एमएमटीसी लिमिटेड
MMTC LIMITED
भारत सरकार का उपक्रम
A GOVT. OF INDIA ENTERPRISE
touching lives, adding value

Looking Ahead
New Challenges
New Opportunities

46th वार्षिक रिपोर्ट Annual Report 2008-09

Corporate Mission

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

Corporate Objectives

To be a leading International Trading House in India operating in the competitive global trading environment, with focus on bulk as core competency and to improve returns on capital employed.

To retain the position of single largest trader in the country for product lines like Minerals, Metals and Precious Metals.

To render high quality of service to all categories of customers with professionalism and efficiency.

To provide support services to the medium and small scale sectors.

To streamline system within the Company for settlement of commercial disputes.

To promote development of trade-related infrastructure.

MMTC Today

Largest International Trading Company of India.

Largest exporter of Minerals from India, bagging CAPEXIL award consecutively for the last 18 years.

Single largest importer/supplier of Bullion and Non-ferrous Metals in the country.

Leading international trader of Agro, Fertilizers, Coal & Hydrocarbons.

Present at 56 locations in India through offices, warehouses, port offices and retail outlets.

Subsidiary in Singapore (MTPL) holds prestigious "Global Trader Programme" (GTP) status.

Enhanced product offerings through its promoted project, Neelachal Ispat Nigam Ltd. (NINL), a 1.10 million ton Iron & Steel Plant in Orissa.

Highlights of Performance 2008-09

- Highest ever trade turnover of Rs. 368207 million.
- Highest ever imports of Rs. 306951 million.
- Best ever exports of Rs. 45759 million.
- Highest ever sales per employee at Rs. 196 million.

Strategic Initiatives

- 15 MW wind energy farm in the State of Karnataka (commissioned & working).
- Setting up of Commodity Exchange jointly with Indiabulls.
- Opening a London Metal Exchange warehouse in India.
- Setting up gold/silver medallion manufacturing unit as JV with international partner.
- Setting up chain of retail stores in different cities of India for sale of medallions, jewellery and SANCHI silverware.
- Setting up of permanent iron ore loading berth at Ennore as joint venture.
- Setting up free trade and warehousing zones along with JV partner.
- Exploration of coal block allotted to MMTC.
- Developing SEZ for jewellery alongwith JV partner being explored.
- Developing port jetty in Paradip with a consortium.

Performance at a Glance

(Rs. in million)

For the financial year ending 31st March	2009	2008	2007
Total Sales	**368207**	264234	233016
which includes-			
Exports	**45759**	39114	34131
Imports	**306951**	204499	186074
Domestic	**15497**	20621	12811
Trading Profit	**3209**	4298	2497
Income from Other Sources	**8354**	2625	1659
Profit After Tax	**1402**	2005	1268
At Year End			
Total Assets	**106098**	90451	20104
Net Worth	**11176**	10277	8806
Per Share (Rupees)			
Earnings	**28.04**	40.10	25.36
Dividend	**8.00**	9.00	5.00
Net Worth to Share Capital (times)	**22.3**	20.5	17.6
Profit after Tax to Capital Employed (%)	**16.4**	26.8	21.5
Profit after Tax to Net Worth (%)	**12.5**	19.5	14.4
Sales per Employee (Rs. Million)	**195.6**	135.3	116.7

Chairman's Statement

Ladies and Gentlemen,

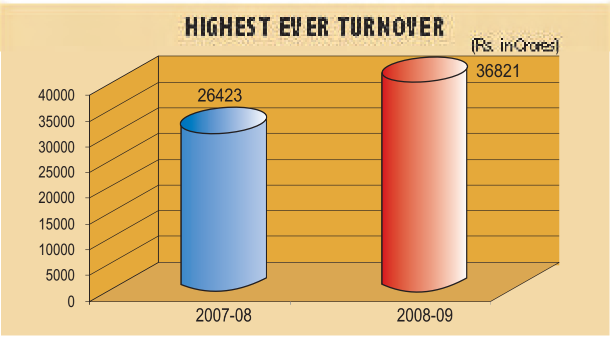
I take great pleasure in welcoming you today to the 46th Annual General Meeting of your Company which has successfully completed another year of serving our nation with international trading of various products, adding momentum and value to its economic progress and touching, though often invisibly, the lives of its people which is a matter of joy and pride for every member of the MMTC family.

Growth of MMTC- An Overview

An occasion such as this is appropriate for a look at the past. Your Company was incorporated in the year 1963 primarily to regulate the international trade of minerals and metals, with an initial seed capital of Rs 3 crores contributed by the Govt of India. During the first full year of operations in 1964-65, the Company had achieved a turnover of Rs. 67.79 crores and a net profit of Rs. 1.71crores. Over the years, the Company created a creditable track record of moulding a nascent company into a trading giant with a total equity of Rs. 50 crores and reserves exceeding Rs. 1073 crores with its turnover touching a staggering figure of Rs. 36821 crores in 2008-09 with zero long term debt liability. Today MMTC - India's largest International Trading Company has a strong nation wide trading network offering a large and wide range of products and services and is the largest exporter of minerals from India, largest single importer/ supplier of bullion in the country, leading exporter/importer of agro commodities and a major player in coal and hydrocarbons, metals and fertilizers sectors. The Company has the unique record of uninterrupted profit and dividend payment since last 40 years.

Performance during 2008-09

All of us have a reason to feel proud of the strength of character, the sagacity, the resilience and the foresight with which MMTC has successfully negotiated the last 46 years of its operations. All these sterling characteristics were severely tested during 2008-09 and



I am happy to share with you that your Company was able to weather the storm and has continued to be successful. The suddenness and severity of the global financial crisis caught everybody by surprise. We, in India, had initially hoped that the inherent strength and momentum of our rapidly growing economy would insulate us from the global ills. However, our economy started to slow down even as the global economy went into reverse gear and before we knew it, we were fighting with our backs to the wall. According to World Trade Organization economists, world economic growth slowed abruptly in 2008 against the backdrop of the worst financial crisis since the 1930s. Growth in 2008 was down to 1.7%, from 3.5% a year earlier and was the slowest since 2001- well below the 10 year average rate of 2.9%. Developed economies only managed a meagre 0.8% growth during the last year, compared to 2.5% in 2007. Developing economies also behaved in a similar fashion and expanded their output in 2008 by 5.6%, down from 7.5% in 2007.

Despite signs of the sharp deterioration in trade being evident in the later part of 2008 as demand sagged and production slowed, your Company exhibited an inspiring performance by achieving record level top line consecutively for the fifth year running by registering its highest ever business turnover of Rs. 36,821 crores during 2008-09. This best ever business turnover since MMTC's inception in 1963 includes highest ever exports of Rs. 4,576 crores, highest ever Imports of Rs. 30,695 crores and domestic trade of Rs. 1,550 crores. The other trade related earnings contributed Rs. 197 crores. Your Company earned trading profit of Rs. 321 crores. The profit before tax and profit after tax earned by the Company amounted to Rs. 217 crores and Rs. 140 crores respectively. Earnings per share for the financial year 2008-09 has been Rs.28.04. Your Company continues to be a zero long-term debt company.

Subsidiary Company

During the year 2008-09, MMTC Transnational Pte. Ltd. Singapore (MTPL)- the wholly owned subsidiary of your Company also achieved its highest ever business turnover of US$ 686 million and generated its highest ever net profit of US$ 6.91 million, registering growth of 254% over the previous year. The net worth of MTPL stood at US$ 14.58 million as on 31st March 2009. It has so far paid total dividends of US$ 4.08 million besides multiplying its net worth by nearly 15 times since its inception in end 1994.

MMTC's Promoted Project-Neelachal Ispat Nigam Ltd. (NINL)

As a strategy to diversify and add value to trading operations, your Company jointly with the Govt of Orissa, has set up Neelachal Ispat Nigam Limited (NINL) - an iron and steel plant of 1.1 million tonnes capacity, 0.8 million tonne coke oven plant with captive power plants The project has firm iron ore supply linkages and also has captive Iron ore mining rights for reserves estimated at about 150 million tonnes. The phase-1 (pig iron) of the plant with a project cost of Rs.1910 crores has already commenced commercial production. The construction of phase-II of the Project costing Rs.1810 crores is under progress. During the financial year 2008-09 NINL has recorded a sales turnover of Rs.1359 crores with a net profit after tax of Rs.79.2 crores.

Corporate Governance in MMTC

We at MMTC are continuously dedicated to promoting the principles of sound corporate governance norms as a self discipline code for sustainable enrichment of stakeholders' value.

This year again your Company has received 'NIL' comments from CAG successively for third year in a row. The Statutory Auditors too have not given any adverse comments having an impact on the profit for the year 2008-09. This proves the commitment and conviction of your Company for the best accounting and disclosure practices.

Looking Ahead

While at one level we gamely combated the effects of the downturn, at another we have been aggressively pursuing our aim of diversification, with a view to add value to MMTC's existing trading operations, through various strategic initiatives following public-private partnership routes. These value multiplier initiatives to enhance your Company's future sustainability, in broad terms include:

1. Setting up of a commodity exchange under the name and style of "Indian Commodity Exchange Limited" which is likely to commence operations shortly.

2. Setting up of a currency futures exchange under the name and style of "United Stock Exchange of India Ltd" which also is likely to commence operations shortly.

3. Joining hands with an international producer as a joint venture partner for setting up a gold /silver medallion manufacturing unit, which would also include a gold refinery as an integral part, under the name and style of "MMTC-Pamp India Private Limited". The civil construction activities for the said unit have already commenced in Haryana and the unit is likely to commence trial production in mid 2010.

4. For effective marketing of the finished products from the above unit, as well as jewellery from other sources, your Company will be setting up, in partnership with a leading Indian company, a chain of retail stores at various cities in India for medallions, jewellery and its homegrown brand of 'SANCHI' silverware. Towards this end a special purpose vehicle (SPV) under the name and style of "MMTC-Gitanjali Private Limited" has been incorporated and to begin with one retail store each in Delhi, Gurgaon and Ahmedabad has already been opened under the name "SHUDDHI" by the said SPV.

5. Setting up permanent berth with loading facilities for iron ore at Ennore Port jointly with SICAL and L&T Infrastructure Ltd. under the name and style of M/s. SICAL Iron Ore Terminals Limited, Chennai. The permanent berth being constructed by M/s. SICAL Iron Ore Terminals Limited is likely to be operational by mid 2010.

6. Development of deep draught iron ore berth at Paradeep Port (Orissa) jointly with Noble Group Ltd and Gammon Infrastructure Projects Ltd under the name and style of M/s. Blue Water Iron Ore Terminal Private Ltd.

7. Towards investing in mining infrastructure your Company is promoting a joint venture company with M/s TATA Steel Ltd. for exploration and development of mines for minerals, ferrous and non-ferrous ores, precious metals, diamonds and coal etc.

8. Your Company has been allotted a coal mine in Jharkhand having estimated reserves of about 700 million MT, pre-feasibility study of which has already commenced and prospecting license is likely to be issued shortly by the concerned authorities.

These value multiplier projects, which your Company is pursuing, are progressing well and once commissioned shall provide integrated dimensions to your Company's diversification pursuit with huge upside potential.

Acknowledgements

I take this opportunity, to express my thanks to all the shareholders for their continued trust in the Board of Directors and the Management of the Company. I am grateful to the Govt of India, our principal shareholder, for its full support and valuable guidance. On behalf of the Company, I would also like to thank all our customers, suppliers and other business associates for their support and co-operation without which the success of the past 46 years would not have been possible. I look forward to your continued support in the Company's exciting journey into the future.

Thank you.

Sanjiv Batra

Sanjiv Batra
Chairman and Managing Director

New Delhi
30th September 2009

Note : The above statement does not purport to be part of the proceedings at the 46th AGM of MMTC Limited held on 30th September 2009.

Board of Directors

SANJIV BATRA
Chairman and Managing Director

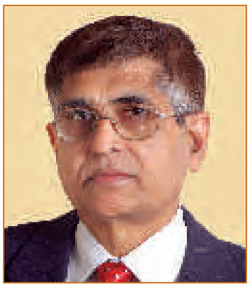
R GOPALAN
Ex-Officio Part Time Director

SUTANU BEHURIA
Ex-Officio Part Time Director

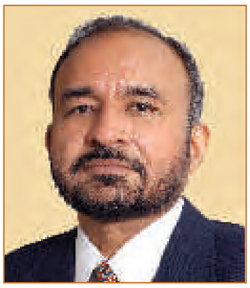
ANIL BAIJAL
Part Time Non-official Independent Director
(w.e.f. 12.06.09)

H L ZUTSHI
Part Time Non-official Independent Director
(w.e.f. 12.06.09)

ARUNA MAKHAN
Part Time Non-official Independent Director
(w.e.f. 15.06.09)

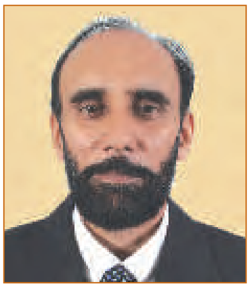


S K KAR
Director (Finance)

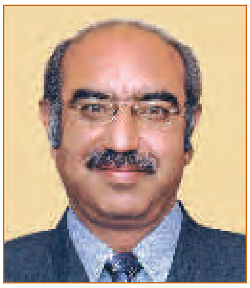


ADARSH R. GOYAL
Director (Marketing)

A MAHAPATRA
Director (Personnel)

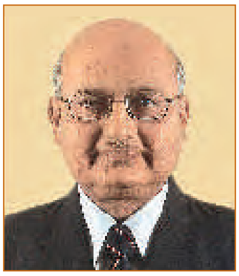


H S MANN
Director (Marketing)

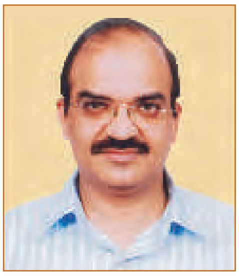


SUNIR KHURANA
Director (Marketing)

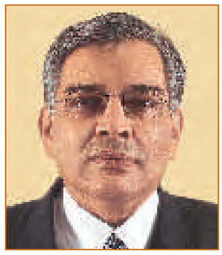
Senior Executives



K K Jha
Chief Vigilance Officer
(upto 31.12.08)

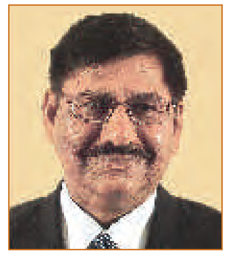


R K Chaturvedi
Chief Vigilance Officer
(w.e.f. 02.04.09)



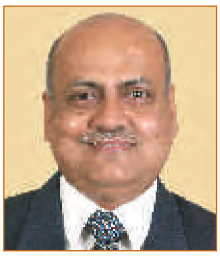
Y N Bhargava

P K Maheshwary



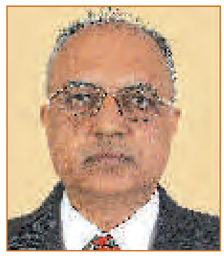
Lekh Chand

Rajeev Jaideva



Ashish Majumdar

Preeti Kaur



Ashok Sharma

William Saldanha

Anand Trivedi

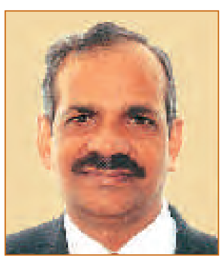
Rajiv Chopra

Vijay Pal

M G Gupta

P K Das
(w.e.f. 17.11.07)

Ashwani Sondhi
(w.e.f. 29.09.08)



J Kishan
(w.e.f. 30.09.08)

Ved Parkash
(w.e.f. 29.09.08)

Manohar Balwani
(Company Secretary)

Director's Report

The Members
MMTC Limited

On behalf of Board of Directors, I have pleasure in presenting 46th Annual Report on the performance of your company for the financial year ended 31st March 2009 along with Audited Statements of Accounts, Auditor's Report & Review of Accounts by the Comptroller and Auditor General of India.

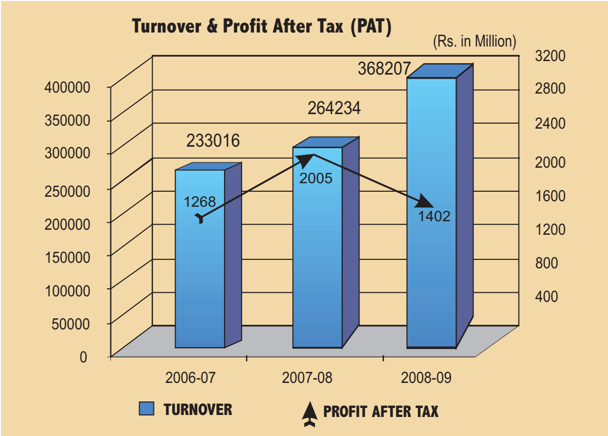
Results of Operations

Your Company exhibited outstanding resilience in recording highest ever topline consecutively for the fifth year. Your Company achieved record level business turnover of Rs. 368,207 million during 2008-09 registering a growth of 39% over the previous year. This best ever business turnover since MMTC's inception in 1963 includes highest ever exports of Rs.45,759 million, highest ever imports of Rs.306,951 million and domestic trade of Rs.15,497 million. The other trade related earnings contributed Rs.1967 million. The net profit earned by your Company during 2008-09 amounted to Rs.1402 million.

This noteworthy performance is despite the world wide economic recession which set in since September 2008, coupled with substantial downfall in commodity prices, wide volatility in rupee exchange rate, besides increased competition faced by the Company in all its trade activities -both from local as well as international players, putting considerable pressure on margins. This was responded to with commendable and successful strategic initiatives reflecting value creation through an effective combination of goods, services and investment with enhanced focus on profitability and cost reduction.

The highlights of the Company's performance during 2008-09 are as below:-

	(Rs. in million)	
	2008-09	**2007-08**
Exports	45,759	39,114
Imports	306,951	204,499
Domestic	15,497	20,621
Other trade earnings	1967	796
Net Sales/ Trading Earnings	**370174**	**265,030**
Trading Profit	3209	4298
Profit before Taxes	2174	3,246
Profit after Taxes	**1402**	**2,005**
Dividend		
(i) Interim Dividend on Equity Shares	200	175
(ii) Proposed Dividend	200	275
(iii) Dividend Tax	68	76
Reserves and Surplus	**10734**	**9800**



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 & Rankings

Following Awards and Rankings were conferred on your Company during 2008-09:

1. Gold Trophy for being top Exporter for the Year 2006-07 in Merchant Exporter category by EEPC;

2. CAPEXIL highest award for highest export in Minerals and Ores sector for the year 2007-08, (17th time in a row);

3. Niryat Shree Bronze Trophy for the year 2005-06 presented by the Hon'ble President of India, in January 2009 in the Highest Foreign Exchange Earner category by Federation of Indian Exporters Organisation (FIEO).

4. Top Indian Company in the Trading Sector by Dun & Bradstreet in their rankings "India's Top 500 companies 2008". In the same publication ranked 13th based on total income for the year 2007-08

5. Ranked as the Highest Wealth Creator PSU by Dalal Street Journal

6. Top ranking in the list of India's top 100 wealth creation companies published by the Times Group and the Economic Times in their publication "ET 500" released in Oct 2008. In the same publication MMTC has been ranked 17th amongst India's biggest companies

7. Ranked 4th amongst India's most valuable Public Sector Companies by "Business Today" in its publication "BT500" released in November 2008. In the same publication, ranked at 6th place amongst 10 most valuable companies.

8. Ranked 12th in the list of India's Top PSUs 2009 released by Dun & Bradstreet

Dividend

An interim dividend @ 40% on the Paid-up Capital was declared by Board of Directors and paid to the shareholders in March 2009. The Board of Directors recommend the declaration of final dividend of 80% which would include interim dividend @ 40% already paid on the equity capital of the Company for the year 2008-09.

Reserves

A sum of Rs. 9800 million was available in the reserves and surplus of your Company as on 1st April 2008. Your Directors have proposed that out of Rs.934 million available out of the profits for the year 2008-09, after payment of dividend and tax thereon, an amount of Rs.170 million be transferred to General Reserves of the Company and balance profit of Rs.764 million be carried forward as retained profits. Accordingly an amount of Rs.10734 million shall be available in "Reserves and Surplus" of your Company as on 31st March 2009.

Foreign Exchange Earnings and Outgo

The Foreign Exchange earnings and outgo of your Company during 2008-09 has been as under: -

	EARNINGS		OUTGO
	Rs. In Million		Rs. In Million
Exports	45788.40	Imports	306271.95
Others	159.66	Interest	1007.16
		Others	2132.58
Total	**45948.06**	**Total**	**309411.69**

Subsidiary Company

The wholly owned subsidiary of your Company - MMTC Transnational Pte. Ltd. Singapore (MTPL) was incorporated in October 1994 under the laws of Singapore with a share capital of USD 1 million. During the year 2008-09, MTPL achieved its highest ever business turnover of USD 686 million as against USD 557 million achieved last year. MTPL generated a profit before tax of USD 7.77 million and profit after tax of USD 6.91 million during 2008-09, registering growth of 254% over previous year. The net worth of MTPL stood at USD 14.58 million as on 31st March 2009. MTPL has so far paid total dividends of US$ 4.08 million as against capital of US$ 1 million contributed by your Company besides multiplying its net worth by nearly 15 times since its inception.

MTPL continues to enjoy prestigious "Global Trader" (GT) status awarded to it by International Enterprise Singapore since FY 2000.

Pursuant to the provisions of Section 212 of the Companies Act, 1956, 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 had 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 Orissa with total capital expenditure of nearly Rs. 2000 crores. The project has firm iron ore supply linkages and also has captive iron ore mining rights for reserves estimated at about 150 million tons. During the year 2008-09, NINL achieved a sales turnover of Rs.13587 million and generated cash profit & net profit of Rs. 1725 million and Rs.792 million respectively.

Future Projects/ Joint Ventures

Aiming at diversification and with a view to add value to its existing trading operations, your Company has undertaken various strategic initiatives following public- private partnership route. These strategic initiatives to enhance your company's future sustain ability include:

(I) Setting up of a Commodity Exchange under the name and style of "International Multi Commodity Exchange Limited" which is likely to commence operations in the fourth quarter of 2009.

(II) Setting up of a Currency Futures Exchange under the name and style of "United Stock Exchange of India Ltd" which is also likely to commence operations in the fourth quarter of 2009.

(III) Joining hands with an international producer as a joint venture partner for setting up a gold /silver medallion manufacturing unit, which would also include a gold refinery as an integral part, under the name and style of "MMTC-Pamp India Private Limited". The civil construction activities for the said unit have already commenced in Haryana and the unit is likely to commence trial production in the second quarter of 2010.

(IV) For effective marketing of the finished products from above unit, as well as jewellery from other sources, your company is setting up, in partnership with a leading Indian company, a chain of retail stores at various cities in India for medallions, jewellery and its

homegrown brand of 'SANCHI' silverware. Towards this end a special purpose vehicle (SPV) under the name and style of "MMTC-Gitanjali Private Limited" has been incorporated and to begin with one retail store each in Delhi and Ahmedabad have already been opened under the name "SHUDDHI" by the said SPV.

(V) Setting up permanent berth with loading facilities for iron ore at Ennore Port jointly with SICAL and L&T Infrastructure Ltd. under the name and style of M/s. SICAL Iron Ore Terminals Limited, Chennai. The permanent berth being constructed by M/s. SICAL Iron Ore Terminals Limited is likely to be operational in first quarter of 2010.

(VI) Development of deep draught iron ore berth at Paradeep Port (Orissa) jointly with Noble Group Ltd and Gammon Infrastructure Projects Ltd under the name and style of M/s. Blue Water Iron Ore Terminal Private Ltd.

(VII) Towards investing in mining infrastructure your Company shall be promoting a joint venture Company with M/s TATA Steel Ltd. for exploration and development of mines for minerals, ferrous and non-ferrous ores, precious metals, diamonds and coal etc.

(VIII) As reported earlier, to facilitate promotion of two-way trade, your Company is setting up of free trade and warehousing zones at Haldia and Kandla on lines similar to Special Economic Zones.

(IX) Your Company has been allotted a coal mine in Jharkhand having estimated reserves of about 700 million MT, pre-feasibility study of which has already commenced and prospecting license is likely to be issued shortly by the concerned authorities.

Industrial Relations & Human Resource Management

Cordial and harmonious industrial relations continued to prevail in your Company with no man-days being lost during the year. Regular meetings were held with the unions / associations at local level and Federation / Association at the Apex level under Joint Consultative Machinery / Structured Scheme of Meetings for arriving at amicable resolution of personnel issues with a view to achieve Company's goals and objectives.

The aggregate manpower of the Company as on 31st March 09 stood at 1882, including six Board level executives, the balance comprising of 613 officers, 1167 staff & 96 workers. This manpower strength includes 24 officers, 137 staff & 96 workers of erstwhile Mica Trading Company Ltd., which had been merged with your Company pursuant to the orders of BIFR. While the composite representation of the total manpower consisted of women employees representing 18.27% (344 employees) of the total manpower, the representation of SC, ST, OBC & persons with disabilities (PWD) was to the extent of 21.25% (400 employees), 7.27% (137 employees), 1.06% (20 employees) and 1.64% (31 employees) respectively. During the year 45 officers, including 5 from SC & and 4 from OBC categories were inducted through campus recruitment. Presidential Directives on reservations for SCs, STs, OBCs and PWD in services were followed fully in recruitment and promotion. In an effort for rightsizing the manpower, Voluntary Retirement Scheme was offered which was availed by 9 officers, 32 staff cadre employees and 28 workers.

Aiming towards further enhancing / upgrading the skills of employees in the constantly changing business scenario 960 employees were imparted training during the year in different spheres of company's activities. This was done through programmes organized both with in-house expertise as well as external resources from renowned institutions / organizations. The employees deputed for training included 150 employees belonging to SC, 66 to ST and 229 women employees. In terms of man-days such training works out to 2428 training man days during the year 2008-09.

Implementation of Official Language

Your Company has been dedicated to uphold Official Language Policy of the Government. Towards this and to promote usage of the Official Language by employees of the Company, several programs in the form of Hindi Workshops/ Hindi Week/ Hindi Fortnight were organized at the Corporate Office and Regional Offices.

During the year the Company had the privilege of interacting with the Parliamentary Committee on Official Languages. This Committee visited & inspected Regional Office Mumbai, Banglore & Goa. The Hon'ble Committee expressed satisfaction on the steps/ measures taken and the progress made in implementation of Official Language.

During the year your Company was awarded third prize consecutively for the second year by the Town Official Language Implementation Committee (PSE) for the excellent work done in implementation of Official Language Policy.

Vigilance

To enhance the goodwill & confidence emanating from value based business practices, the Vigilance group of your Company carried further its focus on system improvement and preventive vigilance. An annual calendar of vigilance inspections was prepared by the group well in advance to ensure systematic and regular vigilance inspections. During the year regular inspections were conducted by vigilance & non-vigilance officers and based on the feedback received, corrective/ preventive measures were suggested. Special emphasis was also laid on updation of trade related drills/ manuals, streamlining of tendering and other procedures in line with the guidelines issued by Central Vigilance Commission.

During the year under report Vigilance group of your Company was also instrumental in organizing "Vigilance Awareness Week" in various offices of MMTC in November 2008 whereat stress was laid upon increasing vigilance awareness amongst employees and business associates, to bring enhanced transparency in public dealings.

Corporate Social Responsibility

Your Company since its inception in 1963 has been sensitive to its social responsibilities and has been discharging its responsibilities whenever there have been any natural calamity like earthquake, cyclone, Tsunami, drought, flood etc. The Company has adopted Corporate Social Responsibility as Corporate Policy for which funds to the extent of 1% of the retainable earnings of the previous year are earmarked. The main focus of the company's CSR policy is to provide relief and restoration at the time of national calamities, promotion of literacy, organize health check up camps and community activities preferably in the neighboring areas of MMTC's operations particularly in backward areas.

During the year 2008-09, your Company spent over Rs.5 million on various CSR projects which included contribution of Rs. 2.50 million to the Chief Minister's Relief Fund, Govt. of Orissa, which was badly affected by fury of floods.

Corporate Governance

Corporate governance is an area of major significance for all those who are affected by organizations directly or indirectly, whether as investors, directors, employees, suppliers, customers or the community in general. Your Company remains committed and dedicated to continuous development and adoption of the best corporate governance practices, which include honesty, trust and integrity, transparency, performance orientation, responsibility and accountability, mutual respect, and commitment to the organization.

A separate report on corporate governance along with Statutory Auditor's certificate regarding compliance of the stipulations relating to corporate governance specified in clause 49 of the Listing Agreement(s) signed with stock exchanges is annexed to and forms part of this report.

Code of Conduct

Pursuant to Clause 49 (I)(D) of the Listing Agreement signed with Stock Exchanges, a detailed Code of Conduct for Board Members and Senior Management Personnel has been laid down and hosted on the website of your Company. All Board Members and Senior Management Personnel (except one) on the regular rolls of the company as on 31st March 2009, to whom the said code is applicable have affirmed compliance of the same for the period ended 31st March 2009. Action against the one defaulting General Manager is in progress.

Public Deposit Scheme

As on 1st April 2008, there were no outstanding public deposits and the Company did not invite/ accept any public deposit during the year ended 31st March 2009.

Statutory Auditor's Report

The Statutory Auditors have not given any comments having an impact on the profit for the year 2008-09. Applicable disclosures have been made in the 'notes forming part of accounts' in respect of other observations contained in the report of Statutory Auditors, as annexed, which have no financial impact on the profit for the year 2008-09.

Comments of Comptroller & Auditor General of India

The Comptroller & Auditor General of India(C&AG) has given 'Nil' comments under section 619(4) of the Companies Act, 1956 on the accounts of the Company for the year ended 31.03.2009.The communication dated 31.08.2009 of C & AG in this regard is annexed herewith.

Conservation of Energy

During the year 2008-09, there was no activity in Mica group of your Company. Pursuant to Section 217(i)(e) of the Companies Act, 1956, a statement on conservation of energy is annexed to this report.

Particulars of Employees

Pursuant to provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended from time to time, it is stated that there were no employees who were in receipt of remuneration exceeding Rs.24 lakhs per annum or Rs. 2.00 lakhs per month during the year 2008-09.

Directors' Responsibility Statement

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956, your Directors state:

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

ii) That 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 of the Company for the year ended 31.3.2009;

iii) That the Directors have taken a proper and sufficient care for the maintenance of the adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv) That the Directors have prepared the annual accounts on a going concern basis.

Board of Directors

- Shri Anil Baijal assumed the charge of Non Official Part Time Director (Independent Director) on the Board of MMTC w.e.f. 12th June 2009.
- Smt Aruna Makhan assumed the charge of Non Official Part Time Director (Independent Director) on the Board of MMTC w.e.f. 15th June 2009.
- Shri H L Zutshi assumed the charge of Non Official Part Time Director (Independent Director) on the Board of MMTC w.e.f. 12th June 2009.

The Board welcomes Shri Anil Baijal, Smt. Aruna Makhan & Shri H L Zutshi and expresses 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 R Gopalan, Director, Shri Adarsh R Goyal, Director (Marketing), Shri A Mahapatra, Director (Personnel) and Shri H S Mann, Director (Marketing) shall retire at the AGM and being eligible have offered themselves for reappointment.

Acknowledgements

Your Directors are thankful to the Department of Commerce, all govt. agencies, RBI and other banks, railways, customs, ports, NMDC, customers and suppliers for their valuable support and cooperation during the year. Your Directors also wish to place on record their deep sense of appreciation for the committed services rendered by managers and staff of your Company without which it would not have been possible to realize significant business and profit recorded during the year.

By the Order of the Board

Sanjiv Batra

Place : New Delhi
Dated: 31st August, 2009

(Sanjiv Batra)
Chairman and Managing Director

Management Discussion and Analysis Report 2008-09

Overview of Global Developments in 2008

According to World Trade Organization economists, world economic growth – measured by total production, or gross domestic product (GDP) – slowed abruptly in 2008 against the backdrop of the worst financial crisis since the 1930s. Growth in 2008 was down to 1.7%, from 3.5% a year earlier and was the slowest since 2001- well below the 10 year average rate of 2.9%. Developed economies only managed a meagre 0.8% growth during last year, compared to 2.5% in 2007. Developing economies, on the other hand, expanded their output in 2008 by 5.6%, down from 7.5% in 2007.

Annual trade figures in dollar terms were strongly influenced by changes in commodity prices and exchange rates in 2008.Merchandise trade growth in real terms (i.e. adjusted to discount changes in prices) slowed significantly in 2008 to 2%, compared to 6% in 2007. In dollar terms (which includes price changes and exchange rate fluctuations), world merchandise exports increased by 15% in 2008, to $15.8 trillion, while exports of commercial services rose 11% to $3.7 trillion. Merchandise trade in volume terms (excluding the price and exchange rate fluctuations) expanded by 2% in 2008, down from 6% in 2007.

WTO economists have forecast that the collapse in global demand brought on by the biggest economic downturn in decades will drive exports down by roughly 9% in volume terms in 2009, the biggest such contraction since the Second World War. The contraction in developed countries will be particularly severe with exports falling by 10% in 2009. In developing countries, which are far more dependent on trade for growth, exports will shrink by some 2%-3% in 2009, WTO economists say. WTO in its annual assessment of global trade states that Economic contraction in most of the industrial world and steep export declines already posted in the early months of this year by most major economies – particularly those in Asia – makes for an unusually bleak 2009 trade assessment.

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As per the Economic Survey 2008-09 presented to Parliament in July

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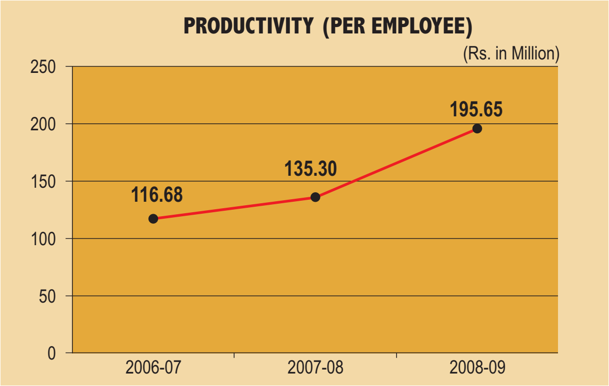
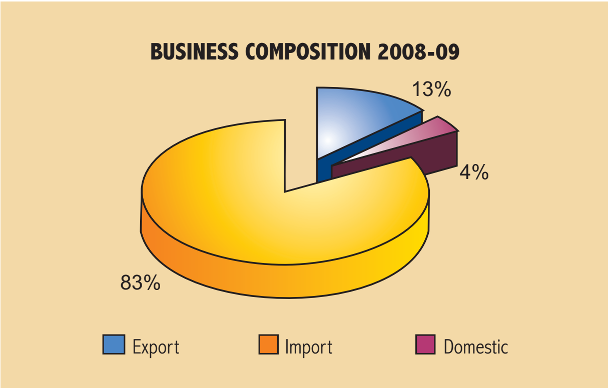
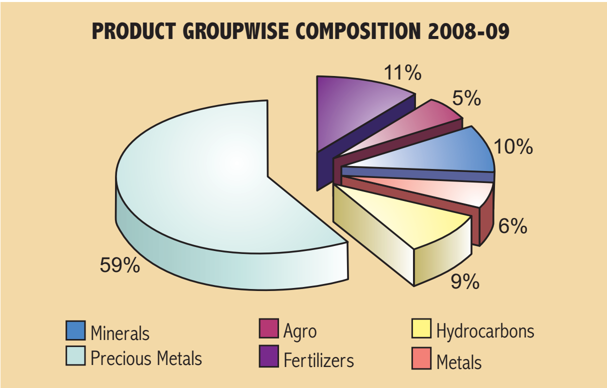
Despite signs of the sharp deterioration in trade being evident in the latter part of 2008 as demand sagged and production slowed, your Company exhibited inspiring performance by achieving record level top line consecutively for the fifth year running by registering its







highest ever business turnover of Rs. 368207 million during fiscal 2008-09. This best ever business turnover since MMTC's inception in 1963 includes highest ever exports of Rs. 45,759 million, highest ever Imports of Rs. 306,951 million and domestic trade of Rs. 15,497 million. The other trade related earnings contributed Rs. 1967 million. Your Company earned trading profit of Rs. 3209 million. The profit before tax and profit after tax earned by the Company amounted to Rs. 2174 million and Rs. 1402 million respectively. Earning per share for the financial year 2008-09 has been Rs.28.04. The Company's improved management of financial resources yielded net interest earnings of Rs. 1165 million. The corporate tax liability of the Company during 2008-09 works out to Rs. 816 million. MMTC continues to be a zero long-term debt company.

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The sources of funds of the company as on 31st March 2009 comprises of shareholders fund amounting to Rs 11,233.83 million including equity share capital of Rs 500 million capital and secured loan funds of Rs. 43052.01 million. These funds have been deployed interalia towards fixed assets amounting to Rs. 1317.95 million, investments of Rs. 2315.43 million and net current assets of Rs 50290.97 million as on 31st March 2009.

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Audit reports are considered by 'Senior Management Audit Committee' and 'Audit Committee of Directors'. The Audit Committee also meets the Company's statutory auditors regularly to ascertain their concerns and observations on financial reports. The directions of the Audit Committee are implemented by the Management in all cases.

Subsidiary Company

During the year 2008-09, MMTC Transnational Pte. Ltd. Singapore (MTPL)- the wholly owned subsidiary of your Company incorporated in October 1994 with a share capital of USD 1 million achieved its highest ever business turnover of USD 686 million as against USD 557 million achieved last year. MTPL generated a profit before tax of USD 7.77 million and profit after tax of USD 6.91 million during 2008-09, registering growth of 254% over previous year. The net worth of MTPL stood at USD 14.58 million as on 31st March 2009. MTPL has so far paid total dividends of USD 4.08 million besides multiplying its net worth by nearly 15 times since its inception.

BUSINESS GROUPWISE REVIEW FOR 2008-09

Minerals

Despite global downturn leading to sharp deterioration in trade, pressure on availability of ores for exports and constraints of infrastructure and logistics, coupled with stiff competition from exporters from Australia and Brazil, your Company maintained its leadership position in mineral exports through aggressive marketing efforts, enhanced customer focus and tapping of emerging opportunities, especially in China. During the year 2008-09 China, Japan and South Korea were the key markets where MMTC exported minerals.

Minerals group of your Company contributed a turnover of Rs. 37632 million during the year, which is the highest ever business volume registered by the Company in this segment. The performance of minerals group during 2008-09 includes exports valued at Rs. 36875 million, imports amounting to Rs. 192 million and domestic trade of Rs. 565 million. In quantitative terms, the exports made by the group include 61.69 lakh tonnes of iron ore valued at Rs 27536 million, 3.03 lakh MT of chrome concentrate valued at Rs 7323 million, 0.41 lakh MT of chrome ore valued at Rs. 952 million and 1.92 lakh MT of manganese ore valued at Rs. 1064 million. The domestic trade concluded by the group includes 2.30 lakh tonnes of iron ore valued at Rs 498 million, 0.46 lakh tonnes of limestone valued at Rs 22 million, 0.94 lakh tonnes of dolomite valued at Rs 44 million and 5773 tons of ferro chrome valued at Rs. 1 million. The group also imported 7359 tons of manganese ore valued at Rs. 192 million.

The export of iron & steel making raw material from India has increased significantly in the recent past and the opportunities exist to expand it further in future. The demand is being driven by China, which has emerged as the largest buyer of iron ore. The demand from traditional buyers like Japan and South Korea is likely to continue to remain stable. MMTC has secured long-term purchase commitments for five years beginning FY 2006-07 from Japan and South Korea and annual Memoranda of Agreements are being signed with them for 2009-10. However the availability of iron ore for exports during 2009-10 may be adversely affected due to imposition of export duty on iron ore lumps, increase in railway freight on iron ore for exports and increase in demand from domestic steel industry. Furthermore global meltdown is leading to reduction in demand of steel worldwide, which may lead to lower imports of iron ore by Japanese, Korean and Chinese steel mills.

Precious Metals, Gems & Jewellery

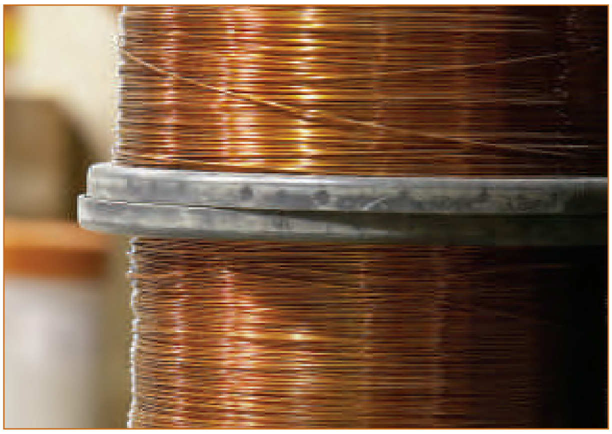
Your Company enjoys the position of market leader in the Indian bullion trade having flexibility to operate from various centers spread all over the country, offering novel product services besides maintaining enduring relationship. The Precious Metals, Gems & Jewellery group of the Company contributed a turnover of Rs. 217443 million during 2008-09. This performance was realized through diversified activities, which include imports of gold at Rs. 173863 million, silver worth Rs. 21532 million, platinum worth Rs. 17079 million, rough diamonds worth Rs. 247 million, silver grains worth Rs. 169 million as also domestic sale of gold bar/medallions at Rs. 1569 million, gold worth Rs. 1135 million, silver worth Rs. 701 million, jewellery worth Rs 95 million, silver medallions at Rs. 127 million, 'SANCHI' silverware at Rs. 145 million and sales at domestic jewellery exhibitions at Rs. 347 million. The group also exported silver valued at Rs. 434 million.

The Precious Metals group of your Company is continuously working on improving service to customers and now has twenty-five percent share of gold imports. The Precious Metals group is focusing on improving sales of value-added products, viz. jewellery, medallions and silverware. The Company has established a Joint Venture with M/s. Gitanjali (India's leading retail Jewellery company). A Company by the name of MMTC Gitanjali Private Limited has already been incorporated and outlets opened. It is proposed to open more outlets to increase the retail marketing network. Tie-up has also been done with a company having large distribution network, including reach in rural areas. A Joint Venture for gold/silver refining and medallions manufacture has also been incorporated by the name of M/s. MMTC-Pamp India Private Limited. The civil construction for the same has started in Haryana and the plant is expected to be operational in the first quarter of 2010. The tie-up will give your Company opportunity to market a certain percentage of the products of the Joint Venture.

Commerce Minister Shri Anand Sharma inaugurating MMTC 'Festival of Gold' Exhibition

Metals and Industrial Raw Materials

Despite international slowdown and downward trend in industrial & infrastructure sector leading to decreased demand for base metals and Industrial raw materials, the Metals group of the Company contributed Rs. 20275 millions to MMTC's turnover during 2008-09. The contribution of the group comprised of export of pig iron produced by NINL – a MMTC promoted iron & steel plant worth Rs. 5988 millions, DEPB Rs. 23 millions, import of non-ferrous metals and industrial raw materials worth Rs. 8788 millions and domestic trade of Rs. 5476 millions including sale of pig iron and slag produced at NINL worth Rs.2,791 millions.



To further improve its performance during 2009-10, the group shall be improving upon its strategies/ business model for further diversification of its activities, tapping new markets/products while maintaining its focus on its core products/ markets, entering into strategic alliance with producers of non ferrous metals besides improving customer relationship management, unrelenting focus on Institutional clientele and deeper market access.

Agro Products

With innovative strategies adopted yielding returns, the Agro Products group of the Company achieved its ever best turnover of Rs. 20147 millions during 2008-09, which includes third country trade of 2701 MT of wheat worth Rs 48 millions, export of 117500 MT rice valued at Rs. 2316 millions, export of cotton and sugar worth Rs. 47 millions, imports of 51972 MT dun/yellow peas worth Rs.988 millions, 62360 MT pulses worth Rs. 1598 millions, 237196 MT RBD Palm-CPO worth Rs.10825 millions, 50484 MT DSBO valued at Rs. 2,135 millions and 32864 MT soya oil worth Rs. 1148 millions besides domestic trading of cotton/ pulses/ sugar/ mentha oil worth Rs. 633 millions. The group also traded agro products at commodity exchanges and achieved a turnover of Rs. 409 millions.

The Agro Group of the Company shall continue to pursue its plans and strategies to meet the shortages of food grains and pulses in the country by imports, export of excess availability of agro products besides meeting the challenges stemming from wide variations in quantity/ product range available for imports/exports and broadening commodity profile to ensure sustainability of business growth in this segment in future. The group is exploring possibilities of entering into retail marketing of edible oil by direct marketing and venturing into business of processed foods in both export and domestic markets.

Fertilizers and Chemicals

The Fertilizer and Chemicals group contributed a turnover of Rs.39867 million. The group's performance during 2008-09 included third country trade of 2500 MT urea worth Rs. 50 million, import of

11.29 lakh MT of urea valued at Rs. 30259 million, 3.08 lakh MT of muriate of potash at Rs. 7916 million, 0.50 lakh MT sulphur worth Rs. 1567 million and soda ash worth Rs.7 million besides domestic trading of ammonium sulphate produced at NINL – the MMTC promoted Iron & Steel plant valued at Rs. 68 million. With these results MMTC emerged as the largest importer of urea in the country.

The group judiciously leveraged and synergised MMTC's expertise in bulk handling with domain knowledge, hands on experience, expertise in logistic management and skills to predict emerging trends in the global market of fertilizers to realize this noteworthy performance.

The consumption of fertilizers is growing in India at a rapid pace leading to increased shortfall between the demand vis-à-vis indigenous production resulting in increased volume of imports. Moreover, India is largely dependent on imported raw materials such as sulphur, rock phosphate and phos acid for indigenous phosphatic industry. Besides this, the country's total requirements of MOP are fully imported. Such a scenario provides lot of potential for future growth in import of fertilizer and fertilizer raw materials, especially in view of enhanced focus of Government on Agricultural sector with a view to ensure food security for growing population. Keeping in view the above, the group has planned during 2009-10, further increase in business volumes by tapping these emerging opportunities, However the volume of fertilizer imports and its prices are dependent on various factors like monsoon, Government Policy, domestic production and international demand- supply balance etc. Besides the global economic downturn likely to impact the growth of domestic economy may also impact the agri sector in terms of buying power of farmers, which may have adverse impact on growth prospects of this segment of your company.

Coal & Hydrocarbons

The Coal & Hydrocarbons group contributed a turnover of Rs. 31387 million to the highest ever turnover recorded by your Company. The turnover contributed by the group included import of 38.15 lakh tonnes of steam coal valued at Rs.21251 million, 9.18 lakh tonnes of

coking coal valued at Rs. 5539 million, 0.23 lakh tones of LAM coke worth Rs. 566 million and solar oil worth Rs. 8 million besides domestic trading in LAM coke worth Rs.3257 million, crude tar amounting to Rs. 414 million, met coke worth Rs. 86 million, steam coal worth Rs.266 million.

With domestic production unable to meet the growing demand of non coking coal for power sector, steel, fertilizer and other heavy industries, the existence of big supply gap compels the country to depend upon sizable imports. Further the increase in demands of steam coal likely to increase considerably in future with many new coal fired generation plants being underway shall be opening up newer vistas for this segment of your Company. The Coal & Hydrocarbon group of your Company has fine-tuned its strategies to tap these emerging opportunities to import and serve the increased demand of coal & coke to power, steel, fertilizer, chemical, cement & sponge Iron units in future.

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. The decision on the review petition filed with the appropriate authorities under the Industrial Disputes Act for closure of Mica division is yet to be pronounced by the Govt.

Present CMD with former CMDs in Corporate Office

Others

The other products contributed Rs. 1456 million to the turnover of the Company, which included imports of cement, PVC/plastic, wool and engineering & capital goods worth Rs.1274 million, domestic trade of Rs. 88 million besides sale of power amounting to Rs. 94 million, generated at the 15 MW wind power farms commissioned in March 2007 in Karnataka.

During the year 2009-10, the company shall continue availing opportunities emerging in new markets/products for generating additional business revenues for the Company.

Cautionary Statement

Statements in the Management Discussions and Analysis describing the Company's projections, estimates, 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 market in which the Company operates, changes in government regulations, tax laws, other statutes and other incidental factors.

Management Discussion and Analysis Report 2008-09

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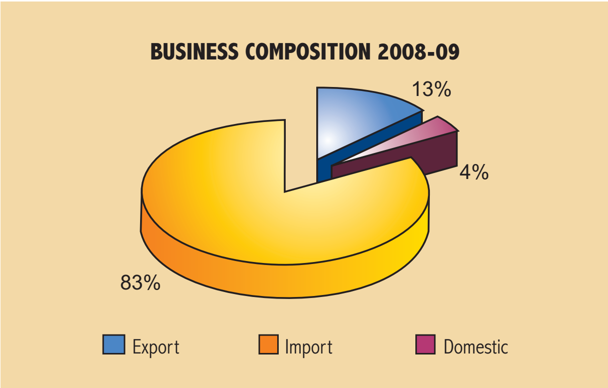

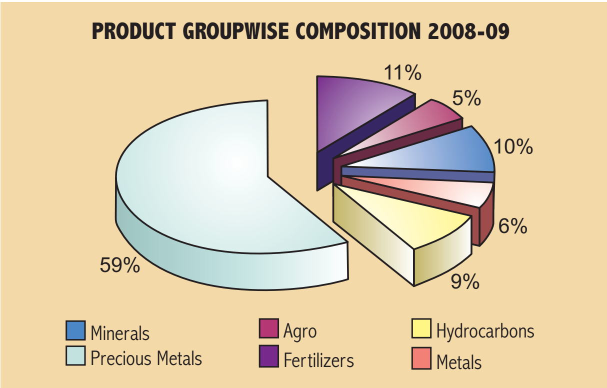

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Precious Metals, Gems & Jewellery

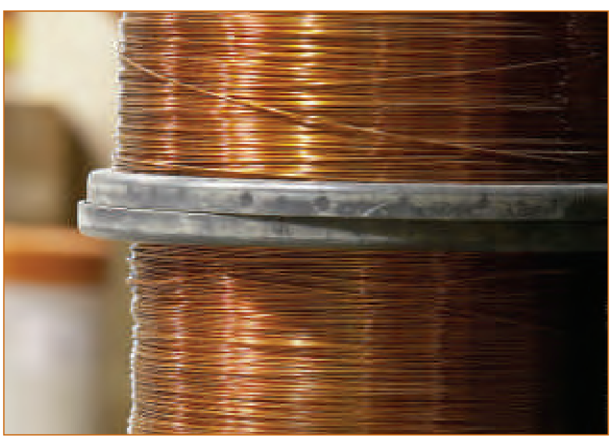
Your Company enjoys the position of market leader in the Indian bullion trade having flexibility to operate from various centers spread all over the country, offering novel product services besides maintaining enduring relationship. The Precious Metals, Gems & Jewellery group of the Company contributed a turnover of Rs. 217443 million during 2008-09. This performance was realized through diversified activities, which include imports of gold at Rs. 173863 million, silver worth Rs. 21532 million, platinum worth Rs. 17079 million, rough diamonds worth Rs. 247 million, silver grains worth Rs. 169 million as also domestic sale of gold bar/medallions at Rs. 1569 million, gold worth Rs. 1135 million, silver worth Rs. 701 million, jewellery worth Rs 95 million, silver medallions at Rs. 127 million, 'SANCHI' silverware at Rs. 145 million and sales at domestic jewellery exhibitions at Rs. 347 million. The group also exported silver valued at Rs. 434 million.

The Precious Metals group of your Company is continuously working on improving service to customers and now has twenty-five percent share of gold imports. The Precious Metals group is focusing on improving sales of value-added products, viz. jewellery, medallions and silverware. The Company has established a Joint Venture with M/s. Gitanjali (India's leading retail Jewellery company). A Company by the name of MMTC Gitanjali Private Limited has already been incorporated and outlets opened. It is proposed to open more outlets to increase the retail marketing network. Tie-up has also been done with a company having large distribution network, including reach in rural areas. A Joint Venture for gold/silver refining and medallions manufacture has also been incorporated by the name of M/s. MMTC-Pamp India Private Limited. The civil construction for the same has started in Haryana and the plant is expected to be operational in the first quarter of 2010. The tie-up will give your Company opportunity to market a certain percentage of the products of the Joint Venture.

Commerce Minister Shri Anand Sharma inaugurating MMTC 'Festival of Gold' Exhibition

Metals and Industrial Raw Materials

Despite international slowdown and downward trend in industrial & infrastructure sector leading to decreased demand for base metals and Industrial raw materials, the Metals group of the Company contributed Rs. 20275 millions to MMTC's turnover during 2008-09. The contribution of the group comprised of export of pig iron produced by NINL – a MMTC promoted iron & steel plant worth Rs. 5988 millions, DEPB Rs. 23 millions, import of non-ferrous metals and industrial raw materials worth Rs. 8788 millions and domestic trade of Rs. 5476 millions including sale of pig iron and slag produced at NINL worth Rs.2,791 millions.



To further improve its performance during 2009-10, the group shall be improving upon its strategies/ business model for further diversification of its activities, tapping new markets/products while maintaining its focus on its core products/ markets, entering into strategic alliance with producers of non ferrous metals besides improving customer relationship management, unrelenting focus on Institutional clientele and deeper market access.

Agro Products

With innovative strategies adopted yielding returns, the Agro Products group of the Company achieved its ever best turnover of Rs. 20147 millions during 2008-09, which includes third country trade of 2701 MT of wheat worth Rs 48 millions, export of 117500 MT rice valued at Rs. 2316 millions, export of cotton and sugar worth Rs. 47 millions, imports of 51972 MT dun/yellow peas worth Rs.988 millions, 62360 MT pulses worth Rs. 1598 millions, 237196 MT RBD Palm-CPO worth Rs.10825 millions, 50484 MT DSBO valued at Rs. 2,135 millions and 32864 MT soya oil worth Rs. 1148 millions besides domestic trading of cotton/ pulses/ sugar/ mentha oil worth Rs. 633 millions. The group also traded agro products at commodity exchanges and achieved a turnover of Rs. 409 millions.

The Agro Group of the Company shall continue to pursue its plans and strategies to meet the shortages of food grains and pulses in the country by imports, export of excess availability of agro products besides meeting the challenges stemming from wide variations in quantity/ product range available for imports/exports and broadening commodity profile to ensure sustainability of business growth in this segment in future. The group is exploring possibilities of entering into retail marketing of edible oil by direct marketing and venturing into business of processed foods in both export and domestic markets.

Fertilizers and Chemicals

The Fertilizer and Chemicals group contributed a turnover of Rs.39867 million. The group's performance during 2008-09 included third country trade of 2500 MT urea worth Rs. 50 million, import of

11.29 lakh MT of urea valued at Rs. 30259 million, 3.08 lakh MT of muriate of potash at Rs. 7916 million, 0.50 lakh MT sulphur worth Rs. 1567 million and soda ash worth Rs.7 million besides domestic trading of ammonium sulphate produced at NINL – the MMTC promoted Iron & Steel plant valued at Rs. 68 million. With these results MMTC emerged as the largest importer of urea in the country.

The group judiciously leveraged and synergised MMTC's expertise in bulk handling with domain knowledge, hands on experience, expertise in logistic management and skills to predict emerging trends in the global market of fertilizers to realize this noteworthy performance.

The consumption of fertilizers is growing in India at a rapid pace leading to increased shortfall between the demand vis-à-vis indigenous production resulting in increased volume of imports. Moreover, India is largely dependent on imported raw materials such as sulphur, rock phosphate and phos acid for indigenous phosphatic industry. Besides this, the country's total requirements of MOP are fully imported. Such a scenario provides lot of potential for future growth in import of fertilizer and fertilizer raw materials, especially in view of enhanced focus of Government on Agricultural sector with a view to ensure food security for growing population. Keeping in view the above, the group has planned during 2009-10, further increase in business volumes by tapping these emerging opportunities, However the volume of fertilizer imports and its prices are dependent on various factors like monsoon, Government Policy, domestic production and international demand- supply balance etc. Besides the global economic downturn likely to impact the growth of domestic economy may also impact the agri sector in terms of buying power of farmers, which may have adverse impact on growth prospects of this segment of your company.

Coal & Hydrocarbons

The Coal & Hydrocarbons group contributed a turnover of Rs. 31387 million to the highest ever turnover recorded by your Company. The turnover contributed by the group included import of 38.15 lakh tonnes of steam coal valued at Rs.21251 million, 9.18 lakh tonnes of

coking coal valued at Rs. 5539 million, 0.23 lakh tones of LAM coke worth Rs. 566 million and solar oil worth Rs. 8 million besides domestic trading in LAM coke worth Rs.3257 million, crude tar amounting to Rs. 414 million, met coke worth Rs. 86 million, steam coal worth Rs.266 million.

With domestic production unable to meet the growing demand of non coking coal for power sector, steel, fertilizer and other heavy industries, the existence of big supply gap compels the country to depend upon sizable imports. Further the increase in demands of steam coal likely to increase considerably in future with many new coal fired generation plants being underway shall be opening up newer vistas for this segment of your Company. The Coal & Hydrocarbon group of your Company has fine-tuned its strategies to tap these emerging opportunities to import and serve the increased demand of coal & coke to power, steel, fertilizer, chemical, cement & sponge Iron units in future.

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. The decision on the review petition filed with the appropriate authorities under the Industrial Disputes Act for closure of Mica division is yet to be pronounced by the Govt.

Present CMD with former CMDs in Corporate Office

Others

The other products contributed Rs. 1456 million to the turnover of the Company, which included imports of cement, PVC/plastic, wool and engineering & capital goods worth Rs.1274 million, domestic trade of Rs. 88 million besides sale of power amounting to Rs. 94 million, generated at the 15 MW wind power farms commissioned in March 2007 in Karnataka.

During the year 2009-10, the company shall continue availing opportunities emerging in new markets/products for generating additional business revenues for the Company.

Cautionary Statement

Statements in the Management Discussions and Analysis describing the Company's projections, estimates, 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 market in which the Company operates, changes in government regulations, tax laws, other statutes and other incidental factors.

Auditors' Report

To the Members of MMTC Limited

We have audited the attached Balance Sheet of MMTC Limited as at 31st March, 2009, Profit & Loss Account and the Cash Flow Statement of the Company for the year ended on that date, annexed thereto in which are incorporated the accounts of Corporate Office, Mica Division and Jhandewalan Regional Office audited by us and the other Regional Offices and Sub-Regional Offices audited by the other Auditors; and

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of sub section (4A) of Section 227 of the Companies Act, 1956 and on the basis of such checks of the records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure 'A' a statement on the matters specified in paragraphs (4) and (5) of the said Order.

2. Further to our comments in the Annexure referred to in paragraph (1) above, we report as follows: -

   (i) Non-provision of liability, if any, in case of extension of time / waiver / write off of GR-1 forms. (Refer Note No. 5)

   (ii) Balances under Sundry Debtors / Claims Recoverable / Loans & Advances / Sundry Creditors / Other Liabilities have not been confirmed in some cases by the parties. Adjustments, if any, required upon such confirmation are not ascertainable. (Refer Notes No. 32)

   (iii) Certain observations in respect of the internal control procedures, as stated in para (iv) of annexure 'A' to main audit report, which may have consequential effect on the accounts for the year. (effect not ascertainable).

3. We further report that: -

   (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit except as otherwise stated in the report, and the record of the cases being handled by Vigilance Department of the Company and the accounting of consequential financial effect thereof on the matters under its scrutiny in such cases.

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

   (c) Proper returns, adequate for the purpose of our audit have been received from Regional Offices, Sub Regional Offices and Branches not audited by us. Reports of Regional Auditors have been considered while preparing our report.

   (d) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account and with the audited returns from the Regional Offices.

   (e) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 .

   And with regard to compliance of Accounting Standard AS-17 on “Segment Reporting” which may not be in strict conformity with the format / reporting requirements as enumerated in AS-17.

(f) Being a government company, pursuant to the gazette notification No.GSR 829 (F) dated 21-10-2003 issued by Government of India, provisions of clause (g) of section 274 of the companies Act 1956 are not applicable to the company.

We further report that, the impact of paragraphs 2(i) to 2(iii) above on the profit of the year and the assets and liabilities appearing in the Balance Sheet, could not be ascertained. In our opinion and to the best of our information and according to the explanations given to us the said accounts read together with the Significant Accounting Policies and notes thereon, give the information required by the Companies Act, 1956 in the manner so required, other than as stated above, and give a true and fair view in conformity with the accounting principles generally accepted in India:

(A) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009; and

(B) In the case of the Profit and Loss Account, of the Profit of the Company for the year ended on that date; and

(C) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For **N. K. Bhargava & Co.**
Chartered Accountants

Sd/-
(CA N.K.BHARGAVA)
Partner
M. No. 080624

Place: New Delhi
Dated: 07.08.2009

ANNEXURE 'A' TO AUDITOR'S REPORT

Referred to in paragraph 1 of the Auditor's Report of even date to the members of MMTC Limited on the financial statements for the year ended 31st March 2009.

(i) (a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets. **However Fixed assets registers maintained at RO JJC, RO Goa & Corporate Office needs to be further improved.**

(b) As explained to us, all the assets have been physically verified by the management during the year which, in our opinion is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) In our opinion and according to the information and explanations given to us, no substantial part of the fixed assets have been disposed off by the Company during the year and therefore the going concern assumption is not affected.

(ii) (a) The inventory has been physically verified by the management during the year, except in case of goods in transit, stocks lying in Central / State Warehouses where Confirmation were obtained from the parties and relied upon. In our opinion, the frequency of verification is reasonable.

(b) In our opinion, procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stock and the books of account were not material.

(iii) (a) As informed to us, the Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.

(b) Not applicable in view of para (iii) (a) above.

(c) Not applicable in view of para (iii) (a) above.

(d) Not applicable in view of para (iii) (a) above.

(e) As informed to us, the Company has not taken any loans, secured or unsecured from Companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.

(f) Not applicable in view of para (iii) (e) above.

(g) Not applicable in view of para (iii) (e) above.

(iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to the purchase of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control system

However, the internal control mechanism needs to be strengthened in the following areas:

(a) Active and prompt follow-up of old debts, advances (including staff advances) and claims by respective Commodity Division.

(b) Periodic confirmation of outstanding balance, reconciliation of debtors, inter-unit, other heads of account and current assets & current liabilities of cost center.

(c) Follow-up of court cases and recoveries arising out of execution of decrees / awards announced in favour of the company.

(d) Rotation of jobs on the operations being carried out where the magnitude of the transactions is very high. However such rotations are not affected in any structured manner or under any laid down policy. The Policy in this regard has already been drafted and is under deliberation.

(e) Expeditious follow up of old Sales Tax cases / Appeals pending with Courts / Appellate

Authorities of CO, ROs and SROs including closed SROs to save on legal costs and interest payable on disputed additional demands.

(f) Proper utilization of BTS software to account for the bullion trading effectively.

(v) (a) In our opinion and according to the information and explanations given to us, there are not contracts and arrangements referred to in Section 301 of the Companies Act 1956, particulars of which need to be entered into a register maintained under Section 301 of the Act.

(b) Not applicable in view of para (v) (a) above.

(vi) The directives issued by the Reserve Bank of India and the provisions of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there-under have been complied with, in respect of deposits accepted from the Public. We have been informed that, no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any other Court or Tribunal in this regard.

(vii) The Company has an internal audit system, which in our opinion is commensurate with the size of the Company and nature of its business however, in our opinion internal audit needs to be further strengthened.

(viii) As informed to us, the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956 has not been prescribed by the Central Government.

(ix) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income-Tax, Sales-tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues as applicable with the appropriate authorities and that no undisputed amounts payable in respect of the same were in arrears as at 31-03-2009 for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and the records of the Company examined by us, the particulars of dues of Income Tax / Sales Tax / Wealth Tax / Service Tax / Custom Duty / Excise Duty / Cess (as applicable) as at March 31, 2009 which have not been deposited on account of any dispute, are referred to in Annexure-'B'

(x) The Company does not have any accumulated losses and has not incurred cash losses in the current financial year and in the immediately preceding financial year.

(xi) According to the records of the Company examined by us and as per the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders.

(xii) According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities; except certain loans to employees which have been granted on the basis of security of house and vehicles and in this regard proper documents & records are maintained. In respect of loans to its employees other than those as stated already, are granted without any security.

(xiii) In our opinion, the company is not chit fund or a Nidhi / Mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.

(xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.

(xv) In our opinion and according to the information and explanations given to us the terms & conditions of the guarantee given by the company for loans taken by **NINL** from banks or financial institutions during the year are not prima-facie prejudicial to the interest of the Company.

(xvi) According to the information and explanations given to us, the Company has not taken any term loans during the year. Hence, the provisions of clause 4(xvi) of the Companies (Auditor's

Report) Order 2003 (as amended) are not applicable to the Company.

(xvii) According to the information and explanations given to us and overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment.

(xviii) According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.

(xix) According to the information and explanations given to us, during the year covered by our audit report, the Company has not issued any debentures during the year and hence, the provision of clause No. 4(xix) of the Companies (Auditor's Report) Order 2003 (as amended) is not applicable to the Company.

(xx) The Company has not raised any money by way of Public Issue during the year, therefore the provision of clause 4(xx) of the Companies (Auditor's Report) Order 2003 (as amended) is not applicable to the Company.

(xxi) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management **except, in respect of 2 kg gold valued at Rs. 2.24 million was short received at Regional Office Bangalore while returning the unsold jewellery on account of exhibition against which provision for Rs 2.24 million has been made in the accounts. Departmental action has been initiated against the erring officials. Suit for recovery has been filed besides criminal complaint. (Refer Note No. 19 to the notes to accounts).**

For **N. K. Bhargava & Co.**
Chartered Accountants

Sd/-
(CA N.K.BHARGAVA)
Partner
M. No. 080624

Place: New Delhi
Dated: 07.08.2009

ANNEXURE 'B' TO AUDITORS' REPORT

Referred to in paragraph 9(b) of Annexure -'A' a statement on the matters specified in the Companies (Auditors Report) Order, 2003 (as amended) of MMTC Limited for the year ended on 31st March 2009

According to the records of the company dues of Income Tax, Sales Tax, Custom Duty, Excise Duty and Cess which have not been deposited on account of disputes are stated below:

Corporate Office

Name of the Statute	Nature of the dues	Amount (In Rs.)	Period	Forum of Dispute
Income Tax Act, 1961	Income Tax & Interest	3.29 crores	A/Y 2003-04	CIT(A)
Income Tax Act, 1961	Income Tax & Interest	42.41 crores	1991-92 to 2006-07	CIT(A)/ITAT/High Court

Chennai Regional Office

Name of the Statute	Nature of the dues	Amount (In Rs.)	Period	Forum of Dispute
CST ACT	Sales Tax on Interest Collected	66,590	1995-96	Sales Tax Appeals Tribunal
CST ACT	Tax on Interest Collected	14,458	1996-98	Assistant Commissioner (CT)
CST ACT	Sales Tax, Penalty & Interest	18,926	1993-95	High Court
TNGST ACT	Sales Tax on Interest Collected	40,134	1996-98	Assistant Commissioner (CT)
TNGST ACT	Sales Tax, Penalty & Interest	79,144	1991-93	High Court
TNGST ACT	Sales Tax, Penalty & Interest	27,12,229	1995-2001	Sales Tax Appeals Tribunal
TNGST ACT	Sales Tax, Penalty & Interest	3,45,019	1991-95	Special Tribunal Chennai

Mumbai Regional Office

Name of the Statute	Nature of the dues	Amount (In Rs.)	Period	Forum of Dispute
BST ACT	Sales Tax	3,29,69,209	1986-87	MST TRIBUNAL
BST ACT	Sales Tax	4,27,51,939	1987-88	MST TRIBUNAL
BST ACT	Sales Tax	7,56,98,025	1988-89	MST TRIBUNAL
BST ACT	Sales Tax	14,96,06,778	1989-90	MST TRIBUNAL
BST ACT	Sales Tax	23,30,46,478	1990-91	DC (APPEAL)
BST ACT	Sales Tax	28,98,738	1991-92	DC (APPEAL)
BST ACT	Sales Tax	11,14,933	1992-93	MST TRIBUNAL
BST ACT	Sales Tax	45,03,961	2001-02	DC(APPEAL)

Delhi Regional Office

Name of the Statute	Nature of the dues	Amount (In Rs.)	Period	Forum of Dispute
Delhi Sales Tax	Sales Tax	11,65,303	1984-85	D.C. appeal

Delhi Sales Tax	Sales Tax	6,18,17,683	1986-87	Addl. Commissioner
Central Sales Tax	Central Sales Tax	39,14,524	1986-87	Addl. Commissioner
Delhi Sales Tax	Sales Tax	4,03,31,557	1987-88	Addl. Commissioner
Central Sales Tax	Central Sales Tax	28,54,992	1987-88	Addl. Commissioner
Delhi Sales Tax	Sales Tax	369,45,148	1988-89	Addl. Commissioner
Central Sales Tax	Central Sales Tax	31,43,485	1988-89	Addl. Commissioner
Delhi Sales Tax	Sales Tax	16,35,160	1987-88	Joint Commissioner

Hyderabad Regional Office

Name of the Statute	Nature of the dues	Amount (In Rs.)	Period	Forum of Dispute
APGST	Sales Tax	29,61,551	1990-91	STAT, Hyderabad
APGST	Sales Tax	24,02,576	1991-92	STAT, Hyderabad
APGST	Sales Tax	13,96,269	1992-93	STAT, Hyderabad
APGST	Sales Tax	17,62,687	1992-93	STAT, Hyderabad
APGST	Sales Tax	6,30,615	1993-94	STAT, Hyderabad
CST	Central Sales Tax	4,41,446	1993-94	ADC (CT)
CST	Central Sales Tax	2,04,481	1994-95	ADC (CT)
CST	Central Sales Tax	48,62,340	1995-96	ADC (CT)
APGST	Sales Tax	38,03,875	1995-96	STAT, Hyderabad
APGST	Sales Tax	28,80,309	1995-96	STAT, Hyderabad
CST	Central Sales Tax	21,34,306	1996-97	STAT, Hyderabad
APGST	Sales Tax	58,43,100	1997-98	STAT, Hyderabad
CST	Central Sales Tax	6,35,504	1997-98	ADC (CT)
APGST	Sales Tax	55,65,147	1998-99	ADC, Hyderabad
APGST	Sales Tax	39,04,454	1999-2000	ADC, Hyderabad
APGST	Sales Tax	2,52,926	2000-2001	ADC, Hyderabad
CST	Central Sales Tax	1,26,767	2000-2001	ADC (CT), Vizag

Bhubaneshwar Regional Office

Name of the Statute	Nature of the dues	Amount (In Rs.)	Period	Forum of Dispute
Orissa Sales Tax	Interest Penalty	9,58,035	1966-67	High Court of Orissa
Orissa Sales Tax	Interest Penalty	26,50,388	1978-79	High Court of Orissa
Orissa Sales Tax	Interest Penalty	6,53,452	1979-80	High Court Of Orissa
Orissa Sales Tax	CST	33,04,073	1981-82	High Court Of Orissa

Orissa Sales Tax	Orissa Sales Tax	78,46,464	1982-83	High Court Of Orissa
Orissa Sales Tax	Orissa Sales Tax	3,16,921	1982-83	High Court Of Orissa
Orissa Sales Tax	Central Sales Tax	34,83,020	1982-83	—do—
Orissa Sales Tax	Interest	2,62,819	1982-83	—do—
Orissa Sales Tax	Orissa Sales Tax	79,13,807	1983-84	—do—
Orissa Sales Tax	Orissa Sales Tax	3,29,926	1983-84	—do—
Orissa Sales Tax	Central Sales Tax	35,42,822	1983-84	—do—
Orissa Sales Tax	Orissa Sales Tax	86,48,326	1984-85	—do—
Orissa Sales Tax	Orissa Sales Tax	3,69,294	1984-85	—do—
Orissa Sales Tax	Central Sales Tax	57,96,808	1984-85	—do—
Orissa Sales Tax	Interest	3,57,42,030	1978-79	—do—
Central Excise Act	Service Tax	6,57,63,346	2007-08	Customs, Excise & Service Tax Appellate Tribunal
Central Excise Act	Service Tax	11,74,12,737	2008-09	Customs, Excise & Service Tax Appellate Tribunal

Jaipur Regional Office

Name of the Statute	Nature of the dues	Amount (In Rs.)	Period	Forum of Dispute
R.S.T ACT	Sales Tax	1,28,87,058/-	2003-04	D.C. Appeals
R.S.T ACT	Sales Tax	5,32,992/-	2003-04	D.C. Appeals

Vijag Regional Office

Name of the Statute	Nature of the dues	Amount (In Rs.)	Period	Forum of Dispute
A.P.G.S.T ACT	Sales Tax	18,56,325	1968-69	STAT, Hyderabad
A.P.G.S.T ACT	Sales Tax	26,39,647	1981-82	ADC, Vizag
A.P.G.S.T ACT	Sales Tax	6,88,552	1982-83	ADC, Vizag
A.P.G.S.T ACT	Sales Tax	17,66,784	1983-84	ADC
A.P.G.S.T ACT	Sales Tax	30,00,436	1984-85	ADC
A.P.G.S.T ACT	Sales Tax	20,22,371 4,83,435	1985-86	STAT, HYD

A.P.G.S.T ACT	Sales Tax	2,70,83,841	1986-87	STAT,Hyderabad
A.P.G.S.T ACT	Sales Tax	36,45,076	1987-88	ADC
A.P.G.S.T ACT	Sales Tax	19,34,139	1991-92	STAT,HYD
CST	Sales Tax	8,41,695	1994-95	STAT, Hyderabad
CST	Sales Tax	5,97,266	1995-96	STAT, Hyderabad
CST	Sales Tax	33,58,889	1996-97	STAT, Hyderabad
A.P.G.S.T ACT	Sales Tax	25,27,960	1997-98	STAT, Hyderabad
CST	Sales Tax	28,07,578	1997-98	STAT, Hyderabad

Kolkata Regional Office

Name of the Statute	Nature of the dues	Amount (In Rs.)	Period	Forum of Dispute
WBST ACT 1994	Sales Tax	40,15,000	1995-96	Sales Tax Tribunal
WBST ACT 1994	—do—	86,88,778	1996-97	Sales Tax Tribunal
WBST ACT 1994	—do—	33,74,028	1997-98	D.C. Appeal
WBST ACT 1994	—do—	37,11,769	1998-99	Sales Tax Tribunal
WBST ACT 1994	—do—	11,023,010	1999-2000	Sales Tax Tribunal
WBVAT ACT 2005	VAT	22,962,037	2005-2006	D.C Appeal

Jhandewalan Regional Office

Name of the Statute	Nature of the dues	Amount (In Rs.)	Period	Forum of Dispute
CST ACT	Central Sales Tax	4,17,65,555	1997-98	Addl.Commissioner-III New Delhi
LST ACT	Local Sales Tax	1,01,70,918	1997-98	Addl.Commissioner-III New Delhi
CST ACT	Central Sales Tax	37,45,290	2002-03	STO, New Delhi

NSEZ, Noida

Name of the Statute	Nature of the dues	Amount (In Rs.)	Period	Forum of Dispute
ST ACT	Sales Tax	9,21,383	1993-94	Allahabad High Court
ST ACT	Sales Tax	17,99,903	1994-95	Jt. Commissioner.of Appeals III, Noida
ST ACT	Sales Tax	2,94,481	1995-96	Jt. Commissioner.of Appeals III, Noida
ST ACT	Sales Tax, interest	32,14,026	1994-95	Jt. Commissioner.of Appeals III, Noida
ST ACT	Sales Tax, interest	4,59,095	1995-96	Jt. Commissioner.of Appeals III, Noida
ST ACT	Sales Tax	12,23,616	1996-97	Allahabad High Court

संख्या / No. GAP-I/MMTC/2-11/2008-09/Vol III/389

गोपनीय

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 31.8.2009

सेवा में,

अध्यक्ष एवं प्रबन्ध निदेशक,
एमएमटीसी लिमिटेड
स्कोप कॉम्पलेक्स
नई दिल्ली

विषयः कम्पनी अधिनियम 1956 की धारा 619(4) के आधीन 31 मार्च 2009 को समाप्त वर्ष के लिए **एमएमटीसी लिमिटेड** के लेखाओं पर भारत के नियंत्रक महालेखा परीक्षक की टिप्पणियाँ

महोदय,

कम्पनी अधिनियम 1956 की धारा 619(4) के आधीन 31 मार्च 2009 को समाप्त हुए वर्ष के लिए **एमएमटीसी लिमिटेड** के लेखाओं पर भारत के नियंत्रक महालेखा परीक्षक की **शून्य टिप्पणियाँ** अग्रेषित की जाती हैं। इन **शून्य टिप्पणियों** को कम्पनी की वार्षिक रिपोर्ट में प्रकाशित किया जाए और कम्पनी की महासभा में उसी समय व उसी प्रकार से रखा जाए जिस प्रकार सांविधिक लेखा परीक्षकों की लेखा परीक्षा रिपोर्ट रखी जाती है।

भवदीय,

हस्ता/—
(बीरेन्द्र कुमार)
प्रधान निदेशक

संलग्न : शून्य टिप्पणियाँ

तृतीय तल, 'ए' स्कंध, इन्द्रप्रस्थ भवन, नई दिल्ली-110002
3rd FLOOR, 'A' WING, INDRAPRASTHA BHAVAN, NEW DELHI-110002
दूरभाष / TEL.: 011-23378473, **फैक्स** / FAX : 011-23378432
e-mail : mabnewdelhi1@cag.gov.in

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619 (4) OF THE COMPANIES ACT, 1956 ON THE ACCOUNTS OF MMTC LIMITED FOR THE YEAR ENDED 31 MARCH 2009

The preparation of financial statements of **MMTC Limited** for the year ended 31 March 2009 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the Management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 619 (2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under Section 227 of the Companies Act, 1956 based on independent audit in accordance with the Auditing and Assurance Standards prescribed by their professional body the Institute of Chartered Accounts of India. This is stated to have been done by them vide their Audit Report dated 07th August 2009.

I on behalf of the Comptroller and Auditor General of India have conducted a supplementary audit under Section 619(3) (b) of the Companies Act, 1956 of the financial statements of **MMTC Limited** for the year ended 31 March 2009. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to Statutory Auditors' report under Section 619 (4) of the Companies Act, 1956.

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

Sd/-
(Birendra Kumar)
Principal Director of Commercial Audit
& ex-Officio Member, Audit Board-I,
New Delhi.

Place: New Delhi
Dated : 31 August 2009

Decade at a Glance

(Rs. in million)

Year Ended 31st March	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
What we owe										
Share capital	**500**	500	500	500	500	500	500	500	500	500
Reserve	**10734**	9800	8321	7833	7035	6219	5853	5703	5362	6067
	11234	10300	8821	8333	7535	6719	6353	6203	5862	6567
Borrowings	**43052**	31984	11298	5071	3075	4013	1852	3255	3532	2166
	54286	42284	20119	13404	10610	10732	8205	9458	9394	8733
What we own										
Fixed assets	**2075**	2067	2045	773	744	733	747	723	653	620
Less: depreciation	**757**	654	519	453	426	395	376	339	324	304
Net fixed assets	**1,318**	1,413	1,526	320	318	338	371	384	329	316
Investments	**2315**	2550	2550	2210	2210	1985	2108	992	903	881
Misc. Exp(not wrriten off)	**58**	22	15	45	82	169	234	196	244	110
Working captial	**50291**	38042	15667	10411	7517	7707	4744	7116	7918	7426
Deffered Tax Assets	**303**	257	361	418	483	533	748	770	-	-
	54,285	42,284	20,119	13,404	10,610	10,732	8,205	9,458	9394	8733
What we earned										
Sales	**368207**	264234	233016	163624	151237	90992	62259	72436	53017	46971
Exports	**45759**	39114	34131	29254	30309	18912	23356	17287	16036	11538
Imports	**306951**	204499	186074	117858	110325	66787	37324	54805	36411	35268
Domestic	**15497**	20621	12811	16512	10603	5293	1579	344	570	165
Interest earned	**7824**	2106	1202	1213	3155	320	375	410	486	453
Other income	**2498**	1314	902	749	584	1353	779	429	607	1422
	378529	267654	235120	165586	154976	92665	63413	73275	54110	48846
What we spent										
Cost of sales	**366966**	260732	230964	161716	148821	89794	61295	71417	51994	47001
Establishment Expenses	**1653**	1184	883	706	700	690	637	732	863	656
Administration Expenses	**385**	375	327	302	276	225	308	341	361	377
Interest paid	**6659**	1350	711	818	2851	251	255	240	302	372
Depreciation	**126**	127	80	42	42	43	44	34	29	26
Miscellaneous Exp Written off	**18**	13	33	41	96	95	90	90	123	127
Debts/claims w/o& Dimunition in value of Investment	**143**	231	98	191	259	651	236	6	14	99
Prov. for doubtful debts & dimunition invalue of Investment/fixed assets	**406**	373	95	67	135	76	207	167	218	86
	376356	264385	233191	163883	153180	91825	63072	73027	53904	48744

(Rs. in million)

Year Ended 31st March	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
What we saved										
Profit for the year	**2173**	3269	1929	1703	1796	840	341	248	206	102
Provision for taxation	**772**	1241	625	596	691	295	107	63	22	14
Profit after tax (before Prior Period Adj.)	**1401**	2028	1304	1107	1105	545	234	185	184	88
Prior period adjustment	**(1)**	23	36	24	33	39	(16)	-	61	(62)
Profit available for appropriation	**1402**	2005	1268	1083	1072	506	250	185	123	150
Transfer From General										
Reserve for Dividend	**-**	-	-	-	-	-	-	438	-	-
Dividend	**400**	450	250	250	225	125	100	605	100	100
Tax on dividend	**68**	76	39	35	31	16	-	-	11	12
Retained earnings	**934**	1479	979	798	816	365	150	18	12	38
Gross Profit	**3209**	4298	2497	2218	2559	1624	1297	1262	1390	1022
Profit before Tax	**2174**	3246	1893	1679	1763	801	357	248	145	164
Profit after tax	**1402**	2005	1268	1083	1072	506	250	185	123	150
Net worth	**11176**	10278	8806	8288	7453	6550	6119	6007	5618	6457
Capital employed	**8557**	7471	5895	10731	7835	8045	5115	7500	8247	7742
Working capital	**50291**	38042	15667	10411	7517	7707	4744	7116	7918	7426
Ratios										
Overheads to sales %	**0.6**	0.6	0.5	0.6	0.6	1.0	1.5	1.5	2.3	2.2
Stocks to sales %	**1.6**	2.1	0.8	1.5	0.7	1.8	2.0	1.6	4.3	4.0
Trading profit to sales%	**0.9**	1.6	1.1	1.4	1.7	1.8	2.1	1.7	2.6	2.2
Profit before tax to sales %	**0.6**	1.2	0.8	1.0	1.2	0.9	0.6	0.3	0.3	0.3
Profit after tax to sales %	**0.4**	0.8	0.5	0.7	0.7	0.6	0.4	0.3	0.2	0.3
Debtors to sales %	**5.2**	5.5	4.8	4.5	4.5	5.0	3.9	4.3	4.0	4.5
Working capital to sales %	**13.7**	14.4	6.7	6.4	5.0	8.5	7.6	9.8	14.9	15.8
Sales to working capital (times)	**7.3**	6.9	14.9	15.7	20.1	11.8	13.1	10.2	6.7	6.3
Profit for the year to capital employed %	**25.4**	43.8	32.7	15.9	22.9	10.4	6.7	3.3	2.5	1.3
Profit after tax to capital employed %	**16.4**	26.8	21.5	10.1	13.7	6.3	4.9	2.5	1.5	1.9
Profit for the year to net worth %	**19.4**	31.8	21.9	20.5	24.1	12.8	5.6	4.1	3.7	1.6
Profir after tax to net worth %	**12.5**	19.5	14.4	13.1	14.4	7.7	4.1	3.1	2.2	2.3
Number of employees	**1882**	1953	1997	2031	2063	2083	2160	2399	2456	2865
Sales per employee	**195.6**	135.3	116.7	80.6	73.3	43.7	28.8	30.2	21.6	16.4

Sources and Utilisation of Funds

(Rs. in million)

	2008-09	2007-08	2006-07
SOURCES			
Internal generation			
Profit after tax	**1402**	2005	1268
Deferred Tax Adjustments	**(47)**	104	56
Depreciation	**757**	627	519
Provisions	**3605**	3240	1961
Equity	**500**	500	500
Reserves	**9332**	7795	7053
External generation			
Banking	**43052**	32016	11298
Current liabilities	**48350**	45271	15247
Other liabilities	**1470**	999	882
TOTAL SOURCES	**108421**	92557	38784
UTILISATION			
Fixed assets	**2075**	2067	2045
Investments	**2363**	2597	2597
Trade debts	**19994**	15061	11703
Inventories	**5785**	5532	1777
Loan & advances	**19309**	7396	5822
Cash & bank balance	**58580**	59520	14408
Deffered Tax	**257**	361	417
Misc.exp.not written off	**58**	23	15
TOTAL UTILISATION	**108421**	92557	38784

Sources and Utilisation of Funds

(Rs. in million)

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Statement of Changes in Financial Position

(Rs. in million)

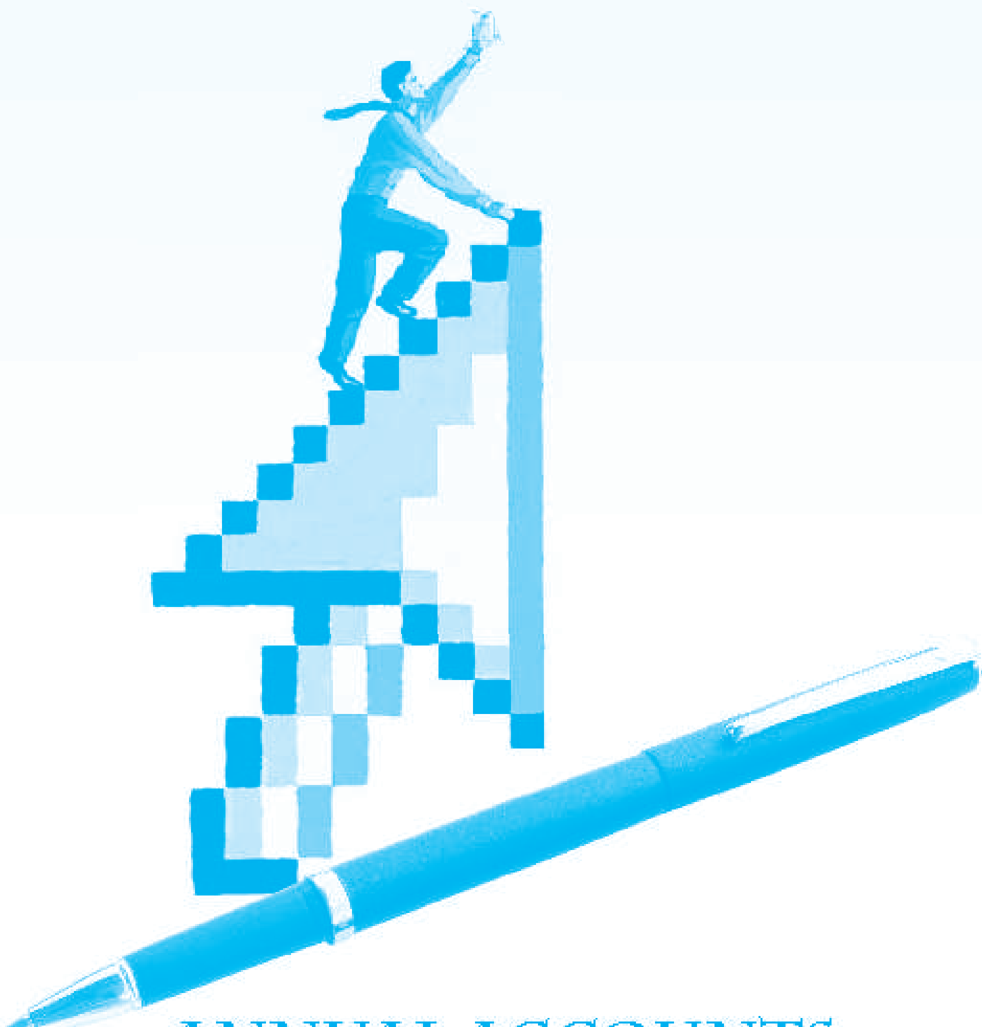
	2008-09		2007-08		2006-07	
SOURCES OF FUNDS						
Internal generation						
Profit after tax	**1,402**		2005		1268	
Depreciation	**126**	**1,528**	127	2132	80	1348
Deffered Tax Adjustment		**257**		361		417
Borrowings						
Loan funds		**11,068**		20718		6227
TOTAL SOURCES		**12,853**		23211		7992
APPLICATION OF FUNDS						
Fixed assets		**31**		41		1286
Investments		**(234)**		0		340
Miscellaneous expn.not written off		**36**		7		(30)
Deferred Tax Asset		**303**		257		361
Final Dividend		**200**		275		125
Interim Dividend		**200**		175		125
Dividend Tax		**68**		76		39
Current assets						
Inventory	**253**		3755		(714)	
Sundry debtors	**4,620**		3261		3810	
Loan & advances	**11,996**		1583		(4647)	
Cash & Bank balance	**(940)**		45113		356	
Total Current Assets	**15,929**		53712		(1195)	
Current liabilities						
Liabilities	**3,046**		29965		(6514)	
Provisions	**634**		1367		(427)	
Total Current Liabilites	**3,680**		31332		(6941)	
Net Working Capital		**12,249**		22380		5746
TOTAL APPLICATION OF FUNDS		**12,853**		23211		7992

Value Added Statement

(Rs. in million)

	2008-09		2007-08		2006-07	
VALUE ADDED		**%**		**%**		**%**
Sales & other trade earning	**370,173**		264,779		233,465	
Add:Other income	**534**		518		459	
	370,707		265,297		233,924	
Less:Cost of material and services used	**359,971**		256,694		226,289	
TOTAL VALUE ADDITION	**10,736**		8,603		7,635	
VALUE DISTRIBUTION						
Operating expenses	**6,995**	**65.15**	3,797	44.13	4,711	61.70
Employment costs	**1,671**	**15.57**	1,199	13.93	916	12.00
Administrative costs	**529**	**4.93**	618	7.18	431	5.64
Provisions	**406**	**3.78**	373	4.33	95	1.24
Depreciation	**126**	**1.17**	127	1.47	80	1.05
Interest(net)	**(1,165)**	**(10.85)**	(756)	(8.78)	(491)	(6.43)
Income tax	**772**	**7.19**	1,241	14.43	625	8.19
Dividend						
Interim Dividend	**200**	**1.86**	175	2.03	125	1.64
Proposed Dividend	**200**	**1.86**	275	3.20	125	1.64
Tax on Dividend	**68**	**0.63**	76	0.89	39	0.51
Retained earning	**934**	**8.70**	1,478	17.18	979	12.82
TOTAL VALUE DISTRIBUTION	**10,736**	**100.00**	8,603	100.00	7,635	100.00
ANALYSIS						
Number of employee	**1882**		1953		1997	
Value added per employee(Rs.'000)	**5705**		4405		3823	
Net worth	**11,176**		10,278		8,806	
Value added per rupee of net worth	**0.96**		0.84		0.87	

एमएमटीसी
लिमिटेड
MMTC
LIMITED
भारत सरकार का उपक्रम
A GOVT. OF INDIA ENTERPRISE
touching lives, adding value



ANNUAL ACCOUNTS
2008-09

ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENT

(a) The financial statements are prepared according to the historical cost convention on accrual basis and in line with the fundamental accounting principles of prudence, consistency and materiality.

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

(c) **Statement of Compliance**

The financial statements are prepared on the basis of generally accepted accounting principles in India, accounting standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956 as amended from time to time.

2. PURCHASES AND SALES

a) Purchases and sales are booked where the company has entered into purchase/sale contract/agreement with the sellers/buyers or received allocation letter from Government, on performance of the contract/agreement/allocation either wholly or partly.

b) Gold/Silver sent by foreign suppliers on consignment basis:

i) Purchases include gold/silver withdrawn from consignment stock 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 for domestic sale is accounted for on withdrawal from the consignment stock and fixation of price with the suppliers.

iii) Gold/silver withdrawn on loan basis where from consignment stock, are shown as loan given to parties 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 exports.

v) Consignment stocks held on behalf of foreign suppliers at the year end is suitably disclosed in the accounts. However, customs duty paid in respect of balance consignment stock is shown as prepaid expenses.

c) In respect of exports of Iron Ore/Manganese Ore where final sale value is ascertained on the basis of destinational 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.

d) Pending settlements, certain expenses/ gain/loss like dispatch earned/ demurrage payable etc. are accounted for on provisional basis.

3. REVENUE RECOGNITION

i) Revenue is recognized on accrual basis except in the following items which are accounted for on actual realization since relisability of such items is uncertain in accordance with the provisions of AS - 9 issued by ICAI:-

a) Tax credit, duty credit authorization under Target Plus scheme, REP/Advance Licenses, Service Tax refund, etc.

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

c) Interest on overdue recoverables where realisability is uncertain.

d) 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.

Insurance claims are accounted for upon being accepted by the insurance company.

ii) 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.

4. PREPAID EXPENSES

Prepaid expenses upto Rs.5,000/- in each case are charged to revenue. Deposits upto Rs.1,000/- in each case with Government Department, Statutory Corporations, Electricity Boards and Local Bodies are also charged off to revenue.

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".

6. DEPRECIATION

Depreciation is provided on straight line method at the rates approved by the Board of Directors, which are equal to or higher than those provided under schedule XIV of the Companies Act, 1956. Depreciation on assets acquired/disposed during the year is provided from/upto the month the asset is acquired/disposed. Depreciation includes amortisation of lease-hold land and Railway Wagon Rakes under WIS. Wooden partitions and temporary structures are fully depreciated in the year of purchase/erection. Moveable assets whose written down value at the beginning of the year and / or value in respect of purchases made during the year are less than Rs 10,000/- or less in each case, 100% depreciation is provided except retaining a nominal value of Re 1/-. The depreciation rates are as under:

Name of Assets	Rate of Depreciation as adopted by Company	Rate of Depreciation as provided in Sch.XIV
A. General Assets		
Furniture & Fittings	10%	6.33%
Weigh bridges	10%	4.75%
Typewriters, Machines, Fans & Office Equipment & AC	12.5%	4.75%
Vehicles	20%	9.50%
Computers	20%	16.21%
Lease hold land As per lease agreement		
Wagon Rakes As per agreement/ Wagon Investment Scheme		
Electrical installations excluding fans	10%	1.63%
Water supply, sewerage and drainage	10%	1.63%
Road and Culverts	2.5%	1.63%
Building and flats	2.5%	1.63%
Residential flats(ready built)	5%	1.63%
Warehouses/Godown	4%	1.63%
B. Manufacturing Unit's Assets		
Factory Building	3.34%	3.34%
Electrical Installations	4.75%	4.75%
Water Supply	4.75%	4.75%
Plant & Machinery(General)		
Single Shift	4.75%	4.75%
Double Shift	7.42%	7.42%
Triple Shift	10.34%	10.34%
Plant & Machinery-Continuous Process(including Wind Mill)	5.28%	5.28%
C. " Fixed Assets created on Land and neither the the Fixed Assets nor the Land belongs to the Company "	Over useful life of asset or five years whichever is less.	
D. All movable assets up to Rs.10,000/-	100% for Movable assets costing Rs.10,000 or less each	100% for assets costing Rs.5,000 or less each

7. INVESTMENTS

(i) Long term investments are valued at cost less provision for permanent diminution in value.

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

8. FOREIGN CURRENCY TRANSACTIONS

a) Transactions with rupee payment countries in respect of non-convertible Indian currency are being treated as foreign exchange transactions.

b) Foreign currency monetary items (except overdue recoverable where realisibility 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 Trading, Profit and Loss account.

c) 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 Trading, Profit & Loss Account.

d) In respect of forward exchange contracts, the premium / discount and loss/gain will be recognized as under:-

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 Trading, Profit & Loss Account for the year.

In respect of forward contracts relating to firm commitments and highly probable forecast transactions, loss due to exchange difference is recognized in the Trading, 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.

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

9. DEFFERED REVENUE EXPENDITURE

Payment of Ex-gratia and Notice pay on Voluntary Retirement is treated as Deferred Revenue Expenditure and charged to Profit & Loss Account over a period of five years in equal installments.

10. EMPLOYEE BENEFITS

(i) Provision for gratuity, leave encashment/availment, post retirement medical benefit and ALTC/LTC liability is made on the basis of actuarial valuation as per AS-15(Revised) issued by The Institute of Chartered Accountants of India.

(ii) Provident fund contribution is made to Provident Fund Trust on accrual basis.

11. PHYSICAL VERIFICATION OF STOCKS

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.

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.

12. VALUATION OF STOCKS

Inventories including Goods-in-Transit are valued at lower of the cost or realisable value as on 31st March. The method of valuation is as under:

a) EXPORTS

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.

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

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.

In case of cut & polished stones, medallions and jewellery (finished/semi finished) cost includes wastages and other direct manufacturing cost.

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

Packing material is valued at lower of the cost or realisable value as on 31st March.

(d) STOCK ON LOAN/FABRICATION

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

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.

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.

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.

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.

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**

Provision is recognized when

(i) the Company has a present obligation as a result of the past event.

(ii) a probable outflow of resources is expected to settle the obligation and a reliable estimate of the amount of the obligation can be made.

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.

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.

(ii) Contingent assets are neither recognized nor disclosed in the financial statements.

18. TREATEMENT 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.

For **N K Bhargava & CO.**
Chartered Accountants

Sd/-
(N K Bhargava)
Partner
M No. 080624

Sd/-
(Manohar Balwani)
Company Secretary

Sd/-
(Vijay Pal)
Chief General Manager (F&A)

Sd/-
(S K Kar)
Director-Finance

Sd/-
(Sanjiv Batra)
Chairman and Managing Director

Place: New Delhi
Date: 7th August, 2009

Balance Sheet as at 31-03-2009

(Rs. in million)

	Sch No.	As at 31-03-2009		As at 31-03-2008	
SOURCES OF FUNDS					
Shareholders' Funds					
Share Capital	1	**500.00**		500.00	
Reserves & Surplus	2	**10,733.83**	**11,233.83**	9,799.64	10,299.64
LOAN FUNDS	3				
Secured		**43,052.01**		31,983.53	
Unsecured		–	**43,052.01**	–	31,983.53
TOTAL :			**54,285.84**		**42,283.17**
APPLICATION OF FUNDS					
FIXED ASSETS	4				
Gross Block		**2,026.39**		2,024.94	
Less: Depreciation		**729.62**		626.52	
Net Block		**1,296.77**		1,398.42	
Capital Work-in-progress		**48.87**		41.56	
Less: Diminution in Capital Work-in-progress		**27.69**		27.69	
Net Capital Work-in-progress		**21.18**	**1,317.95**	13.87	1,412.29
INVESTMENTS	5		**2,315.43**		2,549.71
DEFERRED TAX ASSETS			**303.23**		256.70
CURRENT ASSETS, LOANS & ADVANCES					
Stock in Trade	6	**5,785.29**		5,532.08	
Sundry Debtors	7	**19,073.17**		14,452.36	
Cash & Bank Balances	8	**58,579.99**		59,520.36	
Loans & Advances	9	**18,723.21**		6,727.58	
		102,161.66		86,232.38	
Less:					
CURRENT LIABILITIES & PROVISIONS					
Current Liabilities	10	**48,350.23**		45,304.13	
Provisions	11	**3,520.46**		2,886.29	
		51,870.69		48,190.42	
Net Current Assets			**50,290.97**		38,041.96
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)	11a		**58.26**		22.51
TOTAL :			**54,285.84**		**42,283.17**

Notes to the Accounts and Contingent Liabilities 21

Schedule 1 to 21 and Accounting Policies form an integral part of the accounts.

As per our report of even date attached

	Sd/-	Sd/-
For **N K Bhargava & Co.** Chartered Accountants	**(Manohar Balwani)** GM & Company Secretary	**(Vijay Pal)** Chief General Manager (F&A)
Sd/- **(N K Bhargava)** Partner M.NO.080624	Sd/- **(S.K. Kar)** Director(Finance)	Sd/- **(Sanjiv Batra)** Chairman and Managing Director

Date : 7th August, 2009

Place : NEW DELHI

Trading, Profit & Loss A/C for the Year Ended 31 March, 2009

(Rs. in million)

	Sch No.	For The Year 2008-2009		For The Year 2007-2008	
Income					
Sales		**368,207.57**		264,234.59	
Other Trade Earnings		**1,966.80**	**370,174.37**	795.72	265,030.31
Less: -					
Cost Of Sales	12	**365,262.30**		259,497.01	
Manufacturing Expenses	13	**1,703.46**		1,235.08	
			366,965.76		260,732.10
Gross Profit			**3,208.61**		4,298.21
Other Income	14	**306.23**		226.24	
Provisions No Longer Required		**224.23**		292.36	
Interest Income	15	**7,824.02**	**8,354.48**	2,106.07	2,624.67
			11,563.09		6,922.88
Expenditure					
Salaries & Allowances	16	**1,652.80**		1,183.84	
Administrative Expenses	17	**346.64**		332.54	
Interest Paid	18	**6,658.69**		1,350.32	
Depreciation		**125.83**		126.84	
Exhibition,fairs & Sales Promotion Exp		**38.76**		42.08	
Miscellaneous Expenenditure Written Off		**18.20**		13.46	
Debts/claims Etc. Written Off		**143.28**		231.65	
Provision For Bad & Doubtful Debts		**406.12**	**9,390.32**	372.93	3,653.66
			2,172.77		3,269.22
Prior Period Items	19		**1.01**		(23.22)
Profit Before Tax			**2,173.78**		3,246.00
Provision For Taxation					
Fringe Benefit Tax		**15.50**		11.04	
Current Tax		**800.00**		1,016.00	
Deferred Tax (assets)		**(46.53)**		104.30	
Adjustments Relating To Earlier Years		**2.64**	**771.61**	109.82	1,241.16
Profit After Tax			**1,402.17**		2,004.84
Surplus Brought Forward From Previous Years			**3,937.82**		2,669.46
Amount Available For Appropriation			**5,339.99**		4,674.30
Interim Dividend			**200.00**		175.00
Proposed Dividend			**200.00**		275.00
Dividend Tax			**67.98**		76.48
Transferred To General Reserve			**170.00**		210.00
Balance C/f To Balance Sheet			**4,702.01**		**3,937.82**
Earning Per Share(Basic & Diluted)			**28.04**		**40.10**

Schedule 1 to 21 and Accounting Policies form an integral part of the accounts.

As per our report of even date attached

For **N K Bhargava & Co.**
Chartered Accountants

Sd/-
(Manohar Balwani)
GM & Company Secretary

Sd/-
(Vijay Pal)
Chief General Manager (F&A)

Sd/-
(N K Bhargava)
Partner
M.NO.080624

Sd/-
(S.K. Kar)
Director(Finance)

Sd/-
(Sanjiv Batra)
Chairman and Managing Director

Date : 7th August, 2009
Place : NEW DELHI

Schedule 1 : Share Capital

(Rs. in million)

	As at 31-03-2009	As at 31-03-2008
Authorised 100,000,000 (L.Y.100,000,000) Equity shares of Rs.10 each	**1,000.00**	1,000.00
ISSUED, SUBSCRIBED AND PAID -UP 50,000,000 (L.Y.50,000,000) Equity Shares of Rs. 10 each fully paid. Of the above, 47,000,000 (P.Y.47,000,000) Equity shares of Rs. 10 each allotted as fully paid-up Bonus Shares by way of capitalisation of Reserves	**500.00**	500.00
TOTAL	**500.00**	**500.00**

Schedule 2 : Reserves & Surplus

	As at 01.04.2008	Additions	Deduction	As at 31.03.2009
Capital Reserve	0.69	–	–	**0.69**
General Reserve	5,861.13	170.00	–	**6,031.13**
Balance B/F from P&L A/C	3,937.82	764.19	–	**4,702.01**
TOTAL	**9,799.64**	**934.19**	–	**10,733.83**

Schedule 3 : Loan Funds

(Rs. in million)

	As at 31-03-2009		As at 31-03-2008	
I. Secured (against hypothecation of entire movable properties and current assets present and future)				
From Banks				
(Cash Credit/Packing Credit Accounts/Others)				
(1) State Bank of India	**14,616.47**		12,453.66	
(2) Canara Bank	**-**		34.61	
(3) Indian Overseas Bank	**883.82**		175.94	
(4) H.D.F.C. Bank	**1,749.32**		322.41	
(5) Punjab National Bank	**-**		45.33	
(6) Vijaya Bank	**100.00**		2,349.43	
(7) Bank of India	**0.00**		435.64	
(8) Dena Bank	**-**		7.78	
(9) Central Bank of India	**5,263.49**		4,781.18	
(10) Indian Bank	**2,922.11**		541.00	
(11 Bank of Maharastra	**196.14**		112.58	
(12) Centurian Bank	**-**		958.79	
(13) State Bank of Hyderabad	**908.78**		1,308.42	
(14) Allahabad Bank	**-**		229.50	
(15) Uco Bank	**-**		114.11	
(16) Union Bank of India	**11,168.90**		1,148.69	
(17) Axis Bank	**-**		571.11	
(18) Oriental Bank of Commerce	**98.41**		2,867.07	
(19) Development Credit Bank	**-**		172.86	
(20) Karur Vysa Bank	**-**		304.95	
(21) Syndicate Bank	**3,001.73**		-	
(22) IDBI Bank	**196.47**		683.70	
(23) BNP Paribas Bank	**970.39**		2,006.25	
(24) Standard Chartered Bank	**945.89**		-	
(25) ING Vyasa Bank	**-**		358.52	
(26) Yes Bank	**30.09**	**43,052.01**	-	31,983.53
II. Unsecured		**-**		-
TOTAL		**43,052.01**		**31,983.53**

Schedule 4 : Fixed Assets

Particulars	Gross Block			
	As at 1-4-08	Addition Purchase/ Transfer	Deduction Sale/ Transfer	As at 31.3.09
OFFICE BUILDING				
Land free-hold	3.66	-	-	**3.66**
Land Lease-hold	40.14	0.00	-	**40.13**
Building	152.20	0.31	-	**152.52**
Warehouse	34.11	0.00	-	**34.11**
Water Supply & Drainage	5.48	-	-	**5.48**
Electrical Installations	14.83	0.05	0.01	**14.87**
Audio/Fire/Airconditioning	9.86	-	-	**9.86**
Roads & Culverts	2.63	-	-	**2.63**
STAFF QUARTERS				
Land-Free-hold	1.33	-	-	**1.33**
Land-Lease-hold	2.67	-	-	**2.67**
Building/Residential Flats	64.38	1.28	-	**65.66**
Roads & Culverts	0.95	-	-	**0.95**
Water Supply, Sewerage & Drainage	3.96	0.00	-	**3.96**
Electrical Installations	1.95	0.00	0.09	**1.85**
Plant and Machinery	775.11	0.94	0.10	**775.95**
Furniture & Fixtures	67.81	2.99	1.11	**69.69**
Computer/Data Processors	163.25	9.15	5.95	**166.44**
Airconditioners, Fans, Typewriters & Other Machines	74.79	6.00	10.41	**70.37**
Vehicles	26.02	4.06	5.66	**24.42**
RAILWAY WAGON RAKE (WIS)	553.64	0.00	-	**553.64**
FIXED ASSETS CREATED ON LAND AND NEITHER THE FIXED ASSETS NOR THE LAND BELONG TO COMPANY				
RAILWAY LOOP LINE AT BNHT	26.17	-	-	**26.17**
TOTAL (A)	**2024.94**	**24.77**	**23.32**	**2026.39**
CAPITAL WORK IN PROGRESS				
Building under Construction	8.43	-	-	**8.43**
Roads & Culverts	0.47	-	-	**0.47**
Electrical Installations	6.81	0.11	-	**6.92**
Plant & Machinery	21.33	7.05	-	**28.38**
MMTC RETAIL WEB SITE	-	0.15	-	**0.15**
Gold Medallion unit	4.52	-	-	**4.52**
TOTAL (B)	**41.56**	**7.31**	**-**	**48.87**
GRAND TOTAL (A+B)	**2066.50**	**32.08**	**23.32**	**2075.26**
LAST YEAR	**2,044.86**	**41.72**	**20.08**	**2,066.50**

(a) Cost of office land/building/flats/culverts, sewerage and drainage in some of the offices have been accounted for provisionally pending receipt of final bills or under contruction/execution of lease deed.

(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)

(c) Residential flats includes 41 shares (PY 41 shares) of Cooperative Group Housing Society of the value of Rs.0.002 millions (PY Rs.0.002 millions).Conveyance of some flats of the original value as on 31.3.2009 amounting to Rs.4.89 millions (PY Rs.4.89 millions) is pending to be executed.

(Rs. in million)

Provision For Depreciation				Net Block	
As at 1.4.08	Addition Purchase/ Transfer	Deduction Sale/ Transfer	As at 31.3.09	As at 31.3.09	As at 31.3.08
-	-	-	**-**	**3.66**	3.66
9.32	0.45	-	**9.77**	**30.36**	30.82
48.04	3.94	-	**51.98**	**100.54**	104.17
11.22	1.36	-	**12.58**	**21.53**	22.89
5.48	0.00	-	**5.48**	**0.00**	0.00
13.89	0.21	0.01	**14.09**	**0.78**	0.94
9.85	0.01	-	**9.86**	**0.00**	0.01
1.42	0.07	-	**1.49**	**1.14**	1.21
-	-	-	**-**	**1.33**	1.33
0.94	0.03	-	**0.98**	**1.69**	1.73
45.36	1.36	-	**46.72**	**18.94**	19.02
0.54	0.02	-	**0.56**	**0.39**	0.41
3.64	0.04	-	**3.68**	**0.28**	0.32
1.82	0.06	0.09	**1.79**	**0.06**	0.12
95.60	38.58	0.10	**134.09**	**641.87**	679.52
59.22	3.16	1.02	**61.36**	**8.34**	8.59
133.37	11.62	5.92	**139.07**	**27.37**	29.88
56.72	5.34	10.32	**51.72**	**18.65**	18.07
14.43	4.22	5.27	**13.38**	**11.05**	11.59
89.50	55.36	-	**144.87**	**408.78**	464.14
26.17	-	-	**26.17**	**0.00**	0.00
626.52	**125.83**	**22.73**	**729.62**	**1296.77**	**1398.42**
*6.71	-	-	**6.71**	**1.72**	1.72
*0.47	-	-	**0.47**	**-**	-
*6.70	-	-	**6.70**	**0.22**	0.11
*13.81	-	-	**13.81**	**14.57**	7.53
-	-	-	**-**	**0.15**	-
-	-	-	**-**	**4.52**	4.51
***27.69**	**-**	**-**	**27.69**	**21.18**	**13.87**
654.20	**125.83**	**22.73**	**757.31**	**1317.95**	**1412.29**
546.33	**126.84**	**18.96**	**654.21**	**1,412.29**	**1,526.22**

(d) Cost of Office Building on lands not owned by the Corporation is Rs.2.26 millions (PY Rs.2.26 millions) and provision for depreciation is Rs.1.57 millions (PY Rs.1.52 millions).

(e) *Represents an amount of Rs 27.69 million towards provision made during 2000-01 against diminution in value of MICA division capital work-in-progress.

(f) Cost of Water Supply on Land not owned by the Corp. is Rs.0.66 millions. (PY Rs.0.66 millions).

(g) Land Lease-hold includes a land of Rs. NIL (PY Rs. 1.58 millions) for which lease agreement yet to be executed

Schedule 5 : Investments - Long Term (at cost)

(Rs. in million)

	As at 31-03-2009		As at 31-03-2008	
(A) UTI (Quoted)		**-**		528.08
UTI				
5280810 6.75% US64 Tax Free Bonds of Rs.100 each				
(P.Y. 5280810 6.75% US64 Tax Free Bonds of Rs. 100 each)				
(B) INVESTMENTS IN SUBSIDIARY COMPANY (Unquoted)				
1,461,502 Equity Shares		**31.45**		31.45
(P.Y. 1,461,502 Equity Shares) of S $ 1 each in MMTC TRANSNATIONAL PTE LTD SINGAPORE				
(C) TRADE INVESTMENTS				
I. Shares in Companies. (Un-Quoted)				
Fully paid 4,750,000, Equity Shares of Rs.10 each in INDO FRENCH BIOTECH LTD.	**47.50**		47.50	
Less : Provision for Diminution In Investment	**47.50**		47.50	
	0.00		0.00	
Fully paid 2,600, Equity Shares of Rs.10 each in Greater Noida Integrated Warehousing Pvt.Ltd.	**0.02**		0.02	
Fully paid 2,600, Equity Shares of Rs.10 each in Free Trade Warehousing Pvt.Ltd.	**0.03**		0.03	
Fully paid 12,480,000 Equity Shares of Rs.10 each in MMTC PAMP India Pvt. Ltd.	**124.80**		-	
Fully paid 16,900,000 Equity Shares of Rs.10 each in SICAL IRON ORE TERMINAL LTD.	**169.00**	**293.85**	-	0.05
II Shares in associates Companies (Un-Quoted)				
Fully paid up 199,000,000 Equity Shares of Rs.10 each (P.Y. 199,000,000 Equity shares of Rs.10 each) in Neelachal Ispat Nigam Limited	**1,990.00**		1,990.00	
Fully paid 13,000 Shares of Rs.10 each (P.Y.13,000 Shares of Rs 10 each) in DEVONA POWER & INFRASTRUCTURE LTD.	**0.13**	**1,990.13**	0.13	1,990.13
TOTAL		**2,315.43**		**2,549.71**

Aggregate market value of quoted investments as on 31.03.2009 Rs.NIL million (P.Y. Rs.531.25 million) against cost of Rs.Nil million (P.Y Rs. 528.08 million), matured on 01-06-2008

Schedule 6 : Stock in Trade

(Rs. in million)

	As at 31-03-2009		As at 31-03-2008	
(As taken, valued and certified by the management) Including with handling agents and Goods in transit				
a) Raw Material	**27.26**		270.74	
b) Finished goods	**5,757.46**		5,260.74	
c) Packing Material	**0.57**	**5,785.29**	0.60	5,532.08
TOTAL		**5,785.29**		**5,532.08**

Schedule 7 : Sundry Debtors*

(Unsecured)				
a) Debts outstanding for a period exceeding six months				
i. Considered good	**904.22**		667.89	
ii. Considered Doubtful	**921.35**		608.31	
	1,825.57		1,276.20	
Less: Provision for doubtful debts	**921.35**	**904.22**	608.31	667.89
(b) Other Debts Considered good		**18,168.95**		13,784.47
TOTAL		**19,073.17**		**14,452.36**

*Debtors includes Rs. 242.34 million (LY Rs.1070.71 million) due from Subsidiary Company.

Schedule 8 : Cash & Bank Balances

(a) Cash, Stamps & Cheques - in hand (Includes in transit)		**152.42**		713.02
(b) Bank Balance in India				
In Scheduled Banks				
i. In Current Account	**375.33**		2,012.10	
ii. In Cash Credit Account (Debit Balance)	**426.95**		951.68	
iii. In Current Account in Foreign Currency US$0.01 million(P.Y.US$ 0.02 million)	**0.30**		0.87	
iv. Fixed Deposit Account (Including lodged as security with Municipal Corporation, Delhi)	**0.27**		0.27	
v. Term- Deposit with Banks *	**57,624.72**	**58,427.57**	55,842.42	58,807.34
TOTAL		**58,579.99**		**59,520.36**

* Includes Rs.13211.93 million (P.Y. Rs. 6334.16 million) being fixed deposit under lien of bankers as margin money against LCs

Schedule 9. Loans & Advances

(Rs. in million)

	As at 31-03-2009		As at 31-03-2008	
(Unsecured and considered Good unless otherwise stated)				
(a) Bills Receivable	**253.73**		454.82	
Less : Bills Discounted	**30.51**	**223.22**	-	454.82
(b) Advances for purchase of shares :				
Greater Noida Integrated Warehousing (P) Ltd.	**-**		25.00	
International Multi Commodity Exchange Ltd	**100.00**	**100.00**	-	25.00
(c) Advance recoverable in cash or in kind or for value to be received :				
i) Considered good for which the company is fully secured(Secured against hypothecation of assets/ mortgage of title deeds and Bank Gurarantees)	**10,893.13**		1,475.50	
ii) Considered good for which the company holds no security other than personal security	**4,402.41**		1,745.20	
iii) Considered doubtful	**409.77**		525.32	
	15,705.31		3,746.02	
Less : Provisions	**409.77**	**15,295.54**	525.32	3,220.70
(d) Advances to Suppliers :				
i) Considered good in respect of which the company is fully secured(Secured against hypothecation of stocks)	**32.00**		88.77	
ii) Considered good in respect of which the company holds no security other than personal security	**237.68**		505.75	
iii) Considered doubtful	**139.04**		106.24	
	408.72		700.76	
Less : Provisions	**139.04**	**269.68**	106.24	594.52
(e) Income Tax (includin3g Advance Income Tax TDS, Fringe Benefit Tax & Refund dues)		**2,233.46**		1,717.61
(f) Inter Corporate Loans	**246.58**		208.18	
(g) Deposits				
(i) Deposit with Customs, Port trust, Court etc.	**95.07**		124.28	
(ii) Other Deposits	**296.49**		419.29	
	391.56		543.57	
Considered Good	**354.73**		506.75	
Considered Doubtful	**36.82**		36.82	
	391.55		543.57	
Less : Provision	**36.82**	**354.73**	36.82	506.75
Total		**18,723.21**		**6,727.58**

(Rs. in million)

	As on 31.3.2009	Maximum due at any time during year	As on 31.3.2008	Maximum due at any time during year
Includes:				
a) Due from Directors	**0.02**	**0.03**	0.03	0.05
b) Due from Officers *	**1.01**	**1.07**	1.07	1.34

* Chief General Managers and Company Secretary considered for the purpose of Officers.

Schedules 1 to 21 Annexed to & Forming Part of the Balance Sheet and Pt & L Account

Schedule 10 : Current Liabilities

(Rs. in million)

	As at 31-03-2009		As at 31-03-2008	
(a) Sundry Creditors				
(i) Other than MSME'S	**22,690.19**		23,864.60	
(ii) MSME'S	**-**	**22,690.19**	-	23,864.60
(b) Bills Payable		**20,463.65**		17,148.62
(c) Advance Payments from Customers		**1,312.61**		1,574.18
(d) Interest Accrued But not due on loan		**131.07**		173.05
(e) Other Liabilities		**3,751.61**		2,510.85
(f) Book Overdraft		**1.10**		32.83
(g) Goods Received on Consignment	**3,783.46**		3,560.78	
LESS: Stock Held on Consignment	**3,783.46**	**-**	3,560.78	-
TOTAL		**48,350.23**		**45,304.13**

Schedule 11 : Provisions

(a) Provision for Taxation		**1,816.00**		1,565.90
(b) Proposed Dividend		**200.00**		275.00
(c) Provision for tax on Dividend		**33.99**		46.74
(d) Bonus/PRP		**119.02**		79.55
(e) Destinational Weight & Analysis Risk		**7.67**		16.95
(f) Earned Leave		**172.15**		110.33
(g) Post Retirement Medical Benefit		**686.78**		664.76
(h) Half Pay Leave		**126.59**		82.03
(i) LTC/ALTC		**35.17**		33.99
(j) Provision for Fringe Benefit Tax		**26.54**		11.04
(k) Provision for Gratuity		**246.55**		-
(l) Provision for Superannuation Benefit		**50.00**		-
TOTAL		**3,520.46**		2,886.29

Schedule 11a : Miscellaneous Exp.

(to the extent not written off or adjusted)

Deferred Revenue Expenditure	**22.51**		15.07	
Add: Additions During Year	**53.95**		20.90	
Less: Written Off during the year	**18.20**	**58.26**	13.46	22.51
TOTAL		**58.26**		**22.51**

Schedule 12 : Cost of Sales

(Rs. in million)

		For the Year 2008-09		For the Year 2007-08	
(a)	Opening Stock & Goods In Transit	**5,531.48**		1,746.80	
	Add : Adj. Of Stock In Transit *	**1,105.52**	**6,637.00**	-	1,746.80
(b)	Purchases	**359,069.70**		260,556.00	
	Add : Claims In Kind	**18.64**		4.49	
	Stock Received From Mgf	**0.00**		-	
	Stock Received On Loan	**10.64**		163.77	
			359,098.98		260,724.25
(c)	Freight		**3,113.74**		1,501.02
(d)	Demurrage (net)		**30.52**		53.37
(e)	Clearing, Handling, discount & Other Charges (net)		**784.80**		686.80
(f)	Commission To Other Selling Agents		**1.05**		4.22
(g)	L/c Negotiation & Other Charges		**79.15**		13.95
(h)	Difference In Exchange		**234.84**		(416.62)
(i)	Customs Duty		**2,452.70**		1,895.54
(j)	Insurance		**14.30**		7.62
(k)	Godown Insurance		**9.63**		3.50
(l)	Plot And Godown Rent (net)		**66.89**		27.42
(m)	Claims Paid		**16.56**		97.59
(n)	Provision For Destinational Weight And Analysis Risks		**4.73**		19.14
(o)	Premium On Forward Contract		**186.55**		-
			372,731.44		266,364.61
	Less : Closing Stock & Goods In Transit	**5,784.72**		5,531.48	
	Stock Issued In Kind	**5.22**		4.94	
	Stock Given On Loan	**25.30**		158.54	
	Trans To Mgf.	**1,653.90**	**7,469.14**	1,172.63	6,867.59
	TOTAL		**365,262.30**		**259,497.01**

* Represents goods in transit relating to 2007-08 having no impact on profit/loss.

Schedules 1 to 21 Annexed to & Forming Part of the Balance Sheet and P & L Account

Schedule 13. Manufacturing Expenses

(Rs. in million)

	For the Year 2008-09		For the Year 2007-08	
(i) Raw Material Consumed				
OPENING STOCK AND GOODS IN TRANSIT	**-**		30.10	
STOCK TRNS FROM COGS	**1,653.90**		1,172.63	
ADD : PROCESSING CHARGES	**41.27**		17.13	
	1,695.17		1,219.86	
LESS : CLOSING STOCK & GOODS IN TRANSIT	**-**		-	
LESS : TRANSFERS	**-**	**1,695.17**	0.02	1,219.84
(ii) Processing & Other Charges		**-**		10.24
(iii) Packing Material Consumed				
OPENING STOCK AND GOODS IN TRANSIT	**0.60**		0.04	
ADD: PURCHASES	**8.27**		5.56	
	8.87		5.60	
LESS : CLOSING STOCK & GOODS IN TRANSIT	**0.57**		0.60	
LESS : TRANSFERS	**0.01**	**8.29**	-	5.00
TOTAL		**1,703.46**		**1,235.08**

Schedule 14 : Other Income

(Rs. in million)

	For the Year 2008-09		For the Year 2007-08	
(a) STAFF QUARTERS RENT		**3.39**		2.67
(b) PROFIT ON SALE OF ASSETS		**1.71**		1.34
(c) MISCELLANEOUS RECEIPTS (including forfeiture of performance guarantee/bid bond)		**112.10**		104.94
(d) DIVIDEND FROM INVESTMENTS - MTPL, SINGAPORE (INCLUDING TDS Rs.NIL million(P.Y. RS. NIL million.)		**72.45**		-
(e) LIABILITIES WRITTEN BACK		**116.58**		117.29
TOTAL		**306.23**		**226.24**

Schedule 15 : Interest Earned

(Rs. in million)

	For the Year 2008-09		For the Year 2007-08	
(a) Bank (INCLUDING TDS Rs.1.64 million (P.Y. RS.2.47 million)		**5,462.89**		1,393.30
(b) INVESTMENT (INCLUDING TDS Rs.Nil million (P.Y. RS.Nil million.)		**5.94**		35.65
(c) OTHERS (INCLUDING TDS Rs.Nil million (P.Y. RS.0.57 million.)		**2,355.19**		677.12
TOTAL		**7,824.02**		**2,106.07**

Schedule 16 : Salaries and Allowances

(Rs. in million)

	For the Year 2008-09		For the Year 2007-08	
Directors				
SALARIES & ALLOWANCES *	**7.01**		6.55	
RESIDENTIAL RENT CONTRIBUTION	**0.44**		0.45	
PROVIDENT FUND CONTN.	**0.57**		0.45	
GROUP INSURANCE	**-**		-	
GRATUITY	**0.34**		0.18	
MEDICAL EXP.	**0.22**		0.13	
CLUB SUBSCRIPTION	**0.47**		0.23	
PERFORMANCE RELATED PAY	**6.68**	**15.73**	0.99	8.98
OTHERS				
SALARIES & ALLOWANCES *	**926.76**		757.59	
FOREIGN SERVICE CONTN. (Net)	**0.22**		0.14	
RESIDENTIAL RENT CONTRIBUTION	**1.43**		2.39	
PROVIDENT FUND CONTN.	**51.96**		38.35	
SUPERANNUATION BENEFIT	**50.00**		-	
FAMILY PENSION CONTN.	**11.87**		8.25	
GROUP INSURANCE	**0.47**		0.75	
STAFF WELFARE EXP.	**43.92**		35.29	
BONUS PRP ETC.	**109.61**		84.27	
CONTRIBUTION TO D.L.I.S.	**0.82**		0.75	
GRATUITY	**304.75**		20.75	
MEDICAL EXP.	**135.26**	**1,637.07**	226.33	1,174.86
TOTAL		**1,652.80**		**1,183.84**

* Includes Rs. 172.25 million (P.Y. 41.83 million) towards provision for Earned Leave and Sick Leave.

Schedule 17 : Administrative Expenses

(Rs. in million)

	For the Year 2008-2009	For the Year 2007-2008
RENT	**15.40**	14.52
RATES & TAXES	**12.15**	14.69
ELECTRICITY & WATER CHARGES	**18.11**	15.64
INSURANCE	**1.54**	2.05
ADVERTISEMENT & PUBLICITY	**22.60**	16.71
PRINTING & STATIONERY	**6.63**	6.69
POSTAGE & TELEGRAMS	**3.14**	1.78
TELEPHONE	**20.34**	20.62
TELECOMMUNICATION	**4.69**	2.55
TRAVELLING [Including expenditure incurred by Directors Rs.9.10 million (LY Rs.10.46 million)]	**43.42**	44.71
VEHICLE EXPENSES	**16.44**	15.91
ENTERTAINMENT [Incl. through Directors Rs.1.65 million (P.Y Rs.1.27 million)]	**11.25**	10.69
LEGAL EXPENSES	**16.65**	10.77
AUDITORS' REMUNERATION *	**3.66**	3.84
BANK CHARGES	**11.20**	11.15
BOOKS & PERIODICALS	**2.20**	2.62
TRADE EXPENSES	**6.10**	9.22
DONATIONS	**0.20**	-
CORPORATE SOCIAL RESPONSIBILITY EXP	**5.52**	6.03
REPAIRS & MAINTENANCE (Incl. on Building Rs.27.72 million(P.Y. Rs.25.96 million) and Plant & Machinery Rs.0.75 million (LY Rs.0.66 million)	**49.62**	42.30
COMPUTER EXPENSES	**2.78**	3.08
SUBSCRIPTION	**2.51**	2.38
TRAINING SEM. & CONF. (Including Directors Rs.0.19 million (P.Y.Rs. 0.34 million)	**5.23**	8.38
LOSS ON SALE OF ASSETS	**0.04**	0.08
MISCELLANEOUS EXPENSES	**50.99**	55.79
PROFESSIONAL / CONSULTANCY CHARGES	**14.23**	10.34
TOTAL	**346.64**	**332.54**

* Includes Audit fees Rs.1.29 million (P.Y. Rs.1.03 million), Tax Audit Fees Rs.0.65 million (P.Y Rs. 0.52 million),Certification fees Rs. 0.23 million (P.Y. Rs.0.14 million) and other services including TA/DA & Out of pocket reimbursement Rs.0.17 million (P.Y Rs.0.16 million) and service Tax Rs.0.20 million (P.Y. Rs.0.19 million)

Schedule 18 : Interest Paid

(Rs. in million)

	For the Year 2008-09	For the Year 2007-08
(a) Bank	**3,465.10**	750.33
(b) Others	**3,193.59**	599.99
TOTAL	**6,658.69**	**1,350.32**

Schedule 19 : Prior Period Items

Expenditure/purchase		
Cost of Sales	**0.68**	(242.07)
Salary & Allowances	**0.42**	1.47
Administrative Expenses	**1.39**	1.49
Interest	**0.79**	0.24
Depreciation	**0.03**	(0.02)
Others	**(0.89)**	9.95
TOTAL	**2.42**	(228.94)
Income/Sales		
Sales	**(0.93)**	(251.39)
Interest	**0.49**	-
Other Receipts	**3.87**	(0.77)
TOTAL	**3.43**	(252.16)
TOTAL (Net)	**1.01**	**(23.22)**

20(A) : Statement Pursuant to Part IV of Schedule VI to the Companies Act, 1956.

Balance Sheet Abstract and Company's General Business Profile (Rs. in million)

I. Registration Details

Registration No.	5 5 4 0 3 3	State Code	5 5
Balance Sheet Date	31 03 09 (Date Month Year)		

II. Capital Raised During the Year

Public Issue (Euro Issue)	NIL	Rights Issue	NIL
Bonus Issue	NIL	Private Placement (Preference Shares)	NIL

III. Position of Mobilisation and Deployment of Funds

Total Liabilities :	54286	Total Assets	54286
Sources of Funds		**Application of Funds**	
Paid-Up Capital	500	Net Fixed Assets	1318
Reserves & Surplus	10734	Investments	2316
Secured Loans	43052	Net Current Assets	50291
Unsecured Loans		Misc. Expenditure	58
		Deferred Tax Assets	303

IV. Performance of Company

Turnover	368208	Total Expenditure	366034
Profit before Tax	2174	Profit after tax	1402
Earning Per Share in Rs.	28.04	Dividend Rate (%)	80

V. Generic Names of Three Principal Products/ Services of Company (As per monetary terms)

Item Code No.	Product Description
71.08	GOLD
26.01	IRON ORE
27.03	COAL

Schedule 20 (B) : Details of Income & Expenditure on Staff Quarters

(Rs. in million)

	2008-09	2007-08
Expenditure		
Rates Taxes & Electricity	**2.68**	8.18
Repairs & Renewals	**7.19**	7.16
Depreciation	**1.18**	1.26
Lease Rent	**0.21**	0.33
Miscellaneous Expenses	**0.00**	0.00
Total	**11.26**	16.93
Income		
Water Charges Recovered	**0.05**	0.04
Miscellaneous Receipts	**0.15**	0.12
Rent Receipts	**1.70**	2.29
Total	**1.90**	2.45
Excess Of Expenditure Over Income	**9.36**	**14.49**

Schedule 20 (C) : Foreign Exch. Earnings & Outgo

	2008-09	2007-08
Expenditure		
CIF/FOB Value of Imports	**306,271.95**	209,194.50
Foreign Tours	**9.59**	10.75
Demurrage/Despatch	**66.61**	15.07
Load Port/Supervision Charges	**8.67**	6.14
Interest	**1,007.16**	218.04
Ocean Freight	**2,039.75**	7.91
Watchman Charges	**1.25**	-
Destinational Weight & Analysis Risk	**2.98**	17.65
Misc.Charges	**3.73**	0.68
TOTAL	**309411.69**	209470.74
EARNINGS		
FOB/CIF Value of Goods Exported	**45,788.40**	39,050.80
Despatch / Demurrage	**87.15**	15.11
Misc. Receipts	**0.06**	-
Dividend	**72.45**	-
TOTAL	**45948.06**	39065.91
NET OUTGO	**263463.63**	**170404.83**

Schedule 20 (D) : Particulars in Respect of Goods Manufactured

Goods manufactured	Unit of measurement	Year ended 31.03.2009			Year ended 31.03.2008		
		Licenced capacity (if applicable) (qty)	Installed capacity (qty)	Actual production (qty)	Licenced capacity (if applicable) (qty)	Installed capacity (qty)	Actual production (qty)
SILVER MEDALLION	Nos.	**N.A**	**N.A**	**214,616.00**	N.A	N.A	142,684.00
SANCHI	Kgs	**N.A**	**N.A**	**3,620,940.00**	N.A	N.A	2,765,177.00
GOLD MEDALLION	Nos.	**N.A**	**N.A**	**114,312.00**	N.A	N.A	142,242.00
Mica paper	MT.	**700**	**600**	**-**	700	600	-
Mica powder	MT.	**900**	**900**	**-**	900	900	-
IMP phase-I	MT.	**N.A**	**45**	**-**	N.A	45	-

Schedule 20 (E) : Consumption of Raw Materials, Components & Spares

(Rs. in million)

	Year ended 31.03.2009		Year ended 31.03.2008	
	Raw materials	Components	Raw materials	Components
Indigenous	**5.21**	**-**	4.22	-
As % of total	**0.32**	**-**	0.39	-
Imported	**1,639.33**	**-**	1,067.75	-
As % of total	**99.68**	**-**	99.61	-

Schedule 20 (F) Information of Imports on CIF Basis for Mfg.

(Rs. in million)

	Year ended 31.03.2009	Year ended 31.03.2008
Raw materials	**1,639.33**	1,067.75
Components and spare parts	**-**	-
Other Traded Goods (CIF/FOB)	**-**	-

Notes Forming Part of the Accounts for the Year Ended 31.3.2009

21. CONTINGENT LIABILITIES & NOTES

1. Contingent Liabilities:

a) Guarantees issued by Banks on behalf of the Company Rs.758.63 million (P.Y. Rs. 541.17 million).

b) Corporate Guarantees of Rs. 14696.00 million (P.Y.Rs. 9696.00 million) given by the company in favour of financial institutions/banks on behalf of Neelachal Ispat Nigam Limited (NINL) for securing principal and interest in respect of loans to NINL. As per the decision of Committee of Secretaries concerned, NINL may be merged with Steel Authority of India Limited subject to Government's approval for which process has been initiated.

c) Claims against the Company not acknowledged as debts Rs. 1300.10 million (P.Y. Rs. 1388.25 million).

d) Letters of Credit opened by the Company remaining outstanding Rs. 10586.75 million (P.Y. Rs. 10428.71 million).

e) Bills discounted with banks Rs. 30.51 million (P.Y. Rs. NIL million).

f) Sales Tax Demand of Rs. 960.41 million (P.Y. Rs. 1,061.36 million) in dispute against which Rs. 84.71 million (P.Y. Rs. 112.18 million) has been deposited and Rs. 2.30 million (P.Y. Rs. 2.83 million) covered by bank guarantees.

g) Service Tax demand in respect of business auxillary service amounting to Rs 257.61 million (L.Y. Rs 121.08 million) pending before Customs, Excise & Service Tax Department.

h) An amount of Rs 66.32 million determined by Hon'ble Court of Small Causes towards mesne profit for non-vacation of premises at Mumbai during the period from 1.7.2000 to 31.3.2002 is disputed for which appeal is pending with Appellate Court of Small Causes

i) 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 Rs. 827.48 million as on 31.03.2009 (PY Rs. 281.41 million).

j) In respect of an appeal case, which was pending in Delhi High Court, in which the company had provided a liability of Rs 41.32 million, the judgement has been delivered by the Division Bench of Delhi High Court on 27.07.2009. Accordingly, the liability has been reworked and excess liability amounting Rs 23.75 million has been withdrawn during the year. The party has not yet preferred any appeal against the said judgement.

k) 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.

l) 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.

2. Estimated amount of contracts remaining to be executed on capital account and not provided for Rs.19.50 million (P.Y. Rs. 19.50 million).

3. Following stocks held by the Company on consignment basis not included in the inventory as on 31-3-2009:-

(Rs. in Million)

Items	31-03-2009		31-03-2008	
	Qty. (kgs)	Value	Qty. (kgs)	Value
Gold	2223	3320.70	2935	3525.21
Gold Jewellery		3.44		2.68
Gold coins	-	-	-	-
Silver	21227	459.30	2269	30.27
Raw Wool	-	-	20583	2.62

4. Loans and Advances and Sundry Creditors include Rs. 7414.99 million (P.Y. Rs. 1274.65 million) being notional value of 4973 Kgs. (P.Y. 1058 Kgs) of gold belonging to foreign suppliers issued on loan basis to the Associates/ Customers of the Company.

5. In respect of GR-1 forms 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 Rs. 19.53 million (P.Y. Rs. 20.13 million) which are being contested. Against this, an amount of Rs. Nil million (P.Y. Rs 0.30 million) has been deposited and bank guarantee of Rs. 7.30 million (P.Y. Rs. 7.30 million) furnished.

6. Duty Credit Authorization of Rs. 526.62 million (P.Y. Rs. 978.87 million) under the Target Plus Scheme 2004-05 which is valid upto 01.03.2010, is held by the Company for duty free imports as admissible under the Scheme.

7. The Company being the nominated agency for import of Gold and Silver has imported Gold under usance L/Cs or availed buyer's credit. Money received towards sale value are put under Fixed Deposits with banks as margin or otherwise. Interest earned thereon due to payment received from customers before due date of usance L/C or the buyer's credit is payable to the customers as a business policy.

8. Loans & Advances include Rs. 157.37 million (P.Y.Rs.157.37 million) being the amount deposited with the High Court in respect of a case which is still pending. Necessary liability towards principal amount already exists and the provision, if any, towards interest of Rs. 22.50 million (P.Y. Rs. 22.50 million) will be made after final decision of the Court.

9. Income tax of Rs. 2233.46 million (P.Y. Rs. 1717.61 million) under the head "Loans and Advances" consists of Rs.424.13 million (PY Rs. 420.36 million) paid to Income Tax Department against the disputed demands of Rs.457.06 million (P.Y. Rs. 450.36 millions) for various assessment years and advance tax/TDS/FBT of Rs. 1809.33 million (PY Rs. 1297.24 million) towards income tax/fringe benefit tax liability for financial years 2007-08 & 2008-09. Provision for additional demand, if any, will be made on completion of the Appellate Proceedings.

10. The ERP package "RAMCO" implemented by the Company has more or less stabilized. Any further adjustments in processes and systems that may arise subsequent upon the findings of the systems audit shall be incorporated in due course.

11. Valuation of closing stock at market price being lower than cost, has resulted in a loss of Rs.587.35 million (P.Y Rs.13.37 million) during the year.

12. An amount of Rs.284.53 million (L.Y. Rs.284.53 million) is outstanding against M/s AIPL in respect of Mint silver transaction against which full provision amounting to Rs.284.53 million (L.Y. Rs.284.53 million) has been made in the accounts pending adjustment, if any, of excess sale realization. The Company has filed a recovery suit of Rs.314.02 million (L.Y. Rs 314.02 million) which includes overdue interest of Rs.29.49 million (L.Y. Rs 29.49 million). M/s AIPL have also filed a suit against Government Mint/MMTC for damages of Rs.1671.97 million (L.Y. Rs 1671.97 million) which is not tenable as per legal opinion and is being contested.

13. During the year the company has imported pulses on the directives of the Govt. of India. The Government has allowed reimbursement of losses up to 15% and trading margin @ 1.2%, which works out to Rs 1004.67 million on the import made by the company which has been credited to Profit & Loss Account as claims receivable from the Government.

14. During the year an amount of Rs 234.84 million towards difference in exchange has been shown under cost of sales which has arisen mainly due to adoption of notional exchange rate applicable on the date of bills of lading for initial recognition in reporting currency in respect of import purchases / export sales denominated in foreign currency.

15. Sale of canalized urea to Deptt. of Fertilisers(DOF), Government of India is made based on allocation letters issued by DOF and by transferring shipping documents. However, no separate agreement is signed with DOF.

16. The proportionate forward premium of Rs.182.46 million (LY Rs. 107.07 million) for imports and Rs.Nil million (L.Y. Rs.Nil million) for exports to be recognized in the Profit & Loss Account of the subsequent accounting year in terms of the provisions of Accounting Standard - 11 issued by the Institute of Chartered Accountant of India.

17. In respect of forward exchange contracts outstanding as on 31.3.09 relating to firm commitments and highly probable forecast transactions, the loss of Rs. Nil million (L.Y. loss of Rs. 36.11 million) has been recognized in the Profit & Loss Account on the basis of changes in exchange rate at the close of the year.

18. Adhoc liability of Rs.66.21 million (L.Y.Rs. 121.80 million) has been made during the year towards pay revision of the employees of staff cadre which has become due w.e.f. 01.01.2007 having regard to the wage revision of officers already effected as per DPE guidelines. Further a liability of Rs 59.81 million towards perquisite & allowance from 26.11.08 to 31.03.09 and Rs 50.00 million towards superannuation benefit w.e.f. 1.1.07 has been made during the year as per DPE guidelines for wage revision.

19. During the year 2 kg gold valued at Rs. 2.24 million was short received at Regional Office Bangalore while returning the unsold jewellery on account of exhibition against which provision for Rs 2.24 million has been made in the accounts. Departmental action has been initiated against the erring officials. Suit for recovery has been filed besides criminal complaint.

20. A claim for Rs 20.62 million (LY Rs 20.62 million) against an associate on account of damaged imported Polyester is pending for which a provision of Rs 15.54 million (LY Rs 15.54 million)has been made after taking into account the EMD and other payables amounting to Rs 5.08 million (LY Rs 5.08 million). The company has requested customs for abandonment which is pending for adjudication.

21. The employees benefits provided by the Company as required under Accounting Standard 15 (Revised) are as under:-

    (i) Leave Encashment - Payable on separation to eligible employees who have accumulated earned and half pay leave. Encashment of accumulated earned leave is also allowed leaving a minimum balance of 15 days twice in a year.

    (ii) Post Retirement Medical Benefit(PRMB) - Available to retired employees at empanelled hospitals for inpatient treatment and also for OPD treatment.

    (iii) LTC/ALTC - Leave Travel Concession and ALTC is given to all serving employees once in a block of two years by their entitled class of travel.

    Liability in respect of benefits in respect of Leave Encashment, PRMB and LTC/ALTC are recognized on the basis of actuarial valuation.

    (iv) Gratuity - Gratuity is paid to all the 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.

Other disclosures as required under AS - 15(Revised) on 'Employee Benefits', in respect of defined benefit obligation are:

(a) Reconciliation of present value of defined benefit obligations:

(Rs. in Million)

S.No	Particulars	Gratuity	Earned Leave Encashment	Sick Leave Encashment	Post Retirement Medical Benefit	LTC/ALTC
(i)	Present value of projected benefit obligations as at 1/4/2008	263.31	110.33	82.04	664.77	33.99
(ii)	Interest cost	21.06	7.72	5.74	46.53	2.38
(iii)	Past service cost					
(iv)	Current service cost	4.65	9.24	5.89	8.47	17.98
(v)	Benefit paid	22.64	65.47	0.40	31.61	11.82
(vi)	Actuarial(gain)/loss	273.47	110.33	33.32	(1.38)	(7.36)
(vii)	Present value of obligation as at 31st March, 09 (i+ii+iii+iv-v+vi)	539.85	172.15	126.59	686.78	35.17

(b) Expenses recognized in the statement of Profit & Loss A/c for the year ended 31st March, 2009:

(Rs. in Million)

S.No	Particulars	Gratuity	Earned Leave Encashment	Sick Leave Encashment	Post Retirement Medical Benefit	LTC/ALTC
(i)	Service cost	4.65	9.24	5.90	8.47	17.98
(ii)	Interest cost	21.06	7.72	5.74	46.53	2.38
(iii)	Past service cost					
(iv)	Expected return on plan assets	24.55				
(v)	Net Actuarial (gain)/loss recognized in the period	273.47	110.33	33.32	(1.38)	(7.36)
(vi)	Expenses recognized in the Profit & Loss A/c (i+ii+iii-iv+v)	274.63	127.29	44.96	53.62	13.00

(c) Changes in the fair value of planned assets

(Rs. in million)

	GRATUITY
Fair value of plan assets as at 1.4.2008	268.20
Actual return on plan assets	24.55
Contribution by employer	23.19
Benefit paid	22.64
Actuarial gain/(loss)	-
Fair value of plan assets as at 31.3.2009	293.30

(d) Effect of one percentage point change in the assumed inflation rate in case of valuation of benefits under Post Retirement Medical Benefit scheme.

(Rs. in Million)

Sl. No.	Particulars	One percentage Increase in inflation rate	One percentage decrease in inflation rate
i)	Effect on the aggregate of the service cost and interest cost	8.68	(6.08)
ii)	Effect on defined benefit obligation	84.37	(70.08)

(e) Actuarial assumptions:

Sl.No.	Description	As at 31/3/2009
(i)	Discount rate (Per Annum)	8.00%/7.00% Gratuity/ Others
(ii)	Future cost increase	5.00%/4.50% Gratuity/ Others
(iii)	Retirement age	60 years
(iv)	Mortality table	LIC(1994-96) duly modified
(v)	Withdrawal rates	1% to 3% depending on Age

22. The Company has incorporated Accounting Policy No.2(a) relating to purchases and sales, Accounting Policy No.3(ii) on revenue recognition relating to recognition of claims receivable and modified Accounting Policy No.12 on valuation of stocks by deleting the words ' including subsidy wherever applicable ' in compliance with AS-2.The impact of all the above changes is ' Nil ' on the accounts for the year.

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

Name of the related parties and description of relationship:

a) Key Management Personnel

i.	**Shri Sanjiv Batra**	Chairman and Managing Director
ii.	**ShriS.K. Kar**	Director
iii.	**Shri Adarsh Goyal**	Director
iv.	**Shri A. Mahapatra**	Director
v.	**Shri H.S. Mann**	Director
vi.	**Shri Sunir Khurana**	Director

b) Subsidiary

MMTC Transnational Pte. Ltd., Singapore

c) Associate

Neelachal Ispat Nigam Ltd. -
Devona Thermal Power & Infrastructure Ltd.

d) Joint Ventures:-

Free Trade Warehousing Pvt. Ltd
Haldia Free Trade Warehousing Pvt. Ltd.
Greater Noida Integrated Warehousing Pvt. Ltd.
Integrated Warehousing Kandla Project Development Pvt. Ltd.
MMTC Pamp India Pvt. Ltd.
MMTC Gitanjali Private Ltd.
International Multi Commodity Exchange
Sical Iron Ore Terminal Ltd.

Details of transactions during the year 2008-09 (Rs. in million)

Particulars	Sub-sidiary	Asso-ciates	Joint Vent-ures	Key mana-gement personnel	Total
Purchase of goods	16593.73	13734.84			30328.57
Sale of goods	6817.60	6773.17			13590.77
Sale of fixed assets					
Dividend Received	72.44				72.44
Finance including loans and equity contribution in cash or in kind			435.60		435.60
Corporate Guarantees		5000.00			5000.00
Other payment Demurrage /Despatch	1.69				1.69
Other receipt Demurrage /Despatch	2.87				2.87
Remuneration				5.56	5.56
Outstanding Balance	-	-	-	-	-
Receivable	242.26	11770.46	-	0.02	12012.74
Payable	3620.56	9893.56	-	-	13514.12

24. 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:-

(Rs. in Million)

Sl.No.	Name of the Joint Venture Company	% of Company's ownership interest	Assets	Liabilities	Income	Expenditure	Cont. Liabilities	Capital commitments
1.	Free Trade Warehousing Pvt. Ltd.	26	144.68	14.57	2.00	-	-	-
2.	Greater Noida Integrated Warehousing Pvt. Ltd.	26	2.70	2.68	-	-	-	-
3.	MMTC Pamp India Pvt. Ltd.	26	141.96	11.35	(3.29)			
4.	Sical Iron Ore Terminal Ltd.	26	204.84	5.40				

25. In terms of AS-17 the Company has identified its Primary Reportable segments as Exports, Imports and Domestic. The secondary segments are business segments and identified as Precious Metals, Mineral, Hydro Carbon & Others. Details are placed at Annexure 'A'.

26. 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. There has been no impairment loss during the year.

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

(Rs. in Million)

Particulars of Provision	Opening Balance as on 01.04.08	Adjustment during year	Addition during year	Closing Balance as on 31.03.09
Destinational Weight & Analysis Risk	16.95	(14.01)	4.73	7.67
Bonus/PRP	79.55	(76.81)	116.28	119.02
Provision for Taxation	1565.90	(549.90)	800.00	1816.00
Fringe Benefit Tax	11.04	-	15.50	26.54
Proposed Dividend	275.00	(275.00)	200.00	200.00
Tax on Proposed Dividend	46.74	(80.73)	67.98	33.99

28. Miscellaneous Expenditure (to the extent not written off or adjusted) comprises:

(Rs. in Million)

Particulars	31.03.09		31.03.08	
Deferred Revenue Expenditure(VRS)	22.51		15.07	
Addition during the year	53.95		20.90	
Less: written off during the year	18.20		13.46	
Total		**58.26**		**22.51**

29. Deferred Tax:

The deferred tax liability as at 31st March 2009 comprises of the following:

(Rs. in Million)

Particulars	Deferred Tax Asset/ (Liability) as at 1.4.2008	Credit / (Charge) during 2008-09	Deferred Tax asset/ (Liability) as at 31.3.2009
Depreciation	(249.79)	(2.77)	(252.56)
Disallowance U/S-43 B	-	-	-
Prov. For Doubtful Debts	443.33	78.32	521.63
DWA Risk	5.74	(3.14)	2.60
Leave Encashment	57.44	(42.87)	14.57
Others	-	16.99	16.99
TOTAL	**256.70**	**46.53**	**303.23**

30. 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)

(Rs. in Million)

Loanee	Balance as on 31.03.2009	Maximum outstanding during the year
Neelachal Ispat Nigam Ltd.	0.10 (P.Y. Rs. 0.33)	0.33 (P.Y.Rs. 0.52)

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

31. Earning per Share:

Particulars	08-09	07-08
Profit after Tax (Rs. in Million)	1402.17	2004.84
Total number of Equity Shares (Million)	50.00	50.00
Basic and diluted earnings per share (Rs) (Face value Rs. 10/- per share)	28.04	40.10

32. 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 been received in a few cases. However, no adverse communication received from any party.

33. There are no micro, small or medium enterprises to whom the Company owes dues which are outstanding for more than 45 days as at 31st March, 2009.

34. 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.

35. Whole time Directors are allowed usage of staff cars for private purposes up to 12,000 km per annum as specified in the contractual terms of appointment on payment of Rs. 400 per month.

36. Figures for the previous year have been regrouped / recasted wherever considered necessary.

37. Accounting Policies, Schedules & Notes attached form an integral part of the Accounts.

For N K Bhargava & Co.
Chartered Accountants

Sd/-	Sd/-	Sd/-
(NK Bhargava)	**(Manohar Balwani)**	**(Vijay Pal)**
Partner M.No. 080624	GM & Company Secretary	Chief General Manager (F&A)

Sd/-	Sd/-
(S K Kar)	**(Sanjiv Batra)**
Director (Finance)	Chairman and Managing Director

Place : New Delhi
Date:7th August, 2009

Annexure - 'A' to Notes to Accounts
Statement of Segmental Performance for the Year 2008-09

(Primary Disclosures)

Particlulars	SEGMENTS		
	Export		Import
	31st March 09	31st March 08	31st March 09
SEGMENT REVENUE			
External Sales	45,758.84	39,114.45	306,951.37
Inter-Segment sales	NIL	NIL	NIL
Total Revenue	45,758.84	39,114.45	306,951.37
Segmental Result	**2,282.18**	**2,747.27**	**383.08**
Unallocated Corporate expenses			
Operating Profit			
Interest Expenses			
Interest Income			
Income taxes			
Profit from ordinary activities			
Extraordinary loss/Income			
Net Profit			
OTHER INFORMATION			
Segment assets	4,247.47	4,256.67	71,738.85
Unallocated Corporate assets			
Total assets			
Segment Liabilities	3,155.77	4,209.14	70,094.03
Unallocated Corporate liabilities			
Total liabilities			
Capital expenditure	1.07	0.07	-
Unallocated Capital Expenditure			
Total Capital Expenditure			
Depreciation	55.36	54.44	-
Unallocated Depreciation			
Total Depreciation			
Non-cash expenses other than depreciation			

(Secondary Disclosure)

	Precious Metal		Mineral & Ores		Hydrocarbon	
	31st March 09	31st March 08	31st March 09	31st March 08	31st March 09	31st March 08
Segment Revenue						
External Sales	217,443.21	129,985.44	37,632.38	34,951.85	31,386.94	21,735.90
Inter-Segment sales	-		-		-	
Total Revenue	217,443.21	129,985.44	37,632.38	34,951.85	31,386.94	21,735.90
Segment assets	50,589.06	28,650.36	4,265.23	3,437.11	4,392.20	4,040.20
Capital expenditure	6.74	-	1.07	0.07	-	

(Rs. in million)

SEGMENTS				
Import	Domestic		Total	
31st March 08	31st March 09	31st March 08	31st March 09	31st March 08
204,489.61	15,497.35	20,630.53	368,207.57	264,234.59
NIL	NIL	NIL	NIL	NIL
204,489.61	15,497.35	20,630.53	368,207.57	264,234.59
975.55	**543.36**	**574.76**	**3,208.61**	**4,297.58**
			2,200.16	1,807.33
			1,008.45	2,490.25
			6,658.69	1,350.32
			7,824.02	2,106.07
			771.61	1,241.16
			1,402.17	2,004.84
			-	-
			1,402.17	**2,004.84**
41,134.02	2,802.48	4,758.58	78,788.80	50,149.28
			27,367.73	40,352.00
			106,156.53	90,501.27
56,304.25	1,240.83	1,002.38	74,490.63	61,515.77
			20,432.07	18,685.87
			94,922.70	80,201.64
-	6.74	-	7.81	0.07
			24.27	41.65
			32.08	41.72
-	37.11	36.36	92.48	90.81
			33.35	36.03
			125.83	126.84
			567.60	618.04

Agro Products		Fertilizers		Others		Unallocated		Total	
31st March 09	31st March 08	31st March 09	31st March 08	31st March 09	31st March 08	31st March 09	31st March 08	31st March 09	31st March 08
20,147.40	17,830.38	39,866.69	41,166.66	21,730.95	18,564.35			368,207.57	264,234.59
-			-		-		-	-	
20,147.40	17,830.38	39,866.69	41,166.66	21,730.95	18,564.35	-	-	368,207.57	264,234.59
9,535.49	5,420.62	5,169.64	3,669.62	4,837.19	4,931.37	27,367.73	40,352.00	106,156.53	90,501.27
-		-		-	-	24.27	41.65	32.08	41.72

Statement of Cash Flow

(Rs. in million)

	2008-09		2007-08	
A. Cash flow from operating activities				
Profit before Tax		**2,173.78**		3,246.00
Adjustment for :				
Depreciation	**125.83**		126.84	
Miscellaneous Expenses w/off	**18.20**		13.46	
Net Foreign Exchange (Gain) /Loss	**234.84**		(416.62)	
(Profit) /Loss on sale of Fixed Assets	**(1.67)**		(1.34)	
Interest received	**(7,824.02)**		(2,106.07)	
Dividend Received from Investments	**(72.45)**		-	
Interest Paid	**6,658.69**		1,350.32	
Provision for doubtful Debts /Loans & Advances	**406.12**		372.93	
Provision no longer Required	**(224.23)**		(292.36)	
Liabilities no longer Required	**(116.58)**		(117.29)	
Deferred Revenue Expenditure	**(53.95)**		(20.90)	
Provision for DWA risk	**4.73**	**(844.49)**	19.14	(1,071.89)
Operating Profit before Working Capital Changes		**1,329.29**		**2,174.11**
Adjustment for :				
Trade & others Receivable	**(16,207.48)**		(4,165.62)	
Inventory	**(253.21)**		(3,755.14)	
Trade & other Payable	**2,927.87**		30,498.29	
Provisions	**451.59**		158.27	
		(13,081.23)		22,735.80
Cash Generated from operations		**(11,751.94)**		24,909.91
Taxes Paid		**(1,068.39)**		(856.12)
Net cash flow from operating activities		**(12,820.33)**		24,053.79
B. Cash flow from Investing Activities				
Purchase of Fixed assets	**(32.08)**		(40.74)	
Sale of Fixed Assets	**2.23**		1.47	
Purchase of investments	**(293.80)**		(0.16)	
Sale of Investments	**528.08**			-
Advance for purchase of shares	**(75.00)**		(25.00)	
Interest received	**7,824.02**		2,106.07	
Dividend Received from Investments				
- MTPL,Singapore	**72.45**		-	
Net cash flow from investing activities		**8,025.90**		**2,041.64**
C. Cash flow from financing activities				
Proceeds from bank borrowings/others	**11,068.48**		20,718.37	
Interest Paid	**(6,658.69)**		(1,350.32)	
Dividend (inclusive of tax) paid	**(555.73)**		(350.98)	
Net cash flow from Financing Activities		**3,854.06**		**19,017.07**
Net increase/(decrease) in Cash & Cash Equivalent		**(940.37)**		**45,112.50**
Opening Balance of Cash & Cash Equivalent	**59,520.36**		**14,407.86**	
Closing Balance of Cash & Cash Equivalent	**58,579.99**		**59,520.36**	
Note:				
1 Adjustments for certain accruals / deferrals made at Corporate Office on the basis of information received from branch offices.				
2. Figures for the previous year have been regrouped wherever considered necessary.				
3. Cash and Cash equivalents includes all term deposits with banks.				
4. Cash and Cash equivalents represent:-				
a) Cash, Stamps & Cheques in Hand		**152.42**		713.02
b) Bank Balances in India				
in Current Account		**375.33**		2012.10
in Cash Credit Account (Debit Balance)		**426.95**		951.68
in Current Account in Foreign Currency		**0.30**		0.87
in Term Deposits (including under lien/lodged as security)		**57624.99**		55842.69
Total		**58579.99**		**59520.36**

	Sd/-	Sd/-
For **N K Bhargava & Co.**	**(Manohar Balwani)**	**(Vijay Pal)**
Chartered Accountants	G.M. & Company Secretary	Chief General Manager (F&A)
Sd/-	Sd/-	Sd/-
(N K BHARGAVA)	**(S.K. Kar)**	**(Sanjiv Batra)**
Partner	Director(Finance)	Chairman and Managing Director
M.NO.080624		

Date : 7th August, 2009
Place : NEW DELHI

Statement Forming Part of Trading, Profit & Loss Account Information in Pursuant to Para 3 & 4 Part -II of Companies Act ,1956 Annexed to the Accounts for the Year Ended 31st March, 2009

(Rs. in million)

	Opening Stock		Purchases		Sales		Closing Stock	
	Qty. (MT)	Value	Qty. (MT)	Value	Qty. (MT)	Value	Qty. (MT)	Value
Exports								
Mang. Ore	-	-	191,665	1,048	191,665	1,064	-	-
Chrome Concentrate	-	-	302,959	7,102	302,959	7,323	-	-
Chrome Ore	-	-	41,000	924	41,000	952	-	-
Iron Ore	451,364	593	6,035,182	24,514	6,168,958	27,537	352,800	532
Pig Iron	-	-	241,691	5,988	241,691	5,989	-	-
Silverware	20,015	475	-	-	20,015	434	-	-
Urea (third Country)	-	-	2,500	50	2,500	50	-	-
Cotton	-	-	77	4	77	4	-	-
Sugar	-	-	2,200	41	2,200	43	-	-
Rice	-	-	117,500	2,247	117,500	2,316	-	-
Wheat (third Country)	-	-	2,701	47	2,701	48	-	-
Sub Total		**1,068**		**41,965**		**45,760**		**532**
Imports								
Copper	98	33	34,791	4,828	33,904	4,688	985	189
Tin	100	82	1,071	998	1,097	1,047	69	44
Zinc	433	47	12,286	930	11,470	896	1,249	85
Lead	25	4	3,719	323	3,397	304	347	30
Nickel	34	44	569	451	557	501	47	25
Magnisium	-	-	20	4	20	4	-	-
Mangnese Ore	-	-	7,359	184	7,359	192	-	-
Antimony Metal	-	-	18	5	18	5	-	-
Silicon / Ferro Silicon	-	-	20	2	20	2	-	-
Combalt	-	-	65	268	65	274	-	-
Steel/HR Coils	13,916	369	27,216	772	33,475	926	7,674	177
Steel Scrap	-	-	4,905	139	4,866	139	39	1
Mercury	68	3	-	-	68	2	-	-
Gold (OGL)	200	255	137,200	167,313	136,224	167,622	-	-
Gold (DTA)	-	-	4,917	6,217	4,917	6,241	-	-
Silver	4,034	78	1,191,854	20,954	1,187,096	21,532	14	0
Silver Grain	-	-	9,669	160	9,669	169	-	-
Platinum	113	291	6,701	16,712	6,814	17,079	-	-
Rough Diamond	128,129	76	42,598	168	170,727	247	-	-

(Rs. in million)

	Opening Stock		Purchases		Sales		Closing Stock	
	Qty. (MT)	Value	Qty. (MT)	Value	Qty. (MT)	Value	Qty. (MT)	Value
Mop	27,142	280	281,216	7,610	308,358	7,916	-	-
Urea	61,446	1,106*	1,068,014	29,134	1,129,460	30,259	-	-
Sulphur	16,248	441	33,300	1,117	49,548	1,566	-	-
Dun Peas / Yellow Peas	18,468	404	114,807	2,477	51,972	988	89,171	1,320
Pulses	29,964	563	104,382	2,507	62,360	1,598	63,278	1,119
RBD Palm-CPO	1,000	40	240,651	10,578	237,196	10,825	4,434	227
DSBO	3,900	180	46,584	1,920	50,484	2,135	-	-
Soya Oil	-	-	32,864	1,137	32,864	1,148	-	-
Steam Coal	-	-	4,024,225	21,952	3,814,823	21,251	209,402	886
Cooking Coal	-	-	918,343	3,513	918,343	5,539	-	-
Lam Coke	-	-	80,518	739	23,179	566	56,869	405
Solar Oil	-	-	339	8	339	8	-	-
PVC / Plastic	-	-	1,292	78	1,292	79	-	-
Projects Equipments	-	-	1,006,780	1,074	1,006,780	1,118	-	-
Raw Wool	20,413	3	20,580	3	40,993	6	-	-
Soda Ash	-	-	752	10	413	7	339	4
Cement	-	-	18,782	71	18,782	72	-	-
Sub Total		**3,193**		**304,356**		**306,951**		**4,512**
		+1106*						
		4,299		**304,356**		**306,951**		**4,512**
Domestic								
Iron Ore	785	1	229,502	482	230,457	498	-	-
Ferro Chrome	-	-	5,773	1	5,773	1	-	-
Dolomite/ Quartzite	-	-	93,924	42	93,924	44	-	-
Lime Stone	-	-	45,718	22	45,718	22	-	-
Aluminium	24	4	13,469	1,566	13,493	1,585	-	-
Jewellery	2	32	-	11	2,257	95	-	14
Jewellery Exhibition	-	-	20	189	-	347	-	2
Gold	2,005	8	726	955	80,793	1,135	1,007	11

(Rs. in million)

	Opening Stock		Purchases		Sales		Closing Stock	
	Qty. (MT)	Value	Qty. (MT)	Value	Qty. (MT)	Value	Qty. (MT)	Value
Gold Medallion	21,322	26	3,750	196	843,913	1,569	33,877	76
Sanchi	5,632,752	123	713	22	4,008,071	145	4,990,958	123
Silver Medallion	1,234,090	20	29,183	2	4,658,609	127	858,287	27
Silver	22,040	522	12,524	219	33,703	701	561	12
Gold Scrap- A&H & Shop	-	1	-	-	-	-	-	1
Cotton (Bales)	-	-	1,546	55	1,340	45	206	11
Semi Precious Stones	1	3	-	-	-	-	1	4
Mentha Oil	11,535	6	92,705	51	104,240	58	-	-
Ammonia Sulphate	-	-	9,340	68	9,340	68	-	-
DEPB	-	-	-	22	-	23	-	-
Sugar	-	-	22,570	380	20,619	356	1,952	42
Pulses	1,425	34	5,180	137	6,605	174	-	-
Engg. Goods(pcs)	-	-	5	1	5	1	-	-
Steam Coal	91,125	426	-	-	54,660	266	36,464	169
Slag	-	-	187,176	36	187,176	36	-	-
Scrap	-	-	61,519	1,100	51,519	1,100	-	-
Security Equipments	-	-	5,216	73	5,216	76	-	-
Pig Iron	-	-	128,207	2,755	128,207	2,755	-	-
Lam Coke	-	-	122,387	3,257	122,387	3,257	-	-
Crude Tar	-	-	20,441	414	20,441	414	-	-
Met- Nut Coke	-	-	6,402	86	6,402	86	-	-
Agro NCDEX-MCX	3,131	52	26,405	606	17,116	409	12,414	245
PVC	81	13	70,000	1	70,021	10	60	4
Windmill	-	-	-	-	-	94	-	-
Sub Total		**1,271**		**12,749**		**15,497**		**741**
Grand Total		**5,532**		**359,070**		**368,209**		**5,785**
		+1106*						
		6,638		**359,070**		**368,209**		**5,785**

Qty are in MT unless otherwise mentioned

*Represents adjustment of goods in transit relating to 2007-08.

Statement Pursuant to Section 212 of the Companies Act, 1956 Relating to the Subsidiary Company

(Amount in US $ Millions)

1.	Name of Subsidiary Company	**MMTC Transnational Pte. Limited Singapore**	
		2008-09	2007-08
2	The Financial year of the Subsidiary Company ended on	**31st March 2009**	31st March 2008
3	Shares of the Subsidiary Company held by MMTC Limited		
	i) Number	**1461502 shares of S$ 1 each**	1461502 shares of S$ 1 each
	ii) Extent of Holding	**100%**	100%
4	The Net aggregate of profit of the Subsidiary Company for the financial year so far as it concern the members of MMTC ltd.		
	i) Dealt with in the Accounts of MMTC Ltd. For the year ended 31st March	**Nil**	Nil
	ii) Not dealt with in the Accounts of MMTC Ltd. For the year ended. ($ in Million)	**6.9 ***	1.9
5	The net aggregate amount of profit of the Subsidiary Company for the previous financial year so far as they concern the members of MMTC Ltd.		
	i) Dealt with in the Accounts of MMTC Ltd. For the year ended 31st March	**Nil**	Nil
	ii) Not dealt with in the Accounts of MMTC Ltd. For the year ended. ($ in Million)	**1.9**	1.5

*Current year's profit figure is provisional

Sd/-
(Manohar Balwani)
Company Secretary

Sd/-
(Vijay Pal)
Chief General Manager (F&A)

Sd/-
(S.K. Kar)
Director (Finance)

Sd/-
(Sanjiv Batra)
Chairman and Managing Director

Commodity-wise Performance

(Rs. in million)

Year ended 31st March	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
EXPORTS										
Iron Ore	**27537**	26554	19012	21584	21369	12037	10752	12237	11985	8747
Manganese ore/oxide	**1064**	441	409	469	660	589	396	525	492	502
Chrome ore/concentrate	**8275**	6904	7964	3191	3354	1563	1300	1012	1137	1007
Pig iron	**5989**	5090	5446	3458	3901	797	1588			
Slag			1	1	16					
Barytes										2
Fertilizer			257							
Agro Products	**2411**	61	753		620	2429	9005	2929	1744	40
Mica								34	66	127
Industrial Produts										85
Diamonds/gems/jewellery	**434**		289	291	387	592	76	277	188	79
Merchanting Trade	**50**	64					180	226	216	141
Steel/HR Steel Coils				101						
Building Material							1	46	85	122
Engg. Product					2	905	58			
Others				159				1	123	686
Total Exports	**45760**	**39114**	**34131**	**29254**	**30309**	**18912**	**23356**	**17287**	**16036**	**11538**
IMPORTS										
Metals/ IRM										
Copper/Copper Cathodes	**4688**	3678	2691	3104	1128	639	764	131	578	1414
Zinc	**896**	1287	1617	955	248	199	190	136	287	426
Lead	**304**	246	750	384	276	85	62	44	18	47
Tin	**1047**	703	651	373	497	409	239	279	332	317
Nickel	**501**	922	1216	561	700	738	261	199	1262	633
Aluminium		16	172	228	165	221	162	130	120	111
Antimony Metal	**5**	24	10	52	9	13	14	4	5	4
Steel /Steel Scrap/ HR Coils	**1065**	1350	1331	274	100					
Asbestos									1	3
Others	**282**	148	41	145	72	36	20	6	19	1
SUB TOTAL	**8788**	**8374**	**8479**	**6076**	**3195**	**2340**	**1712**	**929**	**2622**	**2956**

Commodity-wise Performance

(Rs. in million)

Year ended 31st March	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Fertilizers:										
Sulphur	**1566**	1488	140	160	76	150	69	1	18	132
Ammonia Sulphate						94	111		22	241
Urea	**30259**	37907	14223	5867	4566	692	229	542		881
DAP			6346	5904	1505	1895	3	27	132	1102
MOP	**7916**	1647	1621	1692	1368	844	550	255	14	370
Others	**7**									
SUB TOTAL	**39748**	**41042**	**22330**	**13623**	**7515**	**3675**	**962**	**825**	**186**	**2726**
Diamonds/Gold/Emeralds	**212891**	122071	135041	76928	79582	53873	30197	48397	29418	25561
Agro Products	**16695**	16160	3581	2726	3354	1641	1171	1892	1726	1926
Hydrocarbons	**27364**	16481	16296	18087	16585	5113	3195	2718	2328	1993
Others	**1465**	371	347	418	94	144	87	44	131	106
TOTAL IMPORTS	**306951**	**204499**	**186074**	**117858**	**110325**	**66786**	**37324**	**54805**	**36411**	**35268**
Domestic										
Mica					1		2	2	3	6
Copper/Zinc/Brass/Alum.		1633	2142	1492	1101	4394		8		
Pig Iron/Slag	**2791**	2738	2806	4381	4420					
Fertilizers	**68**	56	45	41	20		2	23	53	29
Agro Products	**1042**	1621	1610	1180	235	354	30	64	47	55
Gems & Jewellery/Silver	**4118**	7921	2369	1990	3113	367	404	96	436	72
Hydrocarbon	**4023**	5255	3318	6893	1655	6	304			
Others	**3455**	1397	521	535	58	173	837	151	31	3
TOTAL DOMESTIC	**15497**	**20621**	**12811**	**16512**	**10603**	**5294**	**1579**	**344**	**570**	**165**
TOTAL TURNOVER	**368209**	**264234**	**233016**	**163624**	**151237**	**90992**	**62259**	**72436**	**53017**	**46971**

Country-wise Exports

(Rs. in million)

Year ended 31st March	2009	2008	2007
ASIA			
BANGLADESH	**1880**	5	102
CHINA	**25488**	25875	19703
JAPAN	**10437**	8517	7835
KOREA	**3411**	1198	1955
MALAYSIA	**4**	788	486
MALDIVES	**48**	61	-
NEPAL	**93**	64	258
MAURITIUS	**199**	-	-
PAKISTAN	**-**	-	731
SINGAPORE	**1670**	--	
TAIWAN	**-**	1488	1418
THAILAND	**1397**	1118	1314
	44627	39114	33802
AFRICA			
UNION OF COMMOROS	**236**	-	-
	236	-	-
WEST EUROPE			
SWITZERLAND	**462**	-	39
UK	**434**	-	-
	896	-	39
MIDDLE EAST			
KUWAIT	**-**	-	222
	-	-	222
TOTAL	**45759**	39114	34063
DEEMED EXPORTS	**-**	-	68
TOTAL EXPORTS	**45759**	39114	34131

Country-wise Imports

(Rs. in million)

Year ended 31st March	2009	2008	2007
AFRICA			
ZIMBABWE	20	-	33
TANZANIA	-	112	-
MOZAMBIQUE	-	63	-
EGYPT	-	1079	1,248
LIBYA	-	-	431
MALAWI	-	136	28
CONGO	-	820	-
ZAMBIA	-	-	441
SOUTH AFRICA	2411	2699	14525
	2431	4909	16706
ASIA			
CHINA	8033	20717	6070
INDONESIA	27046	10854	3639
JAPAN	-	83	433
KOREA	23	110	543
MALAYSIA	3437	1703	1590
PAKISTAN	71	47	-
BANGLADESH	2089	859	200
MYANMAR	615	595	52
HONGKONG	-	63	-
RUSSIA	5128	6890	3498
SINGAPORE	11661	416	1173
THAILAND	-	-	1
	58103	42337	17199
EAST EUROPE			
CIS	-	-	593
KAZAKHISTAN	153	106	38
BELARUS	3015	-	-
ROMANIA	351	-	511
UZBEKISTAN	292	264	269
UKRAINE	6224	6042	6013
	10035	6412	7424
LATIN AMERICA			
BRAZIL	45	2434	460
ARGENTINA	3055	6089	320
PARAGUAY	-	210	-
CHILE	-	-	136
MEXICO	-	-	69
	3100	8733	985

(Rs. in million)

Year ended 31st March	2009	2008	2007
MIDDLE EAST			
DUBAI	**34996**	833	16777
IRAN	**1563**	27	934
OMAN	**338**	-	-
KUWAIT	**-**	1605	1
QATAR	**1407**	1897	2,603
SAUDI ARABIA	**1296**	2514	1,297
TURKEY	**1042**	-	-
UAE	**3427**	21760	2,493
	44069	28636	24105
NORTH AMERICA			
CANADA	**1991**	6700	808
USA	**432**	68	5244
	2423	6768	6052
OCEANIA			
AUSTRALIA	**35306**	35478	32670
NEW ZEALAND	**3**	37	-
	35309	35515	32670
WEST EUROPE			
FRANCE	**53**	-	1,153
GERMANY	**1295**	4	6
NETHERLANDS	**-**	1673	11
BELGIUM	**-**	348	-
SPAIN	**-**	-	1
ITALY	**10**	5	-
SWITZERLAND	**89702**	59977	64253
NORWAY	**56**	20	36
UK	**57769**	13856	13842
	148885	75883	79302
TOTAL IMPORTS	**304355**	209193	184443

Contribution to Exchequer

(Rs. in million)

	2008-09	2007-08	2006-07
To Central Government			
Export Duty	**2,214**	1,158	110
Import Duty	**2,388**	1,571	1,614
Service Tax	**56**	28	19
CST	**8**	16	104
Income Tax Incl. Tax on Dividend	**1,370**	885	689
Dividend	**475**	300	250
Total	**6,511**	3,958	2,786
To Railways & Ports			
Railway freight	**1,053**	1,470	2,160
Plot rent to Railways/Ports	**3**	2	7
Port Charges	**221**	307	172
Total	**1,277**	1,779	2,339
To State Government			
Local Sales Taxes/ VAT	**2,315**	1,186	1,066
Other Taxes/cess	**24**	14	19
Professional Tax	**-**	1	1
Total	**2,339**	1,201	1,086
Grand Total	**10,127**	6,938	6,211

MMTC Transnational PTE. LTD.
Singapore

FINANCIAL STATEMENTS 2008-09

Directors' Report

For the financial year ended 31 March 2009

The directors present their report to the shareholder together with the audited financial statements for the financial year ended 31 March 2009.

Directors

The directors in office at the date of this report are as follows:

Sanjiv Batra
Sujit Kumar Kar
Adarsh Rajendra Goyal
Neeraj Sinha
Hardip Singh Mann
Amarendra Mahapatra
Sunir Khurana
Joggari Kishan (appointed on 27 March 2009)

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 is 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 related corporations, except as follows:

	Holding registered, in name of a director, spouse or infant children	
	At 31.3.2009	At 1.4.2008
MMTC Limited		
(Ordinary shares of Rs. 10 each)		
Sanjiv Batra	1	1
Sujit Kumar Kar	1	1
Adarsh Rajendra Goyal	1	1

Directors' contractual benefits

Since the end of the previous financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member or with a company in which he has a substantial financial interest, except as disclosed in the financial statements and in this report, and except that certain directors have employment relationships with related corporations and received remuneration in those capacities.

Share options

There were no options granted during the financial year to subscribe for unissued shares of the Company.

No shares have been 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 auditors

The independent auditors, PricewaterhouseCoopers LLP, have expressed their willingness to accept re appointment.

On behalf of the directors

Sd/-	Sd/-
JOGGARI KISHAN	**NEERAJ SINHA**
Director	Director

STATEMENT BY DIRECTORS

For the financial year ended 31 March 2009

In the opinion of the directors,

(a) the financial statements as set out on pages 5 to 24 are drawn up so as to give a true and fair view of the state of affairs of the Company at 31 March 2009 and of the results of the business, changes in equity and cash flows of the Company for the financial year then ended; 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.

On behalf of the directors

Sd/-	Sd/-
JOGGARI KISHAN	**NEERAJ SINHA**
Director	Director

12 August 2009

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF MMTC TRANSNATIONAL PTE LTD

We have audited the financial statements of MMTC Transnational Pte Ltd set out on pages 5 to 24, which comprise the balance sheet as at 31 March 2009, the income statement, statement of changes in equity and cash flow statement for the financial year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act (Cap. 50) (the "Act") and Singapore Financial Reporting Standards. This responsibility includes:

(a) devising and maintaining a system of internal accounting control 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 profit and loss accounts and balance sheets and to maintain accountability of assets;

(b) selecting and applying appropriate accounting policies; and

(c) making accounting estimates that are reasonable in the circumstances.

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 as to 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 control relevant to the entity's preparation and fair presentation of the financial statements 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,

(a) 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 state of affairs of the Company as at 31 March 2009, and its results, changes in equity and cash flows for the financial year ended on that date; and

(b) 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.

Sd/-
PricewaterhouseCoopers LLP
Public Accountants and Certified Public Accountants

Singapore, 12 Aug 2009

Income Statement
For the financial year ended 31 March 2009

	Notes	**2009 US$**	2008 US$
Sales of goods		**686,262,765**	557,070,938
Other income	3	**2,993,708**	974,436
Purchases for resale		**(671,743,829)**	(554,800,276)
Employee compensation	4	**(664,435)**	(437,542)
Depreciation	11	**(28,358)**	(13,661)
Rental expense - operating lease		**(144,053)**	(113,349)
Net currency translation loss		**(65,125)**	(14,650)
Bank charges		**(413,699)**	(226,215)
Other expenses	5	**(4,025,672)**	-
Finance expense	6	**(4,398,690)**	(114,403)
Profit before income tax		**7,772,612**	2,121,011
Income tax expense	7	**(857,953)**	(167,657)
Net profit		**6,914,659**	1,953,354

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

Balance Sheet
As at 31 March 2009

	Notes	2009 US$	2008 US$
ASSETS			
Current assets			
Cash and bank deposits	8	**18,537,637**	17,586,213
Trade and other receivables	9	**31,815,738**	53,458,021
Inventories		**7,836**	5,478
		50,361,211	71,049,712
Non-current assets			
Investment in a subsidiary	10	**-**	-
Property, plant and equipment	11	**29,438**	42,421
		29,438	42,421
Total assets		**50,390,649**	71,092,133
LIABILITIES			
Current liabilities			
Trade and other payables	12	**33,710,854**	61,151,017
Borrowings	13	**1,277,704**	499,472
Current income tax liabilities	7	**825,863**	301,770
Total liabilities		**35,814,421**	61,952,259
Net assets		**14,576,228**	9,139,874
SHAREHOLDER'S EQUITY			
Share capital	15	**1,000,000**	1,000,000
Retained earnings		**13,576,228**	8,139,874
Total shareholder's equity		**14,576,228**	9,139,874

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

Statement of Changes in Shareholder's Equity

For the financial year ended 31 March 2009

	Note	Share capital US$	Retained earnings US$	Total US$
2009				
Beginning of financial year		1,000,000	8,139,874	9,139,874
Total recognised gain for the				
financial year - Net profit		-	6,914,659	6,914,659
Dividend paid	16	-	(1,478,305)	(1,478,305)
End of financial year		**1,000,000**	**13,576,228**	**14,576,228**
2008				
Beginning of financial year		1,000,000	6,186,520	7,186,520
Total recognised gain for				
the financial year - Net profit		-	1,953,354	1,953,354
End of financial year		1,000,000	8,139,874	9,139,874

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

Cash Flow Statement

For the financial year ended 31 March 2009

	Notes	2009 US$	2008 US$
Cash flows from operating activities			
Net profit		**6,914,659**	1,953,354
Adjustments for:			
Income tax expense		**857,953**	167,657
Depreciation		**28,358**	13,661
Interest income		**(2,701,105)**	(811,118)
Interest expense		**4,398,690**	114,403
		9,498,555	1,437,957
Change in working capital			
Trade and other receivables		**21,687,785**	(23,329,415)
Trade and other payables		**(27,440,163)**	1,839,314
Inventory		**(2,358)**	-
Cash generated from/(used in) operations		**3,743,819**	(20,052,144)
Income tax paid		**(333,860)**	(73,022)
Net cash (used in)/provided by operating activities		**3,409,959**	(20,125,166)
Cash flows from investing activities			
Purchase of property, plant and equipment		**(15,375)**	(32,159)
Interest received		**2,655,603**	1,017,592
Net cash provided by investing activities		**2,640,228**	985,433
Cash flows from financing activities			
Dividends paid		**(1,478,305)**	-
Interest paid		**(4,398,690)**	(114,403)
Proceeds from borrowings		**778,232**	499,472
Net cash (used in)/provided by financing activities		**(5,098,763)**	385,069
Net increase/(decrease) in cash and cash equivalents		**951,424**	(18,754,664)
Cash and cash equivalents at beginning of financial year		**17,586,213**	36,340,877
Cash and cash equivalents at end of financial year	8	**18,537,637**	17,586,213

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

Notes to the Financial Statements
For the financial year ended 31 March 2009

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 20 Cecil Street, #14-03/04 Equity Plaza, Singapore 049705.

The principal activities of the Company are trading in minerals, metals, fertilizers, agricultural products, coal 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"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of these 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 2008

On 1 April 2008, the Company adopted the new or amended 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.

The following are the new or amended FRS that are relevant to the Company:

FRS 107	Financial Instruments: Disclosures
Amendments to FRS 1	Presentation of Financial Statements - Capital Disclosures

The adoption of the above new or amended FRS did not result in any substantial changes to the Company's accounting policies.

Consolidated financial statements are not prepared as the Company is a wholly owned subsidiary of MMTC Limited, incorporated in India, which produces consolidated financial statements for public use. The basis on which the subsidiary is accounted for is disclosed in note 2.7. The registered office address of MMTC Limited is Core - 1, Scope Complex, 7, Institutional Area, Lodi Road, New Delhi, India - 110003.

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) Interest income

Interest income is recognised using the effective interest method.

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 translation differences resulting from the settlement of such transactions and from the translation at the closing rates at the balance sheet date of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

2.4 Financial assets - loans and receivables

Loans and receivables include "cash and bank deposits" and "trade and other receivables" in the balance sheet.

These financial assets are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method. They 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.

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.

Allowance for impairment 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.

2.5 Income taxes

Current income tax is recognised at the amount expected to be paid to or recovered from the tax authorities.

Deferred income tax is recognised for all temporary differences except when the deferred income tax arises from the initial recognition of an asset or liability affects neither accounting nor taxable profit or loss at the time of the transaction.

Current and deferred income tax is measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date, and are recognised as income or expenses in the income statement.

2.6 Inventories

Inventories, comprise goods held for resale, are stated 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 selling expenses.

2.7 Investment in subsidiary

Subsidiaries are entities in which the Company has power to govern the financial and operating policies, generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity.

Investments in subsidiaries are stated at cost less accumulated impairment losses in the Company's balance sheet. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is taken to the income statement.

2.8 Property, plant and equipment

(a) Measurement

All property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment includes its purchase price and any costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(b) Depreciation

Depreciation on property, plant and equipment is calculated on a reducing balance basis so as to write off the cost of property, plant and equipment over their expected useful lives of 3 years. The residual values and useful lives and depreciation method of property, plant and equipment are adjusted as appropriate, at each balance sheet date.

(c) Impairment

Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount.

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to the income statement.

2.9 Impairment of non-financial assets

Property, plant and equipment and investments in subsidiaries are reviewed for impairment whenever there is any indication that these assets may be impaired. If any such indication exists, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value in use) of the asset is estimated to determine the amount of impairment loss.

For the purpose of impairment testing of the assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The impairment loss is recognised in the income statement.

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 depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset is recognised in the income statement.

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 an 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 amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset is recognised in the income statement.

2.10 Trade and other payables

Trade and other payables are initially measured at fair value, and subsequently measured at amortised cost, using the effective interest method.

2.11 Operating leases - as lessee

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 the lease.

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 recognised as an expense in the period in which termination takes place.

2.12 Provisions for other liabilities and charges

Provisions for other liabilities and charges are recognised when the Company has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

2.13 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 they 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.

2.14 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.

2.15 Borrowing costs

Borrowing costs are recognised in the income statement using the effective interest method.

2.16 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.

2.17 Borrowings

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 their redemption values is recognised in the income statement over the period of the borrowings using the effective interest method.

2.18 Dividends

Interim dividends are recorded in the financial year in which they are declared payable. Final dividends are recorded during the financial year in which the dividends are approved by the shareholders.

3. Other income

	2009 US$	2008 US$
Interest income	**533,282**	811,118
- short term bank deposit	**2,167,823**	-
- customers	**2,701,105**	811,118
Sundry income	**292,603**	163,318
	2,993,708	974,436

4. Employee compensation

	2009 US$	2008 US$
Salaries	**489,758**	327,889
Employer's contribution to defined contribution plans such as Central Provident Fund	**30,541**	24,089
Other benefits	**144,136**	85,564
	664,435	437,542

Other benefits include the rental expenses for the residential premises provided to the employees which amounted to US$ 78,327 (2008: US$ 56,399).

5. Other expenses

	2009 US$	2008 US$
Trade claims	**3,757,681**	-
Other	**267,991**	204,267
	4,025,672	204,267

6. Finance expense

	2009 US$	2008 US$
Interest expense:		
- trust receipts	**450,590**	19,644
- discounted bills	**3,948,100**	94,759
	4,398,690	114,403

7. Income taxes

(a) Income tax expense

	2009 US$	2008 US$
Tax expense attributable to profit is made up of:		
Current income tax	**824,036**	287,566
Under/(over) provision in prior financial years:		
Current income tax	**33,917**	(119,909)
	857,953	167,657

The Company was granted Global Trader Programme ("GTP") status with effect from 1 April 2005, which is valid till 31 March 2010. Income covered by GTP status is taxed at a concessionary rate of 10%. Non-qualifying income is taxed at the standard rate of 17% (2008: 18%). The income tax expense on profit for the financial year varies from the amount of income tax determined by applying the Singapore standard rate of income tax to profit before income tax due to the following:

	2009 US$	2008 US$
Profit before income tax	**7,772,612**	2,121,011
Tax calculated at a tax rate of 17% (2008: 18%)	**1,321,344**	381,782
Effects of:		
Singapore statutory stepped income exemption	**(17,983)**	(18,681)
Income subject to a lower tax rate	**(483,504)**	(103,177)
Expenses not deductible for tax purposes	**4,179**	27,642
	824,036	287,566

(b) Movements in current income tax liabilities

	2009 US$	2008 US$
Beginning of financial year	**301,770**	207,135
Income tax paid	**(333,860)**	(73,022)
Tax payable on profit for current financial year	**824,036**	287,566
Under/(over) provision in prior financial years	**33,917**	(119,909)
End of financial year	**825,863**	301,770

8. Cash and bank deposits

	2009 US$	2008 US$
Cash and bank balances	**1,069,517**	263,129
Fixed deposits with banks	**17,468,120**	17,323,084
	18,537,637	17,586,213

Cash and bank deposits are denominated in the following currencies:

	2009 US$	2008 US$
United States Dollar	**18,513,389**	17,578,046
Singapore Dollar	**24,248**	8,167
	18,537,637	17,586,213

At balance sheet date, fixed deposits bear interest rates ranging from 0.04 to 4.5% (2008: 2.17% to 3.37%) per annum with the maturity dates ranging between 1 month to 6 months (2008: 1 day to 3 months).

9. Trade and other receivables

	2009 US$	2008 US$
Trade receivables:		
- third parties	**8,726,230**	45,480,066
- holding corporation (note 13)	**22,956,668**	7,886,402
Interest receivable	**70,328**	24,826
Other receivables	**12,740**	13,349
Refundable deposits	**49,772**	53,378
	31,815,738	53,458,021

Trade and other receivables are denominated in the following currencies:

	2009 US$	2008 US$
United States Dollar	**31,753,856**	53,391,924
Singapore Dollar	**55,437**	57,658
Others	**6,445**	8,439
	31,815,738	53,458,021

10. Investment in a subsidiary

	2009 US$	2008 US$
Unquoted equity shares, at cost	**7,632**	7,632
Less: Allowance for impairment in value	**(7,632)**	(7,632)
	-	-

Details of the subsidiary are as follows:

Name of subsidiary	Principal activity	Country of incorporation and business	Equity holding	
			2009	2008
			%	%
MMTC Transnational (Moscow) Pte LTD	Dormant	Russia	100	100

11. Property, plant and equipment

	Leasehold improvements US$	Furniture and fittings US$	Computer equipment US$	Office equipment US$	Total US$
2009					
Cost					
Beginning of financial year	33,070	11,424	25,344	13,806	83,644
Additions	-	7,675	7,389	311	15,375
Disposals	-	-	(3,843)	(111)	(3,954)
End of financial year	33,070	19,099	28,890	14,006	95,065
Accumulated depreciation					
Beginning of financial year	18,013	4,122	11,899	7,189	41,223
Depreciation charge	8,932	6,275	9,569	3,582	28,358
Disposals	-	-	(3,843)	(111)	(3,954)
End of financial year	26,945	10,397	17,625	10,660	65,627
Net book value					
End of financial year	**6,125**	**8,702**	**11,265**	**3,346**	**29,438**
2008					
Cost					
Beginning of financial year	25,313	6,896	12,590	8,539	53,338
Additions	7,757	6,270	12,754	5,378	32,159
Disposals	-	(1,742)	-	(111)	(1,853)
End of financial year	33,070	11,424	25,344	13,806	83,644
Accumulated depreciation					
Beginning of financial year	12,619	3,617	8,647	4,532	29,415
Depreciation charge	5,394	2,247	3,252	2,768	13,661
Disposals	-	(1,742)	-	(111)	(1,853)
End of financial year	18,013	4,122	11,899	7,189	41,223
Net book value					
End of financial year	**15,057**	**7,302**	**13,445**	**6,617**	**42,421**

12. Trade and other payables

	2009 US$	2008 US$
Trade payables:		
- third parties	**25,093,013**	34,651,407
- holding corporation (Note 13)	**4,601,692**	26,173,457
Other payables	**181,166**	224,949
Accrued operating expenses	**77,302**	101,204
Provision for trade claims	**3,757,681**	-
	33,710,854	61,151,017

Trade and other payables are denominated in the following currencies:

	2009 US$	2008 US$
United States Dollar	**33,625,852**	61,036,696
Singapore Dollar	**82,206**	100,100
Others	**2,796**	14,221
	33,710,854	61,151,017

13. Borrowings

	2009 US$	2008 US$
Trust receipts	**1,277,704**	499,472

The borrowings are denominated in United States Dollar.

The borrowings have a maturity of 23 days (2008: 14 days) from the balance sheet date.

The weighted average effective interest rate of the borrowings at the balance sheet date is 1.92% (2008: 3.48%) per annum.

14. Immediate and ultimate holding corporation

The Company's immediate and ultimate holding corporation is MMTC Limited, incorporated in India.

15. Share capital

The Company's share capital comprises fully paid-up 1,461,502 (2008: 1,461,502) ordinary shares, amounting to a total of US$1,000,000 (2008: US$1,000,000).

16. Dividends

	2009 US$	2008 US$
Ordinary dividend paid		
Final exempt (one-tier) dividend paid in respect of the previous financial year of US$0.35 (2008: US$Nil) per share	**509,589**	-
Interim exempt (one-tier) dividend paid in respect of current financial year of US$0.66 (2008: US$Nil) per share	**968,716**	-
	1,478,305	-

17. 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:

	2009 US$	2008 US$
Purchase commitments	**83,264,880**	90,411,624
Sales commitments	**83,703,985**	90,494,056

(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:

	2009 US$	2008 US$
Not later than one year	176,224	145,181
Later than one year but not later than five years	144,231	9,140
	320,455	154,321

18. 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

	2009 US$	2008 US$
Sales to holding corporation	**363,867,154**	253,147,328
Purchases from holding corporation	**154,405,949**	165,963,084
Trade claims by holding corporation	**2,651,735**	-

(b) Key management personnel compensation is as follows:

	2009 US$	2008 US$
Salaries and other short-term employee benefits	**216,193**	190,052
Post-employment benefits - contribution to defined contribution plans	**3,220**	3,226
	219,413	193,278

The amount disclosed above represents amount paid to directors during the financial year.

19. Financial risk management

Financial risk factors

The Company's activities expose it to a variety of financial risk, including the effects of changes in foreign currencies exchange rates. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company.

Risk management is carried out under policies approved by the Board of Directors. The Board of Directors and the holding corporation provide guidelines for overall risk management, as well as policies covering these specific areas.

(a) Market risk

(i) Foreign currency exchange rate risk

The Company's business operations are not exposed to significant foreign currency risks, as it has no significant transactions denominated in foreign currencies.

(ii) Interest rate risk

Interest rate risk arises primarily with respect to short-terms borrowings under import and export financing. The Company monitors market interest rates closely to ensure that favourable interest rates are secured. At balance sheet date, the Company has minimal exposure to interest rate risk.

(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. 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 marketable securities, and available funding through an adequate amount of committed credit facilities sufficient to enable it to meet its operational requirements.

The Company 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.

20. 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 2009 or later periods and which the Company has not early adopted. The Company's assessment of the impact of adopting those standards, amendments and interpretations that are relevant to the Company is set out below:

FRS 1(R) Presentation of Financial Statements (effective for annual periods beginning on or after 1 January 2009)

The revised standard requires:

- All changes in equity arising from transactions with owners in their capacity as owners to be presented separately from components of comprehensive income;
- Components of comprehensive income not to be included in statement of changes in equity;
- Items of income and expenses and components of other comprehensive income can be presented either in a single statement of comprehensive income with subtotals, or in two separate statements (a separate statement of profit and loss followed by a statement of comprehensive income);
- Presentation of restated balance sheet as at the beginning of the comparative period when entities make restatements or reclassifications of comparative information.

The revisions also include changes in the titles of some of the financial statements primary statements.

The Company will apply the revised standard from 1 April 2009 and provide comparative information that conforms to the requirements of the revised standard. The key impact of the application of the revised standard is the presentation of an additional primary statement, the statement of comprehensive income.

21. 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 12 August 2009.

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

MMTC Transnational PTE. LTD.
Singapore

CONSOLIDATED FINANCIAL STATEMENTS
2008-09

Auditors' Report on consolidated financial statements

To the Members of MMTC Limited

We have examined the attached consolidated Balance Sheet of MMTC Limited ("The company") its Subsidiary, Associates and Joint Ventures as at 31st March, 2009, Consolidated Profit & Loss Account for the year ended on that date annexed thereto, and the consolidated Cash Flow statement for the year ended that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statement of subsidiary whose financial statements reflect total assets of Rs. 2571.19 Million as at 31st March, 2009 and total revenue of Rs. 31681.89 Million for the year ended on that date, associates whose net carrying cost of investments is Rs. 3861.17 Million and in Joint Ventures whose financial statements reflect total assets of Rs.497.21 Million as at 31st March, 2009 and total revenue of Rs.2.42 Million for the year ended on that date as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of these Subsidiary, Associates and Joint Ventures, is based solely on the report of other auditors.

We report that the consolidated financial statements have been prepared by the company in accordance with the requirements of Accounting Standard (AS) 21, 'Consolidated Financial Statements', AS-23 'Accounting for Investments in Associates in Consolidated Financial Statement' and AS-27 'Financial Reporting of Interests in Joint Ventures' issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of the Company and its Subsidiary, Associates and Joint Ventures included in the consolidated financial statements.

On the basis of the information and explanations given to us and on the consideration of the separate audit reports on individual audited financial statements of the Company and its Subsidiary, Associates and Joint Ventures, we report that:

(i) Non-provision of liability, if any, in case of extension of time / waiver / write off of GR-1 forms. (Refer Note No. 5).

(ii) Balances under Sundry Debtors / Claims Recoverable / Loans & Advances / Sundry Creditors / Other Liabilities have not been confirmed by the parties. Adjustments, if any, required upon such confirmation are not ascertainable.(Refer Note No.-34)

(iii) Certain observations in respect of the internal control procedures, as stated in para (iv) of annexure 'A' to main audit report, which may have consequential effect on the accounts for the year. (effect not ascertainable).

In respect of matters described in the above paras, from the available information, the extent of adverse effect on the profit for the year and the assets and liabilities appearing in the Balance Sheet cannot be ascertained on account of uncertainties associated with the final outcome on realization / settlement of dues / claims which are mostly old.

In our opinion, the Consolidated Balance Sheet ,the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement comply with Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 and the information furnished by the Company in Note No.22 on compliance with the requirement of Accounting Standard 17 "Segment Reporting" is strictly not in conformity with the format / reporting requirements enumerated in AS 17 and non-consolidation of financial results of Subsidiary Company, MMTC Transnational (Moscow) Pte Ltd., as per Accounting Standard 21 "Consolidated Financial Statements" (Refer Note 33).

We are of the opinion that the said consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

(A) In the case of the Consolidated Balance Sheet, of the state of affairs of the Company and Subsidiary as at 31st March, 2009; and

(B) In the case of the Consolidated Profit and Loss Account, of the Profit of the consolidated operations of the Company for the year ended on that date; and

(C) In the case of the Consolidated Cash Flow Statement, of the consolidated cash flows of the Company and Subsidiary for the year ended on that date.

For **N. K. Bhargava & Co.**
Chartered Accountants

Sd/-
(N. K. BHARGAVA)
Partner
M. No. 080624

Place: New Delhi
Dated: 20th August 2009

ACCOUNTING POLICIES TO THE CONSOLIDATED BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

1. BASIS OF PREPARATION OF FINANCIAL STATEMENT

(a) The financial statements are prepared according to the historical cost convention on accrual basis and in line with the fundamental accounting principles of prudence, consistency and materiality.

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

(c) **Statement of Compliance**

The financial statements are prepared on the basis of generally accepted accounting principles in India, accounting standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956 as amended from time to time.

2. PURCHASES AND SALES

a) Purchases and sales are booked where the company has entered into purchase/sale contract/agreement with the sellers/buyers or received allocation letter from Government, on performance of the contract/agreement/allocation either wholly or partly.

b) Gold/Silver sent by foreign suppliers on consignment basis:

i) Purchases include gold/silver withdrawn from consignment stock 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 for domestic sale is accounted for on withdrawal from the consignment stock and fixation of price with the suppliers.

iii) Gold/silver withdrawn on loan basis where from consignment stock, are shown as loan given to parties 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 exports.

v) Consignment stocks held on behalf of foreign suppliers at the year end is suitably disclosed in the accounts. However, customs duty paid in respect of balance consignment stock is shown as prepaid expenses.

c) In respect of exports of Iron Ore/Manganese Ore where final sale value is ascertained on the basis of destinational 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.

d) Pending settlements, certain expenses/ gain/loss like dispatch earned/ demurrage payable etc. are accounted for on provisional basis.

3. REVENUE RECOGNITION

i) Revenue is recognized on accrual basis except in the following items which are accounted for on actual realization since relisability of such items is uncertain in accordance with the provisions of AS – 9 issued by ICAI:-

a) Tax credit, duty credit authorization under Target Plus scheme, REP/Advance Licenses, Service Tax refund, etc.

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

c) Interest on overdue recoverables where realisability is uncertain.

d) 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.

Insurance claims are accounted for upon being accepted by the insurance company.

ii) 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.

4. PREPAID EXPENSES

Prepaid expenses upto Rs.5,000/- in each case are charged to revenue. Deposits upto Rs.1,000/- in each case with Government Department, Statutory Corporations, Electricity Boards and Local Bodies are also charged off to revenue.

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".

6. DEPRECIATION

Depreciation is provided on straight line method at the rates approved by the Board of Directors, which are equal to or higher than those provided under schedule XIV of the Companies Act, 1956. Depreciation on assets acquired/disposed during the year is provided from/upto the month the asset is acquired/disposed. Depreciation includes amortisation of lease-hold land and Railway Wagon Rakes under WIS. Wooden partitions and temporary structures are fully depreciated in the year of purchase/erection. Moveable assets whose written down value at the beginning of the year and / or value in respect of purchases made during the year are less than Rs 10,000/- or less in each case, 100% depreciation is provided except retaining a nominal value of Re 1/-. The depreciation rates are as under:

Name of Assets	Rate of Depreciation as adopted by Company	Rate of Depreciation as provided in Sch.XIV
A. General Assets		
Furniture & Fittings	10%	6.33%
Weigh bridges	10%	4.75%
Typewriters, Machines, Fans & Office Equipment & AC	12.5%	4.75%
Vehicles	20%	9.50%
Computers	20%	16.21%
Lease hold land	As per lease agreement	
Wagon Rakes	As per agreement/ Wagon Investment Scheme	
Electrical installations excluding fans	10%	1.63%
Water supply, sewerage and drainage	10%	1.63%
Road and Culverts	2.5%	1.63%
Building and flats	2.5%	1.63%
Residential flats(ready built)	5%	1.63%
Warehouses/Godown	4%	1.63%
B. Manufacturing Unit's Assets		
Factory Building	3.34%	3.34%
Electrical Installations	4.75%	4.75%
Water Supply	4.75%	4.75%
Plant & Machinery(General)		
- Single Shift	4.75%	4.75%
- Double Shift	7.42%	7.42%
- Triple Shift	10.34%	10.34%
Plant & Machinery-Continuous Process(including Wind Mill)	5.28%	5.28%
C. " Fixed Assets created on Land and neither the the Fixed Assets nor the Land belongs to the Company "	Over useful life of asset or five years whichever is less.	
D. All movable assets up to Rs.10,000/-	100% for Movable assets costing Rs.10,000 or less each	100% for assets costing Rs.5,000 or less each

E. Goodwill is amortised over a period of five years.

7. INVESTMENTS

(i) Long term investments are valued at cost less provision for permanent diminution in value.

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

8. FOREIGN CURRENCY TRANSACTIONS

a) Transactions with rupee payment countries in respect of non-convertible Indian currency are being treated as foreign exchange transactions.

b) Foreign currency monetary items (except overdue recoverable where realisibility 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 Trading, Profit and Loss account.

c) 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 Trading, Profit & Loss Account.

d) In respect of forward exchange contracts, the premium / discount and loss/gain will be recognized as under:-

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 Trading, Profit & Loss Account for the year.

In respect of forward contracts relating to firm commitments and highly probable forecast transactions, loss due to exchange difference is recognized in the Trading, 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.

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

9. DEFFERED REVENUE EXPENDITURE

Payment of Ex-gratia and Notice pay on Voluntary Retirement is treated as Deferred Revenue Expenditure and charged to Profit & Loss Account over a period of five years in equal installments.

10. EMPLOYEE BENEFITS

(i) Provision for gratuity, leave encashment/availment, post retirement medical benefit and ALTC/LTC liability is made on the basis of actuarial valuation as per AS-15(Revised) issued by The Institute of Chartered Accountants of India.

(ii) Provident fund contribution is made to Provident Fund Trust on accrual basis.

11. PHYSICAL VERIFICATION OF STOCKS

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.

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.

12. VALUATION OF STOCKS

Inventories including Goods-in-Transit are valued at lower of the cost or realisable value as on 31st March. The method of valuation is as under:

a) EXPORTS

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.

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

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.

In case of cut & polished stones, medallions and jewellery (finished/semi finished) cost includes wastages and other direct manufacturing cost.

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

Packing material is valued at lower of the cost or realisable value as on 31st March.

(d) STOCK ON LOAN/FABRICATION

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

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.

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.

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.

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.

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

Provision is recognized when

(i) the Company has a present obligation as a result of the past event.

(ii) a probable outflow of resources is expected to settle the obligation and a reliable estimate of the amount of the obligation can be made.

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.

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.

(ii) Contingent assets are neither recognized nor disclosed in the financial statements.

18. TREATEMENT 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.

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.

20. PRINCIPLES OF CONSOLIDATION

The Consolidated Financial Statements relate to MMTC Limited, its subsidiary Company 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 of India.

(b) In translating the financial statements of non-integral foreign subsidiary for incorporation of its financial statements, the following procedures is 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 associates 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 Companies Separate Financial Statements.

For **N K Bhargava & CO.**
Chartered Accountants

Sd/-
(N K Bhargava)
Partner
M.No.080624

Sd/-
(Manohar Balwani)
GM and Company Secretary

Sd/-
(Vijay Pal)
Chief General Manager (F&A)

Sd/-
(S K Kar)
Director-Finance

Sd/-
(Sanjiv Batra)
Chairman and
Managing Director

Place: New Delhi
Date: 20th August 2009

Consolidated Financial Statements

Balance Sheet as at 31-03-2009

(Rs. in million)

	Sch No.	As at 31-03-2009		As at 31-03-2008	
SOURCES OF FUNDS					
Shareholders' Funds					
Share Capital	1	500.00		500.00	
Share Application Money		12.30		6.50	
Reserves & Surplus	2	13,314.56	13,826.86	11,607.33	12,113,83
MINORITY INTEREST			–		–
LOAN FUNDS	3				
Secured		43,052.01		31,983.52	
Unsecured		218.55	43,270.56	71.23	32,054.76
TOTAL			57,097.42		44,168.58
APPLICATION OF FUNDS					
GOODWILL ON CONSOLIDATION			2.80		0.11
FIXED ASSETS	4				
Gross Block		2,147.33		2,028.27	
Less: Depreciation		731.23		627.49	
Net Block		1,416.10		1,400.78	
Capital Work-in-progress		238.70		52.53	
Less: Diminution in Capital work in progress		27.69		27.69	
		211.01	1,627.11	24.84	1,425.62
INVESTMENTS	5		3,875.99		3,994.87
DEFERRED TAX ASSETS			303.22		256.70
CURRENT ASSETS, LOANS & ADVANCES					
Stock in Trade	6	5,781.81		5,530.98	
Project Development Expenses		1.44		1.44	
Sundry Debtors	7	16,815.92		14,884.45	
Cash & Bank Balances	8	59,647.11		60,222.94	
Loans & Advances	9	18,786.93		7,060.42	
		101,033.21		87,700.23	
Less:					
CURRENT LIABILITIES & PROVISIONS					
Current Liabilities	10	46,236.61		46,332.43	
Provisions	11	3,566.59		2,899.04	
		49,803.20		49,231.47	
Net Current Assets			51,230.01		38,468.76
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)	11a		58.29		22.52
TOTAL			57,097.42		44,148.58

Notes to the Accounts and Contingent Liabilities 20

Schedule 1 to 20 and Accounting Policies form an integral part of the accounts.

For **N.K. Bhargava & Co.**
Chartered Accountants

Sd/-
(Manohar Balwani)
GM & Company Secretary

Sd/-
(Vijay Pal)
Chief General Manager (F&A)

Sd/-
(N.K. Bhargava)
Partner
M.No. 080624

Sd/-
(S.K. Kar)
Director(Finance)

Sd/-
(Sanjiv Batra)
Chairman and Managing Director

Date : 20th August 2009
Place : NEW DELHI

Consolidated Financial Statements

Trading, Profit & Loss A/C for the Year Ended 31 March, 2009

(Rs. in million)

	Sch No.	For the year 2008-2009		For the year 2007-2008	
INCOME					
Sales		**376,331.72**		269,910.55	
Other Trade Earnings		**1,985.13**	**378,316.85**	801.45	270,712.00
Less: -					
Cost of Sales	**12**	**372,917.88**		265,083.47	
Manufacturing Expenses	**13**	**1,703.46**		1,235.08	
Processing Charges		**–**	**374,621.34**	–	266,318.55
Gross Profit			**3,695.51**		4,393.45
Other Income	**14**	**239.74**		230.24	
Provisions No Longer Required		**224.24**		292.36	
Interest Income	**15**	**7,948.48**	**8,412.46**	2,135.50	2,658.09
			12,107.97		7,051.55
Expenditure					
Salaries & Allowances	**16**	**1,683.45**		1,201.48	
Administrative Expenses	**17**	**376.76**		354.45	
Interest Paid	**18**	**6,861.94**		1,354.92	
Depreciation		**126.57**		127.13	
Exhibition, Fairs and Sales Promotion Expenses		**38.76**		42.08	
Miscellaneous Expenditure Written Off		**18.20**		13.46	
Debts/claims Written Off		**143.28**		231.65	
Goodwill Written Off		**0.68**		0.00	
Provision For Bad & Doubtful Debts		**406.12**	**9,655.76**	372.93	3,698.09
			2,452.21		3,353.45
Prior Period Items	**19**		**1.04**		(23.20)
Profit Before Tax			**2,453.26**		3,330.25
Provision For Taxation					
Fringe Benefit Tax		**15.49**		11.03	
Current Tax		**837.87**		1,027.58	
Deferred Tax (Assets)		**(46.53)**		104.30	
Adjustments Relating To Earlier Years		**4.20**		104.99	
Share of interest in joint venture		**0.61**	**811.64**	0.72	1,248.62
Net Profit/ (Loss) After Tax			**1,641.61**		2,081.63
Interest & Share Of Profit From Associate					
Share of Profit From Associate			**394.40**		599.54
Less: Goodwill Written Off (Associates)			**0.03**		0.03
Net Profit For The Year			**2,035.98**		2,681.15
Surplus Brought Forward From Previous Years			**5,597.15**		3,651.16
Amount available for appropriation			**7,633.13**		6,332.31
Interim Dividend			**195.48**		175.00
Proposed Dividend			**200.00**		275.00
Dividend Tax			**67.98**		76.48
Transferred To General Reserve			**166.12**		208.68
Balance C/F To Balance Sheet			**7,003.55**		**5,597.15**
Earning Per Share (Rs Per Equity Share Rs10/- Each) (Basic & Diluted)			**40.72**		**53.62**

Schedule 1 to 20 and Accounting Policies form an integral part of the accounts.

For **N.K. Bhargava & Co.**
Chartered Accountants

Sd-
(Manohar Balwani)
General Manager and Company Secretary

Sd-
(Vijay Pal)
Chief General Manager (F&A)

Sd-
(N.K. Bhargava)
Partner
M.No. 080624

Sd-
(S.K. Kar)
Director(Finance)

Sd-
(Sanjiv Batra)
Chairman and Managing Director

Date : 20th August 2009
Place : NEW DELHI

Schedules 1 to 20 Annexed to & Forming Part of the Balance Sheet and Profit & Loss Account

Schedule 1 : Share Capital

(Rs. in million)

	As at 31-03-2009	As at 31-03-2008
Authorised		
100,000,000 (P.Y.100,000,000) Equity shares of Rs.10/- each	**1,000.00**	1,000.00
Issued, Subscribed and Paid-up		
50,000,000 (P.Y.50,000,000) Equity Shares of Rs.10/- each fully paid. Of the above, 47,000,000 (P.Y.47,000,000) Equity shares of Rs. 10/- each allotted as fully paid-up Bonus Shares by way of capitalisation of Reserves	**500.00**	500.00
TOTAL	**500.00**	**500.00**

Schedule 2 : Reserves & Surplus

	Capital Reserve	Self Insurance Reserve	General Reserve	Foreign Currency Translation Reserve	Balance B/F From P&L A/C	Total
As at 1st April, 2008	96.79	–	6,043.99	(130.60)	5,597.15	**11,607.33**
Additions during the year :-	–	–	166.12	134.71	1,406.46	**1,707.29**
Deduction during the year :-	–	–	–	–	–	**–**
	96.79	–	6,210.11	4.11	7,003.61	**13,314.62**
Share of Interest in Joint Ventures	–	–	–	–	(0.06)	**(0.06)**
TOTAL	**96.79**	**–**	**6,210.11**	**4.11**	**7,003.55**	**13,314.56**

Consolidated Financial Statements

Schedules 1 to 20 Annexed to & Forming Part of the Balance Sheet and Profit & Loss Account

Schedule 3 : Loan Funds

(Rs. in million)

	As at 31-03-2009		As at 31-03-2008	
I. Secured (against hypothecation of entire movable properties and current assets present and future)				
FROM BANKS (Cash Credit/Packing Credit Accounts/Others)				
(1) State Bank of India	**14,616.47**		12,453.66	
(2) Canara Bank	**-**		34.61	
(3) Indian Overseas Bank	**883.82**		175.94	
(4) H.D.F.C. Bank	**1,749.32**		322.41	
(5) Punjab National Bank	**-**		45.33	
(6) Vijaya Bank	**100.00**		2,349.43	
(7) Bank of India	**0.00**		435.64	
(8) Dena Bank	**-**		7.78	
(9) Central Bank of India	**5,263.49**		4,781.18	
(10) Indian Bank	**2,922.12**		541.00	
(11) Bank of Maharashtra	**196.14**		112.58	
(12) Centurion Bank	**-**		958.79	
(13) State Bank of Hyderabad	**908.78**		1,308.42	
(14) Allahabad Bank	**-**		229.50	
(15) UCO Bank	**-**		114.11	
(16) Union Bank of India	**11,168.90**		1,148.69	
(17) Axis Bank	**-**		571.11	
(18) Oriental Bank of Commerce	**98.41**		2,867.07	
(19) Development Credit Bank	**-**		172.86	
(20) Karur Vysa Bank	**-**		304.95	
(21) Syndicate Bank	**3,001.73**		-	
(22) IDBI Bank	**196.47**		683.70	
(23) BNP Paribas Bank	**970.39**		2,006.25	
(24) Standard Chartered	**945.89**		-	
(25) ING Vyasa Bank	**-**		358.52	
(26) Yes Bank	**30.09**	**43,052.01**	-	31,983.52
II. Unsecured				
Trust Receipts	**65.15**	**65.15**	19.89	19.90
		43,117.16		32,003.41
Share of interest in Joint Ventures		**153.40**		51.34
TOTAL		**43,270.56**		**32,054.76**

Schedules 1 to 20 Annexed to & Forming Part of the Balance Sheet and Profit & Loss Account

Schedule 4 : Fixed Assets

Particulars	Gross Block			
	As at 1-4-08	Addition Purchase/ Transfer	Deduction Sale/ Transfer	As at 31.3.09
OFFICE BUILDING				
Land free-hold	3.66	0.00	0.00	**3.66**
Land Lease-hold	40.14	0.00	0.00	**40.14**
Building	152.20	0.31	0.00	**152.51**
Warehouse	34.11	0.00	0.00	**34.11**
Water Supply & Drainage	5.48	0.00	0.00	**5.48**
Electrical Installations	14.83	0.05	0.01	**14.87**
Audio/Fire/Airconditioning	9.86	0.00	0.00	**9.86**
Roads & Culverts	2.63	0.00	0.00	**2.63**
STAFF QUARTERS				
Land-Free-hold	1.33	0.00	0.00	**1.33**
Land-Lease-hold	2.67	0.00	0.00	**2.67**
Building/Residential Flats	64.38	1.28	0.00	**65.66**
Roads & Culverts	0.95	0.00	0.00	**0.95**
Water Supply, Sewerage & Drainage	3.96	0.00	0.00	**3.96**
Electrical Installations	1.95	0.00	0.09	**1.86**
Plant and Machinery	775.11	0.94	0.10	**775.95**
Furniture & Fixtures	69.59	3.82	1.11	**72.30**
Computer/Data Processors	164.33	9.83	6.15	**168.01**
Airconditioners, Fans, Typewriters & Other Machines	75.26	6.21	10.41	**71.06**
Vehicles	26.02	4.06	5.66	**24.42**
Railway Wagon Rake (WIS)	553.64	0.00	0.00	**553.64**
Fixed Assets Created on Land and neither the Fixed Assets nor the Land belong to Company				
Railway Loop Line at BNHT	26.17	0.00	0.00	**26.17**
	2028.27	26.49	23.52	**2031.24**
Share of interest in Joint Ventures	0.00	116.09	0.00	**116.09**
TOTAL	**2028.27**	**142.58**	**23.52**	**2147.33**
CAPITAL WORK IN PROGRESS				
Building under Construction	8.43	0.00	0.00	**8.43**
Roads & Culverts	0.47	0.00	0.00	**0.47**
Electrical Installations	6.81	0.11	0.00	**6.92**
Plant & Machinery	21.33	7.05	0.00	**28.38**
MMTC Retail Website	0.00	0.15	0.00	**0.15**
Gold Medallion Units	4.51	0.00	0.00	**4.51**
	41.56	7.31	0.00	**48.87**
Share of interest in Joint Ventures	10.97	178.86	0.00	**189.83**
TOTAL	**52.53**	**186.17**	**0.00**	**238.70**
GRAND TOTAL	**2080.80**	**328.76**	**23.52**	**2386.03**
TOTAL 2007-08	**2047.18**	**53.96**	**20.34**	**2080.80**
Share of Interest in Joint Ventures	**0.00**	**0.00**	**0.00**	**0.00**
GRAND TOTAL 2007-08	**2047.18**	**53.96**	**20.34**	**2080.80**

(a) Cost of office land/building/flats/culverts, sewerage and drainage in some of the offices have been accounted for provisionally pending receipt of final bills or under construction/execution of lease deed

(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)

(c) Residential flats includes 41 shares (P.Y. 41 shares) of Cooperative Group Housing Society of the value of Rs.0.002 Million (P.Y. Rs.0.002 Million).Conveyance of some flats of the original value as on 31.3.2009 amounting to Rs.4.89 Million (P.Y. Rs.4.89 Million) is pending to be executed.

(Rs. in million)

Provision For Depreciation				Net Block	
As at 1.4.08	Addition Purchase/ Transfer	Deduction Sale/ Transfer	As at 31.3.09	As at 31.3.09	As at 31.3.08
0.00	0.00	0.00	**0.00**	**3.66**	3.66
9.32	0.45	0.00	**9.77**	**30.37**	30.82
48.04	3.94	0.00	**51.98**	**100.53**	104.17
11.22	1.36	0.00	**12.58**	**21.53**	22.89
5.48	0.00	0.00	**5.48**	**0.00**	0.00
13.89	0.21	0.01	**14.09**	**0.78**	0.94
9.84	0.01	0.00	**9.85**	**0.01**	0.02
1.42	0.07	0.00	**1.49**	**1.14**	1.21
0.00	0.00	0.00	**0.00**	**1.33**	1.33
0.94	0.03	0.00	**0.98**	**1.69**	1.73
45.36	1.36	0.00	**46.72**	**18.94**	19.02
0.54	0.02	0.00	**0.56**	**0.39**	0.41
3.64	0.04	0.00	**3.68**	**0.28**	0.31
1.82	0.06	0.09	**1.79**	**0.07**	0.12
95.60	38.58	0.10	**134.08**	**641.87**	679.52
59.65	3.49	1.02	**62.11**	**10.19**	9.94
133.81	11.95	6.03	**139.73**	**28.28**	30.51
56.81	5.42	10.32	**51.91**	**19.15**	18.45
14.43	4.22	5.27	**13.38**	**11.04**	11.59
89.50	55.36	0.00	**144.87**	**408.78**	464.14
26.17	0.00	0.00	**26.17**	**0.00**	0.00
627.49	126.57	22.85	**731.21**	**1300.03**	1400.78
0.00	0.02	0.00	**0.02**	**116.07**	0.00
627.49	**126.59**	**22.85**	**731.23**	**1416.10**	**1400.78**
*6.71	0.00	0.00	**6.71**	**1.72**	1.72
*0.47	0.00	0.00	**0.47**	**0.00**	0.00
*6.70	0.00	0.00	**6.70**	**0.22**	0.11
*13.80	0.00	0.00	**13.80**	**14.58**	7.53
0.00	0.00	0.00	**0.00**	**0.15**	0.00
0.00	0.00	0.00	**0.00**	**4.51**	4.51
27.69	0.00	0.00	**27.69**	**21.18**	13.87
0.00	0.00	0.00	**0.00**	**189.83**	10.97
27.69	**0.00**	**0.00**	**27.69**	**211.01**	**24.84**
655.18	**126.59**	**22.85**	**758.92**	**1627.11**	**1425.62**
547.10	**127.13**	**19.05**	**655.18**	**1425.62**	**0.00**
0.00	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
547.10	**127.13**	**19.05**	**655.18**	**1425.62**	**0.00**

(d) Cost of Office Building on lands not owned by the Corporation is Rs.2.26 Million (P.Y. Rs.2.26 Million) and provision for depreciation is Rs.1.57 Million (P.Y. Rs.1.52 Million).

(e) *Represents an amount of Rs.27.69 Million towards provision made during 2000-01 against diminution in value of MICA division capital work-in-progress

(f) Cost of Water Supply on Land not owned by the Corp. is Rs.0.66 Million (P.Y. Rs.0.66 Million).

(g) Land Lease-hold includes a land of Rs.Nil Million (P.Y. Rs.1.58 Million) for which lease agreement yet to be executed

Schedule 5 : Investments - Long Term (at cost)

(Rs. in million)

	As at 31-03-2009		As at 31-03-2008	
(A) UTI (Quoted)				
UTI				
5,280,810 6.75% US64 Tax Free Bonds of Rs. 100 each				
(P.Y. 5,280,810 6.75% US64 Tax Free Bonds				
of Rs.100 each)		–		528.08
(B) TRADE INVESTMENTS				
i. Shares in Companies (Unquoted)				
Fully paid 4,750,000 Equity Shares of Rs.10 each				
in INDO FRENCH BIOTECH LTD.	**47.50**		47.50	
Less: Provision for diminution in value of Investment	**47.50**		47.50	
	0.00	**0.00**	0.00	0.00
ii. Shares in Associate Companies (Unquoted)				
Fully paid 199,000,000 Equity Shares of Rs.10 each				
(P.Y. 199,000,000 Equity Shares of Rs.10 each) in	**1,990.00**		1,990.00	
Neelachal Ispat Nigam Limited				
Add: Capital Reserve	**96.10**		96.10	
Add: INCOME FROM ASSOCIATES TILL DATE	**1,775.07**		1,380.67	
	3,861.17		3,466.77	
Fully paid 13,000 Equity Shares of Rs.10 each	**0.13**		0.13	
(P.Y. NIL) in Devona Thermal Power & Infrasturcture Limited				
Less: Goodwill	**0.13**		0.13	
Add: Income from associates till date	**0.00**		-	
	0.00	**3,861.17**	-	3,466.77
		3,861.17		3,994.85
Share of interest in Joint Ventures- Un-quoted		**14.82**		0.02
TOTAL		**3,875.99**		**3,994.87**

Aggregate market value of quoted investments as on 31.03.2009 Rs.NIL Million (P.Y. Rs.531.25 Million) against cost of Rs.NIL Million (P.Y Rs.528.08 Million), matured on 01-06-2008

Schedules 1 to 20 Annexed to & Forming Part of the Balance Sheet and Profit & Loss Account

Schedule 6 : Stock in Trade

(Rs. in million)

	As at 31-03-2009		As at 31-03-2008	
(As taken, valued and certified by the management Including with handling agents and Goods in transit)				
a) Raw Material	**27.26**		270.74	
b) Finished goods	**5,753.98**		5,259.64	
c) Packing Material	**0.57**	**5,781.81**	0.60	5,530.98
		5,781.81		5,530.98
Share of interest in Joint Ventures		**-**		-
TOTAL		**5,781.81**		**5,530.98**

Schedule 7 : Sundry Debtors

(Unsecured)				
a) Debts outstanding for a period exceeding six months				
i. Considered good	**1,412.46**		667.89	
ii. Considered Doubtful	**921.35**		608.31	
	2,333.81		1,276.18	
Less: Provision for doubtful debts	**921.35**	**1,412.46**	608.31	667.89
(b) Other Debts - Considered good		**15,403.46**		14,216.57
		16,815.92		14,884.45
Share of interest in Joint Ventures		**-**		-
TOTAL		**16,815.92**		**14,884.45**

Schedules 1 to 20 Annexed to & Forming Part of the Balance Sheet and Profit & Loss Account

Schedule 8 : Cash & Bank Balances

(Rs. in million)

	As at 31-03-2009		As at 31-03-2008	
(a) Cash, Stamps & Cheques - in hand (includes in transit)		**152.49**		713.10
(b) Bank Balance in India				
In Scheduled Banks				
i. In Current Account	**375.32**		2,012.10	
ii. In Cash Credit Account (Debit Balance)	**426.95**		951.68	
iii. In Current Account in Foreign Currency	**0.30**		0.87	
US $ 0.01 Million (P. Y US $ 0.02 Million)				
iv. Fixed Deposit Account	**0.27**		0.27	
v. Term- Deposit with Banks*	**57,624.72**	**58,427.56**	55,842.42	58,807.34
(c) In Foreign Countries:				
In Scheduled Banks:				
i Current Account	**54.47**		10.40	
ii Term Deposit	**890.70**	**945.17**	689.72	700.12
In Non Scheduled Bank				
		59,525.22		60,220.56
Share of interest in Joint Ventures		**121.89**		2.38
TOTAL		**59,647.11**		**60,222.94**

* Includes Rs.13211.93 Million (P.Y. Rs.6334.16 Million) being fixed deposit under lien of bankers as margin money againts LCs

Consolidated Financial Statements

Schedules 1 to 20 Annexed to & Forming Part of the Balance Sheet and Profit & Loss Account

Schedule 9 : Loans & Advances

(Rs. in million)

	As at 31-03-2009		As at 31-03-2008	
(Unsecured considered Good unless otherwise stated)				
(a) Bills Receivable	**253.73**		454.82	
Less : Bills Discounted	**30.51**	**223.22**	-	454.82
(b) Advances for purchase of shares :				
Greater Noida Intergrated Warehousing (P) Ltd.	**-**		18.50	
International Multi Commodity Exchange Ltd.	**100.00**	**100.00**	-	18.50
(c) Advance recoverable in cash or in kind or for value to be received :				
i) Considered good for which the company is fully secured(Secured against hypothecation of assets/ mortgage of title deeds and Bank Gurarantees)	**10,896.72**		1,475.52	
ii) Considered good for which the company holds no security other than personal security	**4,399.64**		1,743.26	
iii) Considered doubtful	**409.77**		525.32	
	15,706.13		3,744.10	
Less : Provisions	**409.77**	**15,296.36**	525.32	3,218.78
(d) Advances to Suppliers :				
i) Considered good in respect of which the company is fully secured (Secured against hypothecation of stocks)	**32.00**		88.76	
ii) Considered good in respect of which the company holds no security other than personal security	**247.62**		782.34	
iii) Considered doubtful	**139.04**		106.24	
	418.66		977.34	
Less : Provisions	**139.04**	**279.62**	106.24	871.10
(e) Income Tax (including Advance Income Tax TDS & Refund dues)		**2,233.46**		1,717.61
(f) Inter Corp. Advances				
Considered good	**246.58**		154.05	
Considered Doubtful	**-**		-	
	246.58		154.05	
Less : Provision	**-**	**246.58**	-	154.05
(g) Deposits				
(i) ICICI Ltd				
(ii) Deposits with Custom, Port Trust , Court etc.	**95.07**		124.28	
(iii) Other Deposits	**299.03**		421.41	
Total Deposits	**394.10**		545.69	
Considered Good	**357.28**		508.87	
Considered Doubtful	**36.82**		36.82	
	394.10		545.69	
Less : Provision	**36.82**	**357.28**	36.82	508.87
		18,736.52		6,943.73
Share of interest in Joint Ventures		**50.41**		116.69
Total		**18,786.93**		**7,060.42**

(Rs. in million)

	Outstanding As on 31.3.2009	Maximum due at any time during year	Outstanding As on 31.3.2008	Maximum due at any time during year
Includes :				
a) Due from Directors	**0.02**	**0.03**	0.03	0.05
b) Due from Officers *	**1.01**	**1.07**	1.07	1.34

* Chief General Managers and Company Secretary considered for the purpose of Officers.

Schedules 1 to 20 Annexed to & Forming Part of the Balance Sheet and Profit & Loss Account

Schedule 10 : Current Liabilities

(Rs. in million)

	As at 31-03-2009		As at 31-03-2008	
(a) Sundry Creditors				
(i) Other than MSMEs	**20,335.44**		23,828.05	
(ii) MSMEs	**-**	**20,335.44**	-	23,828.05
(b) Bills Payable		**20,463.65**		18,190.71
(c) Advance Payments from Customers		**1,318.67**		1,574.42
(d) Interest Accrued But not due on loan		**131.07**		173.05
(e) Book Overdraft		**1.10**		32.84
(f) Other Liabilities		**3,953.72**		2,523.67
(g) Goods Received on Consignment	**3,783.46**		3,560.78	
LESS: Stock Held on Consignment	**3,783.46**	**-**	3,560.78	-
		46,203.65		46,322.73
Share of interest in Joint Ventures		**32.96**		9.69
TOTAL		**46,236.61**		**46,332.43**

Schedule 11 : Provisions

(a) Provision for Taxation		**1,858.11**		1,577.92
(b) Proposed Dividend		**200.00**		275.00
(c) Provision for tax on Dividend		**33.99**		46.74
(d) Bonus/PLIS/PRP		**121.57**		79.55
(e) Destinational Weight & Analysis Risk		**7.67**		16.95
(f) Leave encashment		**172.25**		110.33
(g) Diminution in value of capital work in progress		**-**		-
(h) Post Retirement Medical Benefits		**686.78**		664.76
(i) Half Pay Leave		**126.59**		82.03
(j) LTC/ALTC		**35.17**		33.99
(k) Provision for Fringe Benefit Tax		**26.54**		11.04
(l) Gratuity		**246.60**		-
(m) Superannuation Benefits		**50.00**		-
		3,565.27		2,898.30
Share of interest in Joint Ventures		**1.32**		0.74
TOTAL		**3,566.59**		**2,899.04**

Schedule 11a. : Miscellaneous Exp.

(to the extent not written off or adjusted)

Deferred Revenue Expenditure	**22.50**		15.06	
Add: Additions During Year	**53.95**		20.90	
Less: Written Off during the year	**18.20**	**58.25**	13.46	22.50
		58.25		22.50
Share of interest in Joint Ventures		**0.04**		0.02
TOTAL		**58.29**		**22.52**

Consolidated Financial Statements

Schedules 1 to 20 Annexed to & Forming Part of the Balance Sheet and Profit & Loss Account

Schedule 12: Cost of Sales

(Rs. in million)

		For the Year 2008-09		For the Year 2007-08	
(a)	OPENING STOCK & GOODS IN TRANSIT	**5,531.70**		1,747.04	
	ADD : ADJUSTMENT OF STOCK IN TRANSIT*	**1,105.52**	**6,637.22**	-	1,747.04
(b)	PURCHASES	**366,523.32**		266,023.12	
	ADD : CLAIMS IN KIND	**18.64**		4.49	
	STOCK RECEIVED ON LOAN	**10.64**		163.77	
	STOCK RECD FROM MFG. UNITS	**0.00**	**366,552.60**	-	266,191.38
(c)	FREIGHT		**3,116.58**		1,612.76
(d)	DEMURRAGE (Net)		**30.52**		53.78
(e)	CLEARING, HANDLING, DISCOUNT & OTHER CHARGES (NET)		**784.80**		690.54
(f)	COMMISSION TO OTHER SELLING AGENTS		**1.05**		4.22
(g)	L/C NEGOTIATION & OTHER CHARGES		**98.16**		13.95
(h)	LOSS ON EXCHANGE		**237.85**		(416.02)
(i)	CUSTOMS DUTY		**2,452.70**		1,895.54
(j)	INSURANCE		**14.94**		9.12
(k)	GODOWN INSURANCE		**9.63**		3.50
(l)	PLOT AND GODOWN RENT (Net)		**66.89**		27.42
(m)	CLAIMS PAID		**189.24**		97.59
(n)	PROVISION FOR DESTINATIONAL WEIGHT AND ANALYSIS RISKS		**4.73**		19.14
(o)	PREMIUM ON FORWARD CONTRACT		**186.55**		-
			380,383.46		271,949.96
	LESS : CLOSING STOCK & GOODS IN TRANSIT	**5,781.24**		5,530.38	
	STOCK ISSUED IN KIND	**5.22**		4.94	
	STOCK GIVEN ON LOAN	**25.30**		158.55	
	TRANS. TO MGF.	**1,653.90**		1,172.63	
	STOCK RETURNED	**-**	**7,465.66**	-	6,866.50
			372,917.80		265,083.47
	Share of interest in Joint Ventures		**0.08**		-
	TOTAL		**372,917.88**		**265,083.47**

* represents goods in transit relating to 2007-08 having no impact on profit/loss

Schedule 13 : Manufacturing Expenses

(Rs. in million)

	For the Year 2008-09		For the Year 2007-08	
(i) Raw Material Consumed				
OPENING STOCK AND GOODS IN TRANSIT	-		30.10	
STOCK TRNS FROM COGS	1,653.89		1,172.62	
ADD: PURCHASES	-		-	
ADD: PROCESSING CHARGES	41.27		17.13	
	1,695.16		1,219.85	
LESS: CLOSING STOCK & GOODS IN TRANSIT	-		-	
LESS: TRANSFERS	-		0.01	
		1,695.16		1,219.84
(ii) Processing & Other Charges		-		10.24
(iii) Packing Material Consumed				
OPENING STOCK AND GOODS IN TRANSIT	0.60		0.04	
ADD: PURCHASES	8.27		5.56	
ADD: TRFD FROM OTHER REGIONS	8.87		5.60	
LESS: CLOSING STOCK & GOODS IN TRANSIT	0.57	8.30	0.60	5.00
		1,703.46		1,235.08
Share of interest in Joint Ventures		-		-
TOTAL		**1,703.46**		**1,235.08**

Schedule 14 : Other Income

(a) STAFF QUARTERS RENT		3.39		2.67
(b) PROFIT ON SALE OF ASSETS		1.71		1.38
(c) MISCELLANEOUS RECEIPTS (including forfeiture of performance guarantee/bid bond)		116.06		105.80
(d) LIABILITIES WRITTEN BACK		116.58		117.29
(e) GAIN ON EXCHANGE		-		-
		237.74		227.14
Share of interest in Joint Ventures		2.00		3.10
TOTAL		**239.74**		**230.24**

Consolidated Financial Statements

Schedules 1 to 20 Annexed to & Forming Part of the Balance Sheet and Profit & Loss Account

Schedule 15 : Interest Earned

(Rs. in million)

	For the Year 2008-09		For the Year 2007-08	
(a) BANK (INCLUDING TDS Rs.1.64 Million (P.Y. RS.2.47 Million)		**5,587.01**		1,425.97
(b) INVESTMENT (INCLUDING TDS Rs. NIL Million (P.Y. RS.NIL Million)		**5.94**		35.65
(C) OTHERS (INCLUDING TDS Rs.NIL Million (P.Y. RS.0.57 Million)		**2,355.19**		673.84
		7,948.14		2,135.46
Share of interest in Joint Ventures		**0.34**		0.04
TOTAL		**7,948.48**		**2,135.50**

Schedule 16. Salaries And Allowances

DIRECTORS				
SALARIES & ALLOWANCES	**7.01**		6.55	
RESIDENTIAL RENT CONTRIBUTION	**0.44**		0.45	
PROVIDENT FUND CONTN.	**0.57**		0.45	
GROUP INSURANCE	**-**		0.00	
GRATUITY	**0.34**		0.18	
MEDICAL EXP.	**0.22**		0.13	
CLUB SUBSCRIPTION	**0.47**		0.23	
PERFORMANCE LINKED INCENTIVE/PRP	**6.68**	**15.73**	0.99	8.98
OTHERS				
SALARIES & ALLOWANCES *	**946.20**		767.42	
FOREIGN SERVICE CONTN. (Net)	**0.22**		0.14	
RESIDENTIAL RENT CONTRIBUTION	**5.02**		4.95	
PROVIDENT FUND CONTN.	**53.36**		39.32	
SUPERANNUATION BENEFITS	**50.00**		-	
FAMILY PENSION CONTN.	**11.87**		8.25	
GROUP INSURANCE	**0.47**		0.75	
STAFF WELFARE EXP.	**45.99**		35.86	
BONUS PLI/PRP ETC.	**113.00**		87.60	
CONTRIBUTION TO D.L.I.S.	**0.82**		0.75	
GRATUITY	**304.80**		20.81	
MEDICAL EXP.	**135.85**	**1,667.60**	226.64	1,192.49
PENSION FUND CONTRIBUTION		**1,683.33**		1,201.48
Share of interest in Joint Ventures		**0.12**		-
TOTAL		**1,683.45**		**1,201.48**

*Includes Rs.172.25 Million (P.Y.Rs.41.83 Million) towards provision for Earned Leave & Half Pay Leave Encashment

Schedules 1 to 20 Annexed to & Forming Part of the Balance Sheet and Profit & Loss Account

Schedule 17 : Administrative Expenses

(Rs. in million)

	For the Year 2008-2009	For the Year 2007-2008
RENT (Net)	**22.02**	19.09
RATES & TAXES (Net)	**12.15**	14.69
ELECTRICITY & WATER CHARGES	**18.33**	15.72
INSURANCE	**1.57**	2.08
ADVERTISEMENT & PUBLICITY	**23.65**	17.63
PRINTING & STATIONERY	**7.08**	6.91
POSTAGE & TELEGRAMS	**3.54**	2.09
TELEPHONE	**20.34**	20.62
TELECOMMUNICATION	**6.34**	3.58
TRAVELLING (Net) (Including expenditure incurred by Directors Rs.9.10 Million (P.Y. Rs.10.46 Million)	**45.95**	45.52
VEHICLE EXPENSES	**16.44**	15.91
ENTERTAINMENT (Incl. through Directors Rs 1.65 Million (P.Y. Rs.1.27 million)	**12.13**	11.13
LEGAL EXPENSES	**17.23**	12.43
LOSS IN EXCHANGE	**-**	-
AUDITORS' REMUNERATION *	**4.72**	4.87
BANK CHARGES	**11.20**	20.26
BOOKS & PERIODICALS	**2.21**	2.65
TRADE EXPENSES	**14.93**	9.22
EXHIBITIONS & FAIRS	**-**	-
DONATIONS	**0.20**	-
CORPORATE SOCIAL RESPONSIBILITY EXPENSES	**5.52**	
REPAIRS &RENEWALS (Incl. on Building Rs.27.72 Million (P.Y. Rs.25.96 Million) and Plant & Machinery Rs.0.75 Million (P.Y. Rs.0.66 Million)	**50.07**	42.69
COMPUTER EXPENSES	**2.78**	3.08
SUBSCRIPTION	**2.67**	2.53
TRAINING SEM. & CONF. (Including Directors Rs.0.19 Million (P.Y.Rs.0.34 Million)	**5.47**	8.50
LOSS ON SALE OF ASSETS	**0.04**	0.08
MISCELLANEOUS EXPENSES	**52.28**	62.71
PROFESSIONAL FEES/CONSULTANCY CHARGES	**15.56**	10.45
	374.42	354.45
Share of interest in Joint Ventures	**2.34**	-
TOTAL	**376.76**	**354.45**

* Includes Audit fees Rs.2.34 Million (P.Y. Rs.2.06 Million), Tax Audit Fees Rs.0.65 Million (P.Y Rs. 0.52 Million),Certification fees Rs.0.23 Million (P.Y. Rs. 0.14 Million) and other services including TA/DA & Out of pocket reimburesement Rs.0.17 Million (P.Y Rs. 0.16 Million) and service Tax Rs.0.20 Million (P.Y. Rs. 0.19 Million)

Consolidated Financial Statements

Schedules 1 to 20 Annexed to & Forming Part of the Balance Sheet and Profit & Loss Account

Schedule 18 : Interest Paid

(Rs. in million)

	For the Year 2008-09	For the Year 2007-08
(a) BANK	**3,667.23**	754.93
(b) OTHERS	**3,193.59**	599.99
	6,860.82	1,354.92
Share of interest in Joint Ventures	**1.12**	-
TOTAL	**6,861.94**	**1,354.92**

Schedule 19 : Prior Period Adjustments

EXPENDITURE/PURCHASE		
COST OF SALES	**0.68**	(242.07)
SALARY & ALLOWANCES	**0.41**	1.46
ADMINISTRATIVE EXPENSES	**1.38**	1.49
INTEREST	**0.79**	0.24
DEPRECIATION	**0.03**	(0.02)
OTHERS	**(0.90)**	9.94
TOTAL:	**2.39**	**(228.96)**
INCOME/SALES		
SALES	**(0.93)**	(251.39)
INTEREST	**0.49**	-
OTHER RECEIPTS	**3.87**	(0.77)
TOTAL	**3.43**	**(252.16)**
Share of interest in Joint Ventures	**-**	-
TOTAL (NET)	**1.04**	**(23.20)**

Notes Forming Part of the Consolidated Accounts for the Year Ended 31.3.2009

20. CONTINGENT LIABILITIES & NOTES

1. Contingent Liabilities:

   a) Guarantees issued by Banks on behalf of the Company Rs.758.63 million (P.Y. Rs. 697.08 million).

   b) Corporate Guarantees of Rs. 14696.00 million (P.Y.Rs. 9696.00 million) given by the company in favour of financial institutions/banks on behalf of Neelachal Ispat Nigam Limited (NINL) for securing principal and interest in respect of loans to NINL. As per the decision of Committee of Secretaries concerned, NINL may be merged with Steel Authority of India Limited subject to Government's approval for which process has been initiated.

   c) Claims against the Company not acknowledged as debts Rs. 1300.10 million (P.Y. Rs. 1388.25 million).

   d) Letters of Credit opened by the Company remaining outstanding Rs. 12001.13 million (P.Y. Rs. 14276.16 million).

   e) Bills discounted with banks Rs. 30.51 million (P.Y.Rs. NIL million).

   f) Sales Tax Demand of Rs. 960.41 million (P.Y. Rs. 1,061.36 million) in dispute against which Rs. 84.71 million (P.Y. Rs. 112.18 million) has been deposited and Rs. 2.30 million (P.Y. Rs. 2.83 million) covered by bank guarantees.

   g) Income Tax Demand of Rs.37.86 million (P.Y. Rs.16.82 million) in dispute against the subsidiary company MTPL.

   h) Service Tax demand in respect of business auxillary service amounting to Rs 257.61 million (L.Y. Rs 121.08 million) pending before Customs, Excise & Service Tax Department.

   i) An amount of Rs 66.32 million determined by Hon'ble Court of Small Causes towards mesne profit for non-vacation of premises at Mumbai during the period from 1.7.2000 to 31.3.2002 is disputed for which appeal is pending with Appellate Court of Small Causes

   j) 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 Rs. 827.48 million as on 31.03.2009 (PY Rs. 281.41 million).

   k) In respect of an appeal case, which was pending in Delhi High Court, in which the company had provided a liability of Rs 41.32 million, the judgement has been delivered by the Division Bench of Delhi High Court on 27.07.2009. Accordingly, the liability has been reworked and excess liability amounting Rs 23.75 million has been withdrawn during the year. The party has not yet preferred any appeal against the said judgement.

   l) 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.

   m) 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.

2. Estimated amount of contracts remaining to be executed on capital account and not provided for Rs.19.50 million (P.Y. Rs. 19.50 million).

3. Following stocks held by the Company on consignment basis not included in the inventory as on 31-3-2009:-

Rs. in million

Items	31-03-2009		31-03-2008	
	Qty. (kgs)	Value	Qty. (kgs)	Value
Gold	2223	3320.70	2935	3525.21
Gold Jewellery	-	3.44	-	2.68
Gold coins	-	-	-	-
Silver	21227	459.30	2269	30.27
Raw Wool	-	-	20583	2.62

4. Loans and Advances and Sundry Creditors include Rs. 7414.99 million (P.Y. Rs. 1274.65 million) being notional value of 4973 Kgs. (P.Y. 1058 Kgs) of gold belonging to foreign suppliers issued on loan basis to the Associates/ Customers of the Company.

5. In respect of GR-1 forms 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 Rs. 19.53 million (P.Y. Rs. 20.13 million) which are being contested. Against this, an amount of Rs. Nil million (P.Y. Rs 0.30 million) has been deposited and bank guarantee of Rs. 7.30 million (P.Y. Rs. 7.30 million) furnished.

6. Duty Credit Authorization of Rs. 526.62 million (P.Y. Rs. 978.87 million) under the Target Plus Scheme 2004-05 which is valid upto 01.03.2010, is held by the Company for duty free imports as admissible under the Scheme.

7. The Company being the nominated agency for import of Gold and Silver has imported Gold under usance L/Cs or availed buyer's credit. Money received towards sale value are put under Fixed Deposits with banks as margin or otherwise. Interest earned thereon due to payment received from customers before due date of usance L/C or the buyer's credit is payable to the customers as a business policy.

8. Loans & Advances include Rs. 157.37 million (P.Y.Rs.157.37 million) being the amount deposited with the High Court in respect of a case which is still pending. Necessary liability towards principal amount already exists and the provision, if any, towards interest of Rs. 22.50 million (P.Y. Rs. 22.50 million) will be made after final decision of the Court.

9. Income tax of Rs. 2233.46 million (P.Y. Rs. 1717.61 million) under the head "Loans and Advances" consists of Rs.424.13 million (PY Rs. 420.36 million) paid to Income Tax Department against the disputed demands of Rs.457.06 million (P.Y. Rs. 450.36 millions) for various assessment years and advance tax/TDS/FBT of Rs. 1809.33 million (PY Rs. 1297.24 million) towards income tax/fringe benefit tax liability for financial years 2007-08 & 2008-09. Provision for additional demand, if any, will be made on completion of the Appellate Proceedings.

10. The ERP package "RAMCO" implemented by the Company has more or less stabilized. Any further adjustments in processes and systems that may arise subsequent upon the findings of the systems audit shall be incorporated in due course.

11. Valuation of closing stock at market price being lower than cost, has resulted in a loss of Rs.587.35 million (P.Y Rs.13.37 million) during the year.

12. An amount of Rs.284.53 million (L.Y. Rs.284.53 million) is outstanding against M/s AIPL in respect of Mint silver transaction against which full provision amounting to Rs.284.53 million (L.Y. Rs.284.53 million) has been made in the accounts pending adjustment, if any, of excess sale realization. The Company has filed a recovery suit of Rs.314.02 million (L.Y. Rs 314.02 million) which includes overdue interest of Rs.29.49 million(L.Y. Rs 29.49 million). M/s AIPL have also filed a suit against Government Mint/MMTC for damages of Rs.1671.97 million (L.Y. Rs 1671.97 million) which is not tenable as per legal opinion and is being contested.

13. During the year the company has imported pulses on the directives of the Govt. of India. The Government has allowed reimbursement of losses up to 15% and trading margin @ 1.2%, which works out to Rs 1004.67 million on the import made by the company which has been credited to Profit & Loss Account as claims receivable from the Government.

14. During the year an amount of Rs 237.85 million towards difference in exchange has been shown under cost of sales which has arisen mainly due to adoption of notional exchange rate applicable on the date of bills of lading for initial recognition in reporting currency in respect of import purchases / export sales denominated in foreign currency.

15. Sale of canalized urea to Deptt. of Fertilisers(DOF), Government of India is made based on allocation letters issued by DOF and by transferring shipping documents. However, no separate agreement is signed with DOF.

16. The proportionate forward premium of Rs.182.46 million (LY Rs. 107.07 million) for imports and Rs.Nil million (L.Y. Rs.Nil million) for exports to be recognized in the Profit & Loss Account of the subsequent accounting year in terms of the provisions of Accounting Standard – 11 issued by the Institute of Chartered Accountant of India.

17. In respect of forward exchange contracts outstanding as on 31.3.09 relating to firm commitments and highly probable forecast transactions, the loss of Rs. Nil million (L.Y. loss of Rs. 36.11 million) has been recognized in the Profit & Loss Account on the basis of changes in exchange rate at the close of the year.

18. Adhoc liability of Rs.66.21 million (L.Y.Rs. 121.80 million) has been made during the year towards pay revision of the employees of staff cadre which has become due w.e.f. 01.01.2007 having regard to the wage revision of officers already effected as per DPE guidelines. Further a liability of Rs 59.81 million towards perquisite & allowance from 26.11.08 to 31.03.09 and Rs 50.00 million towards superannuation benefit w.e.f. 1.1.07 has been made during the year as per DPE guidelines for wage revision.

19. During the year 2 kg gold valued at Rs. 2.24 million was short received at Regional Office Bangalore while returning the unsold jewellery on account of exhibition against which provision for Rs 2.24 million has been made in the accounts. Departmental action has been initiated against the erring officials. Suit for recovery has been filed besides criminal complaint.

20. A claim for Rs 20.62 million (LY Rs 20.62 million) against an associate on account of damaged imported Polyester is pending for which a provision of Rs 15.54 million (LY Rs 15.54 million)has been made after taking into account the EMD and other payables amounting to Rs 5.08 million (LY Rs 5.08 million). The company has requested customs for abandonment which is pending for adjudication.

21. The employees 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 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.

- **LTC/ALTC –** Leave Travel Concession and ALTC is given to all serving employees once in a block of two years by their entitled class of travel.

  Liability in respect of benefits in respect of Leave Encashment, PRMB and LTC/ALTC are recognized on the basis of actuarial valuation.

- **Gratuity -** Gratuity is paid to all the 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.

  Other disclosures as required under AS – 15(Revised) on 'Employee Benefits', in respect of defined benefit obligation are:

(a) Reconciliation of present value of defined benefit obligations:

Rs. in million

Sl. No.	Particulars	Gratuity	Earned Leave Encashment	Sick Leave Encashment	Post Retirement Medical Benefit	LTC/ ALTC
(i)	Present value of projected benefit obligations as at 1/4/2008	263.31	110.33	82.04	664.77	33.99
(ii)	Interest cost	21.06	7.72	5.74	46.53	2.38
(iii)	Past service cost					
(iv)	Current service cost	4.65	9.24	5.89	8.47	17.98
(v)	Benefit paid	22.64	65.47	0.40	31.61	11.82
(vi)	Actuarial (gain)/loss	273.47	110.33	33.32	(1.38)	(7.36)
(vii)	Present value of obligation as at 31st March, 09 (i+ii+iii+iv-v +vi)	539.85	172.15	126.59	686.78	35.17

(b) Expenses recognized in the statement of Profit & Loss A/c for the year ended 31st March, 2009:

Rs. in million

Sl. No.	Particulars	Gratuity	Earned Leave Encashment	Sick Leave Encashment	Post Retirement Medical Benefit	LTC/ ALTC
(i)	Service cost	4.65	9.24	5.90	8.47	17.98
(ii)	Interest cost	21.06	7.72	5.74	46.53	2.38
(iii)	Past service cost	-				
(iv)	Expected return on plan assets	24.55				
(v)	Net Actuarial (gain)/loss recognized in the period	273.47	110.33	33.32	(1.38)	(7.36)
(vi)	Expenses recognized in the Profit & Loss A/c (i+ii+iii-iv+v)	274.63	127.29	44.96	53.62	13.00

(c) Changes in the fair value of planned assets

Rs. in million

	GRATUITY
Fair value of plan assets as at 1.4.2008	268.20
Actual return on plan assets	24.55
Contribution by employer	23.19
Benefit paid	22.64
Actuarial gain/(loss)	-
Fair value of plan assets as at 31.3.2009	293.30

(d) Effect of one percentage point change in the assumed inflation rate in case of valuation of benefits under Post Retirement Medical Benefit scheme.

Rs. in million

Sl. No.	Particulars	One percentage Increase in inflation rate	One percentage decrease in inflation rate
i)	Effect on the aggregate of the service cost and interest cost	8.68	(6.08)
ii)	Effect on defined benefit obligation	84.37	(70.08)

(e) Actuarial assumptions:

Rs. in million

Sl. No.	Description	As at 31/3/2009
(i)	Discount rate (Per Annum)	8.00%/7.00%-Gratuity/Others
(ii)	Future cost increase	5.00%/4.50% - Gratuity/ Others
(iii)	Retirement age	60 years
(iv)	Mortality table	LIC(1994-96) duly modified
(v)	Withdrawal rates	1% to 3% depending on Age

22. The Company has incorporated Accounting Policy No.2(a) relating to purchases and sales, Accounting Policy No.3(ii) on revenue recognition relating to recognition of claims receivable and modified Accounting Policy No.12 on valuation of stocks by deleting the words ' including subsidy wherever applicable ' in compliance with AS-2.The impact of all the above changes is ' Nil ' on the accounts for the year.

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

Name of the related parties and description of relationship:

a) Key Management Personnel

i. **Shri Sanjiv Batra**
Chairman and Managing Director

ii. **Shri S.K. Kar**
Director

iii. **Shri Adarsh Goyal**
Director

iv. **Shri A. Mahapatra**
Director

v. **Shri H.S. Mann**
Director

vi. **Shri Sunir Khurana**
Director

vii. **Shri P K Maheswary,**
MD (MTPL) upto 27.03.2009

viii. **Shri J Kishen,**
MD (MTPL) w.e.f. 27.03.2009

ix. **Shri Neeraj Sinha,**
Director (MTPL)

b) Subsidiary

MMTC Transnational Pte. Ltd., Singapore

c) Associate

Neelachal Ispat Nigam Ltd. –

Devona Thermal Power & Infrastructure Ltd.

d) Joint Ventures:-

Free Trade Warehousing Pvt. Ltd

Haldia Free Trade Warehousing Pvt. Ltd.

Greater Noida Integrated Warehousing Pvt. Ltd.

Integrated Warehousing Kandla Project Development Pvt. Ltd.

MMTC Pamp India Pvt. Ltd.

MMTC Gitanjali Private Ltd.

International Multi Commodity Exchange

Sical Iron Ore Terminal Ltd.

Details of transactions during the year 2008-09

Rs. in million

Particulars	Subsidiary	Associates	Joint Ventures	Key management personnel	Total
Purchase of goods	16593.73	13734.84			30328.57
Sale of goods	6817.60	6773.17			13590.77
Sale of fixed assets					
Dividend Received	72.44				72.44
Finance including loans and equity contribution in cash or in kind			435.60		435.60
Corporate Guarantees		5000.00			5000.00
Other payment Demurrage / Despatch	1.69				1.69
Other receipt Demurrage / Despatch	2.87				2.87
Remuneration				5.56	5.56
Outstanding Balance		-	-	-	-
Receivable	242.26	11770.46		0.02	12012.74
Payable	3620.56	9893.56		-	13514.12

24. 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:-

Rs. in million

Sl. No.	Name of the Jt Venture Company	% of Company's ownership Interest	Assets	Liabilities	Income	Expen diture	Cont. Liabilities	Capital Commit-ments
1.	Free Trade Warehousing Pvt. Ltd.	26	144.68	14.57	2.00	-	-	-
2.	Greater Noida Integrated Waresousing Pvt. Ltd.	26	2.70	2.68	-	-	-	-
3.	MMTC Pamp India Pvt. Ltd.	26	141.96	11.35	(3.29)	-	-	-
4.	Sical Iron Ore Terminal Ltd.	26	204.84	5.40	-	-	-	-

25. In terms of AS-17 the Company has identified its Primary Reportable segments as Exports, Imports and Domestic. The secondary segments are business segments and identified as Precious Metals, Mineral, Hydro Carbon & Others. Details are placed at Annexure 'A'.

26. 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. There has been no impairment loss during the year.

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

Rs. in million

Particulars of Provision	Opening Balance as on 01.04.08	Adjustment during year	Addition during year	Closing Balance as on 31.03.09
Destinational Weight & Analysis Risk	16.95	(14.01)	4.73	7.67
Bonus/PRP	79.55	(76.81)	118.83	121.57
Provision for Taxation	1565.90	(549.90)	842.11	1858.11
Fringe Benefit Tax	11.04	-	15.50	26.54
Proposed Dividend	275.00	(275.00)	200.00	200.00
Tax on Proposed Dividend	46.74	(80.73)	67.98	33.99

28. Miscellaneous Expenditure (to the extent not written off or adjusted) comprises:

Rs. in million

Particulars	31.03.09		31.03.08	
Deferred Revenue				
Expenditure(VRS)	22.51		15.06	
Addition during the year	53.95		20.90	
Less: written off during the year	18.20		13.46	
		58.26		**22.50**
Share of interest in Joint Ventures				
Preliminary Expenses		0.04		0.02
Total		**58.29**		**22.52**

29. Deferred Tax:

The deferred tax liability as at 31st March 2009 comprises of the following:

Rs. in million

Particulars	Deferred Tax Asset/ (Liability) as at 1.4.2008	Credit / (Charge) during 2008-09	Deferred Tax asset / (Liability) as at 31.3.2009
Depreciation	(249.79)	(2.77)	(252.56)
Prov. For Doubtful	443.33	78.32	521.63
Debts			
DWA Risk	5.74	(3.14)	2.60
Leave Encashment	57.44	(42.87)	14.57
Others	-	16.99	16.99
TOTAL	**256.70**	**46.53**	**303.23**

30. 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)

Rs. in million

Loanee	Balance as on 31.03.2009	Maximum outstanding during the year
Neelachal Ispat Nigam Ltd.	0.10 (P.Y. Rs. 0.33)	0.33 (P.Y.Rs. 0.52)

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

31. Earning per Share:

Particulars	08-09	07-08
Profit after Tax (Rs. in Million)	2035.98	2681.15
Total number of Equity Shares (Million)	50.00	50.00
Basic and diluted earnings per share (Rs) (Face value Rs. 10/- per share)	40.72	53.62

32. 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 MARCH, 2009
MMTC Transnational Pte Ltd.	Singapore	100%

NAME OF ASSOCIATES	COUNTRY OF INCORPORATION	PROPORTION OF OWNERSHIP INTEREST AS ON 31 MARCH, 2009
NINL	India	49.78%
Devona Power & Infrastructure Limited	India	26.00%

NAME OF JOINT VENTURE	COUNTRY OF INCORPORATION	PROPORTION OF OWNERSHIP INTEREST AS ON 31 MARCH, 2009
Greater Noida Integrated Ware-housing Pvt. Ltd.	India	26.00%
Free Trade Ware-housing Pvt. Ltd.	India	26.00%
MMTC PAMP India Pvt. Ltd.	India	26.00%
SICAL Iron Ore Terminal Ltd.	India	26.00%

33. Details of subsidiary of MMTC Transnational Pte Ltd is as follows:

NAME OF SUBSIDIARY	COUNTRY OF INCORPORATION	PROPORTION OF OWNERSHIP INTEREST AS ON 31 MARCH, 2003
MMTC Transnational (Moscow)Pte Ltd.	Russia	100%

Consolidated Financial Statement including MMTC Transnational (Moscow) Pte Ltd. have not been prepared. The Directors are of the view that there is no practical value to the shareholder of the Company to have the financial statements of the subsidiaries consolidated with the financial statements of the Company to form Consolidated Financial Statement of the group, because the cost of preparing consolidated Financial Statement exceed their usefulness as the subsidiary continues to be a dormant company.

34. 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 been received in a few cases. However, no adverse communication received from any party.

35. There are no micro, small or medium enterprises to whom the Company owes dues which are outstanding for more than 45 days as at 31st March, 2009.

36. 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.

37. Whole time Directors are allowed usage of staff cars for private purposes up to 12,000 km per annum as specified in the contractual terms of appointment on payment of Rs. 400 per month.

38. Figures for the previous year have been regrouped / recasted wherever considered necessary.

39. Accounting Policies, Schedules & Notes attached form an integral part of the Accounts.

For **N K Bhargava & CO.**
Chartered Accountants

Sd/-	Sd/-
(N K Bhargava)	**(Manohar Balwani)**
Partner	GM and Company Secretary
M.No.080624	

Sd/-
(Vijay Pal)
Chief General Manager (F&A)

Sd/-	Sd/-
(S K Kar)	**(Sanjiv Batra)**
Director-Finance	Chairman and Managing Director

Place: New Delhi
Date: 20th August 2009

Annexure - 'A' to Notes to Accounts
Statement of Segmental Performance for the Year 2008-09

(Primary Disclosures)

Particlulars	SEGMENTS		
	Export		Import
	31st March 09	31st March 08	31st March 09
SEGMENT REVENUE			
External Sales	53,883.00	44,790.41	306,951.37
Inter-Segment sales	NIL	NIL	NIL
Total Revenue	53,883.00	44,790.41	306,951.37
Segemental Result	**2,769.06**	**2,843.10**	**383.08**
Unallocated Corporate expenses			
Operating Profit			
Interest Expenses			
Interest Income			
Current Income taxes			
Profit from ordinary activities			
Extraordinary loss/INCOME			
Net Profit after current Tax			
Deferred Tax			
Net Profit after Deffered Tax			
OTHER INFORMATION			
Segment assets	6,974.42	6,385.98	71,738.85
Unallocated Corporate assets			
Total assets			
Segment Liabilities	6,282.70	6,650.77	70,094.03
Unallocated Corporate liabilities			
Total liabilities			
Capital expenditure	1.07	0.07	-
Unallocated Capital Expenditure			
Total Capital Expenditure			
Depreciation	55.36	54.44	-
Unallocated Depreciation			
Total Depreciation			
Non-cash expenses other than depreciation			

(Secondary Disclosure)

	Precious Metal		Mineral & Ores		Hydrocarbon	
	31st March 09	31st March 08	31st March 09	31st March 08	31st March 09	31st March 08
SEGMENT REVENUE						
External Sales	217,442.91	129,985.44	39,763.59	37,264.46	34,144.17	23,205.08
Inter-Segment sales	-		-		-	
Total Revenue	217,442.91	129,985.44	39,763.59	37,264.46	34,144.17	23,205.08
Segment assets	50,589.06	28,650.36	4,877.11	3,914.89	5,180.50	4,655.74
Capital expenditure	6.74	-	1.07	0.07	-	

(Rs. in million)

SEGMENTS				
Import	Domestic		Total	
31st March 08	31st March 09	31st March 08	31st March 09	31st March 08
204,489.61	15,497.35	20,630.53	376,331.72	269,910.55
NIL	NIL	NIL	NIL	NIL
204,489.61	15,497.35	20,630.53	376,331.72	269,910.55
975.55	**543.37**	**574.76**	**3,695.51**	**4,393.41**
			2,328.81	1,843.76
			1,366.70	2,549.65
			6,861.94	1,354.92
			7,948.48	2,135.50
			811.64	1,248.62
			1,641.61	2,081.61
			-	-
			1,641.61	2,081.61
			-	-
			1,641.61	**2,081.61**
41,134.02	2,802.48	4,758.58	81,515.75	52,278.59
			25,384.88	41,149.16
			106,900.63	93,427.74
56,304.25	1,240.83	1,002.38	77,617.56	63,957.40
			15,456.20	17,356.51
			93,073.76	81,313.91
-	6.74	-	7.81	0.07
			320.95	53.89
			328.76	53.96
-	37.11	36.36	92.48	90.81
			34.09	36.32
			126.57	127.13
			568.29	618.07

Agro Products		Fertilizers		Others		Unallocated		Total	
31st March 09	31st March 08	31st March 09	31st March 08	31st March 09	31st March 08	31st March 09	31st March 08	31st March 09	31st March 08
21,253.15	19,393.04	34,462.49	41,176.69	29,265.41	18,885.83			376,331.72	269,910.55
-			-		-		-		-
21,253.15	19,393.04	34,462.49	41,176.69	29,265.41	18,885.83	-	-	376,331.72	269,910.55
10,054.56	5,825.94	5,404.70	3,853.17	5,409.80	5,378.49	25,384.89	41,149.16	106,900.64	93,427.74
-		-		-	-	320.94	53.89	328.75	53.96

Consolidated Cash Flow Statement

(Rs. in million)

	2008-09		2007-08	
A. Cash flow from operating activities				
Profit before Tax		**2,453.26**		**3,330.23**
Adjustment for :				
Depreciation	**126.57**		127.13	
Miscellaneous Expenses w/off	**18.20**		13.46	
Goodwill w/off	**0.68**		0.03	
Net Foreign Exchange (Gain) /Loss	**372.56**		(416.02)	
(Profit) /Loss on sale of Fixed Assets	**(1.67)**		(1.30)	
Interest received	**(7,948.47)**		(2,135.50)	
Interest Paid	**6,861.94**		1,354.92	
Provision for doubtful Debts /Loans & Advances	**406.12**		372.93	
Provision no longer Required	**(224.24)**		(292.36)	
Liabilities no longer Required	**(116.58)**		(117.29)	
Deferred Revenue Expenditure	**(53.99)**		(20.92)	
Provision for DWA risk	**4.73**	**(554.15)**	19.14	(1,095.78)
Operating Profit before Working Capital Changes		**1,899.11**		**2,234.45**
Adjustment for :				
Trade & others Receivable	**(13,242.51)**		(6,054.27)	
Project Development Expenses	**-**		(1.44)	
Inventory	**(250.83)**		(3,754.22)	
Trade & other Payable	**(217.09)**		31,359.36	
Provisions	**454.29**	**(13,256.14)**	155.58	21,705.01
Cash Generated from operations		**(11,357.03)**		**23,939.46**
Taxes Paid		**(1,077.71)**		(859.84)
Net cash flow from operating activities		**(12,434.74)**		**23,079.62**
B. Cash flow from Investing Activities				
Purchase of Fixed assets	**(328.76)**		(52.97)	
Sale of Fixed Assets	**2.34**		1.60	
Advance for Purchase of Shares	**(81.50)**		(18.50)	
Sale of Investment	**528.08**		-	
Purchase of Investments	**(18.15)**		0.01	
Interest received	**7,948.47**		2,135.50	
Goodwill on consolidation	**(0.02)**		(0.11)	
Net cash flow from investing activities		**8,050.46**		**2,065.53**
C. Cash flow from financing activities				
Proceeds from bank borrowings/others	**11,215.80**		20,782.73	
Share application money	**5.80**		6.50	
Interest Paid	**(6,861.94)**		(1,354.92)	
Dividend (inclusive of tax) paid	**(551.21)**		(350.98)	
Net cash flow from Financing Activities		**3,808.45**		**19,083.33**
Net increase/(decrease) in Cash & Cash Equivalent		**(575.83)**		**44,228.48**
Opening Balance of Cash & Cash Equivalent	**60,222.94**		**15,994.46**	
Closing Balance of Cash & Cash Equivalent	**59,647.11**		**60,222.94**	

Note:

1. Adjustments for certain accruals / deferrals made at Corporate Office on the basis of information received from branch offices.
2. Figures for the previous year have been regrouped wherever considered necessary.
3. Cash and Cash equivalents includes all term deposits with bank
4. Cash and Cash equivalents represent:-

(Rs. in million)

	2008-09		2007-08	
a) Cash, Stamps & Cheques in Hand	**152.49**		713.10	
b) Bank Balances in India				
in Current Account	**375.32**		2012.10	
in Cash Credit Account (Debit Balance)	**426.95**		951.68	
in Current Account in Foreign Currency	**0.30**		0.87	
in Term Deposits (including under lien/ lodged as security)	**57624.99**		55842.69	
c) Bank Balances outside India				
in Current Account	**54.47**		10.40	
in Term Deposits	**890.70**		689.72	
	59525.22		60220.56	
d) Share of interest in Joint Ventures	**121.89**		2.38	
Total	**59647.11**		**60222.94**	

For **N K Bhargava & Co.**
Chartered Accountants

Sd/-
(Manohar Balwani)
General Manager and Company Secretary

Sd/-
(Vijay Pal)
Chief General Manager (F&A)

Sd/-
(N K BHARGAVA)
Partner
M.NO.080624

Sd/-
(S.K. Kar)
Director(Finance)

Sd/-
(Sanjiv Batra)
Chairman and Managing Director

Place : New Delhi
Date : 20th August 2009

Auditors

Office of the Comptroller & Auditor General of India vide their letter No. CA. V/COY/CENTRAL GOVT., MMTC (13) / 74 dated 31st July 2008 have communicated the appointment of Auditors of the company under section 619(2) of the Companies Act, 1956 for the financial year 2008-09. The details are given below:-

Statutory Auditors	**Region**
N K Bhargava & Co. New Delhi	-RO Jhandewalan including SROs -CO, New Delhi (Including foreign offices) Office of Mica Division Consolidation and merger of all branches

Branch Auditors

Bagrecha & Singhvi Bellary	-Bellary Regional Office including Sub-Offices/ distribution centers
Das Mohanty & Associates Cuttack	-Bhubneshwar Regional Office including Sub-Offices/ distribution centers
Suketu Trivedi & Co. Ahmedabad	-Ahmedabad Regional Office including Sub-Offices/ distribution centers
Jayaprabhu & Co. Bangalore	-Bangalore Regional Office including Sub-Offices/ distribution centers
U G Devi & Co. Mumbai	-Mumbai Regional Office including Sub-Offices/ distribution centers
Ganesh & Ganesh Goa	-Goa Regional Office including Sub-Offices/ distribution centers
A N Chatterjee & Co. Kolkata	-Kolkata Regional Office including Sub-Offices/ distribution centers -Mica Division at Kolkata, Abhraknagar, Jhumritalaya & Giridih
Krishna & Prasad Hyderabad	-Hyderabad Regional Office including Sub-Offices/ distribution centers
Amit Goyal & Co. Jaipur	-Jaipur Regional Office
B Purushottam & Co. Chennai	-Chennai Regional Office including Sub-Offices/ distribution centers - MICA Division at Gudur
Nirmal Jain & Co. Delhi	-Delhi Regional Office (Including SROs)
Ambika & Isha Visakhapatnam	-Visakhapatnam Regional Office including Sub-Offices/ distribution center

MMTC Bankers

1. State Bank of India
2. Canara Bank
3. HDFC Bank
4. Bank of India
5. Indian Bank
6. Bank of Baroda
7. Bank of Maharashtra
8. Union Bank of India
9. Standard Chartered Bank
10. Central Bank of India
11. Punjab National Bank
12. State Bank of Bikaner and Jaipur
13. Indian Overseas Bank
14. Vijaya Bank
15. IDBI Bank
16. State Bank of Hyderabad
17. Dena Bank
18. Deutsche Bank
19. Indusind Bank
20. Oriental Bank of Commerce
21. State Bank of Patiala
22. AXIS Bank
23. ICICI Bank
24. ING Vysya Bank
25. State Bank of Travancore
26. Allahabad Bank
27. UCO Bank
28. Development Credit Bank
29. Karur Vysya Bank
30. BNP Paribas
31. YES Bank

MMTC OFFICES

CORPORATE OFFICE

SCOPE Complex, Core-1, 7-Institutional Area, Lodi Road, New Delhi-110003.
Tel: EPABX 011-24362200 **Fax:** 011-24360724
Email: mmtc@mmtclimited.com
Website: www.mmtclimited.com

Regional Offices/Sub-Regional Offices (SROs)/Field Office (FOs)

NORTH ZONE

DELHI
CORE-1, 7th Floor, SCOPE Complex,
7, Institutional Area, Lodi Road,
New Delhi - 110 003
Tel : 24368426 / 24365717
Fax : 24366274
Email : atrivedi@mmtclimited.com

SRO/FOs: Ludhiana, Faridabad,

JHANDEWALAN
Jhandewalan Jewellery Complex,
F 8-11, Flatted Factories Complex,
Rani Jhansi Road,
New Delhi-110055
Tel : 011-23623950, 23623952
Fax : 23633175, 23671369
Email : asingh@mmtclimited.com

SROs/FOs: Noida, Agra, Ambala, Kanpur

JAIPUR
Arihant Towers IInd, Opp. Sanganeri Gate,
Telephone Exchange, Agra Road,
Jaipur-302003
Tel : 2601882, 2614891,
2601386, 2615323
Fax : 2618294
Email : mmtcjaipur@mmtclimited.com

SOUTH ZONE

CHENNAI
6 Chennai House, Esplanade,
Chennai-600108
Tel : 044-25340831
Fax : 044-25340317, 25340844
Email: mmtcchennai@mmtclimited.com

SROs/FOs: Kochi, Tuticorin, Ennore Port

BANGALURU
Shikshak Sadan, Ground Floor,
K.G. Road, Bangaluru-560002
Tel : 22244605, 22215927, 22211647,
22244312, 22290861, 22290862
Fax : 080-22272043
Email: mmtcbglr@mmtclimited.com
mmtcblr@dataone.in
mmtcblr@vsnl.net

SROs/FOs: Mangalore, Gajendragad

VIZAG
MMTC Bhavan, Port Area,
Visakhapatnam-530035 (Andhra Pradesh)
EPABX 0891-2562356, 2562359, 2562771
Fax : 0891-2561761, 2562611
Email : mmtcvizag@mmtclimited.com

SROs/FOs: Kakinada, Vijaywada

HYDERABAD
10-2-1, 1st Floor, APFDC Complex,
A.C. Guards, Hyderabad-550028
EPABX 040-23394960, 23394924,
23376900, 23394565, 23394919,
23315661
Fax : 040-23394923
Email: mmtchyd@mmtclimited.com

BELLARY
Red Cross Road,
Main Road, S.N. Pet,
Bellary-583103, Karnataka
EPABX - 08392-276567, 276517, 274277
Fax : 08392-274278
Email: mmtcbellary@mmtclimited.com

SROs/FOs: Tornagallu, Banihatti, Hospet, Kariganuru, Hubli, Ranjitpura

EAST ZONE

KOLKATA
8, India Exchange Place,
Kolkata-700001
EPABX Nos. 033-22421252 / 1261 /
1267 / 7203 / 9312;
2210345 / 453, 22314858
Fax : 033-22421292, 22427199
Email: mmtckol@mmtclimited.com

SROs/FOs: Haldia, Jamshedpur, Guwahati

BHUBANESWAR
Alok Bharati Complex,
7th Floor, Sahid Nagar,
Bhubaneswar-751007, ORISSA
Tel : 0674-2546848, 2544876, 2544783,
2544206
Fax : 0674-2546847
Email: mmtcbbsr@mmtclimited.com

SROs/FOs: Paradip, Barbil

WEST ZONE

MUMBAI
MMTC House, Plot No. C-22,
Bandra Kurla Complex, Block-E,
Bandra East, Mumbai-400 051
Tel : 022-26572437,
Fax : 022-26572541,
Email: mmtcmumbai@mmtclimited.com

SROs/FOs: Nagpur

AHMEDABAD
2, Nagindas Chambers,
Usmanpura, Ashram Road,
Ahmedabad-380014
EPABX – 079-27542348, 27543796,
27540643
Fax : 079-27543739
Email: mmtcahm@mmtclimited.com

SROs/FOs: Kandla, Morvi, Rajkot

GOA
Colaco Building, Post Box-37,
Swatantra Path, Vasco-da-Gama,
Goa-403802
EPABX No. 0832-2512411, 2512521,
2513850
Fax : 0832-2513283, 2517089
Email : mmtcgoa@mmtclimited.com

SROs/FOs: Sanvordem

FOREIGN SUBSIDIARY OFFICE

SINGAPORE
MMTC Transnational Pte Ltd.,
20 Cecil Street,
14-03/04, Singapore Exchange,
Singapore-049705
Tel : 0065-65385313
Fax : 0065-64385327
Email : mtplsing@singnet.com,

MMTC PROMOTED PROJECT
Neelachal Ispat Nigam Ltd.
1st Floor of Annexe,
IPICOL House, Janpath,
Bhubaneswar-751022
Tel : 0674-2543231
Fax : 0674-2541763