate Governance for Central Public Sector Enterprises (CPSEs) and Listing Agreement, the Company needs to appoint Independent Directors to have a optimum Board Structure as prescribed	
(iv) That in the absence of agreement/bilaterally signed documents, the Terms and Condition including period of Investment made/ Guarantee given by the Company to/in Neelachal Ispat Nigam Limited (NINL) was not ascertained. Henceforth, Register maintained is not providing requisite information in accordance with the provisions of Section 186 of The Companies Act, 2013.	(iv) The Corporate Guarantee has been given by MMTC with the approval of Board of Directors and Cabinet and register has been maintained for that. Regarding loan, we have exchanged letters with NINL from time to time and NINL also gives a Corporate Guarantee for the working capital limits sanctioned by MMTC. The formal agreement between MMTC and NINL regarding loan shall be executed in current year.

## 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)

### 1. Details of contracts or arrangements or transactions not at arm's length basis

Name of the Related Party	MMTC PAMP India Pvt Ltd	MMTC Gitanjali Ltd	Neelachal Ispat Nigam Ltd	MMTC Transnational Pte Ltd, Singapore
<b>a) Nature of the relationship</b>	Joint Venture	Joint Venture	Associate	Wholly Owned Subsidiary
<b>b) Nature of contracts/ arrangements/ transactions</b>	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. As 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 lotwise/shipmentwise 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.
<b>c) Duration of contracts/ arrangements/ transactions</b>	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	Continuous Business.	On ongoing basis as long as the requirement for buying and selling subsists.	On 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	Neelachal Ispat Nigam Ltd	MMTC Transnational Pte Ltd, Singapore
	production entered with MPIPL on 22nd June 2015 valid for 1 year. This supersedes the MOU at serial number 1).			
<b>d) Salient terms of the contracts of arrangements or transactions including the value if any</b>	<p>With regard to the most recent MOU signed with MPIPL, the salient terms are:</p> <p>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.</p> <p><b>Value - ₹5,609.42 Millions</b></p>	<p>1) MMTC will supply to MGPL the entire range of silverware, gold/silver medallion and 50% plain gold jewellery to MGPL on furnishing suitable financial security by MGPL. If the plain gold jewellery proposed does not meet the requirements of MGPL, MGPL shall compensate to MMTC @ 2% of the total value of the entire quantity purchased by MGPL. MGPL will purchase the above supply items from 26% to 4% of the total procurement. 2) GGL will supply 50% plain gold jewellery and 100% diamond jewellery required by MGPL.</p> <p><b>Value - ₹9.21 Millions</b></p>	<p>Shareholders Agreement between MMTC &amp; 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 &amp; NINL. Agreement for sale/purchase of finished goods was signed between MMTC &amp; NINL vide agreement dtd. 06.08.1999, amended on 22.06.2012 and further amended on 11.02.2014.</p> <p><b>Value - ₹9,196.23 Millions</b></p>	<p>A Contract dtd.24.07.2015 was signed between MMTC and MTPL for supply of Tur Dal valuing ₹36.11 Crores (approx.) and another contract dtd.10.11.2015 was entered into for supply of Australian Chick Peas valuing ₹9.11 Crores (approx.).</p> <p><b>Value - ₹6,711.49 Millions</b></p>

Name of the Related Party	MMTC PAMP India Pvt Ltd	MMTC Gitanjali Ltd	Neelachal Ispat Nigam Ltd	MMTC Transnational Pte Ltd, Singapore
<b>e) Justification for entering into such contracts or arrangements or transactions</b>	<p>1) To improve margins and the topline.</p> <p>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).</p> <p>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.</p>	<p>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.</p> <p>2) More outlets to sell MMTC's products and new/variety of designs marketed by Shuddhi is available for sale during MMTC's Jewellery Exhibitions.</p>	As mentioned above.	Being the L1 bidder against the tenders floated by MMTC.
<b>f) Dates of approval by Board</b>	9th December 2014 11th February 2015 13th August 2015	9th December 2014 11th February 2015 13th August 2015	11th February 2015	13th August 2015 (in respect of Agro Products)
<b>g) Amount paid as advances if any</b>	<b>NONE</b>	<b>NONE</b>	<b>NONE</b>	<b>NONE</b>

Name of the Related Party	MMTC PAMP India Pvt Ltd	MMTC Gitanjali Ltd	Neelachal Ispat Nigam Ltd	MMTC Transnational Pte Ltd, Singapore
<p><b>(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188</b></p>	<p>Special Resolutions in this regard were passed by the shareholders through Postal Ballot the results of the same were announced by CMD on 27.04.2015.</p>			
<p>2. Details of material contracts or arrangement or transactions at arm's length basis: ----- NIL -----</p>				

# Annexure to Directors' Report

## Conservation of Energy: Power and Fuel Consumption

Under section 134(3) of the Companies Act 2013, statement containing particulars pursuant to Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 for the financial year ended 31.03.2016 for Disclosure of particulars with respect to Conservation of Energy:

Sl. No.			Current Year (2015-16)	Previous Year (2014-15)
1.	Electricity	Purchase (KWh) (At Annual Minimum Guarantee)	3,09,012	3,09,012
		Total cost (₹ in lacs)	16.69	16.69
		Average Rate (₹/kwh)	5.40	5.40
2.	Coal	Quantity (MT)	-	-
		Total cost (₹ in lacs)	-	-
		Average Rate (₹ per MT)	-	-
3.	Diesel Oil	Purchase (Lt.)	-	-
		Total Cost (₹ in lacs)	-	-
		Average Rate (₹ per Lt.)	-	-
4.	LDO	Purchase (Lt.)	-	-
		Total cost (₹ in lacs)	-	-
		Average Rate (₹ per Lt.)	-	-



गोपनीय

संख्या/No. PDCA-I / ND / CHQ / 29-1 / 2016-17 / MMTC / 389

**भारतीय लेखा तथा लेखापरीक्षा विभाग,**  
कार्यालय प्रधान निदेशक वाणिज्यिक लेखापरीक्षा  
एवं पदेन सदस्य, लेखापरीक्षा बोर्ड-1

**INDIAN AUDIT & ACCOUNTS DEPARTMENT,**  
OFFICE OF THE PRINCIPAL DIRECTOR OF COMMERCIAL  
AUDIT & EX-OFFICIO MEMBER, AUDIT BOARD-1

दिनांक / Dated 28.7.2016

सेवा में,

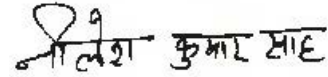
अध्यक्ष एवं प्रबन्ध निदेशक,  
एम.एम.टी.सी. लिमिटेड,  
सी०जी०ओ० कॉम्प्लैक्स  
लोदी रोड,  
नई दिल्ली - 110 003

विषय: 31 मार्च 2016 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  
नियंत्रक महालेखा परीक्षक की टिप्पणियाँ।

महोदय,

मैं इस पत्र के साथ 31 मार्च 2016 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  
नियंत्रक महालेखा परीक्षक की 'शून्य टिप्पणियाँ' 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,



(नीलेश कुमार साह)  
प्रधान निदेशक

संलग्न: शून्य टिप्पणियाँ

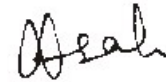


## **COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF MMTC LIMITED FOR THE YEAR ENDED 31 MARCH 2016**

The preparation of financial statements of MMTC Limited for the year ended 31 March 2016 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 27 May 2016.

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 2016. 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 auditor's report.

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



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

**Place: New Delhi  
Dated 28 July, 2016**

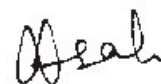
## **COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF MMTC LIMITED FOR THE YEAR ENDED 31 MARCH 2016**

The preparation of consolidated financial statements of MMTC Limited for the year ended 31 March 2016 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 27 May 2016.

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 2016. We conducted a supplementary audit of the financial statements of MMTC Limited and its associate company Neelachal Ispat Nigam Limited. Further, section 139(5) and 143(6)(b) of the Act are not applicable to six joint ventures (list enclosed) being private entities and subsidiary MMTC Transnational Pte. Ltd. being entity incorporated in Foreign country under the respective laws, for appointment of their Statutory Auditor nor for conduct of supplementary audit. Accordingly C & AG has neither appointment 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 auditors 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 significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditor's report.

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



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

**Place: New Delhi  
Date: 28 July, 2016**

## 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
Indian Commodity Exchange Limited
TM Mining Company Limited

*Umesh Kant*

## Decade at a Glance

(₹ in million)

Year Ended 31st March	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
<b>What we owe</b>										
Share capital	<b>1000</b>	1000	1000	1000	1000	1000	500	500	500	500
Reserves	<b>12779</b>	12592	12419	12408	13214	12797	12371	10734	9800	8321
	<b>13779</b>	13592	13419	13408	14214	13797	12871	11234	10300	8821
Borrowings	<b>2718</b>	2866	4129	14783	34299	60835	51648	43052	31984	11298
Other Long Term Liabilities	<b>187</b>	196	99	191	45	-	-	-	-	-
Long Term Provisions	<b>1790</b>	1771	1825	1702	1374	-	-	-	-	-
	<b>18474</b>	18425	19472	30084	49932	74632	64519	54286	42284	20119
<b>What we own</b>										
Fixed assets	<b>2092</b>	2060	2120	2107	2052	2107	2099	2075	2067	2045
Less: depreciation	<b>1517</b>	1482	1302	1186	1079	993	874	757	654	519
Net fixed assets	<b>575</b>	578	818	921	973	1114	1225	1318	1413	1526
Investments	<b>4598</b>	4457	4457	4697	4673	2831	2729	2316	2550	2550
Misc. Exp(not written off)	-	-	-	-	-	-	-	58	22	15
Long Term Loans and Advances	<b>1432</b>	1332	768	1130	1095	-	-	-	-	-
Other Non Current Assets	<b>31</b>	8	15	17	23	-	-	-	-	-
Working capital	<b>9545</b>	9771	11153	21865	42453	70352	60339	50291	38042	15667
Deffered Tax Assets	<b>2293</b>	2279	2261	1454	715	335	226	303	257	361
	<b>18474</b>	18425	19472	30084	49932	74632	64519	54286	42284	20119
<b>What we earned</b>										
Sales	<b>124604</b>	182415	250745	284156	659291	688545	451242	368207	264234	233016
Exports	<b>6726</b>	23007	41270	29795	20454	36934	32227	45759	39114	34131
Imports	<b>102958</b>	145302	187135	209544	610417	633008	399691	306951	204499	186074
Domestic	<b>14920</b>	14106	22340	44817	28420	18603	19324	15497	20621	12811
Interest earned	<b>1246</b>	998	1378	2796	6458	4750	5742	7824	2106	1202
Other income	<b>708</b>	680	2795	2210	4770	2369	2294	2498	1314	902
	<b>126558</b>	184093	254918	289162	670519	695664	459278	378529	267654	235120
<b>What we spent</b>										
Cost of sales	<b>123737</b>	180764	249239	282985	660483	687260	449463	366966	260732	230964
Establishment Expenses	<b>2015</b>	1918	1895	2029	1843	1838	1684	1653	1184	883
Administration Expenses	<b>527</b>	507	471	482	521	554	461	385	375	327
Finance Cost (incl. Interest paid)	<b>299</b>	170	670	2195	5764	3719	4126	6659	1350	711
Depreciation & Amortization	<b>46</b>	178	124	120	120	125	133	126	127	80
Miscellaneous Exp Written off	-	-	-	-	-	-	58	18	13	33
Debts/claims/assets written off/withdrawn	<b>1</b>	300	11	1	3	1	3	143	231	98
Prov. for doubtful debts & diminution in value of Investment/fixed assets	<b>3</b>	12	13	63	133	229	19	406	373	95
Extra-ordinary items	-	-	2104	2444	1002	-	-	-	-	-
Exceptional items *	<b>(655)</b>	(372)	231	127	(1)	-	-	-	-	-
	<b>125973</b>	183477	254758	290446	669868	693726	455947	376356	264385	233191

(₹ in million)

Year Ended 31st March	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
<b>What we saved</b>										
Profit for the year	<b>585</b>	616	160	(1,284)	651	1938	3331	2173	3269	1929
Provision for taxation	<b>30</b>	120	(42)	(572)	53	701	1168	772	1241	625
Profit after tax (before Prior Period Adj.)	<b>555</b>	496	202	(712)	598	1237	2163	1401	2028	1304
Prior period adjustment	<b>6</b>	16	16	(6)	(109)	21	-	(1)	23	36
Profit available for appropriation	<b>549</b>	480	186	(706)	707	1216	2163	1402	2005	1268
Dividend	<b>300</b>	250	150	100	250	250	450	400	450	250
Tax on dividend	<b>61</b>	51	25	-	41	41	75	68	76	39
Sustainable Development	-	-	-	2	-	-	-	-	-	-
Corporate Social Responsibility	-	-	-	4	-	-	-	-	-	-
Retained earnings	<b>188</b>	179	11	(812)	416	925	1638	934	1479	979
<b>Gross Profit</b>	<b>1297</b>	2079	3456	2997	2766	3300	3176	3209	4298	2497
<b>Profit before Tax</b>	<b>579</b>	600	144	(1,278)	760	1917	3331	2174	3246	1893
<b>Profit after tax</b>	<b>549</b>	480	186	(706)	707	1216	2163	1402	2005	1268
<b>Net worth</b>	<b>13779</b>	13592	13418	13407	14213	13797	12871	11176	10278	8806
<b>Capital employed</b>	<b>7402</b>	7483	7842	8003	9127	8645	9725	8557	7471	5895
<b>Working capital</b>	<b>9545</b>	9771	11153	21865	42453	70352	60339	50291	38042	15667
<b>Ratios</b>										
Overheads to sales %	<b>2.04</b>	1.33	0.94	0.88	0.36	0.35	0.48	0.55	0.59	0.52
Stocks to sales %	<b>3.22</b>	1.75	1.23	3.13	1.40	0.94	4.73	1.57	2.09	0.76
Trading profit to sales%	<b>1.04</b>	1.14	1.38	1.05	0.42	0.48	0.70	0.87	1.63	1.07
Profit before tax to sales %	<b>0.46</b>	0.33	0.06	(0.45)	0.12	0.28	0.74	0.59	1.23	0.81
Profit after tax to sales %	<b>0.44</b>	0.26	0.07	(0.25)	0.11	0.18	0.48	0.38	0.76	0.54
Debtors to sales %	<b>6.64</b>	16.64	6.92	7.83	4.20	3.69	3.44	5.18	5.47	4.80
Working capital to sales %	<b>7.66</b>	5.36	4.45	7.69	6.44	10.22	13.37	13.66	14.40	6.72
Sales to working capital (times)	<b>13.05</b>	18.67	22.48	13.00	15.53	9.79	7.48	7.32	6.95	14.87
Profit for the year to capital employed %	<b>7.90</b>	8.23	2.04	(16.04)	7.13	22.42	34.25	25.39	43.76	32.72
Profit after tax to capital employed %	<b>7.42</b>	6.41	2.37	(8.82)	7.75	14.07	22.24	16.38	26.84	21.51
Profit for the year to net worth %	<b>4.25</b>	4.53	1.19	(9.58)	4.58	14.05	25.88	19.44	31.81	21.91
Profit after tax to net worth %	<b>3.98</b>	3.53	1.39	(5.27)	4.97	8.81	16.81	12.54	19.51	14.40
Number of employees	<b>1334</b>	1439	1530	1605	1673	1767	1838	1882	1953	1997
Sales per employee	<b>93.41</b>	126.77	163.89	177.04	394.08	389.67	245.51	195.65	135.30	116.68

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

## SOURCES AND UTILISATION OF FUNDS

(₹ in million)

	2015-16	2014-15	2013-14
<b>SOURCES</b>			
<b>Internal generation</b>			
Profit after tax	549	479	186
Deferred Tax Adjustments	(14)	(17)	(807)
Depreciation	1518	1482	1303
Provisions	6926	7223	8262
Equity	1000	1000	1000
Reserves	12230	12113	12233
<b>External generation</b>			
Banking	2718	2866	4129
Current liabilities	18429	40020	26308
Other liabilities	2716	2623	2185
<b>TOTAL SOURCES</b>	<b>46072</b>	<b>67789</b>	<b>54799</b>
<b>UTILISATION</b>			
Fixed assets	2092	2060	2120
Investments	4646	4746	5306
Trade debts	12268	34318	21675
Inventories	4015	3194	3084
Loan & advances	19987	19571	16433
Cash & bank balance	785	1638	4727
Deferred Tax	2279	2262	1454
<b>TOTAL UTILISATION</b>	<b>46072</b>	<b>67789</b>	<b>54799</b>

## STATEMENT OF CHANGES IN FINANCIAL POSITION

(₹ in million)

	2015-16		2014-15		2013-14	
<b>SOURCES OF FUNDS</b>						
<b>Internal generation</b>						
Profit after tax	<b>549</b>		479		186	
Depreciation	<b>46</b>	<b>595</b>	178	657	124	310
Deffered Tax Adjustment		<b>2279</b>		2262		1454
<b>Borrowings</b>						
Loan funds		<b>(148)</b>		(1,263)		(10,653)
<b>TOTAL SOURCES</b>		<b>2,726</b>		1,656		(8,889)
<b>APPLICATION OF FUNDS</b>						
Fixed assets		<b>44</b>		(55)		26
Investments		<b>141</b>		(560)		169
Deferred Tax Asset		<b>2293</b>		2,279		2261
Final Dividend		<b>300</b>		250		150
Dividend Tax		<b>61</b>		51		25
Inventory		<b>821</b>		110		(5,805)
Sundry debtors		<b>(22,052)</b>		13,003		(4,903)
Loan & advances		<b>426</b>		3,296		(304)
Cash & Bank balance		<b>(853)</b>		(3,089)		(9,874)
Liabilities		<b>21675</b>		(13,878)		9481
Provisions		<b>(130)</b>		249		(115)
<b>TOTAL APPLICATION OF FUNDS</b>		<b>2,726</b>		1,656		(8,889)

## VALUE ADDED STATEMENT

(₹ in million)

	2015-16		2014-15		2013-14	
	%		%		%	
<b>VALUE ADDED</b>						
Sales & other trade earning	<b>124983</b>		182843		252752	
Add: Other income	<b>938</b>		958		967	
	<b>125920</b>		183801		253719	
Less: Cost of material and services used	<b>115706</b>		170702		229115	
<b>TOTAL VALUE ADDITION</b>	<b>10214</b>		<b>13099</b>		<b>24604</b>	
<b>VALUE DISTRIBUTION</b>						
Operating expenses	<b>7,966</b>	<b>77.99</b>	9,924	75.77	20,185	82.04
Employment costs	<b>2,015</b>	<b>19.73</b>	1,918	14.64	1,895	7.70
Administrative costs	<b>552</b>	<b>5.41</b>	1,280	9.77	609	2.48
Provisions	<b>3</b>	<b>0.03</b>	12	0.09	254	1.03
Depreciation	<b>46</b>	<b>0.45</b>	178	1.36	124	0.50
Interest(net)	<b>(947)</b>	<b>(9.27)</b>	(812)	(6.20)	(711)	(2.89)
Extra-ordinary items	-	-	-	-	2,104	8.55
Income tax	<b>30</b>	<b>0.30</b>	120	0.91	(42)	(0.17)
Dividend						
Proposed Dividend	<b>300</b>	<b>2.94</b>	250	1.91	150	0.61
Tax on Dividend	<b>61</b>	<b>0.60</b>	51	0.39	25	0.10
Transfer from Reserve & Surplus	-	-	-	-	-	-
Retained earning	<b>188</b>	<b>1.84</b>	178	1.36	11	0.04
<b>TOTAL VALUE DISTRIBUTION</b>	<b>10,214</b>	<b>100.00</b>	<b>13,099</b>	<b>100.00</b>	<b>24,604</b>	<b>100.00</b>
<b>ANALYSIS</b>						
Number of employee	<b>1,334</b>		<b>1,439</b>		<b>1,530</b>	
Value added per employee(Rs.'000)	<b>7657</b>		9103		16081	
Net worth	<b>13,779</b>		13,591		13,418	
Value added per rupee of net worth	<b>0.74</b>		0.96		1.83	



## COMMODITY - WISE PERFORMANCE

(₹ in million)

Year ended 31st March	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
<b>EXPORTS</b>										
Iron Ore	<b>3607</b>	14013	16703	9885	3049	19390	19244	27536	26554	19012
Manganese ore/oxide		67	144	225	343	575	1019	1064	441	409
Chrome ore/concentrate	<b>818</b>	341	3526	3781	6160	8076	6269	8274	6904	7964
Pig iron	<b>2301</b>	6291	10992	2893	9404	8136	4891	5988	5090	5446
Slag			18							1
Fertilizer			2348	1533	1489	737	805			257
Agro Products		2294	7539	11478		20		2411	61	753
Raw Wool					9					
Diamonds/gems/jewellery								434		289
Merchanting Trade								50	64	
<b>Total Exports</b>	<b>6726</b>	<b>23007</b>	<b>41270</b>	<b>29795</b>	<b>20454</b>	<b>36934</b>	<b>32228</b>	<b>45757</b>	<b>39114</b>	<b>34131</b>
<b>IMPORTS</b>										
<b>Metals/IRM</b>										
Copper/Copper Cathodes				101	1334	1240	1549	4688	3678	2691
Zinc	<b>1008</b>	561	616	837	1379	1205	1494	896	1287	1617
Lead	<b>1</b>	31	19	47	36	117	90	304	246	750
Tin	<b>183</b>	195	390	423	671	1013	522	1047	703	651
Nickel	<b>178</b>	725	754	567	1393	3304	1042	501	922	1216
Aluminium							11		16	172
Antimony Metal	<b>36</b>	50	67	58		26	8	5	24	10
Steel /Steel Scrap/ HR Coils					478	1080	1585	1065	1350	1331
Others				108	583	282	334	282	148	41
<b>SUB TOTAL</b>	<b>1406</b>	<b>1561</b>	<b>1846</b>	<b>2142</b>	<b>5875</b>	<b>8267</b>	<b>6635</b>	<b>8788</b>	<b>8374</b>	<b>8479</b>

## COMMODITY - WISE PERFORMANCE

(₹ in million)

Year ended 31st March	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
<b>Fertilizers:</b>										
Sulphur	164	231	230	233	219	142	220	1566	1488	140
Urea	26109	77973	35969	11704	48927	14534	14084	30259	37907	14223
DAP					1445		574			6346
MOP		1757	1276	5599	5279	3937	9302	7916	1647	1621
Others	973						4	7		
<b>SUB TOTAL</b>	<b>27246</b>	<b>79961</b>	<b>37475</b>	<b>17537</b>	<b>55870</b>	<b>18613</b>	<b>24184</b>	<b>39748</b>	<b>41042</b>	<b>22330</b>
Diamonds/Gold/Emeralds	63424	43343	84116	131374	504607	501935	316029	212891	122071	135041
Agro Products	583	704	12139	13777	11843	14922	14638	16695	16160	3581
Hydrocarbons	10127	19476	51508	44688	32196	89229	38203	27364	16481	16296
Others	172	257	51	27	27	43	1	1466	371	347
<b>TOTAL IMPORTS</b>	<b>102958</b>	<b>145302</b>	<b>187135</b>	<b>209545</b>	<b>610417</b>	<b>633008</b>	<b>399690</b>	<b>306952</b>	<b>204499</b>	<b>186074</b>
<b>DOMESTIC</b>										
Copper/Zinc/Brass/Alum.	5					18	1195		1633	2142
Pig Iron/Slag/Steel	1871	1761	2335	9805	8273	4180	6352	2791	2738	2806
Fertilizers	1598	858	49	78	87	45	40	68	56	45
Agro Products	2981		5018	16041	8459	1294	1245	1042	1621	1610
Gems & Jewellery/Silver	7080	8121	7614	5379	6821	4918	5274	4118	7921	2369
Hydrocarbon	1142	1762	4456	11659	3475	5870	1753	4023	5255	3318
Others	243	1611	2868	1855	1305	2278	3465	3455	1397	521
<b>TOTAL DOMESTIC</b>	<b>14920</b>	<b>14112</b>	<b>22340</b>	<b>44817</b>	<b>28420</b>	<b>18603</b>	<b>19324</b>	<b>15497</b>	<b>20621</b>	<b>12811</b>
<b>TOTAL TURNOVER</b>	<b>124604</b>	<b>182420</b>	<b>250745</b>	<b>284156</b>	<b>659291</b>	<b>688545</b>	<b>451242</b>	<b>368207</b>	<b>264234</b>	<b>233016</b>

## COUNTRY-WISE EXPORTS

(₹ in million)

Year ended 31st March	2016	2015	2014
<b>AFRICA</b>			
SOUTH AFRICA	-	1858	-
EITHOPIA	-	-	2647
	-	<b>1858</b>	<b>2647</b>
<b>ASIA</b>			
BANGLADESH	-	818	2223
CHINA	<b>1414</b>	744	3085
JAPAN	<b>2183</b>	11361	14252
KOREA	<b>1424</b>	2979	5886
MALAYSIA	-	-	3623
NEPAL	-	-	2366
PAKISTAN	-	67	-
INDONESIA	-	1476	1002
PHILIPPINESS	-	-	426
TAIWAN	<b>731</b>	-	2264
THAILAND	<b>974</b>	3694	3122
VIETNAM	-	-	314
	<b>6726</b>	21139	38563
<b>WEST EUROPE</b>			
SPAIN	-	10	60
	-	10	60
<b>TOTAL EXPORTS</b>	<b>6726</b>	<b>23007</b>	<b>41270</b>

## COUNTRY-WISE IMPORTS

(₹ in million)

Year ended 31st March	2016	2015	2014
<b>AFRICA</b>			
SOUTH AFRICA	1,467	6,744	9,967
	<b>1,467</b>	<b>6,744</b>	<b>9,967</b>
<b>ASIA</b>			
CHINA	18,590	72,366	23,855
INDONESIA	2,060	10,279	36,385
KOREA	812	670	
MALAYSIA	106	119	2,394
MYANMAR	539	-	-
HONGKONG	-	-	437
RUSSIA	913	676	533
SINGAPORE	1,189	733	152
	<b>24,209</b>	<b>84,843</b>	<b>63,756</b>
<b>EAST EUROPE</b>			
KAZAKHISTAN	13	-	192
BELARUS	-	517	-
	<b>13</b>	<b>517</b>	<b>192</b>
<b>MIDDLE EAST</b>			
DUBAI	-	-	367
IRAN	6,740	3,919	11,332
OMAN	-	-	-
ISRAEL	-	-	-
KUWAIT	-	-	124
SAUDI ARABIA	-	-	-
UAE	2,100	1,633	4,064
	<b>8,840</b>	<b>5,782</b>	<b>15,887</b>

(₹ in million)

Year ended 31st March	2016	2015	2014
<b>NORTH AMERICA</b>			
CANADA	465	-	-
USA	2,778	-	1,256
	<b>3,243</b>	<b>-</b>	<b>1,256</b>
<b>OCEANIA</b>			
AUSTRALIA	19,440	12,328	8,616
	<b>19,440</b>	<b>12,328</b>	<b>8,616</b>
<b>WEST EUROPE</b>			
LUXEMBOURG	-	85	-
SWEDEN	10	32	16
SWITZERLAND	12,245	10,926	16,154
NORWAY	50	44	395
UK	24,473	14,769	44,824
	<b>36,778</b>	<b>25,856</b>	<b>61,389</b>
<b>TOTAL IMPORTS</b>	<b>93,990</b>	<b>1,36,070</b>	<b>1,61,063</b>

## Contribution to Exchequer

(₹ in million)

	2015-16	2014-15	2013-14
<b>To Central Government</b>			
Export Duty	-	9	-
Import Duty	5,415	3,917	8,558
Excise Duty	2	6	1
Service Tax	48	36	18
CST	108	337	885
Income Tax (Incl. Tax on Dividend)	612	579	188
Dividend	225	135	90
<b>Total</b>	<b>6,410</b>	<b>5,019</b>	<b>9,740</b>
<b>To Railways &amp; Ports</b>			
Railway freight	160	4,299	4,782
Plot rent to Railways/Ports	4	5	7
Port Charges	44	53	53
<b>Total</b>	<b>208</b>	<b>4,357</b>	<b>4,842</b>
<b>To State Government</b>			
Local Sales Taxes/ VAT	710	560	2,566
Other Taxes/cess	22	12	105
Professional Tax	1	2	1
<b>Total</b>	<b>733</b>	<b>574</b>	<b>2,672</b>
<b>Grand Total</b>	<b>7,351</b>	<b>9,950</b>	<b>17,254</b>

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF MPMC LIMITED

#### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **MPMC LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss Account and the Cash Flow Statement for the year then ended, and summary of the significant accounting policies and other explanatory information.

#### Management's Responsibility for the Standalone Financial Statements

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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility:

Our responsibility is to express an opinion on these standalone 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 Rules made there under.

We conducted our audit in accordance with the Standards on Auditing, specified under section 143(10) of the Companies Act, 2013 to the extent applicable.

Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 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 financial statements.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.

#### Emphasis of matter

- a. We draw attention to Note No. 6.2 (3) to the standalone financial statement in respect of write back of provision towards diminution in the value of shares in ICEX amounting to Rs. 241.10 million subsequent to sale of its investment on profit and subscription of right issue of the shares of ICEX.

- b. We draw attention to Note No. 16 (ii) (b) to the standalone financial statement in respect of recognition of interest income amounting to Rs. 389.90 million from the retained amount of Rs. 609.90 million. The amount was retained during 2014-15 out of export proceeds of "Wheat A/c-FCI".
- c. We draw attention to Note No. 19 (i) (c) and Note No. 21 to the standalone financial statement in respect of fund based and non-fund based exposure of the company in Neelachal Ispat Nigam Limited.
- d. We draw attention to Note No. 22 to the standalone financial statements in respect of non provision of liability, if any, in case of non-extension of time/waiver/write off of GR-1 forms.
- e. We draw attention to Note No. 38 to the standalone financial statements in respect of Balances under Sundry Debtors/claims Recoverable/Loans & Advances/Sundry Creditors/Other Liabilities which, in many cases have not been confirmed and consequent reconciliation/adjustments if any, required upon such confirmation are not ascertainable.

Our opinion is not modified in respect of these matters.

#### **Other Matters**

We did not audit the financial statements/financial information of 10 regional offices included in the standalone financial statements of the company whose financial statements/financial information reflect total assets of INR 26,710.90 Million as at March 31, 2016 and total revenue of INR 89,060.21 Million for the year ended on that date, as considered in the standalone financial statements. The 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 disclosures included in respect of these branches, is based solely on the report of such branch auditors.

#### **Report on Other Legal and Regulatory Requirements**

1. 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, based on the comments in the auditors' reports of the corporate office & branch auditors of the company, 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.

2. 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 it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
  - 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 and Cash Flow Statement referred to in this report are in agreement with the books of account and with the returns received from the branches not visited by us.
  - e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - f) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - 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. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 19;
  - 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 was no amount which was required to be transferred to the Investor Education & Protection Fund by the Company during the year ended March 31, 2016.
3. 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"
  4. As required by C & AG of India through sub directions dated 22-01-2016, issued under Section 143 (5) of the Companies Act for the year 2015-16, we give our report in the attached "Annexure-3"

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

Place : New Delhi  
Date : 27.05.2016

**Rakesh Agarwal**  
Partner  
Mem. No.: 081808

# Annexure-1 to the Independent Auditors' Report on the Standalone 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

- The Company has maintained proper records in respect of its fixed assets showing full particulars including quantitative details and situation of fixed asset.
- 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.
- Title Deeds of immoveable property are held in the name of the company except in the cases mentioned below:

Region/ Office	Asset Description	Gross Value	Remarks
Corporate Office	Land at Delhi	13,16,521	Lease Agreement is in Joint Name with State Trading Corporation
Corporate Office	Office Building at Delhi	3,26,37,459	Ownership Document not available
Corporate Office	Leasehold Land	1,10,71,815	Ownership Document not available
Bhuban- eshwar	Residential Building, Roads, Culverts & Electrical Installation	1,16,32,036	Lease deed expired in 2011

## 2. In Respect of Its Inventory

- As explained to us, the inventories have been physically verified during the year by the management.
- As In our opinion and according to the information and explanation given to us, no material discrepancies were noticed during the course of physical verification.

- 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 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 associate companies, M/s Neelachal Ispat Nigam Limited.

- 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.
- According to the information and explanation given to us, there is no agreement entered with the company for granting loan, hence we are unable to comment upon.
- Since there is no agreement between the company and the borrower, we are unable to comment upon overdue amount. However, out of the total loan amount of Rs.9,282.90 Million as on 31st March 2016, Rs. 1,300.00 Million was due on 31 March 2016, still remains due.

## 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**

- i. 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.
- ii. 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 2016 for more than six months from the date they became payable.
- iii. 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 attached as 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). Also, the Company has not availed any term loans during the current or earlier years.

#### **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 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 : 27.05.2016

**Rakesh Agarwal**

Partner

Mem. No.: 081808

**Disputed Statutory Dues Which Have Not Been Deposited**

**Annexure "A" to Clause 7 (iii) of Annexure 1 to  
Independent Auditors' Report on the Standalone  
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	26,04,882	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	48,25,144	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	34,54,07,691	Commissioner of customs

**Bengaluru Region**

Nature of Statute	Nature of Dues	Year	Amount	Authority
Service Tax	Service Tax	Not Mention	10,26,502	

**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

## DISPUTED STATUTORY DUES WHICH HAVE NOT BEEN DEPOSITED

### Delhi Region

Nature of Statute	Nature of Dues	Year	Amount	Authority
Central Sale Tax,1956	CST/LST/Interest Penalty	2002-03	37,45,290	Commissioner, DVAT
LST	LST	1984-85	11,65,303	D.C. Appeal
LST/CST	LST/CST	1986-87	6,57,32,207	Additional Commissioner
LST/CST	LST/CST	1987-88	4,31,86,549	Additional Commissioner
LST/CST	LST/CST	1988-89	4,02,96,672	Additional Commissioner
LST	LST	1989-90	61,87,340	Additional Commissioner
LST	LST	1990-91	22,23,198	Additional Commissioner
UP-LST/CST	LST/CST	1990-91	6,17,588	Moradabad, Allahabad High Court
UP-LST	LST	1991-92	4,70,578	Moradabad, Allahabad High Court
UP-LST	LST	1992-93	2,64,037	Moradabad, Allahabad High Court
UP-LST	LST	1994-95	1,95,000	Sale Tax Authorities
UP-LST	LST	1993-94	1,85,100	Moradabad, Allahabad High Court
UP-VAT	VAT	1987-88	16,35,160	Kanpur, Joint Commissioner
UP-VAT	VAT	1993-94	9,21,383	Commissioner, UP-VAT
UP-VAT	VAT	1996-97	12,23,616	Commissioner, UP-VAT
UP-VAT	Interest Penalty	2007-08	2,49,828	Commissioner, UP-VAT
Haryana-VAT	LST	1992-93	4,24,587	Faridabad, Punjab & Haryana High Court, Chandigarh
MP-VAT	LST	1999-00	1,50,004	Sale Tax Authority, Indore
MP-VAT	LST	1998-99	47,30,692	Assessing Authority, Indore
Custom & Central Excise	Custom Duty & Interest	1999-2000	2,72,67,919	Pending before Hon'ble High Court as per Direction of Supreme Court
Custom & Central Excise	Custom Duty	2006-07	2,00,00,000	Dy. Commissioner of Customs
Custom & Central Excise	Custom Duty	2007-08	1,50,50,000	Dy. Commissioner of Customs
Custom & Central Excise	Custom Duty	2008-09	61,80,000	Dy. Commissioner of Customs
Custom & Central Excise	Custom Duty	2009-10	61,80,000	Dy. Commissioner of Customs
Custom & Central Excise	Excise Tax/Interest	2010-11	18,20,878	Commissioner of Central Excise
Custom & Central Excise	Excise Tax/Interest	2011-12	19,13,53,780	Commissioner of Central Excise

**DISPUTED STATUTORY DUES WHICH HAVE NOT BEEN DEPOSITED**
**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	1995-96	38,03,875	STAT, VIZAG
CST	CST	1995-96	5,97,266	STAT, VIZAG
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	1996-97	28,80,309	STAT, VIZAG
CST	CST	1996-97	21,34,306	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
		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	2005-2006	11,31,000	Appellate Board
Sale Tax Law	Sale Tax	2006-07	77,61,000	Appellate Board
Sale Tax Law	Sale Tax	2012-13	78,62,000	Appellate Board
Sale Tax Law	West Bengal Vat	2012-13	4,000	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	1999-2000	26,07,605	Rajasthan Kar Board, Ajmer
Rajasthan Sale Tax Act	Sale Tax	2010-11	3,26,47,269	Rajasthan Kar Board
Central Sale Tax,1956	Central Sale Tax, 1956	2010-11	59,92,494	Rajasthan Kar Board
Sale Tax	Turnover Tax	2003-04	5,32,992	High court
Rajasthan Value Added Tax	Value Added Tax	2012-13	68,16,652	Rajasthan Kar Board
Central Sale Tax,1956	Central Sale Tax, 1956	2012-13	11,63,461	Rajasthan Kar Board

## DISPUTED STATUTORY DUES WHICH HAVE NOT BEEN DEPOSITED

### 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
CST	CST	1995-96	48,62,340	STAT, VIZAG
CST	CST	1996-97	33,58,889	STAT, VIZAG
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

### Bhubaneshwar 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	Addl. Commissioner, Sale Tax, Odisha
Central Sale Tax, 1956	Central Sale Tax, 1956	2013-14	58,07,05,822	Addl. Commissioner, Sale Tax, Odisha
Excise Tax	Excise Tax	2013-14	52,63,10,091	Addl. Commissioner, Sale Tax, Odisha
Central Excise Act	Service Tax	2003-05	4,31,95,232	Customs Excise & Service Appellate Tribunal
Central Excise Act	Service Tax	2003-07	16,89,46,005	Customs Excise & Service Appellate Tribunal
Central Excise Act	Service Tax	2007-08	3,86,83,266	Customs Excise & Service Appellate Tribunal
Central Excise Act	Service Tax	2008-10	8,30,10,407	Customs Excise & Service Appellate Tribunal
Central Excise Act	Service Tax	2010-11	4,29,51,068	Commissioner of customs Excise & Service Tax, Bhubaneswar
Central Excise Act	Service Tax	2011-12	4,16,55,475	Commissioner of customs Excise & Service Tax, Bhubaneswar



## DISPUTED STATUTORY DUES WHICH HAVE NOT BEEN DEPOSITED

### Bhubaneswar Region

Nature of Statute	Nature of Dues	Year	Amount	Authority
Central Excise Act	Service Tax	2009-12	33,92,04,060	Commissioner of customs Excise & Service Tax, Bhubaneswar
Central Excise Act	Service Tax	2009-11	77,56,072	Commissioner of customs Excise & Service Tax, Bhubaneswar
Central Excise Act	Service Tax	2012-13	37,60,319	Commissioner of customs Excise & Service Tax, Bhubaneswar
Central Excise Act	Service Tax	2012-13	3,51,01,874	Commissioner of customs Excise & Service Tax, Bhubaneswar
Central Excise Act	Service Tax	2013-14	4,91,261	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	2010-11	6,30,93,790	CIT(A)
Income tax Act	Income tax Act	1996-97	3,57,24,124	AO
Income tax Act	Income tax Act	2012-13	3,54,64,842	CIT(A)
Income tax Act	Income tax Act	2009-10	2,31,80,210	CIT(A)
Income tax Act	Income tax Act	1993-94	5,61,821	ITAT
Income tax Act	Income tax Act	1996-97	11,46,01,858	ITAT
Income tax Act	Income tax Act	1997-98	1,02,93,042	ITAT
Income tax Act	Income tax Act	1999-00	2,60,66,476	ITAT
Income tax Act	Income tax Act	2000-01	1,84,63,021	ITAT
Income tax Act	Income tax Act	2001-02	1,17,65,008	ITA/High Court
Income tax Act	Income tax Act	2002-03	73,04,915	ITAT
Income tax Act	Income tax Act	2003-04	11,16,907	ITAT
Income tax Act	Income tax Act	2004-05	4,19,85,746	ITAT
Income tax Act	Income tax Act	2005-06	7,81,432	AO
Income tax Act	Income tax Act	2006-07	42,08,767	AO
Income tax Act	Income tax Act	2007-08	73,50,191	AO
Income tax Act	Income tax Act	2008-09	22,10,119	AO
Income tax Act	Income tax Act	2009-10	1,19,38,236	ITAT
Income tax Act	Income tax Act	2010-11	9,08,20,808	CIT(A)
Income tax Act	Income tax Act	2011-12	10,60,88,129	CIT(A)

## Annexure-2 to the Independent Auditors' Report of even date on the 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, 2016, in conjunction with our audit of the standalone 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 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 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 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 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 2016, 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 : 27.05.2016

**Rakesh Agarwal**  
Partner  
Mem. No.: 081808

**Annexure-3**

**REPORT ON THE DIRECTIONS ISSUED BY CAG UNDER  
Section 143 (5) of the Companies Act, 2013, FOR THE  
FINANCIAL YEAR 2015-16**

As referred to at Para 4 of the Independent Auditor's Report on the standalone financial statements of MMTCLtd.

Sl. No.	Description	Observation
1.	If the Company has been selected for disinvestment, a complete status report in terms of Valuation of Assets (Including Intangible assets and Land) and liabilities (Including Committed and General Reserve) may be examined including the mode and present stage of disinvestment process.	As reported to us, the company has not been selected for disinvestment.
2.	Please report whether there are any cases of waiver/write off debts/loans/interest etc., if yes, the reason there for and the amount involved	As per explanation and information given to us and records verified by us, an amount of Rs. 9,67,972.00 (Old Debit Balances) has been written off during the financial year for the reason of non recovery from the parties.
3.	Whether proper records are maintained for inventories lying with third parties and assets received as gift from Governments or other authorities.	As per explanation and information given to us, proper records are maintained for inventories lying with third parties. It is informed to us, during the year, no assets received as gift from Government or other Authorities.

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

Place : New Delhi  
Date : 27.05.2016

**Rakesh Agarwal**  
Partner  
Mem. No.: 081808

**Annexure-3**

**Revised Report\* on the Directions issued by CAG Under Section 143 (5) Of The Companies Act, 2013, for the Financial Year 2015-16**

**As referred to at Para 4 of the Independent Auditor's Report dated 27.05.2016 on the standalone 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 10 regional offices, details of freehold and leasehold lands for which title/lease deeds are not clear/not available for verification, are given below.
2.	Please report whether there are any cases of waiver/write off debts/loans/interest etc., if yes, the reason there for and the amount involved	As per explanation and information given to us and records verified by us, an amount of Rs. 9,67,972/- (Old Debit Balances) has been written off during the financial year for the reason of non-recovery from the parties.
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, 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.

**Freehold/Leasehold Land where title/lease deeds are not clear/not available for verification:**

Region/Office	Asset Description	Gross Value	Area	Remarks
Corporate Office	Land for Residential Colony at New Delhi	13,16,521	32.33 Acres	Lease Agreement is in Joint Name of MMTC and State Trading Corporation
Corporate Office	Leasehold Land at Scope Complex, New Delhi	1,10,71,815	Not Available	Ownership Document not available
Bhubaneswar Office	Residential Building, Roads, Culverts & Electrical Installation	1,16,32,036	2 Acres	Cost of Residential Building, Roads, Culverts & Electrical Installation constructed on the Lease Hold Land at Paradeep which expired on 21.11.2011. Paradeep Port Trust has approved its renewal for 15 years. However final approval of Government is awaited.

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

**Rakesh Agarwal**  
Partner  
Mem. No.: 081808

Place : New Delhi  
Date : 06.07.2016

\* Our original report dated 27th May 2016 has been revised, consequent to revised directions received from CAG regarding comments on (a) title deeds for land and (b) on grants received from Government / others.

## MANAGEMENT'S REPLY TO AUDITORS OBSERVATIONS IN THE AUDIT REPORT ON STANDALONE FINANCIAL STATEMENTS FOR 2015-16

AUDITOR'S OBSERVATION	MANAGEMENT'S REPLY
<b>Emphasis of Matter</b>	
a. We draw attention to Note No. 6.2 (3) to the standalone financial statement in respect of write back of provision towards diminution in the value of shares in ICEX amounting to ₹241.10 million subsequent to sale of its investment on profit and subscription of right issue of the shares of ICEX.	<p>During the year, the company divested 10% of its equity in ICEX at 100% premium through expression of interest. Further, ICEX issued right issue of ₹25 crore at a premium of 100% which was fully subscribed by shareholders of ICEX like R Next, IBFSL and 10 other individual investors. Consequently the net worth has turned positive and it is expected that EPS will also turn positive after the exchange recommences its operations,. The ICEX has already submitted its revival plan to SEBI.</p> <p>Further, in Dec., 2015, ICEX got the valuation of its shares done through SEBI registered Category-I merchant bankers who valued the equity shares of ICEX of face value of ₹5/- each at ₹10.3074 per share under different methods.</p> <p>Accordingly, management considered it appropriate to write back the provision made earlier for diminution in value of investment in ICEX.</p>
b. We draw attention to Note No. 16 (ii) (b) to the standalone financial statement in respect of recognition of interest income amounting to ₹389.90 million from the retained amount of ₹609.90 million. The amount was retained during 2014-15 out of export proceeds of "Wheat A/c- FCI".	<p>The company had to recover dues from FCI which were outstanding from 1989 onwards. Since FCI did not settle the dues of MMTC despite persistent follow up at the highest level, MMTC had no other option but to realize its legitimate dues along with interest out of the export proceeds of wheat shipment in May, 2014. Accordingly, the interest of ₹389.90 million has been accounted for as income during the year.</p>
c. We draw attention to Note No. 19 (i) (c) and Note No. 21 to the standalone financial statement in respect of fund based and non-fund based exposure of the company in Neelachal Ispat Nigam Limited.	<p>With regard to note no. 19 (i) (c) the company has issued corporate guarantee and comfort letter in favour of Financial Institutions / banks on behalf of Neelachal Ispat Nigam Limited (NINL) for securing principal and interest in respect of loan to NINL.</p> <p>With regard to Note no. 21, the management expects revival of the steel sector globally. It also expects clearance of mining rights of iron ore mine allotted to NINL. Accordingly, the Management expects that financial performance of NINL will improve in coming years.</p>
d. We draw attention to Note No. 22 to the standalone financial statements in respect of non provision of	<p>This relates to GRs pending since 1991-92. Liability, if any will be provided as and when any demand is raised and</p>

AUDITOR'S OBSERVATION				MANAGEMENT'S REPLY	
liability, if any, in case of non-extension of time/waiver/write off of GR-1 forms				settled by the company. At present the liability, if any, on this account is unascertainable.	
e. We draw attention to Note No. 38 to the standalone financial statements in respect of Balances under Sundry Debtors/claims Recoverable/Loans & Advances/Sundry Creditors/Other Liabilities which, in many cases have not been confirmed and consequent reconciliation/adjustments if any, required upon such confirmation are 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 receipt of adverse communication.	
<b>Annexure-1 to Independent Auditor's Report</b>					
1(iii)	Title Deeds of immovable property are held in the name of the company except in the cases mentioned below:			<p>The lease deed of the Land (MMTC Residential Colony) at Delhi is in the joint name of State Trading Corporation (STC) &amp; MMTC.</p> <p>The land for construction of office complex was allotted to SCOPE by Ministry of Works &amp; Housing, Govt of India. So far no conveyance deed has been entered between SCOPE and the Govt of India. The land was allotted to SCOPE on lease basis.</p> <p>On the land allotted to SCOPE, building was constructed by NBCC which comprised of eight Cores which houses more than twenty CPSUs. MMTC was allotted 75741 Sq.ft. area. The allotment letter is in possession of the company. None of the occupants of SCOPE complex are in possession of any lease agreement except for allotment letter issued by SCOPE</p> <p>With regard to expiry of lease deed at Regional Office Bhubaneswar, Paradeep Port Trust has approved its renewal for 15 years. However, final approval of Government is awaited.</p>	
	<b>Region/ Office</b>	<b>Asset Description</b>	<b>Gross Value (₹)</b>		<b>Remarks</b>
	Corporate Office	Land at Delhi	13,16,521		Lease Agreement is in Joint Name with State Trading Corporation
	Corporate Office	Office Building at Delhi	3,26,37,459		Ownership Document not available
	Corporate Office	Leasehold Land	1,10,71,815		Ownership Document not available
	Bhubaneswar	Residential Building, Roads, Culverts & Electrical	1,16,32,036	Lease deed expired in 2011	
2(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 strengthened in relation to the size of the MMTC Limited and the nature of its business.			Suggestion has been noted and we have developed a robust system for physical verification of inventories.	

	<b>AUDITOR'S OBSERVATION</b>	<b>MANAGEMENT'S REPLY</b>
3	<p>The company has granted unsecured loan to one of its associate companies, M/s Neelachal Ispat Nigam Limited.</p> <p>(ii) According to the information and explanation given to us, there is no agreement entered with the company for granting loan, hence we are unable to comment upon.</p> <p>(iii) Since there is no agreement between the company and the borrower, we are unable to comment upon overdue amount. However, out of the total loan amount of ₹9,282.90 Million as on 31st March 2016, ₹1,300.00 Million was due on 31 March 2016, still remains due.</p>	<p>As on date, MMTC has extended working capital finance of ₹800 Crores and additional amount of ₹130 Crores for repayment of loans to NINL with the approval of Board of Directors of MMTC vide its 416th meeting held on 7.7.2015 and the same was also approved through shareholders in compliance with Companies Act 2013.</p> <p>Subsequently, Board of Directors of MMTC vide its 425th meeting held on 27.05.2016 have further extended the working capital finance of ₹800 crores upto 31.03.2017 and additional amount of ₹130 Crores upto 30.09.2016. Accordingly, MMTC has also taken Corporate Guarantee (CG) from NINL for equivalent amount of ₹930 Crores (₹800 Crs. + ₹130 Crs.) to secure the working capital assistance extended to NINL. Therefore, Board of Directors of both MMTC and NINL have approved this arrangement.</p> <p>A formal communication regarding charging of interest rates by MMTC has also been communicated to NINL from time to time as per the interest rate slab fixed by MMTC, Banking Division, Corporate Office, New Delhi. However, a formal Loan Agreement will be entered into between MMTC and NINL during current year.</p>





# Financial Statements

For the financial year ended 31st March, 2016





## Balance Sheet as at 31-03-2016

(₹ in million)

	Note No.	AS AT 31-03-2016		AS AT 31-03-2015	
<b><u>EQUITY AND LIABILITIES</u></b>					
<b>SHAREHOLDERS' FUNDS</b>					
Share Capital	3.1	<b>1,000.00</b>		1,000.00	
Reserves & Surplus	3.2	<b>12,779.46</b>	<b>13,779.46</b>	12,591.95	13,591.95
<b>NON-CURRENT LIABILITIES</b>					
Other Long term liabilities	4.1	<b>186.68</b>		196.02	
Long-term provisions	4.2	<b>1,789.57</b>	<b>1,976.25</b>	1,771.23	1,967.25
<b>CURRENT LIABILITIES</b>					
Short-term borrowings	5.1	<b>2,718.17</b>		2,866.49	
Trade payables	5.2	<b>9,214.64</b>		31,643.82	
Other current liabilities	5.3	<b>9,214.61</b>		8,450.78	
Short-term provisions	5.4	<b>1,100.03</b>	<b>22,247.45</b>	988.70	43,949.79
<b>Total:</b>			<b>38,003.16</b>		<b>59,508.99</b>
<b><u>ASSETS</u></b>					
<b>NON-CURRENT ASSETS</b>					
Fixed Assets	6.1				
Tangible assets	6.1.1	<b>563.10</b>		576.76	
Intangible assets	6.1.2	<b>3.92</b>		1.47	
Capital Work-in-progress	6.1.3	<b>7.50</b>		0.05	
Non-current investments	6.2	<b>4,597.54</b>		4,456.57	
Deferred tax assets (net)	6.3	<b>2,292.97</b>		2,278.97	
Long-term loans and advances	6.4	<b>1,431.56</b>		1,332.13	
Other non-current assets	6.5	<b>30.99</b>	<b>8,927.58</b>	8.32	8,654.27
<b>CURRENT ASSETS</b>					
Current investments	7.1	-	-		
Inventories	7.2	<b>4,015.09</b>		3,194.04	
Trade receivables	7.3	<b>8,277.45</b>		30,350.75	
Cash and Bank Balances	7.4	<b>784.54</b>		1,637.74	
Short-term loans and advances	7.5	<b>12,456.31</b>		12,487.37	
Other current assets	7.6	<b>3,542.19</b>	<b>29,075.58</b>	3,184.82	50,854.72
<b>Total:</b>			<b>38,003.16</b>		<b>59,508.99</b>
Significant Accounting Policies	2				
The accompanying notes are an integral part of the financial statements					

As per our report of even date attached

**For O P Tulsyan & Co.**

Chartered Accountants  
F.R. No.:500028N

**For and on behalf of Board of Directors**

**(CA. Rakesh Agarwal)**

Partner  
M. No. 81808

**(G. Anandanarayanan)**

Assistant Company Secretary

**(Vijay Pal)**

Chief General Manager (F&A)

**(M G Gupta)**

Director (Finance) & CFO  
DIN: 02200405

**(P K Jain)**

Director  
DIN: 6594855

**(Ved Prakash)**

Chairman and Managing Director  
DIN: 02988628

Date: 27.05.2016  
Place: New Delhi

## Statement of Profit and Loss for the year ended 31 MARCH, 2016

(₹ in million)

	Note No.	YEAR ENDED 31-03-2016		YEAR ENDED 31-03-2015	
<b>INCOME</b>					
Revenue from operations	8	<b>125,034.27</b>		182,842.82	
Other Income	9	<b>1,524.26</b>	<b>126,558.53</b>	1,249.91	184,092.73
<b>Total Revenue</b>			<b>126,558.53</b>		<b>184,092.73</b>
<b>EXPENSES</b>					
Cost of materials consumed	10	<b>602.40</b>		1,222.05	
Purchases of Stock-in-Trade	11	<b>115,976.63</b>		169,760.55	
Changes in inventories of finished goods, work-in progress and Stock-in-Trade	12	<b>(822.20)</b>		(284.22)	
Employee benefits expense	13	<b>2,014.72</b>		1,918.27	
Finance costs	14	<b>298.99</b>		170.21	
Depreciation and amortization expense		<b>46.29</b>		178.17	
Other expenses	15	<b>8,516.59</b>	<b>126,633.42</b>	10,759.57	<b>183,724.60</b>
<b>Total expenses</b>			<b>126,633.42</b>		<b>183,724.60</b>
<b>Profit before exceptional and extraordinary items and tax</b>			<b>(74.89)</b>		<b>368.13</b>
Exceptional Items ((Income)/Expense)	16		<b>(653.67)</b>		(230.55)
<b>Profit before extraordinary items and tax</b>			<b>578.78</b>		<b>598.68</b>
Extraordinary Items ((Income)/Expense)	17		-		-
<b>Profit before tax</b>			<b>578.78</b>		<b>598.68</b>
Tax expense:					
- Current tax					
Provision for Taxation		<b>61.00</b>		154.00	
Earlier years		<b>(2.80)</b>		(17.01)	
MAT		<b>(14.00)</b>		-	
- Deferred tax		<b>(14.00)</b>	<b>30.20</b>	(17.41)	119.58
<b>Profit for the period</b>			<b>548.58</b>		<b>479.10</b>
Earnings per equity share of nominal value of Re.1/- each		<b>Before extraordinary (net of tax)</b>	<b>After extraordinary (net of tax)</b>	<b>Before extraordinary (net of tax)</b>	<b>After extraordinary (net of tax)</b>
Basic (in ₹)		<b>0.55</b>	<b>0.55</b>	<b>0.48</b>	<b>0.48</b>
Diluted (in ₹)		<b>0.55</b>	<b>0.55</b>	<b>0.48</b>	<b>0.48</b>
Significant Accounting Policies	2				
The accompanying notes are an integral part of the financial statements					

As per our report of even date attached

**For O P Tulsyan & Co.**

Chartered Accountants  
F.R. No.:500028N

**For and on behalf of Board of Directors**

**(CA. Rakesh Agarwal)**

Partner  
M. No. 81808

**(G. Anandanarayanan)**

Assistant Company Secretary

**(Vijay Pal)**

Chief General Manager (F&A)

**(M G Gupta)**

Director (Finance) & CFO  
DIN: 02200405

**(P K Jain)**

Director  
DIN: 6594855

**(Ved Prakash)**

Chairman and Managing Director  
DIN: 02988628

Date: 27.05.2016  
Place: New Delhi

## Cash Flow Statement for the year ended 31-03-2016

(₹ in million)

	For the year ended 31-03-2016		For the year ended 31-03-2015	
<b>A. Cash flows from operating activities</b>				
<b>Profit before Tax &amp; Extra ordinary items</b>		<b>578.78</b>		598.68
<b>Adjustment for:</b>				
Loss on valuation of inventories	<b>1.14</b>		141.14	
Depreciation & amortisation expense	<b>46.29</b>		178.17	
Net Foreign Exchange (gain)/loss	<b>(156.07)</b>		38.46	
(Profit) /Loss on sale of Tangible Assets	<b>(0.83)</b>		(0.32)	
(Profit) /Loss on sale of Investment	<b>(100.00)</b>		-	
Interest income	<b>(1,246.35)</b>		( 982.06)	
Dividend income	<b>(124.45)</b>		(71.74)	
Finance Costs	<b>299.72</b>		170.20	
Debts/claims written off	<b>0.97</b>		299.96	
Capital WIP written off	<b>-</b>		65.79	
Provision for doubtful Debts/Loans & Advances	<b>2.80</b>		12.36	
Provision no longer Required	<b>(247.04)</b>		( 698.30)	
Liabilities Written Back	<b>(79.97)</b>		(87.37)	
Provision for DWA risk	<b>0.47</b>	<b>(1,603.33)</b>	0.67	(933.05)
		<b>(1,024.55)</b>		(334.37)
<b>Changes in assets &amp; liabilities</b>				
Inventories	<b>(822.20)</b>		( 251.55)	
Trade Receivables	<b>22,064.82</b>		(12,620.86)	
Loans & Advances	<b>(153.01)</b>		(6,538.89)	
Other current & non current assets	<b>(380.04)</b>		2,890.27	
Trade payables	<b>(22,182.48)</b>		17,115.18	
Other liabilities	<b>754.49</b>		(3,191.41)	
Provisions	<b>165.54</b>	<b>(552.87)</b>	246.03	(2,351.23)
		<b>(1,577.42)</b>		(2,685.61)
Taxes Paid		<b>(56.06)</b>		(399.34)
<b>Net cash flows from operating activities</b>		<b>(1,633.48)</b>		(3,084.95)
<b>B. Cash flows from Investing Activities</b>				
Purchase of fixed assets	<b>(44.71)</b>		(9.56)	
Sale of fixed Assets	<b>3.00</b>		0.40	
Purchase of Investments				
Sale of Investment	<b>200.13</b>			
Interest received	<b>1,246.35</b>		982.06	
Dividend Received	<b>124.45</b>	<b>1,529.22</b>	71.74	1,044.64
<b>Net cash flows from investing activities</b>		<b>1,529.22</b>		1,044.64
<b>C. Cash flows from financing activities</b>				
Borrowings	<b>(148.32)</b>		(1,262.96)	
Finance Costs	<b>(299.72)</b>		( 170.20)	
Dividend (inclusive of tax) paid	<b>(300.89)</b>	<b>(748.93)</b>	(175.49)	(1,608.65)
<b>Net cash flows from Financing Activities</b>		<b>(748.93)</b>		(1,608.65)
<b>Net increase/(decrease) in Cash &amp; Cash Equivalents</b>		<b>(853.20)</b>		(3,648.96)
<b>Opening Balance of Cash &amp; Cash Equivalents</b>		<b>1,637.74</b>		5,286.70
<b>Closing Balance of Cash &amp; Cash Equivalents</b>		<b>784.54</b>		1,637.74

**Note:**

1. Figures for the previous year have been regrouped wherever considered necessary.
2. Adjustments for certain accruals/deferrals made at Corporate Office on the basis of information received from branch offices
3. Cash and Cash equivalents consists of cash and bank balance & deposits with banks and short term investment with maturity of less than three months

		As at the end of	
		2015-16	2014-15
<b>A. Cash and cash equivalents</b>			
(a) Cheques, drafts on hand		-	0.99
(b) Cash on hand		<b>0.31</b>	0.02
(c) Balances with Banks			
- in current account		<b>9.68</b>	44.35
- in cash credit account (debit balance)		<b>328.24</b>	1,005.19
- term deposit with original maturity up to 3 months		<b>97.79</b>	221.80
- short term investment with maturity of less than 3 months		-	-
<b>B. Others other Balances with Bank</b>			
- As Margin money/under lien		-	-
- in term deposits with original maturity more than 3 months and upto 12 months		<b>348.38</b>	365.26
- in term deposits with original maturity more than 12 months		<b>0.14</b>	0.13
<b>Total</b>		<b>784.54</b>	1,637.74

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. 81808

Date: 27.05.2016  
Place: New Delhi

**For and on behalf of Board of Directors**

**(G. Anandanarayanan)**

Assistant Company Secretary

**(P K Jain)**

Director  
DIN: 6594855

**(Vijay Pal)**

Chief General Manager (F&A)

**(Ved Prakash)**

Chairman and Managing Director  
DIN: 02988628

**(M G Gupta)**

Director (Finance) & CFO  
DIN: 02200405

## ACCOUNTING POLICIES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2016

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 India, and 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 10 regional offices at various places in India and a wholly owned subsidiary MMTC Transnational Pte Ltd. (MTPL), Singapore.

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

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

### 2. SIGNIFICANT ACCOUNTING POLICIES:

#### 2.1. BASIS OF PREPARATION OF FINANCIAL STATEMENT

The Financial Statements have been prepared as of a going concern on historical cost convention and in accordance with the mandatory Accounting Standards notified by the Companies (Accounting Standards) Rules 2006, transitional provisions with respect to Accounting Standards of Companies (Accounts) Rules 2014 and the provisions of the Companies Act, 2013.

#### 2.2. PURCHASES AND SALES

a. Purchases and sales are booked on performance of the contract/agreement entered into with the sellers/buyers or against allocation letter received from government.

Wherever there is part performance of such contract/agreement/allocation, the part completed is booked as Purchase/Sale.

- b. 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.
- c. Gold/Silver received under deposit:-
  - i. Purchases include gold/silver withdrawn from Deposit 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 under deposit 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 shown as prepaid expenses.
  - iii. Gold/silver withdrawn on loan basis from the Gold/Silver under deposit, are shown as loan given to customers and shown under Loans and Advances. The corresponding liability towards the stocks received from foreign suppliers is shown under Sundry Creditors. Loan/Sundry Creditors are adjusted when purchase and sales are booked.
  - iv. 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.

- d. 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 favor of buyer before the goods cross the custom frontiers of India.
- e. Purchase/Sale is booked in respect of trade done through commodity exchange like National Spot Exchange which is backed by physical delivery of goods.
- f. In respect of exports of Iron Ore/Manganese Ore where final sale value is ascertained on the basis of destination weight and analysis results and such results are awaited, provision towards DWA risk is made @ 1% on the provisional sale value. In case of FOBT supplies where DWA risk on the purchase value is to the account of supplier provision @1% is made on the difference between sale value and purchase value.
- g. Pending settlements, certain expenses/ gain/loss like dispatch earned/ demurrage payable etc. are accounted for on provisional basis.

### 2.3. REVENUE RECOGNITION

- a) Revenue is recognized on accrual basis except in the following items which are accounted for on actual realization since reliability of such items is uncertain in accordance with the provisions of AS - 9 issued by ICAI:-
  - i. Tax credit, duty credit authorization under Target Plus scheme, REP/Advance Licenses, Service Tax refund, etc.
  - ii. Decrees pending for execution/contested dues and interest thereon, if any:
  - iii. Interest on overdue recoverables where realisability is uncertain.
  - iv. Liquidated damages on suppliers/underwriters, refund of custom duty on account of survey shortage, and refund of income-tax/sales-tax/VAT and interest thereon.
- b) Insurance claims are accounted for upon being accepted by the insurance company.

- c) Claims are recognized in the Profit & Loss Account 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 Profit & Loss Account.

### 2.4. PREPAID EXPENSES

Prepaid expenses upto Rs.10,000/- in each case are charged to revenue. Deposits upto Rs.5,000/- in each case with Government Department, Statutory Corporations, Electricity Boards and Local Bodies are also charged off to revenue.

### 2.5. FIXED ASSETS

- a) All fixed assets are stated at historical cost less accumulated depreciation and any impairment in value.
- b) The Company's expenditure toward construction/ development of assets on land owned by the Government/Semi Government Authorities is capitalized under heading "Fixed Assets created on Land and neither the Fixed Assets nor the Land belongs to the Company".
- c) Cost of office land/building/flats/culverts, sewerage and drainage are accounted for provisionally where final bills are yet to be received or asset is under construction/execution of lease deed is pending.

### 2.6. 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. Depreciation on assets acquired/disposed during the year is provided from/up to the date acquisition/disposal. Depreciation includes amortization of Intangible Assets and lease-hold Assets. 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	Useful life as provided in Schedule II
<b>A.</b>	<b>General Assets</b>		
	Furniture & Fittings	10	10
	Office Equipment	5	5
	<b>Vehicles</b>		
	Scooter	10	10
	Car	8	8
	<b>Computers</b>		
	Servers and networks	6	6
	End user devices	3	3
	Lease-hold Land	As per Lease Agreement	
	Wagon Rakes	As per Agreement/Wagon Investment Scheme	
	Electronic installations excluding fans	10	10
	Water Supply, Sewerage and Drainage	5	5
	<b>Roads</b>		
	Carpeted Roads - RCC	10	10
	Carpeted Roads - Other than RCC	5	5
	Non Carpeted Roads	3	3
	Culverts	30	30
	<b>Buildings</b>		
	RCC	60	60
	Other than RCC	30	30
	<b>Residential Flats (Ready Built)</b>		
	RCC	60	60
	Other than RCC	30	30
	Temporary Structure & wooden partition	3	3
	Warehouse/Godown	30	30
<b>B.</b>	<b>Manufacturing Unit's Assets</b>		
	Factory Buildings	30	30
	Electronic installations excluding fans	10	10
	Water Supply, Sewerage and Drainage	5	5
	<b>Plant and Machinery</b>		
	Single Shift	15	15
	Double Shift	10	10
	Triple Shift	7.5	7.5
	Plant and Machinery - Continuous (Wind Mill)	22	22
<b>C.</b>	<b>Fixed Assets created on Land and neither the Fixed Assets nor the Land belongs to the Company</b>	5	-
<b>D.</b>	<b>Intangible Assets</b>		
	Computer Software	5	Over the useful life of the asset (As per AS-26)
<b>E.</b>	<b>Certain items of small value like Calculators, Wall Clock, Kitchen Utensils and other consumables whose useful life is very limited are directly charged to revenue in the year of purchase. Similarly, the cost of mobile handsets are also charged to revenue since the same is reimbursed to officials as per their entitlement, against purchase by the officials in their own name which are not returned to the Company.</b>		
<b>F.</b>	<b>From the date Schedule II came into effect, the carrying amount of an asset is depreciated over the remaining useful life of the asset as per Schedule II. Wherever, the remaining useful life of an asset is NIL, the carrying amount is recognized in the opening balance of retained earnings after retaining the residual value.</b>		

## 2.7. INVESTMENTS

- a. Long term investments are valued at cost less provision for permanent diminution in value.
- b. Current investments are valued at lower of cost and fair value.

## 2.8. FOREIGN CURRENCY TRANSACTIONS

- i. Transactions with rupee payment countries in respect of non-convertible Indian currency are being treated as foreign exchange transactions.
- ii. Foreign currency monetary items (except overdue recoverable where realisability is uncertain) are converted using the closing rate as defined in the AS-11 issued by the Institute of Chartered Accountants of India. Non-monetary items are reported using the exchange rate at the date of the transaction. The exchange difference gain/loss is recognized in the Profit and Loss account.
- iii. Liability in foreign currency relating to acquisition of fixed assets is converted using the closing rate as defined in AS 11 issued by the Institute of Chartered Accountants of India. The difference in exchange is recognized in the Profit & Loss Account.
- iv. In respect of forward exchange contracts, the premium / discount and loss/gain will be recognized as under:-
  - a. In respect of forward exchange contracts against existing underlying transactions, the premium / discount is recognized proportionately over the life of the contract. The loss/gain due to difference in exchange rate between (i) closing rate or the rate on the date of settlement if the transaction is settled during the year, and (ii) the exchange rate at later of the date of the inception of the forward contract or the last reporting date is recognised in the Profit & Loss Account for the year.
  - b. In respect of forward contracts relating to firm commitments and highly probable forecast transactions, loss due to exchange difference is recognized in the Profit & Loss Account in the reporting period in which the exchange rate changes. Any profit or loss arising on renewal or cancellation of such contracts is recognized as income or expense for the period.

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

## 2.9. SEGMENT REPORTING

Primary Segment: The management evaluates the company's performance and allocates the resources based on analysis of various performance indicators by the following business segments / Product segments i.e.

- i. Precious Metals
- ii. Metals
- iii. Minerals
- iv. Coal & Hydrocarbon
- v. Agro Products
- vi. Fertilizer
- vii. General Trade/others.

Above Business Segments have been identified in line with AS-17 "Segment Reporting" taking into account the company's organizational structure as well as different risks and returns of these segments.

Secondary Segment: Secondary Segments have been identified based on the geographical location of the customer of the company i.e.

- i. Outside India
- ii. Within India (including high sea sales to customers in India)

## 2.10. EMPLOYEE BENEFITS

- i. Provision for gratuity, leave encashment/availment and long service benefits i.e. service award, compassionate gratuity and employees' family benefit scheme is made on the basis of actuarial valuation as per AS-15(Revised) issued by The Institute of Chartered Accountants of India using the projected unit credit method of actuarial valuation made at the end of the year. Actuarial gains/losses are charged to Statement of Profit and 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.

#### 2.11. PHYSICAL VERIFICATION OF STOCKS

- i. Physical verification of stocks is undertaken once in a year and balances are arrived at after necessary adjustments till the end of the year. The stocks as physically verified are adopted as closing stocks and shortages/excesses suitably dealt with.
- ii. In some of the cases where stocks are lying with Handling Agent/SWC/CWC/Private Parties the stocks have been adopted on the basis of certificate given by the respective agencies.

#### 2.12. VALUATION OF STOCKS

Inventories including Goods-in-Transit are valued at lower of the cost or realisable value as on 31st March. In case of back to back transactions, net realizable value is ascertained on the basis of cost plus profit margin. The method of valuation is as under:

##### a) EXPORTS:

- i) Cost of export stocks is arrived at after including direct expenses incurred upto 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 upto the point at which they are lying is considered. However, where stocks are specifically identifiable, actual cost of the material including all expenses incurred upto 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 upto the point at which they are lying is considered. Costs include wastage and other direct manufacturing costs.
- iii. Packing material is valued at lower of the cost or realisable value as on 31st March.
- iv. STOCK ON LOAN/FABRICATION: Stocks with fabricators are taken as the stocks of the company, till adjustments.

#### 2.13. PRIOR PERIOD ADJUSTMENTS

Expenditure/income relating to previous year is shown in the accounts under the head "Prior Period Adjustment Account" as per the provisions of AS-5 (Net Profit or Loss for the period, Prior Period Items and Changes in Accounting Policies) issued by Institute of Chartered Accountants of India.

#### 2.14. BORROWING COSTS

- (i) Borrowing cost in ordinary course of business are recognized as an expense in the period in which these are incurred.
- (ii) Borrowing costs that are attributable to the acquisition, construction of qualifying assets are capitalised as part of cost of such asset upto the date the assets are ready for their intended use. All

other borrowing costs are recognised as an expense in the year in which they have been incurred.

## 2.15. DEFERRED TAX

Deferred tax is recognized, subject to consideration of prudence on timing differences representing the difference between the Taxable income and Accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using tax rates and the tax laws that have been enacted or substantively enacted by the Balance Sheet date.

## 2.16. IMPAIRMENT OF ASSETS

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value and impairment loss is charged to Profit and Loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

## 2.17. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

### (I) Provisions

#### (a) Provisions for Doubtful Debts/ Advances/ Claims:

Provision for doubtful debts/advances/claims is made where there is uncertainty of realization irrespective of the period of its dues. For outstanding over three years (except Government dues) full provision is made unless the amount is considered recoverable. Debts/advances/claims are written off when unrealisability is almost established.

#### (b) Others

- (i) Provision is recognized when
  - a. the Company has a present obligation as a result of the past event.
  - b. a probable outflow of resources is expected to settle the obligation and

- c. a reliable estimate of the amount of the obligation can be made.

- (ii) Reimbursement of the expenditure required to settle a provision is recognised as per contract provision or when it is virtually certain that reimbursement will be received.

- (iii) Provisions are reviewed at each Balance Sheet date.

### (II) Contingent liabilities and contingent assets

- i. Contingent liabilities are not recognized but are disclosed in the Notes to the Accounts. Interest, if any on contingent liabilities are generally not disclosed in the Notes to the Accounts being indeterminable.
- ii. Contingent assets are neither recognized nor disclosed in the financial statements.

## 2.18. TREATMENT OF EXPENDITURE DURING PROJECT IMPLEMENTATION /CONSTRUCTION PERIOD

Expenditure during construction period is included under Pre-operative expenses and the same is being allocated to the respective fixed assets on the completion of erection/installation.

## 2.19. OPERATING LEASES

Leases of assets in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are taken to the income statement on a straight line basis over the period of lease.

Contingent rents are recognized as an expense in the income statement in the financial year in which termination takes place. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognized as an expense in the financial year in which termination takes place.

- 2.20. The financial statements are reported in Indian Rupee and all values are rounded to the nearest million unless otherwise stated.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2016

### 3. SHAREHOLDERS' FUND

#### 3.1 SHARE CAPITAL & RECONCILIATION OF THE NUMBER OF SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE REPORTING PERIOD

(₹ in million)

	31-03-2016		31-03-2015	
	Number	Amount	Number	Amount
<b>A. Authorised</b>				
Equity Shares of Par Value Rs.1/- each	1,000,000,000	1,000.00	1,000,000,000	1,000.00
<b>B. Issued, subscribed and fully paid</b>				
Opening Balance	1,000,000,000	1,000.00	1,000,000,000	1,000.00
Addition				
Less : Deduction				
<b>Closing Balance</b>	<b>1,000,000,000</b>	<b>1,000.00</b>	<b>1,000,000,000</b>	<b>1,000.00</b>

During 2010-11, 50,000,000 shares of the company of ₹10/- each were divided into 500,000,000 shares of ₹1/-each and bonus shares were issued in the ratio of 1:1 by capitalizing a sum of ₹500 million from general reserve.

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.

No shareholder other than the promoters is holding more than 5% shares of the company. The shareholding of the promoters i.e. President of India as on 31-03-2016 is 899,268,762 shares (P.Y. 899,268,762 shares) - 89.93%. (P.Y. 89.93%).

### 3.2 RESERVES & SURPLUS

(₹ in million)

	31-03-2016	31-03-2015
<b>Reserves</b>		
Capital reserve - Opening Balance	0.69	0.69
Less : Transferred to General Reserve	0.69	-
Closing Balance	-	0.69
General reserve- Opening Balance	6,065.53	5,965.53
Add : Transferred from Capital Reserve *	0.69	-
Add : Tranferred from Surplus	100.00	100.00
	6,166.22	6,065.53
Less : Deduction	-	-
Closing Balance	6,166.22	6,065.53
Corporate Social Responsibility Reserve-Opening Balance	0.13	0.13
Add : Tranferred from Surplus	-	-
	0.13	0.13
Less : Dduction	0.07	-
Closing Balance	0.06	0.13
Research and Development Reserve -Opening Balance	3.54	3.54
Add: Tranferred from Surplus	-	-
	3.54	3.54
Less: Deduction	-	-
Closing Balance	3.54	3.54
<b>Total (A)</b>	<b>6,169.82</b>	<b>6,069.89</b>
<b>Surplus</b>		
Surplus - Opening Balance	6,522.06	6,448.82
Add: Net profit after tax transferred from Statement of Profit & Loss	548.58	479.10
Add: Corporate Social Responsibility Reserve	0.07	-
Add:Opening Ajustment of Depreciation	-	(4.97)
Amount available for appropriation	7,070.71	6,922.95
<b>Appropriations :</b>		
Final Dividend	300.00	250.00
Dividend tax	61.07	50.89
General Reserve	100.00	100.00
<b>Total (B)</b>	<b>6,609.64</b>	<b>6,522.06</b>
<b>TOTAL (A)+(B)</b>	<b>12,779.46</b>	<b>12,591.95</b>

(a) Final Dividend @ ₹0.30/- (P.Y. ₹0.25/-)per Equity Share of ₹1/- each amounting to ₹300 million (P.Y. ₹250 million) during 2015-16 has been proposed.

(b) \* Pertained to investment allowance reserve created prior to 1991 in respect of erstwhile MITCO, since merged with MMTC.

## 4. NON CURRENT LIABILITIES

### 4.1 OTHER LONG TERM LIABILITIES

(₹ in million)

	31-03-2016		31-03-2015	
Trade Payable				
-Other than MSMEs	<b>106.87</b>		119.87	
-MSMEs	-	<b>106.87</b>	-	119.87
Others				
-Others	<b>79.81</b>	<b>79.81</b>	76.15	76.15
<b>Total</b>		<b>186.68</b>		<b>196.02</b>

### 4.2 LONG TERM PROVISIONS

(₹ in million)

	31-03-2016		31-03-2015	
<b>Provisions for Employee Benefits</b>				
i. Leave encashment	<b>182.61</b>			247.92
ii. Post Ret. Medical Benefits (A+B)		<b>1,280.33</b>		1,226.26
Open Group (A)	<b>807.52</b>		723.48	
Closed Group (B)	<b>472.81</b>		502.78	
iii. Half pay leave	<b>193.97</b>			198.44
iv. Service Award	<b>61.85</b>			47.70
v. Compassionate Gratuity	<b>1.62</b>			1.86
vi. Special Benefit to MICA Employees	<b>22.72</b>			-
vi. Emp. Family Benefit Scheme	<b>46.47</b>			49.05
<b>Total</b>		<b>1,789.57</b>		<b>1,771.23</b>

## 5. CURRENT LIABILITIES

### 5.1 SHORT TERM BORROWINGS

(₹ in million)

	31-03-2016		31-03-2015	
<b>Loans repayable on demand</b>				
<b>From Banks</b>				
(i) Secured (against hypothecation of inventories, trade receivables and other current assets present and future)	<b>2,117.01</b>		1,617.27	
(ii) Unsecured	<b>601.16</b>	<b>2,718.17</b>	1,249.22	2,866.49
<b>Total</b>		<b>2,718.17</b>		<b>2,866.49</b>

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.

### 5.2 TRADE PAYABLE

(₹ in million)

	31-03-2016		31-03-2015	
<b>A. Sundry Creditors</b>				
i. Other than MSMEs	9,214.64		31,643.82	
ii. MSMEs	-	9,214.64	-	31,643.82
<b>B. Bills payable</b>				
		-		-
<b>Total</b>		<b>9,214.64</b>		<b>31,643.82</b>

Sundry Creditors includes ₹Nil million (P.Y. ₹540.77 million) payable to foreign suppliers in respect of purchase of steam coal due to non receipt of receivables from the customer.

Includes ₹364.97 million (P.Y. ₹2725.82 million) payable to related parties.

### 5.3 OTHER CURRENT LIABILITIES

(₹ in million)

	31-03-2016	31-03-2015
a. Interest accrued but not due on borrowings	2.79	4.92
b. Interest accrued and due on borrowings	1.77	3.28
c. Other payables		
- Forward Cover - Amount Payable to Bank	1,921.51	2,576.90
Less: Foreign Currency Receivable	1,856.00	2,522.61
	65.51	54.29
- Sundry Creditors - Others	206.95	70.05
- Advance received from customers	517.40	270.59
- Unpaid Dividend	0.59	0.31
- Despatch payable	14.51	10.50
- Demurrage payable	11.63	4.41
- Credit balance in sundry debtors	1,055.66	1,022.61
- Security deposit & EMD	571.33	349.63
- Taxes & Employees dues remittance pending	2,050.87	1,987.66
- Salaries & Allowances	5.51	7.84
- Administrative Expenses	107.95	93.77
- Corporate Social Responsibility	3.41	6.14
- Amount payable towards unbilled purchases	3,518.05	3,150.90
- Others (i)	1,080.68	1,413.88
	9,210.05	8,442.58
<b>Total</b>	<b>9,214.61</b>	<b>8,450.78</b>

(i) Includes ₹54.65 million (P.Y. ₹54.65 million) towards MMTC's share in the expenditure incurred by JV company consequent to decision of promoters to wind up the project due to delay in receipt of environment clearance.

### 5.4 SHORT TERM PROVISIONS

(₹ in million)

	31-03-2016	31-03-2015
<b>A. Provisions for Employee Benefits</b>		
i. Bonus/Performance related pay	101.52	51.05
ii. Earned Leave	32.65	29.31
iii. Post Ret. Medical Benefits (A)+(B)	97.60	78.31
Open Group (A)	17.48	12.55
Closed Group (B)	80.12	65.76
iv. Half Pay Leave	35.74	28.93
v. Gratuity	1.84	2.17
vi. Special Benefit to MICA Employees	1.23	-
vii. Service Award	14.15	8.34
viii. Compassionate Gratuity	0.39	0.33
ix. Employees' Family Benefit Scheme	10.16	9.43
<b>B. Others</b>		
i. Taxation	61.00	157.50
ii. Proposed dividend	300.00	250.00
iii. Dividend Distribution Tax	61.07	50.89
iv. Destinal Weight and Analysis Risk	0.47	0.67
v. Provision for Litigation Settlements	382.21	321.77
	804.75	780.83
<b>Total</b>	<b>1,100.03</b>	<b>988.70</b>



## 6 NON CURRENT ASSETS

### 6.1 FIXED ASSETS

#### 6.1.1 Tangible Assets

(₹ in million)

	GROSS BLOCK					DEPRECIATION/ IMPAIRMENT						NET CARRYING VALUE	
	1-4-2015	Addition	Other Adjustments	Disposals	31-03-2016	Opening balance as at 01-04-2015	Depreciation for the year	Impairment/ (reversal of impairment)	Sub-Total	Deductions/ Adjustment	Balance as at 31-03-2016	31-03-2016	31-03-2015
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	39.60	-	-	-	39.60	12.63	0.50	-	13.13	-	13.13	26.46	26.97
-Staff Quarters	2.67	-	-	-	2.67	1.14	0.03	-	1.17	-	1.17	1.50	1.53
Building													
-Office Building	127.60	-	-	0.06	127.54	60.73	1.48	-	62.22	0.06	62.16	65.38	66.87
-Staff Quarters	65.91	-	-	-	65.91	53.60	0.42	-	54.02	-	54.02	11.89	12.31
-Water supply, Sewerage & Drainage	9.48	0.04	-	-	9.52	9.48	0.00	-	9.49	-	9.49	0.04	0.00
-Electrical Installations	18.42	8.91	-	-	27.33	16.72	0.35	-	17.07	-	17.07	10.27	1.70
-Roads & Culverts	3.58	-	-	-	3.58	3.35	0.03	-	3.38	-	3.38	0.20	0.23
-Audio/Fire/ Airconditioning	12.55	0.16	(0.02)	0.34	12.34	12.00	0.10	-	12.10	0.32	11.78	0.56	0.55
Plant & Equipment	794.98	0.39	-	2.36	793.01	363.74	32.36	-	396.10	1.96	394.14	398.88	431.24
Furniture & Fixtures													
-Partitions	24.75	4.41	(11.96)	0.17	17.02	24.10	0.04	-	24.13	11.73	12.41	4.61	0.65
-Others	49.18	2.97	11.94	0.43	63.66	46.56	0.60	-	47.16	(11.21)	58.37	5.29	2.61
Vehicles	21.03	1.94	-	4.17	18.80	20.16	0.32	-	20.48	4.17	16.32	2.49	0.86
Office Equipments	59.55	7.41	0.04	2.24	64.76	53.31	2.95	-	56.26	2.25	54.01	10.75	6.24
Others:-													
Railway Wagon Rakes	553.64	-	-	-	553.64	553.64	0.00	-	553.64	-	553.64	0.00	0.00
Railway Loop Line at BNHT	26.17	-	-	-	26.17	26.17	-	-	26.17	-	26.17	0.00	0.00
Warehouse	34.11	-	-	-	34.11	21.54	1.14	-	22.68	-	22.68	11.43	12.57
Computer/ Data Processors	181.62	7.89	-	2.84	186.67	174.19	5.34	-	179.53	1.22	178.31	8.36	7.44
<b>Total</b>	<b>2,029.83</b>	<b>34.11</b>	<b>0.00</b>	<b>12.61</b>	<b>2,051.33</b>	<b>1,453.06</b>	<b>45.66</b>	<b>-</b>	<b>1,498.73</b>	<b>10.50</b>	<b>1,488.25</b>	<b>563.10</b>	<b>576.76</b>
<b>Last Year</b>	<b>2,025.34</b>	<b>9.01</b>	<b>-</b>	<b>4.51</b>	<b>2,029.83</b>	<b>1,274.85</b>	<b>75.79</b>	<b>106.87</b>	<b>1,457.50</b>	<b>4.43</b>	<b>1,453.06</b>	<b>576.76</b>	

- a) Leasehold lands, roads and culverts, sewerage, drainage and water supply for staff quarters at Delhi includes those held jointly with State Trading Corporation of India Limited (STC) ₹1.32 million (P.Y. ₹1.32 million).
- b) Residential flats includes 41 shares (P.Y. 41 shares) of Cooperative Group Housing Society of the value of ₹0.002 million (P.Y. ₹0.002 million). Conveyance of some of the flats of the original value as on 31.03.2016 amounting to ₹4.89 million (P.Y. ₹4.89 million) is pending to be executed.
- c) Cost of Office Building on lands not owned by the Company is ₹6.24 million (P.Y. ₹6.24 million) and provision for depreciation is ₹3.62 million (P.Y. ₹3.57 million).
- d) Cost of Water Supply on Land not owned by the Company is ₹0.66 million (P.Y. ₹0.66 million).
- e) Cost of residential building, roads & culverts and electrical installations amounting to ₹11.63 million (P.Y. ₹11.63 million) & accumulated depreciation of ₹6.59 million (P.Y. ₹6.44 million) constructed on the leasehold land at Paradip which expired on 20.11.2011 Paradip Port Trust has approved its renewal for 15 years. However, final approval of Government is awaited.
- f) The company has carried out the assessment of impairment of assets (Railway Wagon Rakes) & provision towards impairment loss in value of assets amounting to ₹ Nil million (P.Y. ₹106.87 million) has been made during the year.

### 6.1.1.2 Intangible Assets

(₹ in million)

	Gross Block				Amortisation				Net Carrying Value			
	1-4-2015	Addition	Additions through Business Combinations	Other adjustments	Disposals 31-03-2016	Opening balance as at 01-04-2015	Amortisation for the year	Impairment/ (reversal of impairment)	Sub-Total	Deductions 31-03-2016	Balance as at 31-03-2016	31-03-2015
Computer software	2.55	3.09	-	-	-	1.08	0.63	-	1.71	-	1.71	1.47
<b>Total</b>	<b>2.55</b>	<b>3.09</b>	-	-	<b>5.64</b>	<b>1.08</b>	<b>0.63</b>	-	<b>1.71</b>	-	<b>1.71</b>	<b>1.47</b>
<b>Last Year</b>	<b>2.41</b>	<b>0.14</b>	-	-	<b>2.55</b>	<b>0.60</b>	<b>0.48</b>	-	<b>1.08</b>	-	<b>1.08</b>	<b>1.47</b>

### 6.1.1.3 Capital work-in-progress

(₹ in million)

	Assets				Depreciation / Impairment				Net Carrying Value			
	1-4-2015	Addition	Other adjustments	Disposals adjustments	31-03-2016	Opening balance as at 01-04-2015	Depreciation for the year	Impairment/ (reversal of impairment)	Sub-Total	Deductions 31-03-2016	Balance as at 31-03-2016	31-03-2015
<b>(A) MICA Division</b>												
Building												
- Building Under Construction	6.71	-	-	-	6.71	6.71	-	-	6.71	-	6.71	-
- Electrical Installations	6.70	-	-	-	6.70	6.70	-	-	6.70	-	6.70	-
- Roads & Culverts	0.47	-	-	-	0.47	0.47	-	-	0.47	-	0.47	-
Furniture	-	-	-	-	-	-	-	-	-	-	-	-
Plant & Equipment	13.80	-	-	-	13.80	13.80	-	-	13.80	-	13.80	-
<b>(A) Others</b>												
Building												
- Building Under Construction	-	7.50	-	-	-	-	-	-	-	-	-	-
Furniture	0.05	-	0.05	-	-	-	-	-	-	-	-	0.05
<b>Total</b>	<b>27.73</b>	<b>7.50</b>	<b>0.05</b>	-	<b>35.18</b>	<b>27.68</b>	-	-	<b>27.68</b>	-	<b>27.68</b>	<b>0.05</b>
<b>Last Year</b>	<b>93.12</b>	<b>0.41</b>	-	<b>65.79</b>	<b>27.73</b>	<b>27.68</b>	-	-	<b>27.68</b>	-	<b>27.68</b>	<b>0.05</b>

**6.2 NON CURRENT INVESTMENTS**

(₹ in million)

	31-03-2016	31-03-2015
<b>I. TRADE INVESTMENTS</b>		
<b>A. Investment Property (1)</b>		
Bandra Kurla Complex	36.31	36.31
<b>B. Investment in Equity instrument (unquoted)</b>		
<b>a) Subsidiaries</b>		
MMTC Transnational Pte. Ltd. (Fully paid up 1,461,502 Equity shares of S \$ 1 each (P.Y. Fully paid up 1,461,502 Equity shares of S \$ 1 each))	31.45	31.45
<b>b) Associates</b>		
<b>i. Neelachal Ispat Nigam Limited</b>		
Fully paid up 289,342,744 Equity shares of ₹10/- each ( P.Y. Fully paid up 289,342,744 Equity shares of ₹10/- each)	3,796.85	3,796.85
<b>ii. Devona Thermal Power &amp; Infrastructure Ltd.</b>		
Fully paid up Nil Equity shares of ₹10/- each ( P.Y. Fully paid up 13,000 Equity shares of ₹10/- each)	-	0.13
	3,796.85	3,796.98
<b>c) Joint Ventures</b>		
<b>i. Free Trade Ware- housing Pvt. Ltd.</b>		
Fully paid 2,600 Equity shares of ₹10/- each (P.Y. Fully paid 2,600 Equity shares of ₹10/- each)	0.03	0.03
<b>ii. MMTC Pamp India Pvt. Ltd.</b>		
Fully paid 17,446,000 Equity shares of ₹10/- each (P.Y. Fully paid 17,446,000 Equity shares of ₹10/- each)	174.46	174.46
<b>iii. SICAL Iron Ore Terminal Limited (2)</b>		
Fully paid 33,800,000 Equity shares of ₹10/- each (P.Y. Fully paid 33,800,000 Equity shares of ₹10/- each)	338.00	338.00
<b>iv. MMTC Gitanjali Limited</b>		
Fully paid 2,987,400 Equity shares of ₹10/- each (P.Y. Fully paid 2,987,400 Equity shares of ₹10/- each)	29.87	29.87
<b>v. Indian Commodity Exchange Limited (3)</b>		
Fully paid 32,000,000 Equity shares of ₹5/- each (P.Y. Fully paid 52,000,000 Equity shares of ₹5/- each)	160.00	260.00
<b>Less: Provision for Diminution in value of investment</b>	-	241.10
	160.00	18.90
<b>vi. TM Mining Company Limited</b>		
Fully paid 57,200 Equity shares of ₹10/- each (P.Y. Fully paid 57,200 Equity shares of ₹10/- each)	0.57	0.57
<b>d) Others</b>		
<b>i. Indo French Biotech Limited</b>		
Fully paid 4,750,000 Equity shares of ₹10/- each (P.Y. Fully paid 4,750,000 Equity shares of ₹10/- each)	47.50	47.50
<b>Less: Provision for Diminution in value of investment</b>	47.50	47.50
	0.00	0.00
<b>ii. United Stock Exchange Limited (4)</b>		
Fully paid Nil Equity shares of ₹1/- each (P.Y. Fully paid 30,000,000 Equity shares of ₹1/- each)	-	30.00
<b>iii. Bombay Stock Exchange Limited (4)</b>		
Fully paid 77922 Equity shares of ₹1/- (P.Y. Nil)	30.00	-
<b>Total</b>	<b>4,597.54</b>	<b>4,456.57</b>

1. Asset shown as Trade Investment amounting to ₹36.31 million (P.Y. ₹36.31 million) represents carrying value of property. The asset has been let out throughout the year, hence categorised as investment property in accordance with para 3.4 of AS-13 issued by ICAI and no depreciation has been charged.
2. The Company has invested ₹338.00 Million (P.Y ₹338.00 Million) towards 26% equity in Port Project, a Joint Venture of MMTC 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. Accordingly, during the year bids were invited by KPL from prospective operators with first right of refusal to SIOTL. The price bid opening has been deferred as one of the bidders, declared not qualified by KPL on technical parameters, has challenged in the court of law. Compensation amount according to the provision of concession agreement will be paid upfront by the successful bidder to project company, in case the project company chooses not to match the H1 Bid. Accordingly, no permanent diminution in the investment has been considered by the management.
3. Against initial investment of 52 million equity shares amounting to ₹260 million, in the Indian Commodity Exchange (ICEX) (representing 26% holding of the company in Exchange) , a provision of ₹241.10 million was created in 2013-14, on account of permanent diminution in the value of investment. During the year 2015-16, the aforesaid amount of provision has been written back by the management of the company considering the following events:
  - I. The company has divested 20 million equity shares of the exchange at a gain of 100% over its invested cost, during the month of December/January 2016.
  - II. A Right Issue at a 100% premium was brought out by the exchange in Feb/March 2016, that got fully subscribed (MMTC did not participate in right issue).
  - III. The exchange has chalked out revival plan and submitted the same to the Regulator (SEBI) after due approval from the Board of the exchange.
  - IV. Post Right Issue, the net worth of the exchange turned positive.
4. In regard to investment of ₹30.00 million (P.Y ₹30.00 million), during the current year USE has obtained approval from SEBI, CCI & Shareholders for amalgamating USE with Bombay Stock Exchange (BSE) with 01.04.2014 as appointed date. The Hon'ble High Court Bombay has since accorded approval to the scheme of amalgamation on 24.04.2015. Consequently, the company has got 77,922 shares of BSE of face value of ₹1 in exchange of 3,00,00,000 shares in USE of face value of ₹1 (i.e 1 share of BSE for every 385 shares held in USE).
5. All Non-Current Investments are carried at cost less provision for permanent diminution in value, if any. The company is not having any quoted investments. Aggregate amount of un-quoted investments is ₹4608.73 million (P.Y. ₹4708.86 million). Aggregate amount of provision for diminution in value of investments is ₹47.50 million (P.Y. ₹288.60 million).

### 6.3 DEFERRED TAX ASSETS (NET)

(₹ in million)

Particulars	Deferred Tax Asset/ (Liability) as at 1.4.2015	Credit/(Charge) during 2015-16	Deferred Tax asset/ (Liability) as at 31.3.2016
Depreciation	(113.40)	2.74	(110.66)
Prov. For Doubtful debts	2,267.59	(2.60)	2,264.99
DWA Risk	0.23	(0.07)	0.16
VRS Expenses	11.07	(6.04)	5.03
Provision for Litigation Settlements	111.36	20.91	132.27
Provision for CSR	2.12	(0.94)	1.18
<b>TOTAL</b>	<b>2,278.97</b>	<b>14.00</b>	<b>2,292.97</b>

## 6.4 LONG TERM LOANS AND ADVANCES

(₹ in million)

	31-03-2016		31-03-2015	
<b>A. CAPITAL ADVANCES</b>				
I. Secured, considered good	-		-	
II. Unsecured, considered good	0.23		0.50	
III. Doubtful	-		-	
Sub-total	0.23		0.50	
Less: Provision for bad and doubtful advances	-	0.23	-	0.50
<b>B. SECURITY DEPOSITS</b>				
I. Secured, considered good	92.06		106.31	
II. Unsecured, considered good	59.18		19.37	
III. Doubtful	18.36		18.76	
Sub-total	169.60		144.44	
Less: Provision for bad and doubtful advances	18.36	151.24	18.76	125.68
<b>C. LOANS AND ADVANCES TO RELATED PARTIES</b>				
I. Secured, considered good	-		-	
II. Unsecured, considered good (i)	291.13		237.20	
Interest accrued & due/not due (i)	-		38.65	
III. Doubtful	-		-	
Sub-total	291.13		275.85	
Less: Provision for bad and doubtful advances	-	291.13	-	275.85
<b>D. OTHER LOANS AND ADVANCES</b>				
I. Secured, considered good				
Loans & Advances to PSUs/Other Companies	120.14		88.40	
Interest Accrued & Due/Not Due	0.07		0.03	
Loans to Employees	153.62		171.96	
II. Unsecured, considered good				
Loans & Advances to PSUs/Other Companies	-		0.32	
Interest Accrued & Due/Not Due	-		0.00	
Loans to Employees	83.46		88.22	
Others	161.06		189.65	
III. Income Tax (including advance income tax, TDS, refund due and VAT)				
Unsecured - Considered good	470.61		391.52	
IV. Doubtful (ii)	2,484.36		2,491.43	
Sub-total	3,473.32		3,421.53	
Less: Provision for bad and doubtful advances	2,484.36	988.96	2,491.43	930.09
<b>TOTAL</b>		<b>1,431.56</b>		<b>1,332.13</b>

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 ₹0.26 million (P.Y. ₹0.05 million).

- (i) Includes ₹291.10 million (P.Y. ₹237.09 million) advanced by the company to Joint Venture Companies M/s Free Trade Warehousing Pvt. Ltd ₹48.68 million (P.Y. ₹33.32 million), Haldia Free Trade Warehousing Pvt. Ltd. ₹218.65 million (P.Y. ₹180.00 million) and Integrated Warehousing Kandla Project Development Pvt. Ltd. ₹23.77 million (P.Y. ₹23.77 million) in the form of Project Development Fund for setting up Free Trade Warehousing Projects in India. Interest accrued on above advances, ₹38.65 was shown as "Interest accrued but not due" as on 31-03-2015 has been merged with "Advance to Other Companies - FTWPL" as on 31-03-2016.
- (ii) a) 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 has also registered the case and investigations are in progress.
- b) Included debit balance of ₹51.00 million (P.Y. ₹51.00 million) which based on the Special Audit report of RO Chennai, has remained un-reconciled against which full provision already exist in the accounts.

## 6.5 OTHER NON-CURRENT ASSETS

(₹ in million)

	31-03-2016	31-03-2015	
<b>Long Term Trade Receivables</b>			
i. Considered good (Secured against hypothecation of assets/mortgage of title deeds and Bank Guarantees)	16.85	-	
ii. Unsecured Considered good	14.14	10.51	
iii. Considered doubtful	3,753.92	3,751.73	
Sub-total	3,784.91	3,762.24	
Less : Provision for bad and doubtful receivables	3,753.92	3,753.92	8.32
<b>TOTAL</b>	<b>30.99</b>	<b>8.32</b>	

## 7 CURRENT ASSETS

### 7.1 CURRENT INVESTMENTS: ₹Nil million (P.Y. ₹Nil million)

### 7.2 INVENTORIES

(₹ in million)

	31-03-2016	31-03-2015
A. Raw materials	205.89	233.91
B. Finished goods	812.03	358.50
C. Stock-in-trade (includes goods in transit valued at ₹627.73 million (P.Y. ₹544.19 million))	2,997.17	2,601.63
D. Packing Materials	-	3,194.04
<b>Total</b>	<b>4,015.09</b>	<b>3,194.04</b>

As taken, valued and certified by the management.

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

Stock-in-trade includes the following:

- 21020 Certified Emission Reductions (CERs) and 21020 Verified Carbon Units (VCUs) and same has been valued at ₹0.81 million (P.Y. ₹0.78 million) as per AS-2, i.e. lower of cost or net realizable value.
- Nil number of CERs under certification.
- An amount of ₹28.96 million has been spent on account of Depreciation, O&M cost of Emission Reduction equipment.

### 7.3 TRADE RECEIVABLES

(₹ in million)

	31-03-2016	31-03-2015
<b>A. Trade Receivables Outstanding for a period exceeding six months from the date they are due for payment</b>		
i. Secured, Considered good	2,481.60	529.92
ii. Unsecured Considered good	2,401.10	3,121.85
iii. Doubtful	205.57	205.60
	5,088.27	3,857.37
Less: Provision for bad and doubtful debts	205.57	205.60
	4,882.70	3,651.77
<b>B. Other Trade Receivables</b>		
i. Secured, Considered good	1,422.29	3,553.63
ii. Unsecured Considered good	1,972.46	23,145.35
iii. Doubtful	-	-
	3,394.75	26,698.98
Less: Provision for bad and doubtful debts	-	-
	3,394.75	26,698.98
<b>Total</b>	<b>8,277.45</b>	<b>30,350.75</b>

Includes ₹1417.04 million (P.Y. ₹1478.45 million) receivable from related parties.

## 7.4 CASH AND BANK BALANCES

(₹ in million)

	31-03-2016		31-03-2015	
a. Cash and cash equivalents				
- Cheques, Drafts on hand		-		0.99
- Cash on hand		<b>0.31</b>		0.02
- Balances with Banks				
(a) in Current Account	<b>9.68</b>		44.35	
(b) in Cash Credit Account	<b>328.24</b>		1,005.19	
(c) in Term Deposits with original maturity upto 3 months	<b>97.79</b>	<b>435.71</b>	221.80	1,271.34
b. Other Balances with Banks				
- As Margin money/under lien		-		-
- in term deposits with original maturity more than 3 months and upto 12 months	<b>348.38</b>		365.26	
- in term deposits with original maturity more than 12 months	<b>0.14</b>	<b>348.52</b>	0.13	365.39
<b>Total</b>		<b>784.54</b>		<b>1,637.74</b>

Balances with banks to the extent held as margin money or security against the borrowings, guarantees, other commitments ₹5.06 million (P.Y. ₹4.78 million).

Balances with banks includes ₹0.59 million (P.Y. ₹0.31 million) for unpaid dividend.

"Cash and cash equivalents" has been changed to "Cash and Bank balances" in accordance with provisions of Accounting Standard-3 issued by The Institute of Chartered Accountants of India.

## 7.5 SHORT TERM LOANS AND ADVANCES

(₹ in million)

	31-03-2016		31-03-2015	
<b>A. Loans and advances to related parties</b>				
i. Secured-Considered good		-		-
ii. Unsecured-Considered good	<b>7,866.45</b>		7,191.48	
iii. Doubtful		-		-
	<b>7,866.45</b>		7,191.48	
Less : Provision for Bad and Doubtful loans and advances		-		-
		<b>7,866.45</b>		7,191.48
<b>B. Others</b>				
i. Advance recoverable in cash or kind				
Secured-Considered good	<b>64.19</b>		79.36	
Unsecured-Considered good *	<b>4,215.25</b>		4,992.82	
Doubtful	<b>50.03</b>		50.03	
	<b>4,329.47</b>		5,122.21	
Less : Provision for Bad and Doubtful loans and advances	<b>50.03</b>	<b>4,279.44</b>	50.03	5,072.18
ii. Advance to Suppliers				
Secured-Considered good	<b>0.01</b>		0.00	
Unsecured-Considered good	<b>213.13</b>		41.79	
Doubtful	<b>4.77</b>		4.77	
	<b>217.91</b>		46.56	
Less : Provision for Bad and Doubtful loans and advances	<b>4.77</b>	<b>213.14</b>	4.77	41.79
iv. Income Tax (including advance income tax, TDS, refund due and VAT)				
Unsecured-Considered good		<b>97.28</b>		181.92
<b>Total</b>		<b>12,456.31</b>		<b>12,487.37</b>

(i) Due by directors ₹0.10 million (P.Y. ₹0.10 million)

(ii) \*Includes ₹2913.75 million (P.Y. ₹3732.90 million) receivable from Government of India on account of subsidy against import of edible oil for the State Governments from August 2012 onwards. The amount is pending due to non-allocation of fund in the regular budget and in the supplementary demand for grants.

(iii) Includes ₹7873.43 million (P.Y. ₹7195.57 million) receivable from related parties.

Particulars in respect of Loans and Advances in the nature of loans as required by Clause 32 of the Listing Agreement:

A) Loans and Advances given to Associates in the nature of advances (Interest Free): (₹ in million)

Loanee	Balance as at 31.03.2016	Maximum outstanding during the year
Neelachal Ispat Nigam Ltd.	₹Nil million	₹0.54 million
	(P.Y. ₹0.07 million)	(P.Y. ₹1.28 million)

B) Particulars of Investments by the Loanees: ₹NIL (PY ₹NIL)

## 7.6 OTHER CURRENT ASSETS

(₹ in million)

	31-03-2016	31-03-2015
Deferred Premium (a)	24.14	33.92
Gold/Silver stock towards unbilled purchases	3,518.05	3,150.90
	3,542.19	3,184.82
Less: Provision for doubtful amount, if any	-	-
	3,542.19	3,184.82
<b>Total</b>	<b>3,542.19</b>	<b>3,184.82</b>

(a) Pertains to imports which shall be recognized in the Profit & Loss Account of the subsequent accounting year.

## 8 REVENUE FROM OPERATIONS

(₹ in million)

	2015-16	2014-15
a. Sale of products	124,344.04	182,374.40
b. Sale of services	262.41	46.20
c. Other operating revenue		
- Despatch earned	0.73	1.32
- Claims	185.90	231.21
- Subsidy	206.81	-
- Other Trade Income	36.13	427.78
	429.57	195.25
	125,036.02	182,848.38
Less:		
d. Excise Duty attributable to Sale of products	1.75	5.56
	1.75	5.56
<b>Total</b>	<b>125,034.27</b>	<b>182,842.82</b>

In respect of coal imported for supply to power utilities on back to back basis, sale in some cases is booked provisionally pending confirmation of quantity/quality from the respective power plants and final reconciliation thereof with CHA/backup supplier. This has no impact on the profitability since the difference, if any, shall be to the account of the supplier/CHA in terms of the agreement.

## 9 OTHER INCOME

(₹ in million)

	2015-16	2014-15
a. Interest		
- Interest on fixed deposits	32.03	311.46
- Interest from customers on amount overdue	324.39	40.15
- others (i)	889.48	646.25
	1,245.90	997.86
b. Dividend		
- from Joint Venture company	122.12	52.34
- others	2.33	19.40
	124.45	71.74
c. other non operating income (net of expenses directly attributable to such income)		
- Staff Quarters Rent	5.15	5.85
- Misc Receipts (ii)	68.17	87.09
- Liabilities Written Back	79.97	87.37
- foreign exchange gain	0.62	-
	153.91	180.31
<b>Total</b>	<b>1,524.26</b>	<b>1,249.91</b>

(i) Includes interest of ₹767.09 million (P.Y. ₹543.32 million) on short term loan facilities extended to Neelachal Ispat Nigam Limited (NINL) an Associate Company from time to time.

(ii) Includes Rental Income of ₹15.02 million (P.Y. ₹24.18 million) from investment property at Bandra Kurla Complex, Mumbai shown under note 6.2 'Non Current Investment'.



**10 COST OF MATERIAL CONSUMED**

(₹ in million)

	2015-16	2014-15
Raw Material	602.40	1,222.05
Consumables	-	-
<b>Total</b>	<b>602.40</b>	<b>1,222.05</b>

**11 PURCHASES OF STOCK-IN-TRADE**

(₹ in million)

Product Groups	2015-16	2014-15
<b>a) Purchase</b>		
Precious Metals	66,107.11	45,761.22
Metals	5,122.22	8,999.58
Fertilizers	28,783.28	79,829.77
Minerals	4,437.85	15,914.18
Agro Products	4,215.88	2,674.07
Coal and Hydrocarbons	7,270.62	15,835.33
General Trade	40.88	839.03
	<b>115,977.84</b>	<b>169,853.18</b>
<b>b) Material received/(issued) in kind</b>		
Precious Metals	(1.21)	(6.65)
Non ferrous Metals *	-	(85.98)
	<b>(1.21)</b>	<b>(92.63)</b>
<b>Total</b>	<b>115,976.63</b>	<b>169,760.55</b>

\* Represents reclassification of stock of copper to claims recoverable.

**12 CHANGES IN INVENTORIES**

(₹ in million)

	2015-16	2014-15
<b>A. FINISHED GOODS</b>		
Opening Balance	10.60	886.98
Closing Balance	938.54	649.91
Change in inventory of Finished Goods	(927.94)	237.07
<b>B. STOCK-IN-TRADE</b>		
Opening balance	3,183.43	2,196.64
Closing balance	3,077.69	2,717.93
Change in inventory of Stock-in-Trade	105.74	(521.29)
<b>Net (Increase)/Decrease</b>	<b>(822.20)</b>	<b>(284.22)</b>

**13 EMPLOYEE BENEFITS EXPENSE**

(₹ in million)

	2015-16	2014-15
Salaries and wages		
Salaries and Allowances	1,342.11	1,282.59
Leave encashment	114.70	141.99
Bonus	0.89	0.15
Performance Related pay	55.40	26.80
Medical Expenses	223.57	222.08
Group Insurance	0.49	0.73
Contribution to DLIS	4.16	3.23
	<b>1,741.32</b>	<b>1,677.57</b>
<b>Contribution to provident fund and other funds</b>		
Provident Fund	102.44	97.08
Gratuity Fund	1.65	13.97
Family Pension Scheme	19.97	17.99
Superannuation Benefit	83.38	78.84
	<b>207.44</b>	<b>207.88</b>
Staff Welfare Expenses	65.96	32.82
<b>Total</b>	<b>2,014.72</b>	<b>1,918.27</b>

## 14 FINANCE COSTS

(₹ in million)

	2015-16	2014-15
I. Interest expense	291.87	143.75
II. Premium on Forward Contract	7.12	26.46
<b>Total</b>	<b>298.99</b>	<b>170.21</b>

## 15 OTHER EXPENSES

(₹ in million)

	2015-16	2014-15
<b>A. Operating Expenses</b>		
Freight	1,798.77	4,991.72
Demurrage	8.51	0.16
Clearing, Handling, Discount & Other charges	663.55	1,059.17
L/C negotiation and other charges	4.95	10.57
Difference in exchange	(166.73)	41.20
Customs duty	5,629.38	3,783.78
Insurance	2.81	7.63
Godown insurance	9.14	6.92
Plot and Godown rent	10.90	14.18
Packing Material	4.13	8.18
Provision for destinalional weight and analysis risk	0.47	0.67
	<b>7,965.88</b>	<b>9,924.18</b>
<b>B. Administrative Expenses</b>		
Consumption of stores and spare parts	-	0.30
Power & Fuel	1.97	1.67
Rent	27.31	26.17
Rates & Taxes	14.71	17.25
Insurance	1.08	1.09
Repairs to buildings	76.44	47.31
Repairs to machinery	0.45	0.78
Repair & Renewals	32.01	18.31
Electricity & water Charges	37.07	25.78
Advertisement & Publicity	21.00	16.56
Printing & Stationery	6.31	7.14
Postage & courier	1.68	2.99
Telephone	16.14	15.05
Telecommunication	7.42	6.90
Travelling	35.67	38.04
Vehicle	19.24	18.86
Entertainment	7.67	6.74
Legal	49.24	48.48
Auditor's Remuneration (i)	6.36	5.83
Bank Charges	8.11	3.97
Books & Periodicals	0.50	0.43
Trade/Sales promotion	5.33	5.48
Computer	0.25	0.18
Subscription	3.85	3.39
Training, Seminar & Conference	4.27	7.54
Professional/Consultancy	20.62	22.03
CSR Expenditure (ii)	4.57	4.68
Difference in Exchange	11.28	(2.74)
Service Tax	12.29	8.54
Prior period items (iii)	6.39	15.99
Exhibition, Fair and Sales Promotion	34.52	6.86
Bad Debts/Claims/Assets written off/withdrawn	0.97	299.96
Donations	0.00	-
Expenditure on Gomia Coal Block	-	78.35
Provision for Bad & Doubtful Debts/Claims/Advances	2.80	12.36
Miscellaneous expenses	73.19	63.11
	<b>550.71</b>	<b>835.38</b>
<b>Total</b>	<b>8,516.59</b>	<b>10,759.57</b>

## (i) Amount paid to auditors'

(₹ in million)

	2015-16	2014-15
As Auditor	3.21	2.75
For Taxation Matters/Tax Audit	1.41	1.37
For Other Services	1.69	1.66
For Reimbursement of Expenses	0.05	0.05
<b>Total</b>	<b>6.36</b>	<b>5.83</b>

## (ii) CSR Expenditure:

- ₹4.05 million on installation of drinking water, creation of toilets etc at Joda/Barbil/Keonjhar/Jajpur districts of Odisha.
- ₹0.35 million incurred on installation of hand pumps in Ghosi/Jaitwardih in Uttar Pradesh.
- ₹0.10 million for Clean Ganga Mission.

The expenditure has been incurred on voluntary basis as the company was not required to spend on CSR activity during the year 2015-16 as provided under Section 135 of Companies Act, 2013, since, the company did not have average net profit during the three immediately preceding financial years.

## a. Amount spent during the year on:

(₹ in million)

	In Cash	Yet to be paid in cash	Total
(a) Construction/acquisition of any asset	-	-	-
(b) On purposes other than (i) above	3.29	1.21	4.50
(c) Against CSR reserve of previous year	0.07	-	0.07

## (iii) Prior period items

(₹ in million)

	2015-16	2014-15
<b>Expenditure</b>		
Cost of sales	(51.11)	3.43
Salaries & wages	0.30	-
Administrative Expenses	1.43	1.63
Interest	0.73	(0.02)
Others	8.09	3.06
Sub-Total	(40.56)	8.10
<b>Income</b>		
Sales	(51.75)	0.29
Interest	0.45	(15.79)
Other Receipts	4.35	7.61
Sub-Total	(46.95)	(7.89)
<b>Total (Net)</b>	<b>6.39</b>	<b>15.99</b>

**16 EXCEPTIONAL ITEMS**

(₹ in million)

	2015-16	2014-15
Write-down of inventories to net realisable value and its reversal	1.14	141.14
Disposals of items of fixed assets	(0.83)	(0.32)
Loss due to pilferage	-	3.54
Disposal of Long-Term Investment (i)	(100.00)	-
Litigation settlements (ii)	(306.94)	323.39
Provisions no longer required (iii)	(247.04)	(698.30)
<b>Total</b>	<b>(653.67)</b>	<b>(230.55)</b>

- (i) Represents profit on sale of 2 crore (10%) equity shares of ICEX of face value of ₹5 each at a premium of ₹5 each.
- (ii) (a) Includes ₹33.45 million (P.Y. ₹321.77 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 ₹382.21 million towards the claim (₹230.17 million), interest (₹134.89 million) and other cost etc. (₹17.15 million) has been made upto 31.03.2016.
- (b) Includes ₹389.90 million (P.Y. ₹NIL million) credit on account of amount appropriated towards overdue interest on old dues

recoverable from FCI out of an amount of ₹609.90 million retained by company against export proceeds of wheat- A/c FCI. ₹220 million has already been adjusted against other recoverable from FCI during the financial year 2014-15. Whereas FCI has been objecting to such retention, the company decided to appropriate the retained amount towards receivable and interest income.

- (iii) • Includes Nil million (P.Y. ₹221.35 million) being provision for bad & doubtful debts withdrawn as a results of recovery of dues from the customer. It also includes ₹Nil million (P.Y. ₹284.53 million) being the provision no longer required in respect of debt which was written off during the 2014-15 & shown as bad debts written off in note 15 (B).
- It also includes ₹Nil million (P.Y. ₹145.85 million) being excess provision withdrawn in respect of 'Post-Retirement Medical Benefit Scheme' consequent to change of scheme to 'Defined contribution scheme'.
  - Also includes ₹241.10 million (P.Y. ₹Nil million) being withdrawal of provision for permanent diminution of investment in ICEX during the year consequent upon sale of 10% stake in ICEX at a premium of 100%.

## 17 EXTRAORDINARY ITEMS

## 18 ADDITIONAL INFORMATION TO STATEMENT OF PROFIT AND LOSS:-

### i. VALUE OF IMPORTS

(₹ in million)

	2015-16	2014-15
<b>CIF value of imports</b>		
Goods-in-Trade	90,812.98	136,045.70
Raw Materials	602.40	1,222.05
<b>Total</b>	<b>91,415.38</b>	<b>137,267.75</b>

### ii. EXPENDITURE IN FOREIGN CURRENCY

(₹ in million)

EXPENDITURE	2015-16	2014-15
Know-how	0.13	-
Interest	0.54	2.60
Foreign Offices	16.00	5.49
Foreign Tours	5.67	4.12
Despatch/Demurrage	18.00	88.37
Load Port Supervision Charges	8.63	11.72
Watchman Charges	0.20	0.04
Ocean Freight	356.19	675.43
Destinational weight & Analysis Risk	-	4.09
Other matters:-	15.76	25.59
<b>Total</b>	<b>421.12</b>	<b>817.45</b>

### iii. EARNINGS IN FOREIGN CURRENCY

(₹ in million)

EARNINGS	2015-16	2014-15
FOB value of goods exported	6,761.88	22,937.86
Despatch/Demurrage	63.04	32.70
Others	-	26.29
<b>Total</b>	<b>6,824.92</b>	<b>22,996.85</b>

### iv. CONSUMPTION OF RAW MATERIALS, SPARE PARTS AND COMPONENTS

(₹ in million)

EARNINGS	2015-16		2014-15	
	Raw Materials	Spare Parts & Components	Raw Materials	Spare Parts & Components
<b>IMPORTED</b>				
i. Value	602.40	-	1,222.05	-
ii. As % of total	100.00	-	100.00	-
<b>INDIGENOUS</b>				
i. Value	-	-	-	-
ii. As % of total	-	-	-	-
<b>TOTAL VALUE</b>	<b>602.40</b>	<b>-</b>	<b>1,222.05</b>	<b>-</b>

## 19. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR):

- (i) Contingent Liabilities:
- a) Guarantees issued by Banks on behalf of the Company ₹1120.67 million (P.Y. ₹2039.36 million) and Corporate Guarantee amounting to ₹Nil million (P.Y. ₹404.00 million) in favour of customer have been given towards performance of contract against which backup guarantees amounting to ₹1255.78 million (P.Y. ₹3764.60 million) have been obtained from associate suppliers.
- b) Corporate Guarantees of ₹14605.60 million (P.Y. ₹14693.70 million) given by the company in favour of financial institutions/banks on behalf of Neelachal Ispat Nigam Limited (NINL) an Associate 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 ₹750.00 million as on 31.3.2016.
- c) The company entered into a purchase contract with a foreign supplier for import of coking coal for onward sale to NINL (an Associate 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 ₹5216.80 million (USD 78.72 million @ ₹66.27 as on 31.03.2016) and interest/cost thereon up to 31.03.2016 amounting to ₹3304.55 million. The company challenged the award before Hon'ble Delhi High Court but that was confirmed by the court. 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. Next date of hearing is 18.07.2016.
- Pending final out-come of the legal proceedings, the Management has decided not to make provision for the demand amounting to approx. ₹8520.99 million in its books of accounts as on 31.03.2016, 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 once again reiterated, in its communication to NINL, the legal position on bearing of liability, if any arising out of the referred dispute.
- d) Claims against the Company not acknowledged as debts ₹4614.32 million (P.Y. ₹3439.48 million).
- e) Letters of Credit opened by the Company remaining outstanding ₹1869.19 million (P.Y. ₹235.77 million).
- f) Sales Tax Demand of ₹2342.94 million (P.Y. ₹2248.73 million) in dispute against which ₹181.17 million (P.Y. ₹183.53 million) has been deposited and ₹0.67 million (P.Y. ₹0.67 million) covered by bank guarantees.
- g) Income Tax demand of ₹613.02 million (P.Y. ₹701.79 million) in dispute against which ₹455.56 million (P.Y. ₹373.70 million) has been deposited.
- h) Service Tax demand in respect of business auxiliary service amounting to ₹942.72 million (P.Y. ₹849.45 million).
- i) TDS demand raised by department amounting ₹7.59 million (P.Y. ₹Nil million).
- j) 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.
- k) 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 ₹6842.98 million as on 31.03.2016 (P.Y. ₹9372.80 million), out of which, demand against show cause notices for ₹58.28 million (P.Y. ₹47.41 million) received by the company at Delhi Regional Office against which appeal has been filed by the company.

- l) Custom department have raised demand of ₹1902.44 million (P.Y. ₹351.21 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.
- m) Excise duty demand/penalty of ₹193.17 million (P.Y. ₹193.17 million) for which company has already filed an appeal before the CESTAT.
- n) Asstt. Provident Fund Commissioner at SRO Bellary raised a PF Demand of ₹22.36 million (P.Y. ₹22.36 million). The company has disputed the claim based on grounds of appeal as suggested by a legal opinion.
- o) 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.
- p) 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.
- (ii) Commitments:
- a) Estimated amount of contracts remaining to be executed on capital account and not provided for ₹7.41 million (P.Y. ₹Nil million).

#### GENERAL DISCLOSURES:-

20. Following goods on account of un-billed purchases are held by the Company under deposit and shown under other current assets (note no. 7.6) as well as other current liabilities (note no. 5.3).

(₹ in million)

Items	31-03-2016		31-03-2015	
	Qty.(kgs)	Value	Qty.(kgs)	Value
Gold	521.00	1,368.71	1,064.00	2,630.66
Gold Jewellery	-	-	-	10.23
Silver	63,661.03	2,149.34	14,792.11	510.01

21. a) 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 6.2) towards 49.78% in equity capital in M/s Neelachal Ispat Nigam Ltd (NINL), an associate company.
- b) The company has been extending, from time to time, short term credit facility to NINL upto a limit of ₹8000 million for its day to day operational activities on continuing basis. In addition one time loan of ₹1300 million has been extended for debt repayment. Against this, outstanding under trade receivable (note 7.3) is ₹1417.04 million (P.Y. ₹1478.45 million) and under short term loans & advances (note 7.5) is ₹7866.44 million (P.Y. ₹7191.48 million) aggregating to ₹9283.48 million (P.Y. ₹8669.93 million).
- c) The company has also given corporate guarantees amounting to ₹14605.60 million (P.Y. ₹14693.70 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 ₹750 million as on 31.3.2016(note 19 (i) (b)).
- d) NINL is incurring losses (Net Loss is 30.67% of sales for the F.Y.2015-16) and net asset of NINL as per their financial statements, excluding MMTC dues is ₹11315.64 million as on 31.3.2016. Considering the expected revival of the Steel sector globally and expected clearance of mining rights of allotted Iron Ore mine to NINL, the management has considered its investment as good.

22. 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. ₹19.01 million) which are being contested. Against this, an amount of ₹0.30 million (P.Y. ₹Nil million) has been deposited and bank guarantee of ₹10.30 million (P.Y. ₹10.30 million) furnished.
23. 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.
24. The employee's benefits provided by the Company as required under Accounting Standard 15 (Revised) are as under:-
- Leave Encashment - 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.
  - Post Retirement Medical Benefit (PRMB) - Available to retired employees at empanelled hospitals for inpatient treatment and also for OPD treatment under 'Defined Contribution Scheme'.
  - 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.
  - Long Service Benefits : Long Service Benefits payable to the employees are as under:-
    - Service Award amounting to ₹3,500/- for each completed year of service is payable to the employees on superannuation/voluntary retirement scheme.
    - Compassionate Gratuity amounting to ₹50,000/- is payable in lump-sum to the dependants of the employee on death while in service.
    - 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.
- (d) Special Benefit to MICA Division employees amounting to ₹5,00,000/- (Officer), ₹4,00,000/- (Staff) and ₹3,00,000/- (Worker) upon retirement.
- v. Provident Fund - The Company's contribution paid/payable during the year to Provident Fund is recognized in the Statement of Profit & Loss. 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.
- vi. Pension Scheme - During the year, the Company has recognized ₹83.38 million (P.Y. ₹78.84 million) towards Defined Contribution Superannuation Pension Scheme in the Statement of Profit & Loss.
- vii. Other disclosures as required under AS - 15(Revised) on 'Employee Benefits' in respect of defined benefit obligation are:
- Reconciliation of present value of defined benefit obligations:

(₹ in million)

Sl. No.	Particulars	Gratuity	Earned Leave	Sick Leave	Long Service Benefits
(i)	Present value of projected benefit obligations as at 01/04/2015	782.69	277.00	227.11	116.69
(ii)	Interest cost	62.62	22.16	18.17	
(iii)	Current service cost	6.33	8.89	8.67	
(iv)	Benefit paid	91.46	149.74	17.40	
(v)	Actuarial(gain)/loss	(13.72)	56.95	(6.84)	41.90
(vi)	Present value of obligation as at 31st March,2016 (i+ii+iii-iv+v)	746.46	215.26	229.71	158.59

- (b) Expenses recognized in the statement of Profit & Loss A/c for the year ended 31st March, 2016:

(₹ in million)

Sl. No.	Particulars	Gratuity	Earned Leave	Sick Leave	Long Service Benefits
(i)	Service cost	6.33	8.89	8.67	-
(ii)	Interest cost	62.62	22.16	18.17	-
(iii)	Actual return on plan assets	62.83	-	-	-
(iv)	Net Actuarial (gain)/loss recognized in the period	(13.72)	56.95	(6.84)	41.90
(v)	Expenses recognized in the Profit & Loss A/c (i+ii-iii+iv)	(7.61)	88.00	20.00	41.90

- (c) Changes in the fair value of planned assets

(₹ in million)

	GRATUITY
Fair value of plan assets as at 1.4.2015	785.68
Actual return on plan assets	62.83
Contribution by employer	1.28
Benefit paid	91.46
Actuarial gain/(loss)	-
Fair value of plan assets as at 31.3.2016	758.33

**Gratuity amount for the current and previous period are as follows:**

	2015 -16	2014 -15	2013 -14	2012 -13	2011 -12
Defined benefit obligation	746.47	782.71	764.72	756.55	704.92
Plan Assets	758.33	785.68	779.54	759.88	709.04
Surplus / (deficit)	11.86	2.97	14.82	3.34	4.13
Expected contribution for next Financial Year	3.91	-	-	-	-
Experience adjustment on plan liabilities - (Gain)/loss	(13.72)	19.66	(3.14)	24.10	26.29
Experience adjustment on plan assets - Gain/(loss)	-	-	-	-	-

- (d) Actuarial assumptions:

(₹ in million)

Sl. No.	Description	As at 31/3/2016
(i)	Discount rate (Per Annum)	8.00%
(ii)	Future salary increase	6.00%
(iii)	Retirement age	60 Years
(iv)	Mortality table	IALM (2006-08)
(v)	Withdrawal rates	1% to 3% depending upon Age

- (e) In case of gratuity, the Company has taken policy from LIC to discharge its obligation and expenses are recognized based on Actuarial Valuation done by LIC.

viii. Post-Retirement Medical Benefit Scheme:

- a. The liability for the year 2015-16 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 31.3.2015 has been shown as company's obligation as on 31.3.2016 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 ₹139.78 million (P.Y. ₹149.49 million) has been charged to Profit & Loss Account.

- 24 (A). In terms of AS-17 the Company has identified its Primary Reportable Business Segments as Minerals, Precious Metals, Metals, Agro Products, Coal & Hydrocarbon, Fertilizer and General Trade/others. The Secondary Segments are identified based on the geographical location as Outside India and Within India.

Details are placed at Annexure 'A'.

25. Related Party Disclosures under AS-18 (As identified & certified by the Management)

**A. Name of the related parties and description of relationship:**

- a) Key Management Personnel
- Shri Ved Prakash Chairman and Managing Director - Managing Director
  - Shri Rajeev Jaideva Director
  - Shri M.G. Gupta Director - (Chief Financial Officer)
  - Shri Anand Trivedi Director
  - Shri P.K.Jain Director
  - Shri Ashwani Sondhi Director (w.e.f. 06.01.2016)



- b) Subsidiary  
MMTC Transnational Pte. Ltd., Singapore
- c) Associate  
Neelachal Ispat Nigam Ltd.
- d) Joint Ventures
- Free Trade Warehousing Pvt. Ltd.
  - Haldia Free Trade Warehousing Pvt. Ltd. (Subsidiary of Free Trade Warehousing Pvt. Ltd.)
  - Integrated Warehousing Kandla Project Development Pvt. Ltd. (Subsidiary of Free Trade Warehousing Pvt. Ltd.)
  - MMTC Pamp India Pvt. Ltd.
  - MMTC Gitanjali Ltd.
  - Indian Commodity Exchange Ltd.
  - Sical Iron Ore Terminal Ltd.
  - TM Mining Company Limited
  - Blue Water Iron Ore Terminal Pvt. Ltd.

## B. Details of transactions during the year 2015-16

(₹ in million)

Particulars	Subsidiary		Associates		Joint Ventures		Key management personnel		Total	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Purchase of goods	5504.53	11295.95	4399.43	8401.64	5618.63	6119.32			15522.59	25816.91
Sale of goods	1206.96	2848.69	4796.80	6433.07		1468.94			6003.76	10750.70
Dividend Received					122.12	52.34			122.12	52.34
Finance including Loans & Advances and equity contribution in cash or in kind						19.75			-	19.75
Corporate Guarantees			14605.60	14693.70					14,605.60	14693.70
Other payment Demurrage /Dispatch	0.08	0.05	33.82		0.14				34.04	0.05
Remuneration							20.84	22.24	20.84	22.24
Receivable	6.83	3.94	9283.48*	8669.93*			0.35	0.15	9290.66	8674.02
Payable	361.74	2719.91	3.12	3.12	0.10	2.79			364.96	2725.82

\* Represents ₹7866.44 million (P.Y. ₹7191.48 million) shown under Note No.7.5 'Short Terms Loans & Advances' and ₹1417.04 million (P.Y. ₹1478.45 million) shown under Note No. 7.3 'Trade Receivables'.

## 26. Earning per Share:

(₹ in million)

Particulars	2015-16		2014-15	
	Before Extra-ordinary Item	After Extra-ordinary Item	Before Extra-ordinary Item	After Extra-ordinary Item
Profit after Tax (₹ in million)	548.58	548.58	479.10	479.10
Total number of Equity Shares (million)	1000	1000	1000	1000
Basic and diluted earnings per share (₹) (Face value ₹1/- per share) (P.Y. Face value ₹1/- per share)	0.55	0.55	0.48	0.48

27. As per Accounting Standard - 27 - 'Financial reporting of interest in Joint Ventures' issued by the Institute of Chartered Accountants of India, 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 million)

Sl. No.	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.	26	India	168.13	164.81	0.66	0.62	0.07	-
2	MMTC Pamp India Pvt. Ltd.	26	India	1571.83	953.94	64019.12	63819.99	2920.99	39.19
3	Sical Iron Ore Terminal Ltd.	26	India	1696.96	1359.10	-	-	49.88	7.88
4	MMTC Gitanjali Ltd.	26	India	67.08	48.23	73.74	76.28	2.25	-
5	Indian Commodity Exchange Ltd.	16	India	61.21	55.12	1.14	13.07	-	-
6	TM Mining Company Ltd.	26	India	0.03	0.09	-	0.08	-	-
7	Blue Water Iron Ore Terminal Pvt. Ltd.*	18	India	-	-	-	-	-	-

\* No investment has been made by company in equity of the JV Company till 31.03.2016.

28. As required by Accounting Standard(AS) 28 " Impairment of Assets " notified by the Institute of Chartered Accountants of India, the company has carried out the assessment of impairment of assets & provision towards impairment loss in value of

assets amounting to ₹Nil million (P.Y. ₹106.87 million) has been made during the year

29. Reconciliation of provisions in terms of AS-29 is as under:

(₹ in million)

Particulars of Provision	Opening Balance as on 01.04.15	Adjustment during year	Addition during year	Closing Balance as on 31.03.16
Destinational Weight & Analysis Risk	0.67	0.67	0.47	0.47
Bonus/PRP	51.05	5.82	56.29	101.52
Provision for Taxation	157.50	157.50	61.00	61.00
Proposed Dividend	250.00	250.00	300.00	300.00
Tax on Proposed Dividend	50.89	50.89	61.07	61.07
Provision for Litigation Settlements	321.77	-	60.44	382.21

30. 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.
31. The company had imported pulses on the directives of the Govt. of India during the year 2007-08 to 2010-11. Initially the Government has allowed reimbursement of losses up to 15% of landed cost and trading margin @ 1.2% of CIF value. On representations from the CPSUs, CCEA in their meeting held in September 2015 had approved reimbursement of losses upto 20% losses on landed cost of pulses imported during 2007-2011 and also for of 20% lossess on pulses imported within the validity of the scheme (31.03.2011) but sold within 30.09.2011. MMTC has lodged claims with Department of Consumer Affairs for total amount of ₹399.75 million against which a claim of ` 192.90 million existed in the accounts & balance claim of ₹206.85 million has been recognised during the current year. An amount of ₹104.76 million has been received in January, 2016 towards subsidy claim.

32. 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 files against the Associate. The associate has also submitted a proposal for consideration of Dispute Settlement Committee.
33. At Regional Office, Mumbai, during the year 2011-12, a foreign supplier has submitted forged shipping documents through banking channels to obtain payment of ₹36.08 million (P.Y. ₹34.03 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 with undertaking to pay interest from due date of payment. 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.
34. 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.
35. The company has changed following Accounting Policies during the year:
- General information at 1, the wordings "domestic trade of Agro, Precious Metals, Coal/Coke etc." has been added at the end of the second para to clarify the principal activities of the company.

- ii. Accounting Policy 2.10 (i) relating to Employee Benefits, the wordings "using the projected unit credit method of actuarial valuation made at the end of the year. Actuarial gains/losses are charged to Statement of Profit and Loss" has been added at the end, so as to clarify the accounting practice followed by the company.
- iii. Accounting Policy 2.5 relating to fixed assets, following has been inserted at point (c) "--Cost of office land/building/flats/culverts, sewerage and drainage are accounted for provisionally where final bills are yet to be received or asset is under construction/execution of lease deed is pending." This was shown as footnote to note no 6.1.1 now made as part of accounting policy.
- The above changes have no financial impact on the company.
36. There are no micro, small or medium enterprises to whom the Company owes dues as at 31st March, 2016 to the extent information available with the company.
37. Compliance of the Companies (Accounting Standard) Rules 2006 has been made. The Company has large number of transactions and diversified activities, which may have put operational constraints in strictly following the said rules. The deviation if any, have been stated in the accounting policies of the Company.
38. 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.
39. 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).
40. Figures for the previous year have been regrouped / re-cast wherever considered necessary.
41. Accounting policies and notes attached form an integral part of the financial statements.

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. 81808

Date: 27.05.2016

Place: New Delhi

**For and on behalf of Board of Directors**

**(G. Anandanarayanan)**

Assistant Company Secretary

**(P K Jain)**

Director

DIN: 6594855

**(Vijay Pal)**

Chief General Manager (F&A)

**(Ved Prakash)**

Chairman and Managing Director

DIN: 02988628

**(M G Gupta)**

Director (Finance) & CFO

DIN: 02200405

## ANNEXURE - 'A' TO NOTE NO. 24(A) TO ACCOUNTS STATEMENT OF SEGMENTAL PERFORMANCE FOR THE YEAR 2015-16 (Primary Disclosures)

Particulars	BUSINESS SEGMENTS					
	PRECIOUS METAL		METALS		MINERALS	
	31st March 16	31st March 15	31st March 16	31st March 15	31st March 16	31st March 15
<b>SEGMENT REVENUE</b>						
<b>External Sales</b>						
- With in India	70503.79	51457.71	3279.98	3321.93	340.07	1798.93
- Outside India			2301.03	6291.16	4424.69	14411.00
Total (A)	70503.79	51457.71	5581.01	9613.09	4764.76	16209.93
Inter-Segment sales						
- With in India						
- Outside India						
Total (B)						
<b>Total Segment Revenue (A+B)</b>	70503.79	51457.71	5581.01	9613.09	4764.76	16209.93
Total revenue of each segment as a percentage of total revenue of all segments	56.58%	28.21%	4.48%	5.27%	3.82%	8.89%
<b>Segmental Result</b>						
- With in India	23.17	584.76	146.85	77.89	-92.35	-50.72
- Outside India			55.41	175.62	113.72	283.69
<b>Total Segmental Result</b>	23.17	584.76	202.25	253.51	21.37	232.97
Unallocated Corporate expenses net of unallocated income						
Operating Profit						
Interest Expenses						
Interest Income						
Income taxes						
Profit from ordinary activities						
Extraordinary loss/Income						
<b>Net Profit</b>						
<b>OTHER INFORMATION</b>						
Segment assets	5095.89	2539.25	1385.36	8019.27	1162.65	2107.37
Unallocated Corporate assets						
<b>Total assets</b>						
Segment Liabilities	4095.35	1230.28	766.04	930.21	1017.19	1784.11
Unallocated Corporate liabilities						
<b>Total liabilities</b>						
Segment Capital expenditure	0.39	0.32				
Unallocated Capital Expenditure						
<b>Total Capital Expenditure</b>						
Segment Depreciation	2.80	2.80				131.96
Unallocated Depreciation						
<b>Total Depreciation</b>						
Non-cash expenses other than depreciation						

(₹ in million)

BUSINESS SEGMENTS									
COAL & HYDROCARBON		AGRO PRODUCTS		FERTILIZERS		GENERAL TRADE/OTHERS		TOTAL	
31st March 16	31st March 15	31st March 16	31st March 15	31st March 16	31st March 15	31st March 16	31st March 15	31st March 16	31st March 15
<b>11230.09</b>	21238.22	<b>3565.12</b>	703.48	<b>28843.96</b>	79967.17	<b>115.96</b>	931.54	<b>117878.98</b>	159418.97
			2293.92					<b>6725.72</b>	22996.07
<b>11230.09</b>	21238.22	<b>3565.12</b>	2997.40	<b>28843.96</b>	79967.17	<b>115.96</b>	931.54	<b>124604.70</b>	182415.04
<b>11230.09</b>	21238.22	<b>3565.12</b>	2997.40	<b>28843.96</b>	79967.17	<b>115.96</b>	931.54	<b>124604.70</b>	182415.04
<b>9.01%</b>	11.64%	<b>2.86%</b>	1.64%	<b>23.15%</b>	43.84%	<b>0.09%</b>	0.51%	<b>100.00%</b>	100.00%
<b>118.30</b>	163.67	<b>945.09</b>	200.73	<b>-8.35</b>	-210.90	<b>54.78</b>	87.31	<b>1187.49</b>	852.74
			29.65					<b>169.12</b>	488.96
<b>118.30</b>	163.67	<b>945.09</b>	230.38	<b>-8.35</b>	-210.90	<b>54.78</b>	87.31	<b>1356.61</b>	1341.70
								<b>1731.86</b>	1597.13
								<b>(375.25)</b>	(255.43)
								<b>291.87</b>	143.75
								<b>1245.90</b>	997.86
								<b>30.20</b>	119.58
								<b>548.58</b>	479.10
								<b>548.58</b>	479.10
<b>9551.42</b>	9917.65	<b>4551.43</b>	6501.79	<b>3315.73</b>	21143.06	<b>705.28</b>	4488.12	<b>25767.78</b>	54716.51
								<b>12235.38</b>	4792.48
								<b>38003.16</b>	59508.99
<b>7202.98</b>	10607.72	<b>1374.01</b>	520.64	<b>1090.51</b>	21767.96	<b>262.72</b>	430.74	<b>15808.80</b>	37271.66
								<b>8414.90</b>	8645.38
								<b>24223.70</b>	45917.04
								<b>0.39</b>	0.32
								<b>44.31</b>	9.24
								<b>44.70</b>	9.56
						<b>28.90</b>	28.90	<b>31.71</b>	163.66
								<b>14.58</b>	14.51
								<b>46.29</b>	178.17
								<b>3.51</b>	706.43

## ANNEXURE 'A' TO NOTES TO ACCOUNTS CONTINUED..... STATEMENT OF SEGMENTAL PERFORMANCE FOR 2015-16 (SECONDARY DISCLOSURE)

(₹ in million)

Particulars	GEOGRAPHICAL SEGMENTS					
	OUTSIDE INDIA		WITHIN INDIA		TOTAL	
	31st March 16	31st March 15	31st March 16	31st March 15	31st March 16	31st March 15
<b>SEGMENT REVENUE</b>						
External Sales	6,725.72	22,996.07	117,878.98	159,418.97	124,604.70	182,415.04
Inter-Segment sales	-	-	-	-	-	-
Total Revenue	6,725.72	22,996.07	117,878.98	159,418.97	124,604.70	182,415.04
<b>Segment Result</b>	169.12	488.96	1,187.49	852.74	1,356.61	1,341.70
<b>Segment assets</b>	760.66	1,689.22	25,007.12	53,027.29	25,767.78	54,716.51
<b>Capital expenditure</b>	-	-	0.39	0.32	0.39	0.32

## INFORMATION FORMING PART OF STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2016

PURSUANT TO PARA 5 OF PART -II OF SCHEDULE -III OF THE COMPANIES ACT, 2013  
GOODS FORMING 10% OR MORE OF THE TOTAL VALUE OF TURNOVER/ PURCHASE

### 1) RAW MATERIAL CONSUMED

(Value in ₹ million)

	2015-16	2014-15
GOLD MEDALLION	602.40	1222.05

### 2) TRADED GOODS

(Value in ₹ million)

	PURCHASES		SALES	
	2015-16 ₹	2014-15 ₹	2015-16 ₹	2014-15 ₹
GOLD	34687	34136	37807	37319
UREA	28282	77878	25305	77976

### 3) SERVICES RENDERED

(Value in ₹ million)

	2015-16 ₹	2014-15 ₹
PARCEL HANDLING CHARGES	34.52	31.83
OTHERS	262.41	14.37

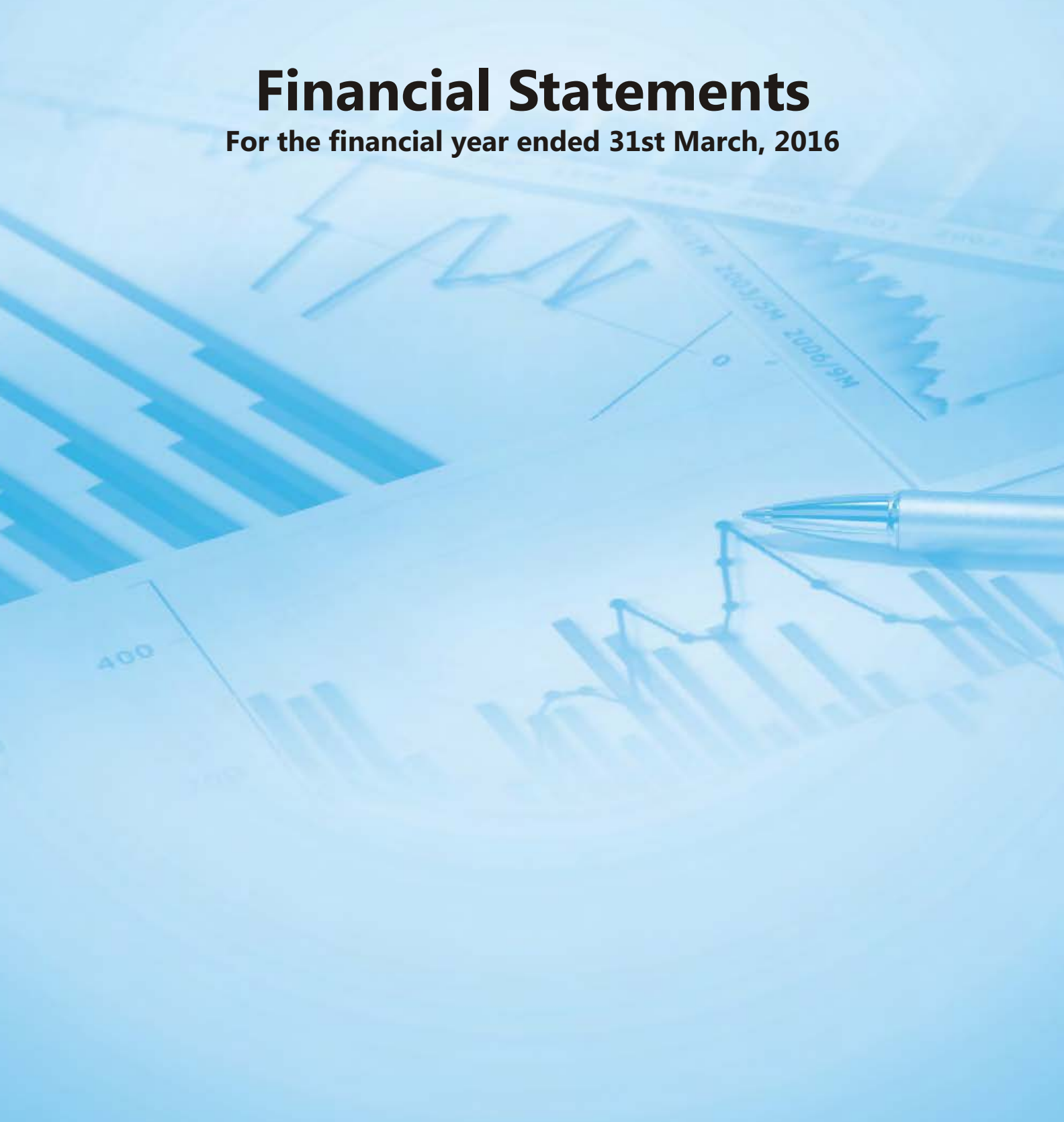


# **MMTC TRANSNATIONAL PTE LTD**

**(Incorporated in Singapore. Registration Number: 199407265M)**

## **Financial Statements**

**For the financial year ended 31st March, 2016**







## MMTC TRANSNATIONAL PTE LTD DIRECTORS' STATEMENT

### ***For the financial year ended 31 March 2016***

The Directors present their statement to the member together with the audited financial statements for the financial year ended 31 March 2016.

In the opinion of the Directors,

- (a) the financial statements as set out on pages 4 to 22 are as drawn up so as to give a true and fair view of the financial position of the Company at 31 March 2016 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  
Rajeev Jaideva  
Madan Gopal Gupta  
Anand Trivedi  
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, Price water house Coopers LLP, have expressed their willingness to accept re-appointment.

On behalf of the Directors

\_\_\_\_\_  
**Rajender Prasad**

Director

\_\_\_\_\_  
**Deepak Kumar Dua**

Director

# INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF MMTC TRANSNATIONAL PTE LTD

## Report on the Financial Statements

We have audited the accompanying financial statements of MMTC Transnational Pte Ltd (the "Company") set out on pages 4 to 22, which comprise the balance sheet as at 31 March 2016, and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility 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 Singapore Companies Act (the "Act") and Singapore Financial Reporting Standards, 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.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the

financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation of financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Company as at 31 March 2016, and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

## 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

## MMTC TRANSNATIONAL PTE LTD

### STATEMENT OF COMPREHENSIVE INCOME

#### For the financial year ended 31 March 2016

	Note	2016 US\$	2015 US\$
Revenue	3	108,278,496	248,019,455
Other income - net	4	490,015	918,931
Net currency translation gain		4,112	12,108
Expenses			
- Purchases for resale		(105,622,789)	(247,002,626)
- Freight cost		(2,244,766)	-
- Employee compensation	5	(682,590)	(850,343)
- Depreciation	12	(7,421)	(40,825)
- Rental expense - operating lease		(113,602)	(130,779)
- Bank charges		(49,867)	(97,189)
- Finance expense	6	(64,280)	(285,966)
- Other expenses	7	(300,748)	(403,296)
Total expenses		(109,086,063)	(248,811,024)
<b>(Loss)/profit before income tax</b>		<b>(313,440)</b>	139,470
Income tax credit/(expense)	8	34,830	(9,618)
<b>(Loss)/profit after tax and total comprehensive (loss)/income</b>		<b>(278,610)</b>	<b>129,852</b>

The accompanying notes form an integral part of these financial statements.

# MMTC TRANSNATIONAL PTE LTD

## BALANCE SHEET

### As at 31 March 2016

	Note	2016 US\$	2015 US\$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and bank deposits	9	<b>15,549,790</b>	15,601,440
Trade and other receivables	10	<b>5,783,598</b>	44,654,265
Other current assets	11	<b>42,966</b>	100,708
Inventories		<b>5,933</b>	5,478
		<b>21,382,287</b>	60,361,891
<b>Non-current assets</b>			
Property, plant and equipment	12	<b>8,573</b>	15,740
		<b>8,573</b>	15,740
<b>Total assets</b>		<b>21,390,860</b>	60,377,631
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	13	<b>5,868,723</b>	37,622,328
Borrowings	14	<b>155,375</b>	7,074,653
Current income tax liabilities	8	<b>1,857</b>	37,135
<b>Total liabilities</b>		<b>6,025,955</b>	44,734,116
<b>NET ASSETS</b>		<b>15,364,905</b>	15,643,515
<b>EQUITY</b>			
Share capital	16	<b>1,000,000</b>	1,000,000
Retained profits		<b>14,364,905</b>	14,643,515
<b>Total shareholder's equity</b>		<b>15,364,905</b>	15,643,515

The accompanying notes form an integral part of these financial statements.

## MMTC TRANSNATIONAL PTE LTD

### STATEMENT OF CHANGES IN EQUITY

#### For the financial year ended 31 March 2016

	Share capital US\$	Retained Profits US\$	Total US\$
<b>2016</b>			
Beginning of financial year	1,000,000	14,643,515	15,643,515
Total comprehensive loss	-	(278,610)	(278,610)
<b>End of financial year</b>	<b>1,000,000</b>	<b>14,364,905</b>	<b>15,364,905</b>
<b>2015</b>			
Beginning of financial year	1,000,000	14,513,663	15,513,663
Total comprehensive income	-	129,852	129,852
<b>End of financial year</b>	<b>1,000,000</b>	<b>14,643,515</b>	<b>15,643,515</b>

*The accompanying notes form an integral part of these financial statements.*

# MMTC TRANSNATIONAL PTE LTD

## STATEMENT OF CASH FLOWS

For the financial year ended 31 March 2016

	Note	2016 US\$	2015 US\$
<b>Cash flows from operating activities</b>			
Profit after tax		(278,610)	129,852
Adjustments for:			
Income tax (credit)/expense		(34,830)	9,618
Depreciation		7,421	40,825
Interest income		(246,235)	(274,284)
Interest expense		64,280	285,966
		(487,974)	191,977
Changes in working capital:			
Inventories		(455)	-
Trade and other receivables		38,863,116	(27,962,715)
Other current assets		57,742	47,934
Trade and other payables		(31,753,605)	29,062,507
Cash generated from operations		6,678,824	1,339,703
Income tax paid		(448)	(14,457)
<b>Net cash provided by operating</b>		<b>6,678,376</b>	<b>1,325,246</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(254)	(54,208)
Interest received		253,786	286,958
<b>Net cash provided by investing activities</b>		<b>253,532</b>	<b>232,750</b>
<b>Cash flows from financing activities</b>			
Interest paid		(64,280)	(285,966)
Proceeds from borrowings		155,375	7,074,653
Repayment of borrowings		(7,074,653)	(8,097,055)
<b>Net cash (used in) financing activities</b>		<b>(6,983,558)</b>	<b>(1,308,368)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(51,650)</b>	<b>249,628</b>
Cash and cash equivalents at beginning of financial year		15,601,440	15,351,812
<b>Cash and cash equivalents at end of financial year</b>	9	<b>15,549,790</b>	<b>15,601,440</b>

The accompanying notes form an integral part of these financial statements.

# MMTC TRANSNATIONAL PTE LTD

## NOTES TO THE FINANCIAL STATEMENTS

### For the financial year ended 31 March 2016

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 2015

On 1 April 2015, 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 (continued)

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

	2016 US\$	2015 US\$
Sale of goods	105,826,186	248,019,455
Freight income	2,452,310	-
	108,278,496	248,019,455

### 4. Other income - net

	2016 US\$	2015 US\$
Interest income		
- short-term bank deposits	246,235	274,284
- customers	45,548	211,953
	291,783	486,237
Sundry income	10,268	173,195
Demurrage, despatch and shortages	187,964	259,499
	490,015	918,931

### 5. Employee compensation

	2016 US\$	2015 US\$
Wages and salaries	431,118	574,081
Employer's contribution to defined contribution plans such as Central Provident Fund	43,738	56,293
Other benefits	207,734	219,969
	682,590	850,343

Other benefits include the rental expenses for the residential premises provided to the employees which amounted to US\$94,514 (2015: US\$90,310).

## 6. Finance expenses

	2016 US\$	2015 US\$
Interest expense:		
- trust receipts and invoice financing	27,196	67,127
- discounted bills	37,084	218,839
	<b>64,280</b>	285,966

## 7. Other expenses

	2016 US\$	2015 US\$
Demurrage, despatch and shortages	174,257	244,779
Other expenses	126,491	158,517
	<b>300,748</b>	403,296

## 8. Income taxes

### (a) Income tax expense

	2016 US\$	2015 US\$
Tax expense attributable to profit is made up of:		
Current income tax	-	9,618
Over provision in prior financial years:		
Current income tax	(34,830)	-
	<b>(34,830)</b>	9,618

	2016 US\$	2015 US\$
(Loss)/profit before income tax	(313,440)	139,470
Tax calculated at a tax rate of 17% (2015: 17%)	(53,285)	23,710
Effects of:		
Singapore statutory stepped income exemption	-	(14,398)
Income subject to a lower tax rate	-	-
Expenses not deductible for tax purposes	1,262	6,940
Income not subject to tax	(551)	(6,634)
Tax losses not recognised as deferred tax assets	52,574	-
Over provision of tax in prior financial years	(34,830)	-
	<b>(34,830)</b>	9,618

### (b) Movements in current income tax liabilities

	2016 US\$	2015 US\$
Beginning of financial year	37,135	41,974
Income tax paid	(448)	(14,457)
Tax payable on profit for current financial year	-	9,618
Over provision in prior financial years	(34,830)	-
End of financial year	<b>1,857</b>	37,135

## 9. Cash and bank deposits

	2016 US\$	2015 US\$
Cash and bank balances	228,383	192,303
Fixed deposits with banks	15,321,407	15,409,137
	<b>15,549,790</b>	15,601,440

Cash and bank deposits are denominated in the following currencies:

	2016 US\$	2015 US\$
United States Dollar	15,536,393	15,575,425
Singapore Dollar	13,397	26,015
	<b>15,549,790</b>	15,601,440

At balance sheet date, the fixed deposits bear interest rates ranging from 1.25% to 1.70% (2015: 1.40% to 1.75%) per annum with the maturity dates ranging between 12 months (2015: 9 month to 12 months).

## 10. Trade and other receivables

	2016 US\$	2015 US\$
Trade receivables:		
- third parties	205,058	986,555
- holding corporation	5,458,521	43,515,132
Interest receivable	115,686	123,237
Other receivables	4,333	29,341
	<b>5,783,598</b>	44,654,265

Trade and other receivables are denominated in the following currencies:

	2016 US\$	2015 US\$
United States Dollar	5,779,265	44,651,225
Singapore Dollar	4,333	3,040
	<b>5,783,598</b>	44,654,265

## 11. Other current assets

	2016 US\$	2015 US\$
Deposits	42,966	91,977
Prepayments	-	8,731
	<b>42,966</b>	100,708

Deposits are denominated mainly in Singapore Dollars.

## 12. Property, plant and equipment

	Leasehold improvements US\$	Furniture and fittings US\$	Computer equipment US\$	Office equipment US\$	Total US\$
<b>2016</b>					
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
<b>Net book value</b>					
<b>End of financial year</b>	<b>7,396</b>	<b>-</b>	<b>225</b>	<b>952</b>	<b>8,573</b>

	Leasehold improvements US\$	Furniture and fittings US\$	Computer equipment US\$	Office equipment US\$	Total US\$
<b>2015</b>					
Cost					
Beginning of financial year	71,910	40,537	45,534	21,503	179,484
Additions	49,484	-	2,502	2,222	54,208
End of financial year	121,394	40,537	48,036	23,725	233,692
Accumulated depreciation					
Beginning of financial year	71,910	40,243	43,568	21,406	177,127
Depreciation charge	37,159	294	2,534	838	40,825
End of financial year	109,069	40,537	46,102	22,244	217,952
<b>Net book value</b>					
<b>End of financial year</b>	<b>12,325</b>	<b>-</b>	<b>1,934</b>	<b>1,481</b>	<b>15,740</b>

## 13. Trade and other payables

	2016 US\$	2015 US\$
Trade payables:		
- third parties	<b>5,668,469</b>	37,528,178
- holding corporation	<b>40,758</b>	26,301
Accrued operating expenses	<b>58,972</b>	67,849
Advances from customers	<b>100,524</b>	-
	<b>5,868,723</b>	37,622,328

Trade and other payables are denominated in the following currencies:

	2016 US\$	2015 US\$
United States Dollar	<b>5,809,592</b>	37,543,640
Singapore Dollar	<b>59,131</b>	78,688
	<b>5,868,723</b>	37,622,328

## 14. Borrowings

	2016 US\$	2015 US\$
Short-term loan	<b>155,375</b>	7,074,653

The short term loan has a maturity of 13 days (2015: 16 days) from the balance sheet date.

The interest rate of the borrowing at the balance sheet date is 1.06% (2015: 0.85%) 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 (2015: 1,461,502) ordinary shares with

no par value, amounting to a total of US\$1,000,000 (2015: 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 2016, 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:

	2016 US\$	2015 US\$
Purchase commitments	<b>241,737</b>	9,065,253
Sales commitments	<b>245,334</b>	9,074,230

### (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:

	2016 US\$	2015 US\$
Not later than one year	<b>165,805</b>	196,909
Later than one year but not later than five years	-	161,570
	<b>165,805</b>	358,479

## 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

	2016 US\$	2015 US\$
Sales to holding corporation	<b>80,547,098</b>	183,232,469
Freight income from holding corporation	<b>2,452,310</b>	-
Purchases from holding corporation	<b>19,080,500</b>	47,256,240

### (b) Key management personnel compensation is as follows:

	2016 US\$	2015 US\$
Salaries and other short-term employee benefits	<b>367,614</b>	382,467
Post-employment benefits - contribution to defined contribution plans	<b>8,139</b>	9,351
	<b>375,753</b>	391,818

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-term borrowings under import and export financing. The Company monitors market interest rates closely to ensure that favourable interest rates are secured. At balance sheet date, as the short-term borrowings has a fixed interest rate, the Company has minimal exposure to interest rate risk.

**(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 amortised cost are as follows:

	2016 US\$	2015 US\$
Loans and receivables	21,376,354	60,347,682
Financial liabilities at amortised cost	5,923,574	44,696,981

**21. New or revised accounting Standards and Interpretations**

Certain new standards, amendments and interpretations to existing standards have been published and are mandatory for the Company's accounting periods beginning on or after 1 April 2016. The Company does not expect that adoption of these accounting standards or interpretations will have a material impact on the Company's financial statements.

**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 on 20th May 2016.



# Consolidated Financial Statements

For the financial year ended 31st March, 2016







## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF MMTCL LIMITED

#### Report on Consolidated Financial Statement

We have audited the accompanying consolidated financial statements of MMTCL Limited (herein after referred to as "The Holding Company") its subsidiaries and (the Holding Company and its subsidiaries together referred to as "the Group"), associate and jointly controlled entities, which comprise the Consolidated Balance Sheet as at 31st March 2016, the consolidated statement of Profit and Loss, the consolidated Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "the consolidated financial statements")

#### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated financial cash flows of the group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014. The respective Board of Directors of the Company included in the group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal and financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material mis-statements, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated 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 thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated 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 financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. 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 financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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, of the consolidated state of affairs of the Group and its jointly controlled entities as at 31st March, 2016, and their consolidated loss and their consolidated cash flows for the year ended on that date.

#### Emphasis of matter

- a. We draw attention to Note No. 30 to the consolidated financial statement in respect of write back of provision towards diminution in the value of shares in ICEX amounting to Rs. 241.10 million subsequent to sale of its investment on profit and subscription of right issue of the shares of ICEX.
- b. We draw attention to Note No. 16 (ii) (b) to the consolidated financial statement in respect of recognition of interest income amounting to Rs. 389.90 million from the retained amount of Rs. 609.90 million. The amount was retained during 2014-15 out of export proceeds of "Wheat A/c-FCI".
- c. We draw attention to Note No. 18 (i) (c) and Note No. 26 to the consolidated financial statement in respect of fund based and non-fund based exposure of the company in Neelachal Ispat Nigam Limited.
- d. We draw attention to Note No. 27 to the consolidated financial statements in respect of non provision of liability, if any, in case of non-extension of time/waiver/write off of GR-1 forms.
- e. We draw attention to Note No. 33 to the consolidated financial statements in respect of Balances under Sundry Debtors/claims Recoverable/Loans & Advances/Sundry Creditors/ Other Liabilities which, in many cases have not been confirmed and consequent reconciliation/ adjustments if any, required upon such confirmation are not ascertainable.

Our opinion is not modified in respect of these matters.

#### Other Matters

We did not audit the financial statements/financial information of one subsidiary and six jointly controlled entities, whose financial statements/financial information reflect total assets of INR 4,990.57 million as at March 31, 2016, total revenues of INR 71,216.29 Million and Net

Cash Flow amounting to INR (1,483.25) Million for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statement also includes the Group's share of net loss of INR 1,665.28 Million for the year ended 31st March 2016, as considered in the financial statements of 31st March 2016, in respect of one associate whose financial statements/ financial information has not been audited by us. These financial statements/financial information have been audited by some other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statement, in so far as it relates to the amounts and disclosures included in respect of the subsidiaries, joint controlled entities and associates, 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, jointly controlled entities and associates, is based solely on the report of the other auditors.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company, its subsidiaries and jointly controlled companies incorporated in India, we give in the Annexure-1 a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account

maintained for the purpose of preparation of the consolidated financial statements.

- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 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, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose the impact of pending litigation on the consolidated

financial statements of the group, its associated and jointly controlled entities in under note 18 to the Consolidated Financial Statement.

- ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiary and jointly controlled companies incorporated in India.
3. 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**"

**For O.P. Tulsyan & Company**

Chartered Accountants

FRN: 500028N

Rakesh Agarwal

Partner

Mem. No.: 081808

Place : New Delhi

Date : 27.05.2016

## Annexure-1 to the Independent Auditor's Report on the Consolidated Financial Statements of MMTC LTD. (Referred to in Paragraph 1 under the "Other Legal & Regulatory Requirement")

We further report that:

### 1. In Respect of 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 immoveable property are held in the name of the company except in the cases mentioned below:

Company	Asset Description	Gross Value	Remarks
MMTC Ltd.	Land at Delhi	13,16,521	Lease Agreement is in Joint Name with State Trading Corporation
MMTC Ltd.	Office Building at Delhi	3,26,37,459	Ownership Document not available
MMTC Ltd.	Leasehold Land	1,10,71,815	Ownership Document not available
MMTC Ltd.	Residential Building, Roads, Culverts & Electrical Installation	1,16,32,036	Lease deed expired in 2011

### 2. In Respect of Inventory

- i. As explained to us, the inventories have been physically verified during the year by the management.
- ii. As 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 strengthened in relation to the size of the MMTC Limited and the nature of its business.

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

The company has granted unsecured loan to one of its associate companies, 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, there is no agreement entered with the company for granting loan, hence we are unable to comment upon.
- iii. Since there is no agreement between the company and the borrower, we are unable to comment upon overdue amount. However, out of the total loan amount of ₹9,282.90 Million as on 31st March 2016, ₹1,300.00 Million was due on 31 March 2016, still remains due.

### 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

- i. 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.
- ii. 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 2016 for more than six months from the date they became payable.
- iii. 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 attached as 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 except in case of an associate as reported by the other

auditors, as given below:

**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). Also, the Company (MMTC Ltd.) has not availed any term loans during the current or earlier years.

(Amount in ₹)

Sl. No.	Name of the Bank	Interest	Principle	Total
1	State Bank of India	4,76,75,715	2,44,01,000	7,20,76,715
2	Oriental Bank of Commerce	-	4,68,750	4,68,750
3	Union Bank of India	2,25,49,781	32,00,000	2,57,49,781
4	Indian Bank	-	12,50,000	12,50,000
5	Allahabad Bank	5,16,14,214	33,49,000	5,49,63,214
6	Central Bank of India	1,44,80,758	16,50,000	1,61,30,758
7	Dena Bank	2,01,95,556	30,66,667	2,32,62,223
8	State Bank of Hyderabad	44,18,871	4,90,570	49,09,441
9	State Bank of Mysore	6,32,000	3,69,624	1,001,624
	<b>TOTAL</b>	<b>16,15,66,895</b>	<b>3,82,45,611</b>	<b>19,98,12,506</b>

**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 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

**Rakesh Agarwal**

Partner

Mem. No.: 081808

Date : 27.05.2016

Place : New Delhi

## Annexure "A" to Clause 7 (iii) of Annexure 1 to Independent Auditors' Report on the Consolidated 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	26,04,882	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	48,25,144	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	34,54,07,691	Commissioner of customs

### Bengaluru Region

Nature of Statute	Nature of Dues	Year	Amount	Authority
Service Tax	Service Tax	Not Mention	10,26,502	

### 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

Nature of Statute	Nature of Dues	Year	Amount	Authority
Central Sale Tax,1956	CST/LST/Interest Penalty	2002-03	37,45,290	Commissioner, DVAT
LST	LST	1984-85	11,65,303	D.C. Appeal
LST/CST	LST/CST	1986-87	6,57,32,207	Additional Commissioner
LST/CST	LST/CST	1987-88	4,31,86,549	Additional Commissioner
LST/CST	LST/CST	1988-89	4,02,96,672	Additional Commissioner
LST	LST	1989-90	61,87,340	Additional Commissioner
LST	LST	1990-91	22,23,198	Additional Commissioner
UP-LST/CST	LST/CST	1990-91	6,17,588	Moradabad, Allahabad High Court
UP-LST	LST	1991-92	4,70,578	Moradabad, Allahabad High Court
UP-LST	LST	1992-93	2,64,037	Moradabad, Allahabad High Court
UP-LST	LST	1994-95	1,95,000	Sale Tax Authorities
UP-LST	LST	1993-94	1,85,100	Moradabad, Allahabad High Court
UP-VAT	VAT	1987-88	16,35,160	Kanpur, Joint Commissioner
UP-VAT	VAT	1993-94	9,21,383	Commissioner, UP-VAT
UP-VAT	VAT	1996-97	12,23,616	Commissioner, UP-VAT
UP-VAT	Interest Penalty	2007-08	2,49,828	Commissioner, UP-VAT
Haryana-VAT	LST	1992-93	4,24,587	Faridabad, Punjab & Haryana High Court, Chandigarh
MP-VAT	LST	1999-00	1,50,004	Sale Tax Authority, Indore
MP-VAT	LST	1998-99	47,30,692	Assessing Authority, Indore
Custom & Central Excise	Custom Duty & Interest	1999-2000	2,72,67,919	Pending before Hon'ble High Court as per Direction of Supreme Court
Custom & Central Excise	Custom Duty	2006-07	2,00,00,000	Dy. Commissioner of Customs
Custom & Central Excise	Custom Duty	2007-08	1,50,50,000	Dy. Commissioner of Customs
Custom & Central Excise	Custom Duty	2008-09	61,80,000	Dy. Commissioner of Customs
Custom & Central Excise	Custom Duty	2009-10	61,80,000	Dy. Commissioner of Customs
Custom & Central Excise	Excise Tax/Interest	2010-11	18,20,878	Commissioner of Central Excise
Custom & Central Excise	Excise Tax/Interest	2011-12	19,13,53,780	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	1995-96	38,03,875	STAT, VIZAG
CST	CST	1995-96	5,97,266	STAT, VIZAG
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	1996-97	28,80,309	STAT, VIZAG
CST	CST	1996-97	21,34,306	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
		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	2005-2006	11,31,000	Appellate Board
Sale Tax Law	Sale Tax	2006-07	77,61,000	Appellate Board
Sale Tax Law	Sale Tax	2012-13	78,62,000	Appellate Board
Sale Tax Law	West Bengal Vat	2012-13	4,000	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	1999-2000	26,07,605	Rajasthan Kar Board, Ajmer
Rajasthan Sale Tax Act	Sale Tax	2010-11	3,26,47,269	Rajasthan Kar Board
Central Sale Tax, 1956	Central Sale Tax, 1956	2010-11	59,92,494	Rajasthan Kar Board
Sale Tax	Turnover Tax	2003-04	5,32,992	High court
Rajasthan Value Added Tax	Value Added Tax	2012-13	68,16,652	Rajasthan Kar Board
Central Sale Tax, 1956	Central Sale Tax, 1956	2012-13	11,63,461	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
CST	CST	1995-96	48,62,340	STAT,VIZAG
CST	CST	1996-97	33,58,889	STAT,VIZAG
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

## Bhubaneshwar 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	Addl. Commissioner, Sale Tax, Odisha
Central Sale Tax, 1956	Central Sale Tax, 1956	2013-14	58,07,05,822	Addl. Commissioner, Sale Tax, Odisha
Excise Tax	Excise Tax	2013-14	52,63,10,091	Addl. Commissioner, Sale Tax, Odisha
Central Excise Act	Service Tax	2003-05	4,31,95,232	Customs Excise & Service Appellate Tribunal
Central Excise Act	Service Tax	2003-07	16,89,46,005	Customs Excise & Service Appellate Tribunal
Central Excise Act	Service Tax	2007-08	3,86,83,266	Customs Excise & Service Appellate Tribunal
Central Excise Act	Service Tax	2008-10	8,30,10,407	Customs Excise & Service Appellate Tribunal
Central Excise Act	Service Tax	2010-11	4,29,51,068	Commissioner of customs Excise & Service Tax, Bhubaneswar
Central Excise Act	Service Tax	2011-12	4,16,55,475	Commissioner of customs Excise & Service Tax, Bhubaneswar

## Bhubaneswar Region

Nature of Statute	Nature of Dues	Year	Amount	Authority
Central Excise Act	Service Tax	2009-12	33,92,04,060	Commissioner of customs Excise & Service Tax, Bhubaneswar
Central Excise Act	Service Tax	2009-11	77,56,072	Commissioner of customs Excise & Service Tax, Bhubaneswar
Central Excise Act	Service Tax	2012-13	37,60,319	Commissioner of customs Excise & Service Tax, Bhubaneswar
Central Excise Act	Service Tax	2012-13	3,51,01,874	Commissioner of customs Excise & Service Tax, Bhubaneswar
Central Excise Act	Service Tax	2013-14	4,91,261	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	2010-11	6,30,93,790	CIT(A)
Income tax Act	Income tax Act	1996-97	3,57,24,124	AO
Income tax Act	Income tax Act	2012-13	3,54,64,842	CIT(A)
Income tax Act	Income tax Act	2009-10	2,31,80,210	CIT(A)
Income tax Act	Income tax Act	1993-94	5,61,821	ITAT
Income tax Act	Income tax Act	1996-97	11,46,01,858	ITAT
Income tax Act	Income tax Act	1997-98	1,02,93,042	ITAT
Income tax Act	Income tax Act	1999-00	2,60,66,476	ITAT
Income tax Act	Income tax Act	2000-01	1,84,63,021	ITAT
Income tax Act	Income tax Act	2001-02	1,17,65,008	ITA/High Court
Income tax Act	Income tax Act	2002-03	73,04,915	ITAT
Income tax Act	Income tax Act	2003-04	11,16,907	ITAT
Income tax Act	Income tax Act	2004-05	4,19,85,746	ITAT
Income tax Act	Income tax Act	2005-06	7,81,432	AO
Income tax Act	Income tax Act	2006-07	42,08,767	AO
Income tax Act	Income tax Act	2007-08	73,50,191	AO
Income tax Act	Income tax Act	2008-09	22,10,119	AO
Income tax Act	Income tax Act	2009-10	1,19,38,236	ITAT
Income tax Act	Income tax Act	2010-11	9,08,20,808	CIT(A)
Income tax Act	Income tax Act	2011-12	10,60,88,129	CIT(A)

### Neelachal Ispat Nigam Limited

Nature of Statute	Nature of Dues	Year	Amount	Authority
OST, CST, VAT & Entry Tax	Sale Tax	1998-99 to 2005-06	2139.11	Orissa Sale Tax Tribunal
CST	Sale Tax	2003-04	21.42	Assistant Commissioner, Sale Tax (Appeal)
Central Excise Duty	Excise Duty	2005-06	1.20	CESTAT
Customs Duty	Customs Duty	2000-01	112.37	Commissioner of Central Excise, customs & Service Tax
Central Excise Duty	Excise Duty	2005-06 to 2015-16	24,968.36	Commissioner of Central Excise, customs & Service Tax
Income Tax	TDS	2006-07 to 2013-14	258.93	Dy. Commissioner of Income Tax (TDS)
	<b>Total</b>		<b>27,501.39</b>	

## Annexure-2 to the Independent Auditor's Report of even date on the Consolidated 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, 2016, in conjunction with our audit of the consolidated 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 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 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 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 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, its associate 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, 2016, 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 insofar as it relates to one associate company and 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 & Company**

Chartered Accountants

FRN: 500028N

**Rakesh Agarwal**

Partner

Mem. No.: 081808

Place : New Delhi

Date : 27.05.2016

## MANAGEMENT'S REPLY TO AUDITORS OBSERVATIONS IN THE AUDIT REPORT ON CONSOLIDATED FINANCIAL STATEMENTS FOR 2015-16

AUDITOR'S OBSERVATION		MANAGEMENT'S REPLY
	<b>Emphasis of Matter</b>	
a.	We draw attention to Note No. 30 to the consolidated financial statement in respect of write back of provision towards diminution in the value of shares in ICEX amounting to ₹241.10 million subsequent to sale of its investment on profit and subscription of right issue of the shares of ICEX.	Refer to the reply in respect of observation on Standalone Financial statements.
b.	We draw attention to Note No. 16 (ii) (b) to the consolidated financial statement in respect of recognition of interest income amounting to ₹389.90 million from the retained amount of ₹609.90 million. The amount was retained during 2014-15 out of export proceeds of "Wheat A/c- FCI".	Refer to the reply in respect of observation on Standalone Financial statements.
c.	We draw attention to Note No. 18 (i) (c) and Note No. 26 to the consolidated financial statement in respect of fund based and non-fund based exposure of the company in Neelachal Ispat Nigam Limited.	Refer to the reply in respect of observation on Standalone Financial statements.
d.	We draw attention to Note No. 27 to the consolidated financial statements in respect of non provision of liability, if any, 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.
e.	We draw attention to Note No. 33 to the consolidated financial statements in respect of Balances under Sundry Debtors/claims Recoverable/Loans & Advances/Sundry Creditors/Other Liabilities which, in many cases have not been confirmed and consequent reconciliation/adjustments if any, required upon such confirmation are not ascertainable.	Refer to the reply in respect of observation on Standalone Financial statements.

AUDITOR'S OBSERVATION				MANAGEMENT'S REPLY	
<b>Annexure-1 to Independent Auditor's Report</b>					
1(iii)	Title Deeds of immovable property are held in the name of the company except in the cases mentioned below:			Refer to the reply in respect of observation on Standalone Financial statements.	
	<b>Region/ Office</b>	<b>Asset Description</b>	<b>Gross Value (₹)</b>		<b>Remarks</b>
	Corporate Office	Land at Delhi	13,16,521		Lease Agreement is in Joint Name with State Trading Corporation
	Corporate Office	Office Building at Delhi	3,26,37,459		Ownership Document not available
	Corporate Office	Leasehold Land	1,10,71,815		Ownership Document not available
	Bhubaneswar	Residential Building, Roads, Culverts & Electrical Installation	1,16,32,036		Lease deed expired in 2011
2(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 strengthened in relation to the size of the MMTC Limited and the nature of its business.			Refer to the reply in respect of observation on Standalone Financial statements.	
3	<p>The company has granted unsecured loan to one of its associate companies, M/s Neelachal Ispat Nigam Limited.</p> <p>(ii) According to the information and explanation given to us, there is no agreement entered with the company for granting loan, hence we are unable to comment upon.</p> <p>(iii) Since there is no agreement between the company and the borrower, we are unable to comment upon overdue amount. However, out of the total loan amount of ₹9,282.90 Million as on 31st March 2016, ₹1,300.00 Million was due on 31 March 2016, still remains due.</p>			Refer to the reply in respect of observation on Standalone Financial statements.	

## Consolidated Balance Sheet as at 31-03-2016

(₹ in million)

	Note No.	AS AT 31-03-2016		AS AT 31-03-2015	
<b>EQUITY AND LIABILITIES</b>					
<b>SHAREHOLDERS' FUNDS</b>					
Share Capital	3.1	1000.00		1000.00	
Reserves & Surplus	3.2	11133.18	12133.18	12643.09	13643.09
<b>MINORITY INTEREST</b>					
SHARE APPLICATION MONEY PENDING ALLOTMENT	3.3		40.00		
<b>NON-CURRENT LIABILITIES</b>					
Long-term borrowings	4.1	135.65		501.72	
Other Long term liabilities	4.2	261.26		270.61	
Long-term provisions	4.3	1792.77	2189.68	1774.17	2546.50
<b>CURRENT LIABILITIES</b>					
Short-term borrowings	5.1	4530.19		3862.85	
Trade payables	5.2	9388.27		33017.74	
Other current liabilities	5.3	9480.09		8764.05	
Short-term provisions	5.4	1132.29	24530.84	1167.40	46812.04
<b>Total</b>			<b>38893.70</b>		63001.63
<b>ASSETS</b>					
<b>NON-CURRENT ASSETS</b>					
Fixed Assets	6.1				
Tangible assets	6.1.1	1164.67		1169.47	
Intangible assets	6.1.2	8.60		50.55	
Capital Work-in-progress	6.1.3	1725.57		1534.60	
Non-current investments	6.2	941.95		2625.72	
Deferred tax assets (net)	6.3	2243.89		2233.31	
Long-term loans and advances	6.4	1401.89		1298.60	
Other non-current assets	6.5	33.93	7520.50	12.49	8924.74
<b>CURRENT ASSETS</b>					
Current investments	7.1	2.60		128.81	
Inventories	7.2	4430.56		3338.22	
Trade receivables	7.3	8320.61		30436.35	
Cash and Bank Balances	7.4	1888.88		4181.49	
Short-term loans and advances	7.5	13186.46		12788.23	
Other current assets	7.6	3544.09	31373.20	3203.79	54076.89
<b>Total</b>			<b>38893.70</b>		63001.63
<b>SIGNIFICANT ACCOUNTING POLICIES</b>					
	2				

The accompanying notes form an integral part of the consolidated financial statements.

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. 81808

**(G. Anandanarayanan)**

Assistant Company Secretary

**(P K Jain)**

Director

DIN: 6594855

**For and on behalf of Board of Directors**

**(Vijay Pal)**

Chief General Manager (F&A)

**(Ved Prakash)**

Chairman and Managing Director

DIN: 02988628

**(M G Gupta)**

Director (Finance) & CFO

DIN: 02200405

Date: 27.05.2016

Place: New Delhi



## Consolidated Statement of Profit and Loss for the year ended 31 March, 2016

(₹ in million)

	Note No.	AS AT 31-03-2016		AS AT 31-03-2015	
<b>INCOME</b>					
Revenue from operations	8	<b>187895.93</b>		239316.42	
Other Income	9	<b>1706.41</b>	<b>189602.34</b>	1449.06	240765.48
Total Revenue			<b>189602.34</b>		240765.48
<b>EXPENSES</b>					
Cost of materials consumed	10	<b>602.40</b>		1222.05	
Purchases of Stock-in-Trade	11	<b>178217.93</b>		225268.38	
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	12	<b>(1,086.00)</b>		(340.99)	
Employee benefits expense	13	<b>2136.87</b>		2020.96	
Finance costs	14	<b>503.04</b>		391.01	
Depreciation and amortization expense		<b>106.13</b>		237.29	
Other expenses	15	<b>9034.80</b>	<b>189515.17</b>	11147.84	239946.54
<b>Total expenses</b>			<b>189515.17</b>		239946.54
<b>Profit before exceptional, extraordinary items and tax</b>			<b>87.17</b>		818.94
Exceptional Items ((Income)/Expense)	16		<b>(649.70)</b>		(230.56)
<b>Profit before extraordinary items and tax</b>			<b>736.87</b>		1049.49
Extraordinary Items ((Income)/Expense)	17		-		-
<b>Profit before tax</b>			<b>736.87</b>		1,049.49
Tax expense:					
Current tax					
Provision for Taxation			<b>61.00</b>	154.59	
Earlier year			<b>(5.08)</b>	(17.01)	
MAT			<b>(14.00)</b>	-	
Deferred tax			<b>(14.83)</b>	(17.41)	
Share of interest in Joint Ventures			<b>45.76</b>	152.03	2 72.20
<b>Profit before minority interest/share of associates</b>			<b>664.02</b>		7 77.29
<b>Interest in share of profit/(loss) from associate</b>					
Share in net profit/(loss) of associate			<b>(1,665.28)</b>	(1,158.23)	
Less: Goodwill amortised (Associate)			<b>43.83</b>	43.83	(1,202.07)
<b>Net profit/(loss) for the year</b>			<b>(1,045.09)</b>		(424.78)
<b>Profit/(Loss) attributable to:</b>					
Owners of the company			<b>(1,045.09)</b>		(424.78)
Minority Interests			-		-
			<b>(1,045.09)</b>		(424.78)
<b>Earnings per equity share of nominal value of ₹1/- each</b>					
Basic (in ₹)			<b>(1.05)</b>		(0.42)
Diluted (in ₹)			<b>(1.05)</b>		(0.42)
<b>SIGNIFICANT ACCOUNTING POLICIES</b>	<b>2</b>				

The accompanying notes form an integral part of the consolidated financial statements.

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. 81808

Date: 27.05.2016  
Place: New Delhi

**For and on behalf of Board of Directors**

**(G. Anandanarayanan)**  
Assistant Company Secretary

**(P K Jain)**  
Director  
DIN: 6594855

**(Vijay Pal)**  
Chief General Manager (F&A)

**(Ved Prakash)**  
Chairman and Managing Director  
DIN: 02988628

**(M G Gupta)**  
Director (Finance) & CFO  
DIN: 02200405

## Consolidated Cash Flow Statement for the year ended 31-03-2016

(₹ in million)

	For the year ended 31-03-2016		For the year ended 31-03-2015	
<b>A. Cash flows from operating activities</b>				
<b>Profit before Tax &amp; Extra ordinary items</b>		736.87		1,049.49
Adjustment for :				
Loss on valuation of inventories	1.14		141.14	
Depreciation & amortisation expense	106.13		237.29	
Net Foreign Exchange (gain)/loss	(155.72)		37.72	
(Profit) /Loss on sale of Tangible Assets	(0.83)		(0.32)	
(Profit) /Loss on sale of Investment	(100.00)		-	
Interest income	(1,265.46)		(1,011.81)	
Dividend income	(124.45)		(71.74)	
Finance Costs	503.04		391.01	
Debts/claims written off	0.97		299.96	
Capital WIP written off	-		65.79	
Provision for doubtful Debts /Loans & Advances	2.80		12.36	
Provision no longer Required	(247.04)		(698.29)	
Liabilities Written Back	(79.97)		(87.38)	
Provision for DWA risk	0.47	(1,358.93)	0.67	(683.59)
		(622.06)		365.90
<b>Changes in assets &amp; liabilities</b>				
Inventories	(1,093.48)		(310.99)	
Trade Receivables	22,111.98		(12,622.04)	
Loans & Advances	(515.53)		(6,534.24)	
Other current & non current assets	(460.44)		2,887.50	
Trade payables	(23,462.47)		18,010.70	
Other liabilities	794.28		(3,269.36)	
Provisions	197.10	(2,428.57)	246.85	(1,591.59)
		(3,050.62)		(1,225.69)
Taxes Paid		(160.74)		(551.24)
Net cash flows from operating activities		(3,211.36)		(1,776.93)
<b>B. Cash flows from Investing Activities</b>				
Purchase of fixed assets	(307.62)		(234.70)	
Sale of Investment	200.13		-	
Sale of tangible Assets	12.78		0.67	
Interest received	1,265.46		1,011.81	
Dividend Received	124.45	1,295.20	71.74	849.52
Net cash flows from investing activities		1,295.20		849.52
<b>C. Cash flows from financing activities</b>				
Borrowings	301.27		(1,214.58)	
Finance Costs	(503.04)		(391.01)	
Dividend (inclusive of tax) paid	(300.89)	(502.66)	(175.49)	(1,781.08)
<b>Net cash flows from Financing Activities</b>		(502.66)		(1,781.08)
<b>Net increase/(decrease) in Cash &amp; Cash Equivalents</b>		(2,418.82)		(2,708.49)
<b>Opening Balance of Cash &amp; Cash Equivalents</b>		4,310.30		7,018.79
<b>Closing Balance of Cash &amp; Cash Equivalents</b>		1,891.48		4,310.30

**Note:**

1. Figures for the previous year have been regrouped wherever considered necessary.
2. Cash and Cash equivalents consists of cash and bank balance & deposits with banks and short term investment with maturity of less than three months.

	As at the end of	
	2015-16	2014-15
<b>A. Cash and cash equivalents</b>		
(a) Cheques, drafts on hand	-	0.99
(b) Cash on hand	0.32	0.08
(c) Balances with Banks		
- in current account	24.83	56.32
- in cash credit account (debit balance)	328.24	1,005.19
- term deposit with original maturity up to 3 months	97.79	221.80
- short term investment with maturity of less than 3 months	2.60	128.81
<b>B. Others other Balances with Bank</b>		
- As Margin money/under lien	-	-
- in term deposits with original maturity more than 3 months and upto 12 months	1,364.88	1,330.49
- in term deposits with original maturity more than 12 months	0.14	0.13
<b>C. Share of interest in Joint Ventures</b>	72.68	1,566.49
<b>Total</b>	<u>1,891.48</u>	<u>4,310.30</u>

As per our report of even date attached

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

**For and on behalf of Board of Directors**

**(CA. Rakesh Agarwal)**  
Partner  
M. No. 81808

**(G. Anandanarayanan)**  
Assistant Company Secretary

**(Vijay Pal)**  
Chief General Manager (F&A)

**(M G Gupta)**  
Director (Finance) & CFO  
DIN: 02200405

Date: 27.05.2016  
Place: New Delhi

**(P K Jain)**  
Director  
DIN: 6594855

**(Ved Prakash)**  
Chairman and Managing Director  
DIN: 02988628

# ACCOUNTING POLICIES AND NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2016

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 India, and 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 10 regional offices at various places in India and a wholly owned subsidiary MMTC Transnational Pte Ltd. (MTPL), Singapore.

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

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

## 2. SIGNIFICANT ACCOUNTING POLICIES:

### 2.1. BASIS OF PREPARATION OF FINANCIAL STATEMENT

The Financial Statements have been prepared as of a going concern on historical cost convention and in accordance with the mandatory Accounting Standards notified by the Companies (Accounting Standards) Rules 2006, transitional provisions with respect to Accounting Standards of Companies (Accounts) Rules 2014 and the provisions of the Companies Act, 2013.

### 2.2. PURCHASES AND SALES

a. Purchases and sales are booked on performance of the contract/agreement entered into with the sellers/buyers or against allocation letter received from government.

Wherever there is part performance of such contract/agreement/allocation, the part completed is booked as Purchase/Sale.

- b. 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.
- c. Gold/Silver received under deposit:-
  - i. Purchases include gold/silver withdrawn from Deposit 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 under deposit 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 shown as prepaid expenses.
  - iii. Gold/silver withdrawn on loan basis from the Gold/Silver under deposit, are shown as loan given to customers and shown under Loans and Advances. The corresponding liability towards the stocks received from foreign suppliers is shown under Sundry Creditors. Loan/Sundry Creditors are adjusted when purchase and sales are booked.
  - iv. 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.

- d. 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 favor of buyer before the goods cross the custom frontiers of India.
- e. Purchase/Sale is booked in respect of trade done through commodity exchange like National Spot Exchange which is backed by physical delivery of goods.
- f. In respect of exports of Iron Ore/Manganese Ore where final sale value is ascertained on the basis of destination weight and analysis results and such results are awaited, provision towards DWA risk is made @ 1% on the provisional sale value. In case of FOBT supplies where DWA risk on the purchase value is to the account of supplier provision @1% is made on the difference between sale value and purchase value.
- g. Pending settlements, certain expenses/ gain/loss like dispatch earned/demurrage payable etc. are accounted for on provisional basis.

### 2.3. REVENUE RECOGNITION

- a) 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 AS - 9 issued by ICAI:-
  - i. Tax credit, duty credit authorization under Target Plus scheme, REP/Advance Licenses, Service Tax refund, etc.
  - ii. Decrees pending for execution/contested dues and interest thereon, if any:
  - iii. Interest on overdue recoverables where realisability is uncertain.
  - iv. Liquidated damages on suppliers/underwriters, refund of custom duty on account of survey shortage, and refund of income-tax/sales-tax/VAT and interest thereon.
- b) Insurance claims are accounted for upon being accepted by the insurance company.

- c) Claims are recognized in the Profit & Loss Account 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 Profit & Loss Account.

### 2.4. PREPAID EXPENSES

Prepaid expenses upto ₹10,000/- in each case are charged to revenue. Deposits upto ₹5,000/- in each case with Government Department, Statutory Corporations, Electricity Boards and Local Bodies are also charged off to revenue.

### 2.5. FIXED ASSETS

- (a) All fixed assets are stated at historical cost less accumulated depreciation and any impairment in value.
- (b) The Company's expenditure toward construction/development of assets on land owned by the Government/Semi Government Authorities is capitalized under heading "Fixed Assets created on Land and neither the Fixed Assets nor the Land belongs to the Company".
- (c) Cost of office land/building/flats/culverts, sewerage and drainage are accounted for provisionally where final bills are yet to be received or asset is under construction/execution of lease deed is pending.

### 2.6. 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. Depreciation on assets acquired/disposed during the year is provided from/up to the date acquisition/disposal. Depreciation includes amortization of Intangible Assets and lease-hold Assets. The residual value of all the assets is taken as ₹1/-. The useful lives of the assets are taken as under:

	Name of Assets	Useful life as adopted by the company	Useful life as provided in Schedule II
<b>A.</b>	<b>General Assets</b>		
	Furniture & Fittings	10	10
	Office Equipment	5	5
	<b>Vehicles</b>		
	Scooter	10	10
	Car	8	8
	<b>Computers</b>		
	Servers and networks	6	6
	End user devices	3	3
	Lease-hold Land	As per Lease Agreement	
	Wagon Rakes	As per Agreement/Wagon Investment Scheme	
	Electronic installations excluding fans	10	10
	Water Supply, Sewerage and Drainage	5	5
	<b>Roads</b>		
	Carpeted Roads - RCC	10	10
	Carpeted Roads - Other than RCC	5	5
	Non Carpeted Roads	3	3
	Culverts	30	30
	<b>Buildings</b>		
	RCC	60	60
	Other than RCC	30	30
	<b>Residential Flats (Ready Built)</b>		
	RCC	60	60
	Other than RCC	30	30
	Temporary Structure & wooden partition	3	3
	Warehouse / Godown	30	30
<b>B.</b>	<b>Manufacturing Unit's Assets</b>		
	Factory Buildings	30	30
	Electronic installations excluding fans	10	10
	Water Supply, Sewerage and Drainage	5	5
	Plant and Machinery		
	Single Shift	15	15
	Double Shift	10	10
	Triple Shift	7.5	7.5
	Plant and Machinery -		
	Continuous (Wind Mill)	22	22
<b>C.</b>	<b>Fixed Assets created on Land and neither the Fixed Assets nor the Land belongs to the Company</b>	5	-
<b>D.</b>	<b>Intangible Assets</b>		
	Computer Software	5	Over the useful life of the asset (As per AS 26)
<b>E.</b>	<b>Certain items of small value like Calculators, Wall Clock, Kitchen Utensils and other consumables whose useful life is very limited are directly charged to revenue in the year of purchase. Similarly, the costs of mobile handsets are also charged to revenue since the same is reimbursed to officials as per their entitlement, against purchase by the officials in their own name which are not returned to the Company.</b>		
<b>F.</b>	<b>From the date Schedule II came into effect, the carrying amount of an asset is depreciated over the remaining useful life of the asset as per Schedule II. Wherever, the remaining useful life of an asset is NIL, the carrying amount is recognized in the opening balance of retained earnings after retaining the residual value.</b>		
<b>G.</b>	<b>Goodwill is amortized over a period of five years.</b>		

## 2.7. INVESTMENTS

- a. Long term investments are valued at cost less provision for permanent diminution in value.
- b. Current investments are valued at lower of cost and fair value.

## 2.8. FOREIGN CURRENCY TRANSACTIONS

- i. Transactions with rupee payment countries in respect of non-convertible Indian currency are being treated as foreign exchange transactions.
- ii. Foreign currency monetary items (except overdue recoverable where realisability is uncertain) are converted using the closing rate as defined in the AS-11 issued by the Institute of Chartered Accountants of India. Non-monetary items are reported using the exchange rate at the date of the transaction. The exchange difference gain/loss is recognized in the Profit and Loss account.
- iii. Liability in foreign currency relating to acquisition of fixed assets is converted using the closing rate as defined in AS 11 issued by the Institute of Chartered Accountants of India. The difference in exchange is recognized in the Profit & Loss Account.
- iv. In respect of forward exchange contracts, the premium / discount and loss/gain will be recognized as under:-
  - a. In respect of forward exchange contracts against existing underlying transactions, the premium / discount is recognized proportionately over the life of the contract. The loss/gain due to difference in exchange rate between (i) closing rate or the rate on the date of settlement if the transaction is settled during the year, and (ii) the exchange rate at later of the date of the inception of the forward contract or the last reporting date is recognized in the Profit & Loss Account for the year.
  - b. In respect of forward contracts relating to firm commitments and highly probable forecast transactions, loss due to exchange difference is recognized in the Profit & Loss Account in the reporting period in which the exchange rate changes. Any profit or loss arising on renewal or cancellation of such contracts is recognized as income or expense for the period.

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

## 2.9. SEGMENT REPORTING

Primary Segment: The management evaluates the company's performance and allocates the resources based on analysis of various performance indicators by the following business segments / Product segments i.e.

- i. Precious Metals
- ii. Metals
- iii. Minerals
- iv. Coal & Hydrocarbon
- v. Agro Products
- vi. Fertilizer
- vii. General Trade/others.

Above Business Segments have been identified in line with AS-17 "Segment Reporting" taking into account the company's organizational structure as well as different risks and returns of these segments.

Secondary Segment: Secondary Segments have been identified based on the geographical location of the customer of the company i.e.

- i. Outside India
- ii. Within India (including high sea sales to customers in India)

## 2.10. EMPLOYEE BENEFITS

- i. Provision for gratuity, leave encashment/availment and long service benefits i.e. service award, compassionate gratuity and employees' family benefit scheme is made on the basis of actuarial valuation as per AS-15(Revised) issued by The Institute of Chartered Accountants of India using the projected unit credit method of actuarial valuation made at the end of the year. Actuarial gains/losses are charged to Statement of Profit and 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.

### 2.11. PHYSICAL VERIFICATION OF STOCKS

- i. Physical verification of stocks is undertaken once in a year and balances are arrived at after necessary adjustments till the end of the year. The stocks as physically verified are adopted as closing stocks and shortages/excesses suitably dealt with.
- ii. In some of the cases where stocks are lying with Handling Agent/SWC/CWC/Private Parties the stocks have been adopted on the basis of certificate given by the respective agencies.

### 2.12. VALUATION OF STOCKS

Inventories including Goods-in-Transit are valued at lower of the cost or realisable value as on 31st March. In case of back to back transactions, net realizable value is ascertained on the basis of cost plus profit margin. The method of valuation is as under:

- a) EXPORTS:
  - i) Cost of export stocks is arrived at after including direct expenses incurred upto 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 upto the point at which they are

lying is considered. However, where stocks are specifically identifiable, actual cost of the material including all expenses incurred upto 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 upto the point at which they are lying is considered. Costs include wastage and other direct manufacturing costs.
  - iii. Packing material is valued at lower of the cost or realisable value as on 31st March.
  - iv. STOCK ON LOAN/FABRICATION: Stocks with fabricators are taken as the stocks of the company, till adjustments.

### 2.13. PRIOR PERIOD ADJUSTMENTS

Expenditure/income relating to previous year is shown in the accounts under the head "Prior Period Adjustment Account" as per the provisions of AS-5 (Net Profit or Loss for the period, Prior Period Items and Changes in Accounting Policies) issued by Institute of Chartered Accountants of India.

### 2.14. BORROWING COSTS

- (i) Borrowing cost in ordinary course of business are recognized as an expense in the period in which these are incurred.
- (ii) Borrowing costs that are attributable to the acquisition, construction of qualifying assets are capitalised as part of cost of such asset upto the date the assets are ready for their intended use. All other borrowing costs are recognised as an expense in the year in which they have been incurred.



### 2.15. DEFERRED TAX

Deferred tax is recognized, subject to consideration of prudence on timing differences representing the difference between the Taxable income and Accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using tax rates and the tax laws that have been enacted or substantively enacted by the Balance Sheet date.

### 2.16. IMPAIRMENT OF ASSETS

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value and impairment loss is charged to Profit and Loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

### 2.17. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

#### (I) Provisions

#### (a) Provisions for Doubtful Debts/Advances/Claims:

Provision for doubtful debts/advances/claims is made where there is uncertainty of realization irrespective of the period of its dues. For outstanding over three years (except Government dues) full provision is made unless the amount is considered recoverable. Debts/advances/claims are written off when unrealisability is almost established.

#### (b) Others

#### (i) Provision is recognized when

- a. the Company has a present obligation as a result of the past event.
- b. a probable outflow of resources is expected to settle the obligation and
- c. a reliable estimate of the amount of the obligation can be made.

#### (ii) Reimbursement of the expenditure required to settle a provision is recognised as per contract provision or when it is virtually certain that reimbursement will be received.

#### (iii) Provisions are reviewed at each Balance Sheet date.

#### (II) Contingent liabilities and contingent assets

- i. Contingent liabilities are not recognized but are disclosed in the Notes to the Accounts. Interest, if any on contingent liabilities are generally not disclosed in the Notes to the Accounts being indeterminable.
- ii. Contingent assets are neither recognized nor disclosed in the financial statements.

### 2.18. TREATMENT OF EXPENDITURE DURING PROJECT IMPLEMENTATION /CONSTRUCTION PERIOD

Expenditure during construction period is included under Pre-operative expenses and the same is being allocated to the respective fixed assets on the completion of erection/installation.

### 2.19. OPERATING LEASES

Leases of assets in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are taken to the income statement on a straight line basis over the period of lease.

Contingent rents are recognized as an expense in the income statement in the financial year in which termination takes place. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognized as an expense in the financial year in which termination takes place.

#### 2.20. The financial statements are reported in Indian Rupee and all values are rounded to the nearest million unless otherwise stated.

### 2.21. PRINCIPLES OF CONSOLIDATION

The Consolidated Financial Statements relate to MMTC Limited, its subsidiary Company, associates and the interest of the Company in joint ventures, in the form of jointly controlled entities.

#### (a) The financial statements of the Parent Company and its Subsidiary are combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses,

after fully eliminating intra group balances and intra group transactions resulting in unrealised profits or losses in accordance with Accounting Standard (AS) 21 "Consolidated Financial Statements" issued by the Institute of Chartered Accountants on India.

- (b) In translating the financial statements of non-integral foreign subsidiary for incorporation of its financial statements, the following procedures are adopted:-
- i) the assets and liabilities, both monetary and non-monetary, of the non-integral foreign subsidiary translated at the closing rate as defined in the AS-11 issued by the Institute of Chartered Accountants of India;
  - ii) income and expense items of the non-integral foreign subsidiary are translated at average exchange rate and
  - iii) all resulting exchange differences are accumulated in a foreign currency translation reserve until the disposal of the net investment.
- (c) In case of Associates, where the Company, directly or indirectly through subsidiaries holds more than 20% of equity, have been accounted for using "Equity Method" of Accounting described by Accounting Standard (AS) 23 "Accounting for Investment in Associates in Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.
- (d) The Company accounts for its share in the change in the net assets of the associates, post-acquisition, after eliminating unrealised profits and losses resulting from transactions between the company and its associates to the extent of its share, through its profit and loss account to the extent such change is attributable to the associates' profit and loss account and through its reserve for the balance, based on available information.
- (e) The differences between the cost of investment in the subsidiaries, associates, joint ventures and the share of net assets at the time of acquisition of shares in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.
- (f) The Consolidated Financial Statements include the interest of the Company in Joint Venture Companies, which has been accounted for using the proportionate consolidation method of accounting and reporting whereby the Company's share of each of the assets, liabilities, income and expenses of a jointly controlled entity is considered as, separate line items in the Consolidated Financial Statements.
- (g) As far as possible the Consolidated Financial Statement is prepared using uniform accounting policies for like transactions and other events in similar circumstances, and are presented in the same manner as the Company's Separate Financial Statements.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31-03-2016

### 3. SHAREHOLDERS' FUND

#### 3.1 SHARE CAPITAL & RECONCILIATION OF THE NUMBER OF SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE REPORTING PERIOD

(₹ in million)

	31-03-2016		31-03-2015	
	Number	Amount	Number	Amount
<b>A. Authorised</b>				
Equity Shares of Par Value ₹1/- each	1,00,00,00,000	1000.00	1,00,00,00,000	1,000.00
<b>B. Issued, subscribed and fully paid</b>				
Opening Balance as on 1st April 2015	1,00,00,00,000	1000.00	1,00,00,00,000	1,000.00
Addition	-	-	-	-
Deduction	-	-	-	-
Closing Balance as 31st March 2016	1,00,00,00,000	1000.00	1,00,00,00,000	1000.00
Share of interest in Joint Ventures		-		-
<b>Total</b>		<b>1000.00</b>		<b>1000.00</b>

During 2010-11, 50,000,000 equity shares of the company of ₹10/- each were divided into 500,000,000 shares of ₹1/- each and bonus shares were issued in the ratio of 1:1 by capitalizing a sum of ₹500 million from general reserve.

The Company has one class of share capital i.e equity 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.

No shareholder other than the promoters is holding more than 5% shares of the company. The shareholding of the promoters i.e. President of India as on 31-03-2016 is 899,268,762 shares (P.Y. 899,268,762 shares) 89.93% (P.Y. 89.93%).

### 3.2 RESERVES & SURPLUS

(₹ in million)

	31-03-2016	31-03-2015
<b>Reserves</b>		
<b>Capital Reserve-Opening Balance</b>	0.69	0.69
Add: Transferred from Surplus	-	-
Add: Share of Interest in Joint Ventures	-	-
	0.69	0.69
Less: Transferred to General Reserve	0.69	-
<b>Closing Balance</b>	0.00	0.69
<b>General reserve-Opening Balance</b>	6,993.84	6,850.47
Add: Transferred from Capital reserve*	0.69	143.37
Add: Transferred from Surplus	100.00	-
Add: Share of Interest in Joint Ventures	-	-
	7,094.53	6,993.84
Less: Deduction	-	-
<b>Closing Balance</b>	7,094.53	6,993.84
<b>Foreign Currency Translation Reserve -Opening Balance</b>	37.74	34.77
Add: Addition	4.68	2.97
	42.42	37.74
Less: Deduction	-	-
<b>Closing Balance</b>	42.42	37.74
<b>Corporate Social Responsibility Reserve-Opening Balance</b>	0.13	0.13
Add: Transferred from Surplus	-	-
	0.13	0.13
Less: Deduction	0.07	-
<b>Closing Balance</b>	0.06	0.13
<b>Research and Development Reserve-Opening Balance</b>	3.54	3.54
Add: Transferred from Surplus	-	-
	3.54	3.54
Less: Deduction	-	-
<b>Closing Balance</b>	3.54	3.54
<b>Total (A)</b>	<b>7,140.54</b>	<b>7,035.94</b>
<b>Surplus</b>		
<b>Surplus-Opening Balance</b>	5,607.15	6,612.24
Adjustment in Surplus for earlier period	(87.42)	(27.25)
Add: Net profit after tax transferred from Statement of Profit and Loss	(1,180.74)	(714.43)
Add: Share of interest in Joint Ventures transferred from statement of Profit and Loss	135.65	289.65
Add : Corporate Social Responsibility Reserve	0.07	-
Opening Adjustment of Depreciation	-	(5.16)
<b>Amount available for appropriation</b>	4,474.71	6,155.05
Appropriations:		
Final Dividend	300.00	250.00
Dividend Tax	61.07	50.89
Amount transferred to general reserve	100.00	100.00
Share of Interest in Joint Ventures	21.00	147.00
<b>Total (B)</b>	3,992.64	5,607.15
<b>Total (A+B)</b>	<b>11133.18</b>	<b>12643.09</b>

\* Pertained to investment allowance reserve created prior to 1991 in respect of erstwhile MITCO, since merged with MMTC.

### 3.3 SHARE APPLICATION MONEY PENDING ALLOTMENT

(₹ in million)

	31-03-2016	31-03-2015
Share of interest in Joint Ventures	40.00	-
<b>Total</b>	<b>40.00</b>	<b>0.00</b>

As at 31st March, 2016, Indian Commodity Exchange Limited (a JV company) has received an amount of ₹250 million towards share application money towards 1,25,00,000 equity shares of the Company at a premium of ₹5/- each. MMTC is having 16% share in equity shareholding of ICEX, accordingly the proportionate amount is considered for consolidation. The share application money was received pursuant to an invitation to offer shares and in terms of such invitation, the company is required to complete the allotment formalities by April 8, 2016. The JV company has sufficient authorized capital to cover the allotment of these shares. Pending allotment of shares, the amounts are maintained in a designated bank account and is not available for use by the JV company.

## 4. NON CURRENT LIABILITIES

### 4.1 LONG TERM BORROWINGS

(₹ in million)

	31-03-2016		31-03-2015	
<b>Share of interest in Joint Ventures</b>				
-Secured	<b>135.65</b>		501.72	
-UnSecured	-	<b>135.65</b>	-	501.72
<b>Total</b>		<b>135.65</b>		<b>501.72</b>

### 4.2 OTHER LONG TERM LIABILITIES

(₹ in million)

	31-03-2016		31-03-2015	
Trade payable				
-Other than MSMEs	<b>106.87</b>		119.87	
-MSMEs	-	<b>106.87</b>	-	119.87
Others				
-Others	<b>79.81</b>	<b>79.81</b>	76.15	76.15
		<b>186.68</b>		196.02
Share of Interest in Joint Ventures		<b>74.58</b>		74.59
<b>Total</b>		<b>261.26</b>		<b>270.61</b>

### 4.3 LONG TERM PROVISIONS

(₹ in million)

	31-03-2016		31-03-2015	
<b>A. Provision for Employee Benefits</b>				
i. Leave encashment		<b>182.62</b>		247.92
ii. Post retirement medical benefits				
- Open Group	<b>807.52</b>		723.48	
- Closed Group	<b>472.81</b>	<b>1280.33</b>	502.79	1226.27
iii. Half pay leave		<b>193.97</b>		198.44
iv. Service Award		<b>61.85</b>		47.70
v. Compassionate Gratuity		<b>1.62</b>		1.86
vi. Special Benefit to MICA Employees		<b>22.72</b>		-
vii. Employees' Family Benefit Scheme		<b>46.47</b>		49.05
		<b>1789.58</b>		1771.24
<b>Share of interest in Joint Ventures</b>		<b>3.19</b>		2.93
<b>Total</b>		<b>1792.77</b>		<b>1774.17</b>

## 5. CURRENT LIABILITIES

### 5.1 SHORT TERM BORROWINGS

(₹ in million)

	31-03-2016		31-03-2015	
A. Loans repayable on demand				
<b>From Banks</b>				
Secured (against hypothecation of inventories, trade receivables and other current assets present and future)	<b>2117.01</b>		2060.42	
Unsecured	<b>611.46</b>	<b>2728.47</b>	1249.23	3309.65
		<b>2728.47</b>		3309.65
Share of interest in Joint Ventures		<b>1801.72</b>		553.20
<b>Total</b>		<b>4530.19</b>		<b>3862.85</b>

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.

## 5.2 TRADE PAYABLE

(₹ in million)

	31-03-2016		31-03-2015	
A. Sundry Creditors				
i. Other than MSMEs	<b>9180.98</b>		31268.34	
ii. MSMEs	-	<b>9180.98</b>	-	31268.34
B. Bills payable		-		-
		<b>9180.98</b>		31268.34
Share of interest in Joint Ventures		<b>207.29</b>		1749.40
<b>Total</b>		<b>9388.27</b>		<b>33017.74</b>

## 5.3 OTHER CURRENT LIABILITIES

(₹ in million)

	31-03-2016		31-03-2015	
a. Interest accrued but not due on borrowings		<b>2.79</b>		4.92
b. Interest accrued and due on borrowings		<b>1.77</b>		3.28
c. Other payables (specify nature)				
- Forward cover - Amount payable to Bank	<b>1,921.51</b>		2,576.90	
Less: Foreign Currency Receivable	<b>1,856.00</b>		2522.61	
	<b>65.51</b>		54.29	
- Sundry Creditors - others	<b>244.97</b>		70.05	
- Advance received from customers	<b>517.68</b>		270.85	
- Unpaid dividend	<b>0.59</b>		0.31	
- Despatch payable	<b>18.12</b>		13.91	
- Demurrage payable	<b>11.63</b>		4.41	
- Credit balance in sundry debtors	<b>1055.68</b>		1022.61	
- Security deposit & EMD	<b>578.00</b>		349.95	
- Taxes & Employees dues remittance pending	<b>2053.01</b>		1988.14	
- Salaries & Allowances	<b>5.51</b>		7.84	
- Administrative Expenses	<b>110.00</b>		95.90	
- Corporate Social Responsibility	<b>3.41</b>		6.14	
- Amount payable towards unbilled purchases	<b>3518.05</b>		3150.89	
- Others	<b>1081.16</b>		1414.40	
		<b>9263.32</b>		8449.69
		<b>9267.88</b>		8457.89
Share of interest in Joint Ventures		<b>212.21</b>		306.16
<b>Total</b>		<b>9480.09</b>		<b>8764.05</b>

## 5.4 SHORT TERM PROVISIONS

(₹ in million)

	31-03-2016		31-03-2015	
<b>A. Provision for Employee Benefits</b>				
i. Bonus/Performance related pay	<b>102.71</b>		53.64	
ii. Earned Leave	<b>32.65</b>		29.31	
iii. Post Retirement Medical Benefit				
- Open Group	<b>17.48</b>		12.55	
- Closed Group	<b>80.12</b>		65.76	
iv. Half Pay Leave	<b>35.74</b>		28.93	
v. Gratuity	<b>1.84</b>		2.17	
vi. Superannuation Benefits	<b>1.23</b>		-	
vii. Service Award	<b>14.15</b>		8.34	
viii. Compassionate Gratuity	<b>0.39</b>		0.33	
ix. Employees' Family Benefit Scheme	<b>10.16</b>		9.43	
x. Others	-	<b>296.47</b>	-	210.46
<b>B. Others</b>				
i. Taxation	<b>61.12</b>		160.74	
ii. Proposed dividend	<b>300.00</b>		250.00	
iii. Dividend Distribution Tax	<b>61.07</b>		50.89	
iv. Destinalional Weight and Analysis Risk	<b>0.47</b>		0.67	
vi. Provision for Litigation Settlements	<b>382.21</b>		321.77	
		<b>804.87</b>		784.07
		<b>1101.34</b>		994.53
Share of interest in Joint Ventures		<b>30.95</b>		172.87
<b>Total</b>		<b>1132.29</b>		<b>1167.40</b>

## 6 NON CURRENT ASSETS

### 6.1 FIXED ASSETS

#### 6.1.1 Tangible Assets

(₹ in million)

	GROSS BLOCK				31-03-2016	DEPRECIATION/ IMPAIRMENT					NET CARRYING VALUE		
	1-4-2015	Addition	Other Adjustments	Disposals		Opening balance as at 01-04-2015	Depreciation for the year	Impairment/ (reversal of impairment)	Sub-Total	Deductions	Balance as at 31-03-2016	31-03-2016	31-03-2015
Land freehold													
- Office building	3.66	-	-	-	<b>3.66</b>	-	-	-	-	-	-	<b>3.66</b>	3.66
- Staff Quarters	1.33	-	-	-	<b>1.33</b>	-	-	-	-	-	-	<b>1.33</b>	1.33
Land leasehold													
- Office building	39.60	-	-	-	<b>39.60</b>	12.63	0.50	-	13.13	0.06	<b>13.07</b>	<b>26.52</b>	26.97
- Staff Quarters	2.67	-	-	-	<b>2.67</b>	1.14	0.03	-	1.17	-	<b>1.17</b>	<b>1.50</b>	1.53
Building													
- Office Building	127.61	-	-	0.06	<b>127.55</b>	60.73	1.48	-	62.22	-	<b>62.22</b>	<b>65.33</b>	66.88
- Staff Quarters/ Residential Flats	65.90	-	-	-	<b>65.90</b>	53.60	0.42	-	54.02	-	<b>54.02</b>	<b>11.89</b>	11.57
- Water supply, Sewerage & Drainage	9.48	0.04	-	-	<b>9.52</b>	9.48	(0.01)	-	9.49	-	<b>9.49</b>	<b>0.04</b>	0.00
- Electrical Installations	18.43	8.91	-	-	<b>27.34</b>	16.72	0.35	-	17.07	-	<b>17.07</b>	<b>10.27</b>	1.73
- Roads & Culverts	3.58	-	-	-	<b>3.58</b>	3.35	0.03	-	3.38	-	<b>3.38</b>	<b>0.20</b>	0.23
- Audio/Fire/ Airconditioning	12.54	0.16	(0.02)	0.34	<b>12.34</b>	12.01	0.10	-	12.11	0.32	<b>11.79</b>	<b>0.55</b>	0.53
Plant & Equipment	794.99	0.39	-	2.36	<b>793.01</b>	363.74	32.36	-	396.10	1.96	<b>394.14</b>	<b>398.87</b>	431.25
Furniture & Fixtures													
- Partitions	33.33	4.41	(11.45)	0.17	<b>26.12</b>	25.69	1.36	-	27.05	11.73	<b>15.32</b>	<b>10.78</b>	7.78
- Others	50.68	2.97	12.03	0.43	<b>65.25</b>	47.52	0.87	-	48.39	(11.21)	<b>59.60</b>	<b>5.65</b>	3.72
Vehicles	21.02	1.94	-	4.17	<b>18.79</b>	20.16	0.32	-	20.48	4.17	<b>16.32</b>	<b>2.49</b>	0.86
Office Equipments	60.97	7.43	0.13	2.24	<b>66.28</b>	54.49	3.19	-	57.68	2.25	<b>55.43</b>	<b>10.85</b>	6.48
Others:-													
Railway Wagon Rakes	553.64	-	-	-	<b>553.64</b>	553.64	0.00	-	553.64	-	<b>553.64</b>	<b>0.00</b>	0.00
Railway Loop Line at BNHT	26.17	-	-	-	<b>26.17</b>	26.17	-	-	26.17	-	<b>26.17</b>	<b>0.00</b>	0.00
Warehouse	34.11	-	-	-	<b>34.11</b>	21.54	1.14	-	22.69	-	<b>22.69</b>	<b>11.42</b>	12.56
Computer/ Data Processors	184.15	7.89	0.15	2.84	<b>189.36</b>	176.54	5.61	-	182.15	1.22	<b>180.94</b>	<b>8.44</b>	7.70
Share of interest in Joint Ventures	733.39	65.99	-	0.17	<b>799.21</b>	147.81	56.61	-	204.43	0.10	<b>204.33</b>	<b>594.88</b>	584.69
<b>Total</b>	<b>2777.25</b>	<b>100.14</b>	<b>0.84</b>	<b>12.78</b>	<b>2865.44</b>	<b>1606.96</b>	<b>104.36</b>	<b>-</b>	<b>1711.35</b>	<b>10.60</b>	<b>1700.76</b>	<b>1164.67</b>	<b>1169.47</b>
<b>Last Year</b>	<b>2724.58</b>	<b>47.27</b>	<b>0.46</b>	<b>5.43</b>	<b>2766.87</b>	<b>1361.50</b>	<b>133.80</b>	<b>106.87</b>	<b>1602.17</b>	<b>4.77</b>	<b>1597.41</b>	<b>1169.47</b>	

- Leasehold lands, roads and culverts, sewerage, drainage and water supply for staff quarters at Delhi includes those held jointly with State Trading Corporation of India Limited (STC) ₹1.32 million (P.Y. ₹1.32 million).
- Residential flats includes 41 shares (P.Y. 41 shares) of Cooperative Group Housing Society of the value of ₹0.002 million (PY ₹0.002 million). Conveyance of some of the flats of the original value as on 31.03.2016 amounting to ₹4.89 million (P.Y. ₹4.89 million) is pending to be executed.
- Cost of Office Building on lands not owned by the Company is ₹6.24 million (P.Y. ₹6.24 million) and provision for depreciation is ₹3.62 million (P.Y. ₹3.57 million)
- Cost of Water Supply on Land not owned by the Company is ₹0.66 million (P.Y. ₹0.66 million).
- Cost of residential building, roads & culverts and electrical installations amounting to ₹11.63 million (P.Y. ₹11.63 million) & accumulated depreciation of ₹6.59 million (P.Y. ₹6.44 million) constructed on the leasehold land at Paradip which expired on 20.11.2011 Paradip Port Trust has approved its renewal for 15 years. However, final approval of Government is awaited.
- The company has carried out the assessment of impairment of assets (Railway Wagon Rakes) & provision towards impairment loss in value of assets amounting to ₹ Nil million (P.Y. ₹106.87 million) has been made during the year.
- Other adjustment column under gross block against Furniture & Fixture - Partition ₹0.50 million, Furniture & Fixture - Others ₹0.09 million, Office Equipment ₹0.08 million, & Computer & Data Processors ₹0.15 million pertaining to foreign exchange difference on conversion of foreign subsidiary assets at closing exchange rate.

### 6.1.1.2 Intangible Assets

(₹ in million)

	Gross			Amortisation			Net Carrying Value						
	1-4-2015	Addition	Other adjustments	Disposals	31-03-2016	Opening balance as at 01-04-2015	Amortisation for the year	Impairment/ (reversal of impairment)	Sub-Total	Deductions/ Adjustment	Balance as at 31-03-2016	31-03-2016	31-03-2015
Computer software	2.84	3.09	0.02	-	5.93	1.36	0.65	-	2.01	-	2.01	3.92	1.47
Goodwill on consolidation (Joint Ventures)	8.77	-	(4.68)	-	4.09	8.48	0.10	-	8.58	4.68	3.90	0.19	0.30
Goodwill on consolidation (Associates)	219.16	-	-	-	219.16	175.33	43.83	-	219.16	-	219.16	-	43.82
Share of interest in Joint Ventures	15.91	0.72	-	-	16.64	10.96	1.19	-	12.15	-	12.15	4.49	4.96
<b>Total</b>	<b>246.68</b>	<b>3.81</b>	<b>(4.66)</b>	<b>-</b>	<b>245.82</b>	<b>196.13</b>	<b>45.77</b>	<b>-</b>	<b>241.90</b>	<b>4.68</b>	<b>237.22</b>	<b>8.60</b>	<b>50.55</b>
<b>Last Year</b>	<b>231.86</b>	<b>5.26</b>	<b>0.01</b>	<b>-</b>	<b>237.13</b>	<b>140.74</b>	<b>45.84</b>	<b>-</b>	<b>186.58</b>	<b>-</b>	<b>186.58</b>	<b>50.55</b>	

### 6.1.1.3 Capital work-in-progress

(₹ in million)

Assets	Assets			Depreciation / Impairment			Net Carrying Value						
	1-4-2015	Addition	Other adjustments	Disposals	31-03-2016	Opening balance as at 01-04-2015	Amortisation for the year	Impairment/ (reversal of impairment)	Sub-Total	Deductions	Balance as at 31-03-2016	31-03-2016	31-03-2015
<b>(A) Mica Division</b>													
Building	6.71	-	-	-	6.71	6.71	-	-	6.71	-	6.71	-	-
- Building Under Construction	6.70	-	-	-	6.70	6.70	-	-	6.70	-	6.70	-	-
- Electrical Installations	0.47	-	-	-	0.47	0.47	-	-	0.47	-	0.47	-	-
- Roads & Culverts	0.05	-	(0.05)	-	0.00	-	-	-	-	-	-	-	0.05
Furniture	13.80	-	-	-	13.80	13.80	-	-	13.80	-	13.80	-	-
Plant & Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>(B) Others</b>													
Building	-	7.50	-	-	7.50	-	-	-	-	-	-	7.50	-
- Building Under Construction	1534.55	196.18	(12.65)	-	1718.07	-	-	-	-	-	-	1718.07	1534.55
Share of interest in Joint Ventures	1562.28	203.68	(12.70)	0.00	1753.25	27.68	0.00	0.00	27.68	0.00	27.68	1725.57	1534.60
<b>Total</b>	<b>1446.30</b>	<b>182.16</b>	<b>0.00</b>	<b>65.79</b>	<b>1562.67</b>	<b>27.69</b>	<b>0.00</b>	<b>0.39</b>	<b>28.07</b>	<b>0.00</b>	<b>28.07</b>	<b>1534.60</b>	
<b>Last Year</b>													



## 6.2 NON CURRENT INVESTMENTS

(₹ in million)

	31-03-2016	31-03-2015
<b>I. TRADE INVESTMENTS</b>		
<b>A. Investment Property</b>		
Bandra Kurla Complex	36.31	36.31
<b>B. Investment in Equity instrument</b>		
<b>a) Associates</b>		
<b>i. Neelachal Ispat Nigam Limited</b>		
Fully paid up 289,342,744 Equity shares of ₹10/- each (P.Y. Fully paid up 289,342,744 Equity shares of ₹10/- each)	3796.85	3796.85
Add: Income from associate till date	(2,701.77)	(1,036.49)
Less: Goodwill	219.16	219.16
	<b>875.92</b>	<b>2541.20</b>
<b>ii. Devona Thermal Power &amp; Infrastructure Ltd.</b>		
NIL (P.Y. Fully paid up 13,000 Equity shares of ₹10/- each)	-	0.13
Less: Goodwill	-	0.13
<b>b) Others</b>		
<b>i. Indo French Biotech Limited</b>		
Fully paid 4,750,000 Equity shares of ₹10/- each (P.Y. Fully paid 4,750,000 Equity shares of Rs.10/- each)	47.50	47.50
Less: Provision for Diminution in value of investment	47.50	47.50
<b>ii. United Stock Exchange Limited</b>		
Fully paid NIL Equity shares of ₹1/- each (P.Y. Fully paid 30,000,000 Equity shares of ₹1/- each)	-	30.00
<b>iii. Bombay Stock Exchange Limited</b>		
Fully paid 77,922 Equity shares of ₹1/- each (P.Y. NIL)	30.00	-
<b>II. OTHER INVESTMENTS - Joint Ventures</b>		
<b>i. Indian Commodity Exchange Limited*</b>		
Fully paid 32,000,000 Equity shares of ₹5/- each (P.Y. Fully paid 52,000,000 Equity shares of ₹5/- each)	-	260.00
Less: Provision for Diminution in value of investment	-	241.10
Share of interest in Joint Ventures	(0.28)	18.90
		(0.69)
<b>Total</b>	<b>941.95</b>	<b>2625.72</b>

\*The financial statements of Indian Commodity Exchange Ltd. (a JV company) were not received for the year 2014-15, hence the same were not considered for consolidation for the year 2014-15 and accordingly investment was shown. However, the audited financial statements of Indian Commodity Exchange Ltd. for the year 2015-16 have been considered in consolidated financial statements.

- (i) Asset shown as Trade Investment amounting to ₹36.31 million (P.Y. ₹36.31 million) represents carrying value of property. The asset has been let out throughout the year, hence categorised as investment property in accordance with para 3.4 of AS-13 issued by ICAI and no depreciation has been charged.
- (ii) All Non Current Investments are carried at cost less provision for permanent diminution in value, if any. The company is not having any quoted investments. Aggregate amount of un-quoted investments is ₹3874.35 million (P.Y. ₹3874.48 million). Aggregate amount of provision for diminution in value of investments is ₹47.50 million (P.Y. ₹47.50 million).
- (iii) In regard to investment of ₹30.00 million (P.Y ₹30.00 million) in United Stock Exchange(USE), during the current year USE has obtained approval from SEBI, CCI & Shareholders for amalgamating USE with Bombay Stock Exchange (BSE) with 01.04.2014 as appointed date. The Hon'ble High Court Bombay has since accorded approval to the scheme of amalgamation on 24.04.2015. Consequently, the company has got 77,922 shares of BSE of face value of ₹1 in exchange of 3,00,00,000 shares in USE of face value of ₹1 (i.e 1 share of BSE for every 385 shares held in USE).

### 6.3 DEFERRED TAX ASSETS (NET)

(₹ in million)

Particulars	Deferred Tax Asset/(Liability) as at 1.4.2015	Credit/(Charge) during 2015-16	Deferred Tax asset/(Liability) as at 31.3.2016
Depreciation	(113.40)	2.74	<b>(110.66)</b>
Prov. For Doubtful	2267.59	(2.60)	<b>2,264.99</b>
DWA Risk	0.23	(0.07)	<b>0.16</b>
VRS Expenses	11.07	(6.04)	<b>5.03</b>
Provision for litigation settlement	111.36	20.91	<b>132.27</b>
Provision for CSR	2.12	(0.94)	<b>1.18</b>
Interest in Joint Ventures	(45.66)	(3.43)	<b>(49.08)</b>
<b>Total</b>	<b>2233.31</b>	<b>10.57</b>	<b>2243.89</b>

### 6.4 LONG TERM LOANS AND ADVANCES

(₹ in million)

	31-03-2016	31-03-2015
<b>A. CAPITAL ADVANCES</b>		
I. Secured, considered good	-	-
II. Unsecured, considered good	<b>0.23</b>	0.50
III. Doubtful	-	-
	<b>0.23</b>	0.50
Less: Provision for bad and doubtful advances	-	-
	<b>0.23</b>	-
<b>B. SECURITY DEPOSITS</b>		
I. Secured, considered good	<b>92.06</b>	106.31
II. Unsecured, considered good	<b>59.18</b>	19.37
III. Doubtful	<b>18.36</b>	18.76
	<b>169.60</b>	144.44
Less: Provision for bad and doubtful advances	<b>18.36</b>	18.76
	<b>151.24</b>	125.68
<b>C. LOANS AND ADVANCES TO RELATED PARTIES</b>		
I. Secured, considered good	-	-
II. Unsecured, considered good	<b>215.44</b>	0.11
III. Doubtful	-	-
	<b>215.44</b>	0.11
Less: Provision for bad and doubtful advances	-	-
	<b>215.44</b>	0.11
<b>D. OTHER LOANS AND ADVANCES</b>		
I. Secured, considered good		
- Loan & advances to PSUs/Other Companies	<b>120.14</b>	88.40
- Interest accrued & due/not due	<b>0.07</b>	0.03
- Loan to Employees	<b>153.62</b>	171.96
II. Unsecured, considered good		
- Loan & advances to PSUs/Other Companies	-	175.77
- Interest accrued & due/not due	-	28.60
- Loan to Employees	<b>83.46</b>	88.22
- Others	<b>161.06</b>	189.66
III. Income Tax (including advance income tax, TDS, refund due and VAT)		
- Unsecured, considered good	<b>470.61</b>	391.52
IV. Doubtful (i)	<b>2484.36</b>	2491.43
	<b>3473.32</b>	3625.58
Less: Provision for bad and doubtful advances	<b>2484.36</b>	2491.43
	<b>988.96</b>	1134.15
	<b>1355.87</b>	1260.44
Share of interest in Joint Ventures	<b>46.02</b>	38.16
<b>Total</b>	<b>1401.89</b>	<b>1298.60</b>

(i) 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 has also registered the case and investigations are in progress.

## 6.5 OTHER NON-CURRENT ASSETS

(₹ in million)

	31-03-2016		31-03-2015	
<b>A. Long Term Trade Receivables</b>				
i. Considered good (Secured)	16.85		-	
ii. Unsecured Considered good	14.14		10.51	
iii. Considered doubtful	3753.92		3751.73	
	<b>3784.91</b>		3762.24	
Less : Provision for bad and doubtful receivables	<b>3753.92</b>	<b>30.99</b>	3753.92	8.32
<b>B. Others</b>		-		-
		<b>30.99</b>		8.32
Share of interest in Joint Ventures		<b>2.94</b>		4.17
<b>Total</b>		<b>33.93</b>		<b>12.49</b>

## 7 CURRENT ASSETS

### 7.1 CURRENT INVESTMENTS

(₹ in million)

	31-03-2016		31-03-2015	
Investment in Mutual Funds		-		-
Share of interest in Joint Ventures (Unquoted)		<b>2.60</b>		128.81
<b>Total</b>		<b>2.60</b>		<b>128.81</b>

Current investments are valued at lower of cost and fair value.

Aggregate market value of quoted investments as on 31.03.2016 ₹ Nil million (P.Y. ₹ NIL million) against cost of ₹ Nil million (P.Y. ₹ NIL million).

Aggregate amount of un-quoted investments is ₹2.60 million (P.Y. ₹128.81 million).

### 7.2 INVENTORIES

(₹ in million)

	31-03-2016		31-03-2015	
A. Raw materials	205.89		233.91	
B. Finished goods	812.03		358.50	
C. Stock-in-trade (includes goods in transit valued at ₹627.73 million (P.Y. ₹544.19 million))	2997.27		2601.69	
D. Others	-	<b>4015.19</b>	-	3194.10
		<b>4015.19</b>		3194.10
Share of interest in Joint Ventures		<b>415.37</b>		144.12
<b>Total</b>		<b>4430.56</b>		<b>3338.22</b>

As taken, valued and certified by the management.

Stock-in-trade includes the following:

- 1) 21020 Certified Emission Reductions (CERs), 21020 Verified Carbon Units (VCUs) and same has been valued ₹0.81 million (P.Y. ₹0.78 million) as per AS-2, Inventories being lower of cost or net realizable value.
- 2) Nil number of CERs under certification.
- 3) An amount of ₹28.96 million has been spent on account of Depreciation, O&M cost of Emission Reduction equipment.

### 7.3 TRADE RECEIVABLES

(₹ in million)

	31-03-2016		31-03-2015	
<b>A. Trade Receivables Outstanding for a period exceeding six months from the date they are due for payment</b>				
i. Secured, Considered good	<b>2481.60</b>		529.92	
ii. Unsecured Considered good	<b>2401.10</b>		3121.85	
iii. Doubtful	<b>205.57</b>		205.60	
	<b>5088.27</b>		3857.37	
Less: Provision for bad and doubtful debts	<b>205.57</b>	<b>4882.70</b>	205.60	3651.77
<b>B. Other Trade Receivables</b>				
i. Secured, Considered good	<b>1422.29</b>		3553.63	
ii. Unsecured Considered good	<b>1979.62</b>		23211.37	
iii. Doubtful	-		-	
	<b>3401.91</b>		26765.00	
Less: Provision for bad and doubtful debts	-	<b>3401.91</b>	-	26765.00
		<b>8284.61</b>		30416.77
Share of interest in Joint Ventures		<b>36.00</b>		19.58
<b>Total</b>		<b>8320.61</b>		<b>30436.35</b>

### 7.4 CASH AND BANK BALANCES

(₹ in million)

	31-03-2016		31-03-2015	
<b>a. Cash and cash equivalents</b>				
- Cheques, Drafts on hand	-		0.99	
- Cash on hand	<b>0.32</b>		0.08	
- Balances with Banks				
i) in Current Account	<b>24.83</b>		56.32	
ii) in Cash Credit Account (Debit balance)	<b>328.24</b>		1005.19	
iii) in Term Deposits with original maturity upto 3 months	<b>97.79</b>	<b>450.86</b>	221.80	1283.31
<b>b. Other Balances with Banks</b>				
- As Margin money/lien	-		-	
- in term deposits with original maturity more than 3 months and upto 12 months	<b>1364.88</b>		1330.49	
- more than 12 months original maturity	<b>0.14</b>	<b>1365.02</b>	0.13	1330.62
		<b>1816.20</b>		2615.00
Share of interest in Joint Ventures		<b>72.68</b>		1566.49
<b>Total</b>		<b>1888.88</b>		<b>4181.49</b>

"Cash and cash equivalents" has been changed to "Cash and Bank balances" in accordance with provisions of Accounting Standard-3 issued by The Institute of Chartered Accountants of India.

## 7.5 SHORT TERM LOANS AND ADVANCES

(₹ in million)

	31-03-2016		31-03-2015	
<b>A. Loans and advances to related parties</b>				
i. Secured - Considered good	-		-	
ii. Unsecured - Considered good	<b>7866.44</b>		-	
iii. Doubtful	-		-	
	<b>7866.44</b>		-	
Less : Provision for Bad and Doubtful loans and advances	-	<b>7,866.44</b>	-	-
<b>Others</b>				
i. Advance recoverable in cash or kind				
Secured - Considered good	<b>64.19</b>		79.91	
Unsecured - Considered good*	<b>4226.04</b>		12,199.62	
Doubtful	<b>50.03</b>		50.03	
	<b>4340.26</b>		12329.56	
Less : Provision for Bad and Doubtful loans and advances	<b>50.03</b>	<b>4290.23</b>	50.03	12279.53
ii. Advance to Suppliers				
Secured - Considered good	<b>0.01</b>		-	
Unsecured - Considered good	<b>213.13</b>		41.79	
Doubtful	<b>4.77</b>		4.77	
	<b>217.91</b>		46.56	
Less : Provision for Bad and Doubtful loans and advances	<b>4.77</b>	<b>213.14</b>	4.77	41.79
iii. Income Tax (including advance income tax, TDS and refund due and VAT)				
Unsecured - Considered good		<b>97.28</b>		181.92
		<b>12467.09</b>		12503.24
Share of interest in Joint Ventures		<b>719.37</b>		284.99
<b>Total</b>		<b>13186.46</b>		<b>12788.23</b>

\*Includes ₹2913.75 million (P.Y. ₹3732.90 million) receivable from Government of India on account of subsidy against import of edible oil for the State Governments from August 2012 onwards. The amount is pending due to non-allocation of fund in the regular budget and in the supplementary demand for grants.

## 7.6 OTHER CURRENT ASSETS

(₹ in million)

	31-03-2016		31-03-2015	
Deferred Premium	<b>24.14</b>		33.92	
Gold/Silver stock towards unbilled purchases	<b>3518.05</b>		3150.89	
	<b>3542.19</b>		3184.81	
Less: Provision for doubtful amount	-	<b>3542.19</b>	-	3184.81
Share of interest in Joint Ventures		<b>1.90</b>		18.98
<b>Total</b>		<b>3544.09</b>		<b>3203.79</b>

## 8 REVENUE FROM OPERATIONS

(₹ in million)

	2015-16		2014-15	
a. Sale of products		<b>123261.24</b>		181426.10
b. Sale of services		<b>262.41</b>		46.20
c. Other operating revenue				
- Despatch earned	<b>13.04</b>		12.68	
- Claims	<b>185.89</b>		231.21	
- Subsidy	<b>206.81</b>		-	
- Other Trade Income	<b>36.81</b>		210.36	
		<b>442.55</b>		454.25
Less:				
d. Excise Duty	<b>1.75</b>	<b>440.80</b>	5.56	448.69
		<b>123964.45</b>		181920.99
Share of interest in Joint Ventures		<b>63931.48</b>		57395.43
<b>Total</b>		<b>187895.93</b>		<b>239316.42</b>

## 9 OTHER INCOME

(₹ in million)

	2015-16		2014-15	
a. Interest				
- Interest on fixed deposits	<b>48.15</b>		328.24	
- Interest from customers on amount overdue	<b>324.39</b>		40.15	
- others (i)	<b>892.46</b>	<b>1265.00</b>	659.22	1027.61
b. Dividend				
- from Joint Venture company	<b>122.12</b>		52.34	
- others (Mutual Funds)	<b>2.33</b>	<b>124.45</b>	19.40	71.74
c. other non operating income (net of expenses directly attributable to such income)				
- Staff quarter rent	<b>5.15</b>		5.85	
- Misc. Receipts (ii)	<b>68.03</b>		87.09	
- Liabilities written back	<b>79.97</b>		87.38	
- foreign exchange gain	<b>0.62</b>		-	
Less: foreign exchange loss	-	<b>153.77</b>	-	180.32
		<b>1543.22</b>		1279.67
Share of interest in Joint Ventures		<b>163.19</b>		169.39
<b>Total</b>		<b>1706.41</b>		<b>1449.06</b>

(i) Includes interest of ₹767.09 million (P.Y. ₹543.32 million) on short term loan facilities extended to Neelachal Ispat Nigam Limited (NINL) an Associate Company from time to time.

(ii) Includes Rental Income of ₹15.02 million (P.Y. ₹24.18 million) from investment property at Bandra Kurla Complex, Mumbai shown under note 6.2 'Non Current Investment'.

## 10 COST OF MATERIAL CONSUMED

(₹ in million)

	2015-16		2014-15	
Raw Material		<b>602.40</b>		1,222.05
Packing Material		-		-
		<b>602.40</b>		1,222.05
Share of interest in Joint Ventures		-		-
<b>Total</b>		<b>602.40</b>		<b>1,222.05</b>

**11 PURCHASES OF STOCK-IN-TRADE**

(₹ in million)

Product Groups	2015-16		2014-15	
<b>A) Purchases</b>				
Precious Metals	<b>64646.26</b>		43788.27	
Metals	<b>5176.79</b>		9263.37	
Fertilizers	<b>28757.37</b>		79702.15	
Minerals	<b>4565.24</b>		16019.90	
Agro Products	<b>4204.70</b>		2949.59	
Coal and Hydrocarbons	<b>7329.92</b>		16218.18	
General Trade/Others	<b>40.88</b>	<b>114721.16</b>	839.03	168780.49
<b>B) Stock received/ (issued) in kind</b>				
Precious Metals		<b>(1.21)</b>		(6.65)
Non Ferrous Metals		-		(85.98)
		<b>114719.95</b>		168687.86
Share of interest in Joint Ventures		<b>63497.98</b>		56580.52
<b>Total</b>		<b>178217.93</b>		<b>225268.38</b>

**12 CHANGES IN INVENTORIES**

(₹ in million)

	2015-16		2014-15	
<b>A. FINISHED GOODS</b>				
Opening Balance	<b>10.60</b>		886.98	
Closing Balance	<b>938.54</b>		649.91	
Change in inventory of Finished Goods		<b>(927.94)</b>		237.07
<b>B. STOCK-IN-TRADE</b>				
Opening balance	<b>3182.65</b>		2197.28	
Closing balance	<b>3076.62</b>		2718.31	
Change in inventory of Stock-in-Trade		<b>106.03</b>		(521.03)
		<b>(821.91)</b>		(283.96)
Share of interest in Joint Ventures		<b>(264.09)</b>		(57.03)
<b>Total</b>		<b>(1,086.00)</b>		<b>(340.99)</b>

**13 EMPLOYEE BENEFITS EXPENSE**

(₹ in million)

	2015-16		2014-15	
<b>Salaries and wages</b>				
Salaries and Allowances	<b>1382.21</b>		1316.66	
Leave encashment	<b>114.99</b>		142.33	
Bonus	<b>0.89</b>		2.68	
Performance Related pay	<b>55.40</b>		27.64	
Medical Expenses	<b>70.74</b>		72.65	
Post Retirement Medical Expenses	<b>152.88</b>		149.49	
Group Insurance	<b>1.10</b>		1.14	
Contribution to DLIS	<b>4.16</b>	<b>1782.37</b>	3.23	1715.82
<b>Contribution to provident fund and other funds</b>				
Provident Fund	<b>105.30</b>		100.52	
Gratuity Fund	<b>1.77</b>		14.06	
Family Pension Scheme	<b>20.20</b>		17.99	
Superannuation Benefit	<b>83.38</b>	<b>210.65</b>	79.12	211.69
Staff Welfare Expenses		<b>66.40</b>		37.25
		<b>2059.42</b>		1964.76
Share of interest in Joint Ventures		<b>77.45</b>		56.20
<b>Total</b>		<b>2136.87</b>		<b>2020.96</b>

## 14 FINANCE COSTS

(₹ in million)

	2015-16	2014-15
I. Interest expense	296.08	161.24
II. Premium on forward contract	7.12	26.46
	<b>303.20</b>	187.70
Share of interest in Joint Ventures	199.84	203.31
<b>Total</b>	<b>503.04</b>	<b>391.01</b>

## 15 OTHER EXPENSES

(₹ in million)

	2015-16	2014-15
<b>A. Operating Expenses</b>		
Freight	1945.74	5051.41
Demurrage	19.92	10.60
Clearing, Handling, Discount & Other charges	663.55	1070.30
L/C negotiation and other charges	8.22	10.57
Difference in exchange	(167.00)	41.20
Customs duty	5629.38	3783.78
Insurance	2.81	9.48
Godown insurance	9.14	6.92
Plot and Godown rent	10.90	14.18
Packing Material	4.13	8.18
Provision for destinal weight and analysis risk	0.47	0.67
	<b>8127.26</b>	10007.29
<b>B. Administrative Expenses</b>		
Consumption of stores and spare parts	-	0.30
Power & Fuel	1.97	1.67
Rent	34.99	39.69
Rates & Taxes	15.01	17.25
Insurance	1.12	1.12
Repairs to buildings	76.45	47.31
Repairs to machinery	0.45	0.78
Repair & Renewals	32.11	18.41
Electricity & water Charges	37.18	25.90
Advertisement & Publicity	21.10	16.69
Printing & Stationery	6.36	7.23
Postage & courier	1.75	3.09
Telephone	16.14	15.05
Telecommunication	8.22	8.09
Travelling	36.13	39.17
Vehicle	19.63	19.32
Entertainment	7.80	7.18
Legal	52.79	48.55
Auditor's Remuneration (i)	6.90	6.56
Bank Charges	8.17	4.17
Books & Periodicals	0.50	0.43
Trade	5.33	5.67
Computer	0.25	0.18
Subscription	3.96	3.56
Training, Seminar & Conference	4.27	7.54
Professional/Consultancy	20.91	23.46
CSR Expenditure	4.57	4.68
Difference in Exchange	11.28	(3.48)
Service Tax	12.29	8.54
Prior period items (ii)	6.39	16.00
Exhibition, Fair and Sales Promotion	34.53	6.86
Bad Debts/Claims/Assets written off/ withdrawn	0.97	299.96
Expenditure on Gomia Coal Block	-	78.35
Provision for Bad & Doubtful Debts/ Claims/Advances	2.80	12.36
Miscellaneous expenses	74.13	66.24
	<b>566.45</b>	857.88
	<b>8693.71</b>	10865.17
Share of interest in Joint Ventures	341.09	282.68
<b>Total</b>	<b>9034.80</b>	<b>11147.85</b>



(i) Amount paid to auditors

(₹ in million)

	2015-16	2014-15
As Auditor	3.74	3.45
For Taxation Matters	1.41	1.38
For Company Law Matters	-	-
For Management Services	-	-
For Other Services	1.70	1.66
For Reimbursement of Expenses	0.05	0.07
<b>Total</b>	<b>6.90</b>	<b>6.56</b>

(ii) Prior period items

(₹ in million)

	2015-16	2014-15
<b>Expenditure</b>		
Cost of sales	(51.11)	3.43
Salaries & wages	0.30	-
Administrative Expenses	1.43	1.63
Interest	0.73	(0.02)
Others	8.09	3.06
Sub-Total	(40.56)	8.10
<b>Income</b>		
Sales	(51.76)	0.29
Interest	0.45	(15.80)
Other Receipts	4.35	7.61
Sub-Total	(46.96)	(7.90)
<b>Total (Net)</b>	<b>6.39</b>	<b>16.00</b>

## 16 EXCEPTIONAL ITEMS

Exceptional item includes the following:-

(₹ in million)

	2015-16	2014-15
Write-down of inventories to net realisable value and its reversal	1.14	141.14
Disposals of items of fixed assets	(0.83)	(0.32)
Disposals of long term investment (i)	(100.00)	-
Loss Due to Pilferage	-	3.54
Litigation settlements (ii)	(306.94)	323.39
Provisions no longer required (iii)	(247.04)	(698.31)
Share of interest in Joint Ventures	3.96	(230.56)
<b>Total</b>	<b>(649.71)</b>	<b>(230.56)</b>

- (i) Represents profit on sale of 2 crore (10%) equity shares of ICEX of face value of ₹5 each at a premium of ₹5 each.
- (ii) (a) Includes ₹33.45 million (P.Y. ₹321.77 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 ₹382.21 million towards the claim (₹230.17 million), interest (₹134.89 million) and other cost etc. (₹17.15 million) has been made upto 31.03.2016.
- (b) Includes ₹389.90 million (P.Y. ₹NIL million) (credit) on account of amount appropriated towards overdue interest on old dues recoverable from FCI out of an amount of ₹609.90 million retained by company against export proceeds of wheat- A/c FCI. ₹220 million has already been adjusted against other recoverable from FCI during the financial year 2014-15. Whereas FCI has been objecting to such retention, the company decided to appropriate the retained amount towards receivable and interest income.
- (iii) (a) Includes Nil million (P.Y. ₹221.35 million) being provision for bad & doubtful debts withdrawn as a results of recovery of dues from the customer. It also includes ₹ Nil million (P.Y. ₹284.53 million) being the provision no longer required in respect of debt which was written off during the 2014-15 & shown as bad debts written off in note 15 (B).
- (b) It also includes ₹ Nil million (P.Y. ₹145.85 million) being excess provision withdrawn in respect of 'Post-Retirement Medical Benefit Scheme' consequent to change of scheme to 'Defined contribution scheme'.
- (c) Also includes ₹241.10 million (P.Y. ₹ Nil million) being withdrawal of provision for permanent diminution of investment in ICEX during the year consequent upon sale of 10% stake in ICEX at a premium of 100%.

## 17. EXTRAORDINARY ITEMS

## 18. CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR):

### I. Contingent Liabilities:

- a) Guarantees issued by Banks on behalf of the Company ₹1129.56 million (P.Y. ₹2039.36 million) and Corporate Guarantee amounting to ₹ Nil million (P.Y. ₹404.00 million) in favour of customer have been given towards performance of contract against which backup guarantees amounting to ₹1255.78 million (P.Y. ₹3764.60 million) have been obtained from associate suppliers.
- b) Corporate Guarantees of ₹14605.60 million (P.Y. ₹14693.70 million) given by the company in favour of financial institutions/banks on behalf of Neelachal Ispat Nigam Limited (NINL) an Associate 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 same SI is ₹750.00 million as on 31.3.2016.
- c) The company entered into a purchase contract with a foreign supplier for import of coking coal for onward sale to NINL (an Associate 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 ₹5216.80 million (USD 78.72 million @ ₹66.27 as on 31.03.2016) and interest/cost thereon up to 31.03.2016 amounting to ₹3304.55 million. The company challenged the award before Hon'ble Delhi High Court but that was confirmed by the court. 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. Next date of hearing is 18.07.2016.

Pending final out-come of the legal proceedings, the Management has decided not to make provision for the demand amounting to approx. ₹8520.99 million in its books of accounts as on 31.03.2016, 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 once again reiterated, in its communication to NINL, the legal position on bearing of liability, if any arising out of the referred dispute.

- d) Claims against the Company not acknowledged as debts ₹4614.32 million (P.Y. ₹3439.48 million).
- e) Letters of Credit opened by the Company remaining outstanding ₹2167.86 million (P.Y. ₹3143.05 million).
- f) Sales Tax Demand of ₹2342.94 million (P.Y. ₹2248.73 million) in dispute against which ₹181.17 million (P.Y. ₹183.53 million) has been deposited and ₹0.67 million (P.Y. ₹0.67 million) covered by bank guarantees.
- g) Income Tax demand of ₹613.02 million (P.Y. ₹701.79 million) in dispute against which ₹455.56 million (P.Y. ₹373.70 million) has been deposited.
- h) Service Tax demand in respect of business auxiliary service amounting to ₹942.72 million (P.Y. ₹849.45 million).
- i) TDS demand raised by department amounting ₹7.59 million (P.Y. ₹ Nil million).
- j) 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.
- k) 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 6221.85 million as on 31.03.2016 (P.Y. ₹9372.80 million), out of which, demand against show cause notices for ₹58.28 million (P.Y. ₹47.41 million) received by the company at Delhi Regional Office against which appeal has been filed by the company.
- l) Custom department have raised demand of ₹1902.44 million (P.Y. ₹351.21 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.
- m) Excise duty demand/penalty of ₹193.17 million (P.Y. ₹193.17 million) for which company has already filed an appeal before the CESTAT.
- n) Asstt. Provident Fund Commissioner at SRO Bellary raised a PF Demand of ₹22.36 million (P.Y. ₹22.36 million). The company has disputed the claim based on grounds of appeal as suggested by a legal opinion.
- o) 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.
- p) 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.
- q) Share in Contingent Liabilities of Joint Ventures based on their audited statement of accounts ₹2973.19 million (P.Y. ₹33.43 million).
- r) Share in Contingent Liabilities of Associates based on their audited statement of accounts ₹1767.15 million (P.Y. ₹1595.92 million).

**II. Commitments:**

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for ₹7.41 million (P.Y. ₹ NIL million).
- b) Share in estimated amount of contracts remaining to be executed on capital account and not provided for of Joint ventures based on their audited statement of accounts ₹47.07 million (P.Y. ₹22.94 million).

- c) Share in estimated amount of contracts remaining to be executed on capital account and not provided for of Associates based on their audited statement of accounts ₹648.59 million (P.Y. ₹886.41 million).

**GENERAL DISCLOSURES:-**

19. In terms of AS-17 the Company has identified its Primary Reportable Business Segments as Minerals, Precious Metals, Metals, Agro Products, Coal & Hydrocarbon, Fertilizer and General Trade/others. The Secondary Segments are identified based on the geographical location as Outside India and Within India. Details are placed at Annexure 'A'.

20. Related Party Disclosures under AS-18 (As identified & certified by the Management)

**A. Name of the related parties and description of relationship:**

- a) Key Management Personnel
- Shri Ved Prakash Chairman and Managing Director - Managing Director
  - Shri Rajeev Jaideva Director
  - Shri M.G. Gupta Director - (Chief Financial Officer)
  - Shri Anand Trivedi Director
  - Shri P. K. Jain Director
  - Shri Ashwani Sondhi Director (w.e.f. 06.01.2016)
  - Shri Rajender Prasad Managing Director, MTPL
  - Shri Deepak Kumar Dua Director, MTPL
- b) Subsidiary  
MMTC Transnational Pte. Ltd. (MTPL), Singapore
- c) Associate  
Neelachal Ispat Nigam Ltd.
- d) Joint Ventures:-
- Free Trade Warehousing Pvt. Ltd
  - Haldia Free Trade Warehousing Pvt. Ltd. (Subsidiary of Free Trade Warehousing Pvt. Ltd.)
  - Integrated Warehousing Kandla Project Development Pvt. Ltd. (Subsidiary of Free Trade Warehousing Pvt. Ltd.)
  - MMTC Pamp India Pvt. Ltd.
  - MMTC Gitanjali Private Ltd.
  - Indian Commodity Exchange Ltd.
  - Sical Iron Ore Terminal Ltd.
  - TM Mining Company Limited
  - Blue Water Iron Ore Terminal Pvt. Ltd.

**B. Details of transactions during the year 2015-16** (₹ in million)

Particulars	Key management personnel	
	2015-16	2014-15
Remuneration	45.47	36.09
Receivable	0.15	0.15

**21. Earnings per Share:** (₹ in million)

Particulars	2015-16	2014-15
Profit after Tax (₹ in million)	(1,045.09)	(424.78)
Total number of Equity Shares (million)	1000	1000
Basic and diluted earnings per share (₹) (Face value (1.05) (0.42)1/- per share) (P.Y. Face value ₹1/- per share)	(1.05)	(0.42)

22. As per Accounting Standard – 27 – 'Financial reporting of interest in Joint Ventures' issued by the Institute of Chartered Accountants of India, 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 million)

Sl. No.	Name of the Joint Venture Company	% of Company's ownership Interest	Country of Incorporation	Assets	Liabilities	Income	Expenditure	Contingent Liabilities	Capital Commitments
1	Free Trade Warehousing Pvt. Ltd.	26	India	168.13	164.81	0.66	0.62	0.07	-
2	MMTC Pamp India Pvt. Ltd.	26	India	1571.85	953.94	64019.12	63819.98	2920.99	39.19
3	Sical Iron Ore Terminal Ltd.	26	India	1696.96	1359.10	-	-	49.88	7.88
4	Indian Commodity Exchange Limited	16	India	61.21	55.12	1.14	13.07	0.00	-
5	MMTC Gitanjali Ltd.	26	India	67.08	48.23	73.74	76.28	2.25	-
6	TM Mining Company Ltd.	26	India	0.03	0.09	-	0.08	-	-
7	Blue Water Iron Ore Terminal Pvt. Ltd.*	18	India	-	-	-	-	-	-

\* No investment has been made by the company in equity of the JV company till 31.03.2016.

**23. Reconciliation of provisions in terms of AS-29 is as under:** (₹ in million)

Particulars of Provision	Opening Balance as on 01.04.15	Adjustment during year	Addition during year	Closing Balance as on 31.03.16
Destinational Weight & Analysis Risk	0.67	0.67	0.47	0.47
Bonus/PRP	53.64	7.22	56.29	102.71
Provision for Taxation	160.74	160.74	61.00	61.00
Proposed Dividend	250.00	250.00	300.00	300.00
Tax on Proposed Dividend	50.89	50.89	61.07	61.07
Provision for Litigation Settlements	321.77	0.00	60.44	382.21

**24. Additional information in respect of Consolidated Financial Statements pursuant to the Companies Act, 2013:-**

a) The list of Subsidiaries, Associates and Joint Ventures included in the Consolidated Financial Statements are as under:

NAME OF SUBSIDIARY	COUNTRY OF INCORPORATION	PROPORTION OF OWNERSHIP INTEREST AS ON 31-03-2016
MMTC Transnational Pte Ltd.	Singapore	100%

NAME OF ASSOCIATES	COUNTRY OF INCORPORATION	PROPORTION OF OWNERSHIP INTEREST AS ON 31-03-2016
Neelachal Ispat Nigam Limited	India	49.78%

NAME OF JOINT VENTURE	COUNTRY OF INCORPORATION	PROPORTION OF OWNERSHIP INTEREST AS ON 31-03-2016
Free Trade Warehousing Pvt. Ltd. (FTWPL)	India	26.00%
MMTC PAMP India Pvt. Ltd.	India	26.00%
SICAL Iron Ore Terminal Ltd.	India	26.00%
Indian Commodity Exchange Limited	India	16.00%
MMTC Gitanjali Ltd.	India	26.00%
TM Mining Company Limited	India	26.00%
Haldia Free Trade Warehousing Pvt. Ltd. (Subsidiary of FTWPL)	India	Financial statements consolidated in Free Trade Warehousing Pvt. Ltd.
Integrated Warehousing Kandla Project Development Pvt. Ltd. (Subsidiary of FTWPL)	India	Financial statements consolidated in Free Trade Warehousing Pvt. Ltd.

b) The list of Subsidiaries, Associates and Joint Ventures not included in the Consolidated Financial Statements and reasons thereof are as under:

NAME OF JOINT VENTURE	COUNTRY OF INCORPORATION	PROPORTION OF OWNERSHIP INTEREST AS ON 31-03-2016
Blue Water Iron Ore Terminal Pvt. Ltd.	India	18.00%

Financial statements of Blue Water Iron Ore Terminal Pvt. Ltd. have not been considered for consolidation since the company has not made any contribution towards capital/equity of Blue Water Iron Ore Terminal Pvt. Ltd. as on 31.03.2016.

c) Share of Subsidiary, Associates & Joint Ventures in Net Assets & Profit/(Loss) in Consolidated financial statements :

Sl. No.	Name of the entity	As % of consolidated net assets	Amount (In ₹ Million)	As % of consolidated profit/(loss)	Amount (In ₹ Million)
	<b>Parent</b>				
	<b>MMTC Limited</b>	113.57	13,779.39	78.14	548.55
	<b>Subsidiaries-Foreign</b>				
1	MMTC Transnational Pte Ltd., Singapore	8.19	993.78	(1.15)	(20.17)
2	Minority Interest	-	-	-	-
	<b>Associates-Indian</b>				
1	Neelachal Ispat Nigam Limited	(24.07)	(2,920.94)	(97.83)	(1,709.11)
	<b>Joint Ventures-Indian</b>				
1	Free Trade Warehousing Pvt. Ltd.	0.03	3.30	(0.00)	(0.03)
2	MMTC Pamp India Pvt. Ltd.	3.65	443.45	21.86	153.45
3	Sical Iron Ore Terminal Ltd.	(0.00)	(0.14)	-	-
4	Indian Commodity Exchange Ltd.	(1.27)	(153.91)	(0.68)	(11.93)
5	MMTC Gitanjali Ltd.	(0.09)	(11.04)	(0.33)	(5.69)
6	TM Mining Company Ltd.	(0.01)	(0.72)	(0.01)	(0.16)
	<b>Total</b>	<b>100.00</b>	<b>12,133.18</b>		
			Profit earned	100.00	702.00
			Loss incurred	(100.00)	(1,747.09)
	<b>Total</b>		<b>Net Profit/(Loss)</b>		<b>(1,045.09)</b>

**25. In view of different sets of environment in which the Joint Ventures/Associates/ Subsidiary are operating, the accounting policies followed by the Joint Ventures/ Associates/Subsidiary are different from the accounting policies of the company. The details are given as under:-**

Particulars	Name of Joint Ventures/Associates/ Subsidiary	Accounting Policies		Proportion of MMTC's share (Gross Amount)
		MMTC Limited	Joint Venture/ Associates/Subsidiary	
Depreciation & Amortization	Sical Iron ore Terminals Limited	Depreciation is provided on straight line method as per the useful lives provided under schedule II of the Companies Act, 2013	At the rates specified under schedule II of the Companies Act, 2013. If remaining useful life on subsequent review is shorter than that envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on management's estimate of the useful life/ remaining useful life.	Not Quantifiable
	MMTC Pamp India Private Limited	Depreciation is provided on straight line method as per the useful lives provided under schedule II of the Companies Act, 2013	Depreciation is provided on straight line basis using the rates arrived at based on the useful lives estimated by management. The management has estimated, supported by assessment by professionals, the actual useful life of certain assets in Plant & Machinery at 15 years, which are lower than the useful life indicated for such assets in Schedule II of the Companies Act, 2013.	Not Quantifiable
	Indian Commodity Exchange Limited	Depreciation is provided on straight line method as per the useful live provided under schedule II of the Companies Act, 2013	Depreciation on tangible assets is provided as per the manner prescribed in Schedule II of the Companies Act, 2013. Individual assets costing less than Rs. 5000/- are fully depreciated in the year of purchase. Intangible assets i.e Software is amortized on a straight line basis over the estimated useful life of four years from the date the assets are available for use.	Not Quantifiable
	MMTC Gitanjali Limited	Depreciation is provided on straight line method as per the useful lives provided under schedule II of the Companies Act, 2013	Depreciation is charged on fixed assets on Written Down Value on the basis of the useful lives of various tangible assets as prescribed in Schedule II of the Companies Act, 2013. Intangible assets are depreciated @ 40% on written down value basis.	Not Quantifiable
	MMTC Transnational Pte. Ltd, Singapore	Depreciation is provided on straight line method as per the useful lives provided under schedule II of the Companies Act, 2013	Depreciation charged at 33.33% per annum	₹1.63 million were additional charged for depreciation and amortization in the accounts.

Particulars	Name of Joint Ventures/Associates/ Subsidiary	Accounting Policies		Proportion of MMTC's share (Gross Amount)
		MMTC Limited	Joint Venture/ Associates/Subsidiary	
Inventory Valuation	MMTC Transnational Pte. Ltd, Singapore	Weighted average cost	Specific identification method	Not Quantifiable
	MMTC Gitanjali Limited	Weighted average cost	on FIFO basis & on an average vender-wise	Not Quantifiable
	MMTC Pamp India Private Limited	Weighted average cost	On FIFO Basis	Not Quantifiable
Foreign Currency Translation	Neelachal Ispat Nigam Limited	Non monetary items are reported using the exchange rate at the date of the transaction	Transactions for both capital and revenue during the year in foreign currencies are being recognized at the rate prevalent in force on the date of settlement of transactions	Not Quantifiable
	Neelachal Ispat Nigam Limited	Exchange difference in respect of liabilities relating to fixed assets charged to Profit and Loss account	Exchange differences in respect of liabilities relating to fixed assets are adjusted in the carrying amount of such assets	Not Quantifiable
Basis of preparation of Financial Statement	MMTC Transnational Pte. Ltd, Singapore	Indian GAAP	Singapore Financial Reporting Standards	Not Quantifiable
Revenue Recognition	MMTC Transnational Pte. Ltd, Singapore	Interest income recognized on accrual basis	Interest income recognized on effective interest method	Not Quantifiable
	Sical Iron ore Terminals Limited	Dividend income recognized on cash basis	Dividend income recognized on time proportion basis	Not Quantifiable
	Indian Commodity Exchange Limited	Dividend income recognized on cash basis	Dividend income on units of Mutual Funds is recognized when the right to receive dividend is unconditionally established by the reporting date.	Not Quantifiable
Trade and other receivable	MMTC Transnational Pte. Ltd, Singapore	Indian GAAP	Amortised cost using the effective interest method	Not Quantifiable
Trade and other payables	MMTC Transnational Pte. Ltd, Singapore	Indian GAAP	Amortised cost using the effective interest method	Not Quantifiable
Terminal Benefits	MMTC Transnational Pte. Ltd, Singapore	Defined Benefit Plan except for Post Retire-ment Medical Benefit	Defined Contribution Plan	Not Quantifiable
Financial Assets and Liabilities	MMTC Transnational Pte. Ltd, Singapore	Indian GAAP	Amortised Cost	Not Quantifiable
Borrowings	MMTC Transnational Pte.Ltd, Singapore	Indian GAAP	Amortised cost using the effective interest method	Not Quantifiable
Income Taxes	MMTC Transnational Pte. Ltd, Singapore	As per rates applicable as on the Balance Sheet date	Recognised at the amount expected to be paid to or recovered from the tax authorities	Not Quantifiable

26. a) 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 6.2) towards 49.78% in equity capital in M/s Neelachal Ispat Nigam Ltd (NINL), an associate company.
- b) The company has been extending, from time to time, short term credit facility to NINL upto a limit of ₹8000 million for its day to day operational activities on continuing basis. In addition one time loan of ₹1300 million has been extended for debt repayment. Against this, outstanding under trade receivable (note 7.3) is ₹1417.04 million (P.Y. ₹1478.45 million) and under short term loans & advances (note 7.5) is ₹7866.44 million (P.Y. ₹7191.48 million) aggregating to ₹9283.48 million (P.Y. ₹8669.93 million).
- c) The company has also given corporate guarantees amounting to ₹14605.60 million (P.Y. ₹14693.70 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 ₹750 million as on 31.3.2016 Note No. 18 (I) (b).
- d) NINL is incurring losses (Net Loss is 30.67% of sales for the F.Y.2015-16) and net asset of NINL as per their financial statements, excluding MMTC dues is ₹11315.64 million as on 31.3.2016. Considering the expected revival of the Steel sector globally and expected clearance of mining rights of allotted Iron Ore mine to NINL, the management has considered its investment as good.
27. 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. ₹19.01 million) which are being contested. Against this, an amount of ₹0.30 million (P.Y. ₹ Nil million) has been deposited and bank guarantee of ₹10.30 million (P.Y. ₹10.30 million) furnished.
28. MMTC-PAMP India Pvt. Ltd. (JV Company): The shareholders are in discussions to resolve a difference of opinion on interpretation of the Share Holders Agreement dated October 22, 2008 (SHA) in relation to the payments under the License Agreement entered into between the JV Company and PAMP SA and with regard to the payments under the Dore Sourcing Agreement entered into between the JV Company and MKS (Switzerland) SA. Both the agreements have been approved by the board of directors in majority in accordance with the Companies Act, 2013. In line with the terms of the SHA, the shareholders have agreed among themselves to refer these two matters to be resolved by arbitration. For the period starting with the beginning of the operations in 2012 to March 31, 2016, the JV Company has paid/accrued an amount of ₹267.26 million on account of license fees and ₹884.40 million on account of Dore Procurement Charges.
29. SICAL Iron Ore Terminal Limited (JV Company): 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 of MMTC 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. Accordingly bids were invited by KPL from prospective operators with first right of refusal to SIOTL. The price bid opening has been deferred as one of the bidders, declared not qualified on technical parameters, has challenged in the court of law. Compensation amount according to the provision of concession agreement will be paid upfront by the successful bidder (other than SIOTL) to SIOTL, in case SIOTL chooses not to match the H1 Bid. Accordingly, no permanent diminution in the investment has been considered by the management.



30. Indian Commodity Exchange Limited (JV Company): Against initial investment of 52 million equity shares amounting to ₹260 million, in the Indian Commodity Exchange (ICEX) (representing 26% holding of the company in ICEX), a provision of ₹241.10 million was created in 2013-14 in the books of MMTC, on account of permanent diminution in the value of investment. During the year 2015-16, the aforesaid amount of provision has been written back by the management of the company considering the following events:
- The company has divested 20 million equity shares of ICEX at a gain of 100% over its invested cost, during the month of December/January 2016.
  - A Right Issue at a 100% premium was brought out by ICEX in Feb/March 2016, that got fully subscribed (MMTC did not participate in right issue).
  - ICEX has chalked out revival plan and submitted the same to the Regulator (SEBI) after due approval from the Board of ICEX.
  - Post Right Issue, the net worth of ICEX turned positive.
31. The company has changed following Accounting Policies during the year:
- General information at 1, the wordings "domestic trade of Agro, Precious Metals, Coal/Coke etc." has been added at the end of the second para to clarify the principal activities of the company.
  - Accounting Policy 2.10 (i) relating to Employee Benefits, the wordings "using the projected unit credit method of actuarial valuation made at the end of the year. Actuarial gains/losses are charged to Statement of Profit and Loss" has been added at the end, so as to clarify the accounting practice followed by the company.
  - Accounting Policy 2.5 relating to fixed assets, following has been inserted at point (c) "--Cost of office land/building/flats/culverts, sewerage and drainage are accounted for provisionally where final bills are yet to be received or asset is under construction/execution of lease deed is pending." This was shown as footnote to note no 6.1.1 now made as part of accounting policy.  
The above change has no financial impact on the company.
32. 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-B.
33. 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.
34. Figures for the previous year have been regrouped / re-cast wherever considered necessary.
35. Accounting policies and notes attached form an integral part of the financial statements.

As per our report of even date attached

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

**For and on behalf of Board of Directors**

**(CA. Rakesh Agarwal)**  
Partner  
M. No. 81808

**(G. Anandanarayanan)**  
Assistant Company Secretary

**(Vijay Pal)**  
Chief General Manager (F&A)

**(M G Gupta)**  
Director (Finance) & CFO  
DIN: 02200405

Date: 27.05.2016  
Place: New Delhi

**(P K Jain)**  
Director  
DIN: 6594855

**(Ved Prakash)**  
Chairman and Managing Director  
DIN: 02988628

## ANNEXURE - 'A' TO NOTES TO ACCOUNTS

### STATEMENT OF CONSOLIDATED SEGMENTAL PERFORMANCE FOR THE YEAR 2015-16 (Primary Disclosures)

Particulars	BUSINESS SEGMENTS					
	PRECIOUS METAL		METALS		MINERALS & ORES	
SEGMENT REVENUE	31st March 16	31st March 15	31st March 16	31st March 15	31st March 16	31st March 15
External Sales						
- With in India	<b>132974.42</b>	106879.55	<b>3279.97</b>	3321.93	<b>340.07</b>	1798.93
- Outside India			<b>2361.20</b>	6626.22	<b>4552.37</b>	14517.42
Total (A)	<b>132974.42</b>	106879.55	<b>5641.17</b>	9948.15	<b>4892.44</b>	16316.35
Inter-Segment sales						
- With in India						
- Outside India						
Total (B)						
<b>Total Segment Revenue (A+B)</b>	<b>132974.42</b>	106879.55	<b>5641.17</b>	9948.15	<b>4892.44</b>	16316.35
Total revenue of each segment as a percentage of total revenue of all segments	<b>70.94%</b>	44.75%	<b>3.01%</b>	4.16%	<b>2.61%</b>	6.83%
<b>Segmental Result</b>						
- With in India	<b>484.62</b>	1456.72	<b>152.89</b>	77.89	<b>(92.35)</b>	(50.72)
- Outside India			<b>55.70</b>	176.76	<b>113.94</b>	284.49
<b>Total Segmental Result</b>	<b>484.62</b>	1456.72	<b>208.59</b>	254.65	<b>21.59</b>	233.77
Unallocated Corporate expenses net of unallocated income						
Operating Profit						
Interest Expenses						
Interest Income						
Income taxes						
Profit from ordinary activities						
Extraordinary loss/Income						
<b>Net Profit</b>						
<b>OTHER INFORMATION</b>						
Segment assets	<b>6734.78</b>	5197.73	<b>1398.96</b>	8018.88	<b>2859.64</b>	2169.38
Unallocated Corporate assets						
<b>Total assets</b>						
Segment Liabilities	<b>5097.49</b>	2507.03	<b>766.04</b>	81.99	<b>2376.38</b>	2337.34
Unallocated Corporate liabilities						
<b>Total liabilities</b>						
Segment Capital expenditure	<b>66.44</b>	0.32				
Unallocated Capital Expenditure						
<b>Total Capital Expenditure</b>						
Segment Depreciation	<b>59.58</b>	2.80				131.96
Unallocated Depreciation						
<b>Total Depreciation</b>						
Non-cash expenses other than depreciation						

(₹ in million)

BUSINESS SEGMENTS									
HYDROCARBON		AGRO PRODUCTS		FERTILIZERS		OTHERS		TOTAL	
31st March 16	31st March 15	31st March 16	31st March 15	31st March 16	31st March 15	31st March 16	31st March 15	31st March 16	31st March 15
<b>11230.09</b>	21238.22	<b>3557.14</b>	703.48	<b>28820.27</b>	79892.59	<b>115.88</b>	931.54	<b>180317.84</b>	214766.24
<b>221.96</b>	385.58		2566.08					<b>7135.53</b>	24095.30
<b>11452.05</b>	21623.80	<b>3557.14</b>	3269.56	<b>28820.27</b>	79892.59	<b>115.88</b>	931.54	<b>187453.37</b>	238861.54
<b>11452.05</b>	21623.80	<b>3557.14</b>	3269.56	<b>28820.27</b>	79892.59	<b>115.88</b>	931.54	<b>187453.37</b>	238861.54
<b>6.11%</b>	9.05%	<b>1.90%</b>	1.37%	<b>15.37%</b>	33.45%	<b>0.06%</b>	0.39%	<b>100.00%</b>	100.00%
<b>131.30</b>	163.67	<b>948.39</b>	200.73	<b>(8.07)</b>	(210.90)	<b>54.78</b>	87.29	<b>1671.56</b>	1724.68
<b>0.76</b>	0.19		32.40		45.81			<b>170.40</b>	539.65
<b>132.06</b>	163.86	<b>948.39</b>	233.13	<b>(8.07)</b>	(165.09)	<b>54.78</b>	87.29	<b>1841.96</b>	2264.33
								<b>3576.16</b>	3053.48
								<b>(1734.20)</b>	(789.15)
								<b>503.04</b>	391.02
								<b>1265.00</b>	1027.61
								<b>72.85</b>	272.22
								<b>(1045.09)</b>	(424.78)
								<b>(1045.09)</b>	(424.78)
<b>9551.92</b>	9918.66	<b>4551.43</b>	6501.79	<b>3308.90</b>	21148.23	<b>934.62</b>	4579.57	<b>29340.26</b>	57534.24
								<b>9553.44</b>	5467.39
								<b>38893.70</b>	63001.63
<b>7170.31</b>	9825.49	<b>1374.01</b>	2379.26	<b>1090.51</b>	2184.50	<b>482.66</b>	70.17	<b>18357.40</b>	39534.41
								<b>8403.12</b>	9824.14
								<b>26760.52</b>	49358.55
						<b>0.66</b>		<b>67.10</b>	0.32
								<b>240.52</b>	234.39
								<b>307.62</b>	234.71
						<b>29.74</b>		<b>89.32</b>	134.77
								<b>16.81</b>	102.52
								<b>106.13</b>	237.29
								<b>4.90</b>	855.19

## ANNEXURE 'A' TO NOTES TO ACCOUNTS CONTINUED..... STATEMENT OF CONSOLIDATED SEGMENTAL PERFORMANCE FOR 2015-16 (SECONDARY DISCLOSURE)

(₹ in million)

Particulars	GEOGRAPHICAL SEGMENTS					
	OUTSIDE INDIA		WITHIN INDIA		TOTAL	
	31st March 16	31st March 15	31st March 16	31st March 15	31st March 16	31st March 15
<b>SEGMENT REVENUE</b>						
External Sales	<b>7,135.53</b>	24,095.30	<b>1,80,317.84</b>	2,14,766.24	<b>1,87,453.37</b>	2,38,861.54
Inter-Segment sales	-	-	-	-	-	-
Total Revenue	<b>7,135.53</b>	24,095.30	<b>1,80,317.84</b>	2,14,766.24	<b>1,87,453.37</b>	2,38,861.54
<b>Segment Result</b>	<b>170.40</b>	539.65	<b>1,671.56</b>	1,724.68	<b>1,841.96</b>	2,264.33
<b>Segment assets</b>	<b>1,757.03</b>	1,757.03	<b>27,583.23</b>	55,777.21	<b>29,340.26</b>	57,534.24
<b>Capital expenditure</b>	-	-	<b>67.10</b>	0.32	<b>67.10</b>	0.32

**AOC-I**
**Annexure-B**

**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**

1	Sl. No.	<b>1</b>
2	Name of the Subsidiary	<b>MMTC TransnationalPte Ltd., Singapore</b>
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	<b>N.A.</b>
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	<b>US Dollars, Exchange Rate Rs. 65.48 (Average Rate)</b>
5	Share capital	<b>31.45</b>
6	Reserves & surplus	<b>994.07</b>
7	Total assets	<b>1,425.31</b>
8	Total Liabilities	<b>399.79</b>
9	Investments	<b>-</b>
10	Turnover	<b>7,089.53</b>
11	Profit before taxation	<b>(22.45)</b>
12	Provision for taxation	<b>(2.28)</b>
13	Profit after taxation	<b>(20.17)</b>
14	Proposed Dividend	<b>NIL</b>
15	% of shareholding	<b>100</b>
a)	Names of subsidiaries which are yet to commence operations	<b>NIL</b>
b)	Names of subsidiaries which have been liquidated or sold during the year	<b>NIL</b>

### AOC-I Part "B": Associates and Joint Ventures

(₹ in million)

Name of Associates/Joint Ventures	Neelchal Ispat Nigam Limited	Free Trade Warehousing Pvt. Ltd.	MMTC Pamp India Pvt. Ltd.	Sical Iron Ore Terminal Ltd.	MMTC Gitanjali Ltd.	Indian Commodity Exchange Limited	TM Mining Company Ltd.	Blue Water Iron Ore Terminal Pvt. Ltd.
1. Latest audited Balance Sheet Date	31.03.2016	31.03.2016	31.03.2016	31.03.2016	31.03.2016	31.03.2016	31.03.2016	31.03.2016
2. Shares of Associate/Joint Ventures held by the company at the year end								
Number	289342744	2600	17446000	33800000	2987400	32000000	57200	
Amount of Investment in Associates/Joint Venture	3796.85	0.03	174.46	338.00	29.87	160.00	0.57	
Extend of Holding %	49.78	26.00	26.00	26.00	26.00	16.00	26.00	
3. Description of how there is significant influence	EQUITY & Management Control	EQUITY	EQUITY	EQUITY	EQUITY	EQUITY	EQUITY	N.A
4. Reason why the associate/joint venture is not consolidated	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	No investment has been made by the company in equity till 31.03.2016
5. Networth attributable to Shareholding as per latest audited Balance Sheet	1011.61	3.32	638.90	337.86	18.86	6.09	(0.06)	
6. Profit / Loss for the year								
i. Considered in Consolidation	(1,665.28)	(0.03)	153.45	-	(5.67)	(11.93)	(0.08)	
ii. Not Considered in Consolidation	N.A.							
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	Devona Thermal Power and Infrastructure Ltd.							

## AUDITORS

Office of the Comptroller & Auditor General of India vide their letter No. CA. V/COY/CENTRAL GOVERNMENT, MMTC (12)/519 dated 16th July, 2015 have communicated the appointment of Auditors of the company under section 139 of the Companies Act, 2013 for the financial year 2015-16. The details are given below:-

### Statutory Auditor

O P Tulsyan & Co.  
New Delhi

### Region

- 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

P Chandrasekar  
Bangalore

- Bangalore Regional Office including Sub-Offices/  
distribution centers

Kailash Chand Jain & Co.  
Mumbai

- Mumbai Regional Office including Sub-Offices/  
distribution centers

C N Hunnargikar & Co.  
Belgaum

- Goa 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

C Ramachandram & Co.  
Hyderabad

- Hyderabad Regional Office including Sub-Offices/  
distribution centers

Bhandawat & Co.  
Ajmer

- Jaipur Regional Office

Anand & Ponnappan  
Chennai

- Chennai Regional Office including Sub-Offices/  
distribution centers
- MICA Division at Gudur

Basha & Narasimhan  
Visakhapatnam

- Visakhapatnam Regional Office including Sub  
Offices/distribution centers

## MMTC Bankers

1. State Bank of India
2. Canara Bank
3. HDFC Bank
4. Bank of India
5. Bank of Baroda
6. Bank of Maharashtra
7. Union Bank of India
8. Standard Chartered Bank
9. Punjab National Bank
10. Indian Overseas Bank
11. IDBI Bank
12. State Bank of Hyderabad
13. Dena Bank
14. Deutsche Bank
15. Indusind Bank
16. Oriental Bank of Commerce
17. AXIS Bank
18. ICICI Bank
19. ING Vysya Bank
20. Development Credit Bank
21. YES Bank
22. DBS
23. Kotak Mahindra Bank
24. ANZ Bank
25. HSBC Bank



## MMTC OFFICES

### CORPORATE OFFICE

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<p><b><u>NORTH ZONE</u></b></p>	<p><b>DELHI REGIONAL OFFICE</b>  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  <b>SROs/FOs: Agra, Kanpur, Ludhiana</b></p> <p><b>JAIPUR</b>  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</p>
<p><b><u>SOUTH ZONE</u></b></p>	<p><b>CHENNAI</b>  Essar House, 6, Espalande, Chennai -600108 (Tamilnadu)  Tel : 044-25341942, 25341938 Fax : 044-25340544, 25340317  Email : head_chennai@mmtclimited.com, jvnrao@mmtclimited.com  <b>SROs/FOs: Kochi</b></p> <p><b>BENGALURU</b>  "Shikshak Sadan" Gr. Floor, K. G Road, Bengaluru -560002  Tel :080-22534800 to 22534830, Fax : 080-22272043  Email : head_bangalore@mmtclimited.com, mmtcbglr@mmtclimited.com  <b>SROs/FOs : Mangalore, Gajendragad, Bellary, Banihatti, Hospet, Ranjitpura</b></p> <p><b>VIZAG</b>  MMTC Bhawan, Port Area, P. B. No. 132, Vishakhapatnam-530035 (Andhra Pradesh)  Tel : PBX : 0891-2562356, 2562771 Fax: 0891-2562611  Email : mmtcvizag@mmtclimited.com  <b>SROs/FOs: Kakinada</b></p> <p><b>HYDERABAD</b>  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  <b>SROs/FOs: Guntur</b></p>
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एक कदम स्वच्छता की ओर



कारपोरेट कार्यालय  
नई दिल्ली

एमएमटीसी लिमिटेड की ओर से  
एम.जी. गुप्ता, निदेशक (वित्त)  
द्वारा प्रकाशित  
कारपोरेट कम्युनिकेशन्स प्रभाग  
द्वारा निर्मित एवं मुद्रित

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